As filed with the Securities and Exchange Commission on October 27, 2021.

Registration No. 333-260067

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2
to

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

AirSculpt Technologies, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**8062**	**87-1471855**
(State or other jurisdiction of incorporation or organization)	(Primary standard industrial classification code number)	(I.R.S. employer identification number)

400 Alton Road, Unit TH-103M
Miami Beach, Florida 33139
(786) 709-9690

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Dr. Aaron Rollins
Chief Executive Officer
400 Alton Road, Unit TH-103M
Miami Beach, Florida 33139
(786) 709-9690

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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 ☒	Smaller reporting company ☒
	Emerging growth company ☒

If an emerging growth company, indicate by checkmark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided to Section 7(a)(2)(B) of the Securities Act. ☒

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered[(1)]	Proposed Maximum Offering Price per Share [(2)]	Proposed Maximum Aggregate Offering Price [(2)(3)]	Amount of Registration Fee [(4)]
Common Stock, $0.001 par value per share	11,500,000	$17.00	$195,500,000	$18,122.85

(1) Includes additional shares that the underwriters have the option to purchase to cover over-allotments, if any.
(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(a) under the Securities Act.
(3) Includes the aggregate offering price of additional shares that the underwriters have the option to purchase to cover over-allotments, if any.
(4) $9,270.00 previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

SUBJECT TO COMPLETION
PRELIMINARY PROSPECTUS DATED OCTOBER 27, 2021

PROSPECTUS

10,000,000 Shares

AirSculpt® TECHNOLOGIES

Common Stock

This is the initial public offering of shares of common stock of AirSculpt Technologies, Inc. We are offering 1,562,500 shares of common stock. The selling stockholders identified in this prospectus are offering 8,437,500 shares of our common stock. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

Prior to this offering, there has been no public market for our common stock. The initial public offering price per share of our common stock is expected to be between $15.00 and $17.00. We have applied to list our common stock on the NASDAQ Global Market under the symbol "AIRS."

Unless otherwise indicated or the context otherwise requires, references in this prospectus to the "Company," "Elite Body Sculpture," "we," "us" and "our" refer to, (i) EBS Intermediate Parent LLC and its consolidated subsidiaries and the Professional Associations (as defined hereinafter) immediately prior to the Reorganization (as defined hereinafter) and the consummation of this offering and (ii) AirSculpt Technologies, Inc. and its consolidated subsidiaries, including EBS Intermediate Parent LLC, and the Professional Associations immediately following the Reorganization and the consummation of this offering.

We are an "emerging growth company" as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, may elect to comply with certain reduced public company reporting requirements. See the section entitled "Prospectus Summary —Implications of Being an Emerging Growth Company" in this prospectus.

Investing in our common stock involves a high degree of risk. Before buying any shares, you should carefully read the discussion of the material risks of investing in our common stock under the heading "Risk Factors" beginning on page 15 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	Per share	*Total*
Initial public offering price	*$*	*$*
Underwriting discounts and commissions[(1)]	*$*	*$*
Proceeds, before expenses, to us	*$*	*$*
Proceeds, before expenses, to the selling stockholders	*$*	*$*

(1) See "Underwriting" beginning on page 125 of this prospectus for additional information regarding the compensation payable to the underwriters. We have agreed to pay all underwriting discounts and commissions applicable to the sale of the common stock of the selling stockholders incurred in connection with such sale.

The underwriters have an option to purchase up to 1,500,000 additional shares of common stock from certain of the selling stockholders at the initial public offering price, less the underwriting discounts and commissions. The underwriters can exercise this option at any time and from time to time within 30 days from the date of this prospectus.

At our request, the underwriters have reserved up to 500,000 shares of common stock, or up to 5% of the shares offered hereby, for sale at the initial public offering price through a directed share program to certain individuals associated with us and our Sponsor (as defined hereinafter), including our directors. See the section titled "Underwriting."

Delivery of the shares of our common stock will be made on or about , 2021.

Morgan Stanley ***Piper Sandler*** ***SVB Leerink***

Raymond James

The date of this Prospectus is , 2021.


ELITE
BODY SCULPTURE

AirSculpt® Benefits

Natural-looking Results

Customized to Your Body Type

Meaningful Results in One Session

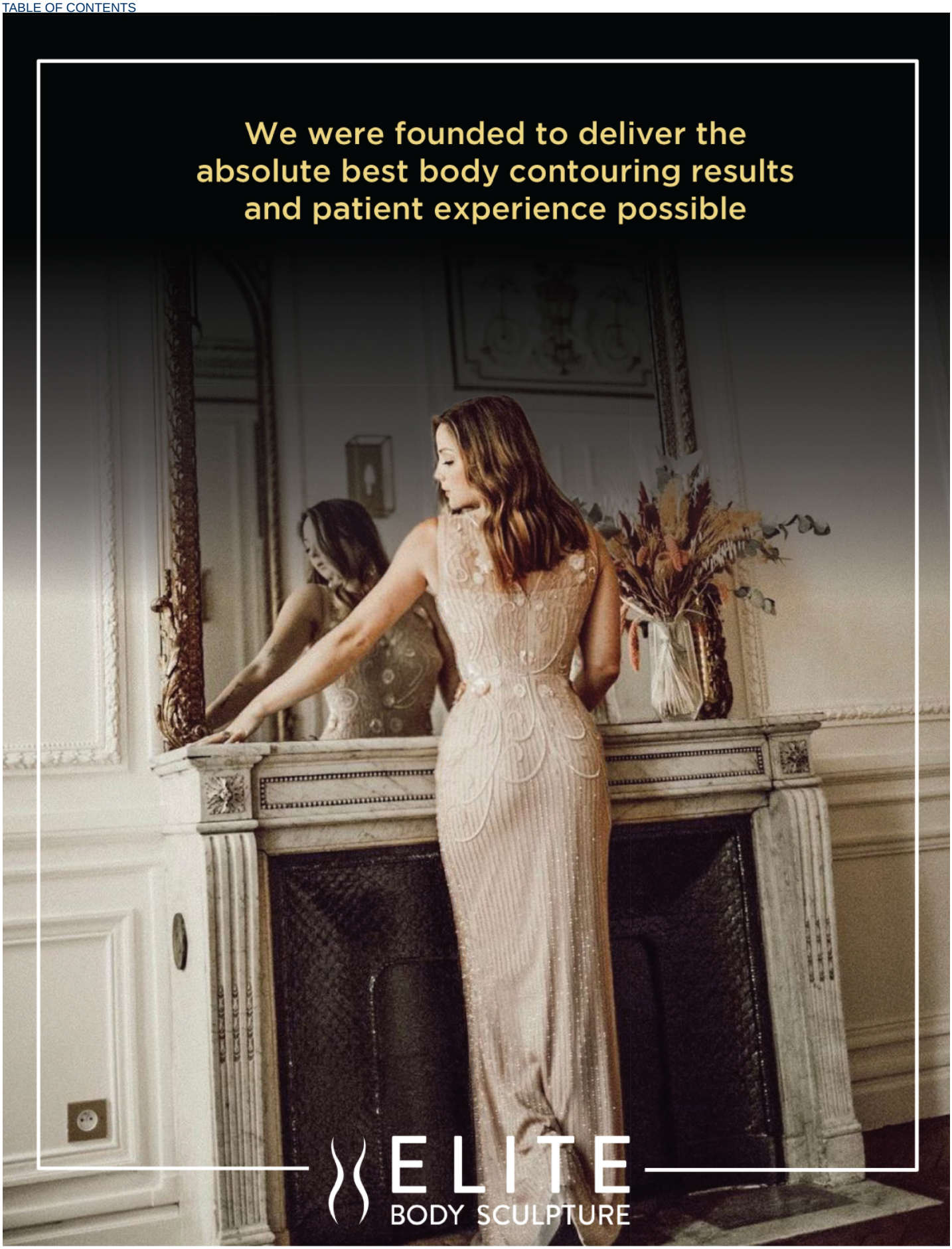
Minimal Downtime

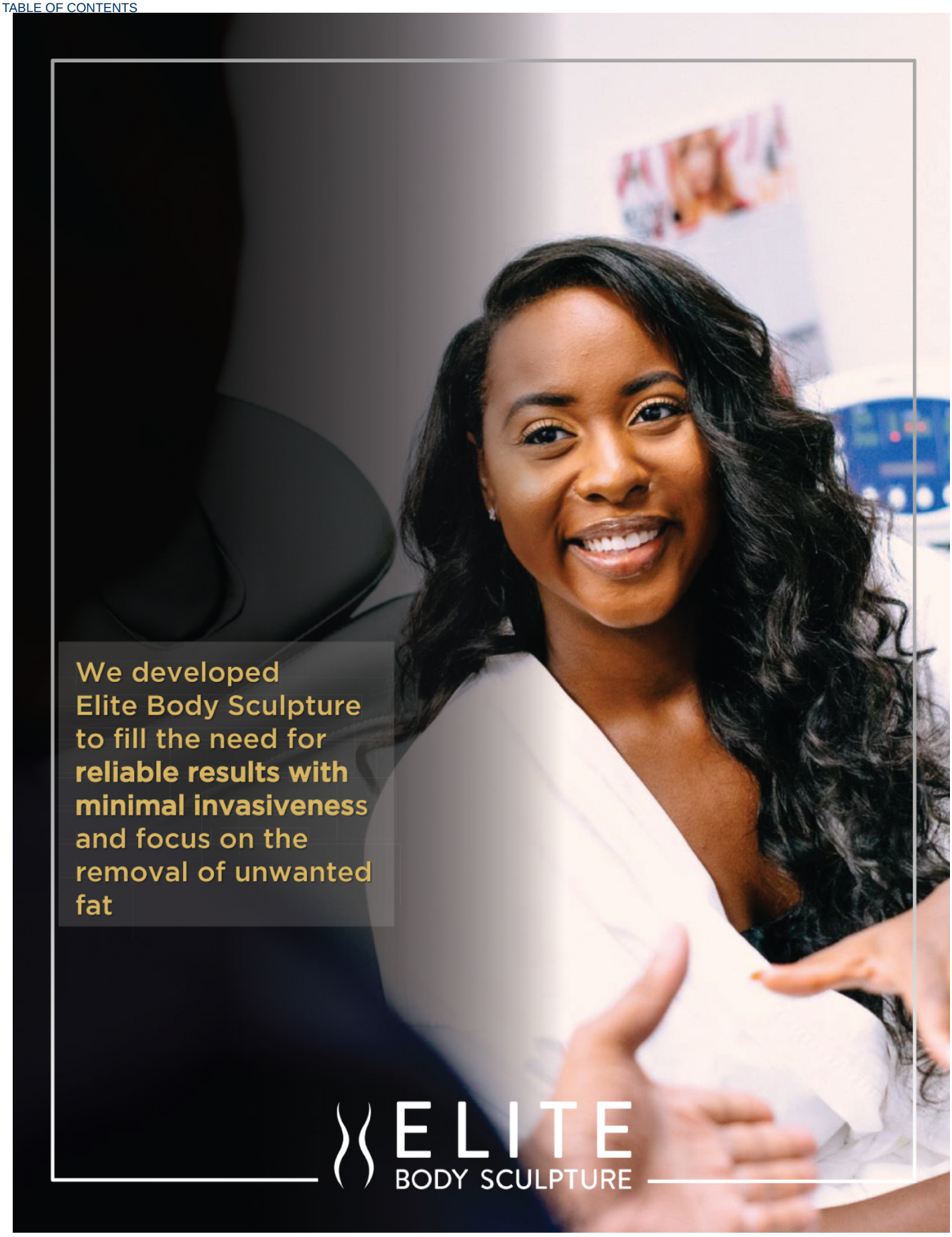
No Needle, No Scalpel, No Stitches ™

Tightens Skin

ELITE
BODY SCULPTURE


with Raro Lae
AirSculpt®
no needle,
no scalpel,
and no stitches
for dramatically natural, smooth results
ELITE
BODY SCULPTURE


We were founded to deliver the
absolute best body contouring results
and patient experience possible
ELITE
BODY SCULPTURE


We developed
Elite Body Sculpture
to fill the need for
reliable results with
minimal invasiveness
and focus on the
removal of unwanted
fat
ELITE
BODY SCULPTURE

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You should rely only on the information contained in this prospectus or in any free writing prospectus we may authorize to be delivered or made available to you. We have not, the selling stockholders have not, and the underwriters have not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We and the selling stockholders are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of shares of our common stock.

For investors outside the United States: We have not, the selling stockholders have not, and the underwriters have not, done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside the United States.

Market and Other Industry Data

Unless otherwise indicated, market data and certain industry forecasts used throughout this prospectus were obtained from various sources, including internal surveys, market research, consultant surveys, publicly available information and industry publications and surveys. Industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. Such data and industry forecasts involve a number of assumptions and limitations and they are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in these publications and reports.

Trademarks and Other Intellectual Property Rights

We own or have rights to trademarks or trade names that we use in connection with the operation of our business, including our corporate names, tag-lines, logos and website names. In addition, we own or have the rights to patents, copyrights, trade secrets and other proprietary rights that protect our service offerings. Solely for convenience, some of the copyrights, trade names and trademarks referred to in this prospectus are listed without their ©, ® and ™ symbols, but we will assert, to the fullest extent under applicable law, our rights to our copyrights, trade names and trademarks.

Financial Statement Presentation

Our business is currently conducted through EBS Intermediate Parent LLC, its subsidiaries and the professional associations (each, a "Professional Association," and collectively, the "Professional Associations") owned by the surgeons that operate centers. EBS Parent LLC is the sole owner of the equity interests of EBS Intermediate Parent LLC and has no other material assets. Immediately prior to the consummation of this offering, AirSculpt Technologies, Inc., a Delaware corporation, will become the direct parent and sole member of EBS Intermediate Parent LLC. We refer to the existing equity owners of EBS Parent LLC as the "Existing Owners." We refer to this capital structure modification, as further described below, as the "Reorganization."

In the Reorganization, all of the equity interests of EBS Intermediate Parent LLC held by EBS Parent LLC will be contributed to AirSculpt Technologies, Inc. in exchange for a certain number of shares of common stock of AirSculpt Technologies, Inc. As a result, all of the equity interests of EBS Intermediate Parent LLC will be held by AirSculpt Technologies, Inc.

Immediately following the consummation of this offering, after giving effect to the Reorganization, AirSculpt Technologies, Inc. will be a holding company, and its sole material asset will be an equity interest in EBS Intermediate Parent LLC. As the sole managing member of EBS Intermediate Parent LLC, AirSculpt Technologies, Inc. will operate and control all of the business and affairs of EBS Intermediate Parent LLC and, through EBS Intermediate Parent LLC and its subsidiaries, conduct our business.

Except as disclosed in the prospectus, the consolidated financial statements and selected historical consolidated financial data and other financial information included in this registration statement are those of EBS Intermediate Parent LLC, its subsidiaries and the Professional Associations and do not give effect to the Reorganization.

PROSPECTUS SUMMARY

The following summary highlights information appearing elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus carefully, and in particular, the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes relating to those statements included elsewhere in this prospectus. Some of the statements in this prospectus constitute forward-looking statements. See the section entitled "Cautionary Note Regarding Forward-Looking Statements."

Our Company

We are an experienced, fast-growing national provider of body contouring procedures delivering a premium consumer experience. At Elite Body Sculpture, we provide custom body contouring using our proprietary AirSculpt® method that removes unwanted fat in a minimally invasive procedure, producing dramatic results. It is our mission to generate the best results for our patients.

We believe our treatment results and elite patient experience have positioned Elite Body Sculpture as a preferred body contouring brand. We performed over 5,800 body contouring procedures in 2020. Our proprietary and patented AirSculpt® method is minimally invasive because it requires no needle, no scalpel, no stitches and no general anesthesia to achieve transformational change that appears both natural and smooth. Our patients are guided by surgeons and patient care consultants through every step of the experience. Our patients are awake and can converse with their surgeon or listen to music during their procedure and often resume normal activity the next day.

We have a broad offering of fat removal procedures across treatment areas. We also offer innovative fat transfer procedures that use the patient's own fat cells to enhance the breasts, buttocks, hips or other areas and do not require silicone or foreign materials to be implanted. Our innovative body contouring procedures include the Power BBL™, a Brazilian butt lift procedure, the Up a Cup™, a breast enhancement procedure, and the Hip Flip™, an hourglass contouring procedure. Our motivation to provide the best body contouring outcomes for our patients fuels our innovation.

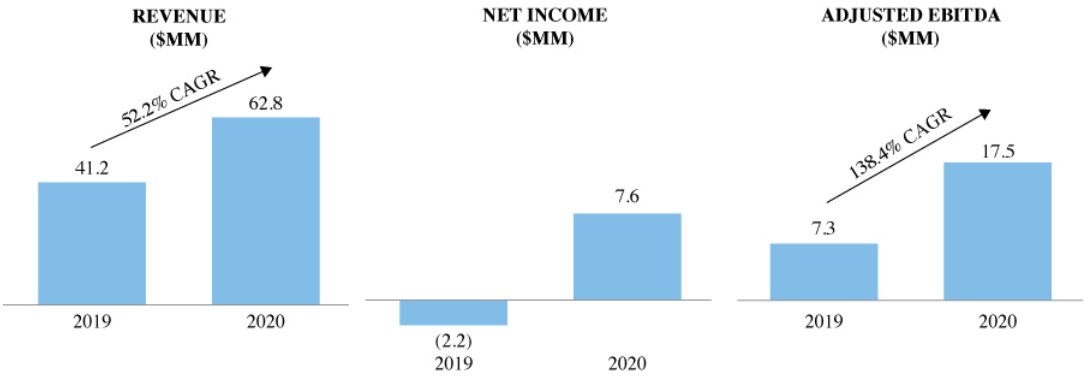
Our treatment results—highlighted by a vast gallery of "before and after" photos across gender, body shape and treatment areas—are a powerful tool to build our brand through digital marketing including on our website and social media accounts. We also leverage AirSculpt® TV, which takes viewers into procedure rooms to watch our surgeons use AirSculpt® body contouring procedure to achieve dramatic results and hear patient testimonials. We utilize celebrity and influencer endorsements, as well as word-of-mouth referrals, to drive new patient acquisition.

We deliver our body contouring procedures through a growing, nationwide footprint of 16 centers across 13 states as of October 5, 2021. Our centers, located in metropolitan and suburban areas, offer a premium patient experience and luxurious, spa-like atmosphere. Due to restrictions on the corporate practice of medicine in many states, the Professional Associations, which are separate legal entities owned by licensed surgeons, are responsible for all clinical aspects of the medical operations that take place in our centers, including contracting with the surgeons who perform procedures on patients at our centers.

We are a holding company and all of our operations are conducted through the Professional Associations and our wholly-owned subsidiaries, which own and operate the non-clinical assets and provide Management Services (as defined hereinafter) to the Professional Associations through long-term management services agreements (the "MSAs"). The value proposition provided by our services results in exceptional unit-level economics, which in turn helps to support predictable and recurring revenue and attractive cash flow. Additionally, we require 100% private pay upfront and face no reimbursement risk.

Under the stewardship of our founder and CEO, Dr. Aaron Rollins, our non-executive chairman, Adam Feinstein, and the other management team members, we have built a results-driven culture. For the year ended December 31, 2020, we generated approximately $63 million of revenue compared to $41 million for the year ended December 31, 2019, which represents approximately 52% growth. Additionally, we have invested in our social media and marketing capabilities to drive our brand awareness and increase consumer acceptance for

our procedures. We believe we have significant opportunity to further grow our brand awareness, open new centers in the United States and internationally, and drive sales in our existing centers.



Our Growing Market Opportunity

Our Market Opportunity

We operate within the large and growing market for body fat reduction procedures. Our market includes both surgical procedures, such as liposuction and abdominoplasty procedures, as well as non-surgical procedures such as cryolipolysis, ultrasound, laser lipolysis and other non-surgical body fat reduction procedures. The global market for body fat reduction procedures was estimated to be $9.8 billion in 2020 by Global Market Insights. The North American market for body fat reduction procedures was estimated to be $2.6 billion in 2020, growing at approximately a 6.5% compound annual growth rate ("CAGR") since 2015 and expected to grow at a 9.8% CAGR through 2026, according to Global Market Insights. The North American market for non-surgical body fat reduction procedures was estimated to be $434 million in 2020, growing at approximately a 13.5% CAGR since 2015 and expected to grow at a 16.6% CAGR through 2026, according to Global Market Insights.

Our Growth Drivers

The market for surgical aesthetic procedures is growing, fueled by favorable trends including:

- ***Self-Image Awareness:*** increased consumer awareness and focus on beauty consciousness driven by social media and prioritization of healthy lifestyles;
- ***Social Acceptance:*** consumers have embraced cosmetic treatment and reduced the social stigma, especially through the proliferation of shared patient photos on social media;
- ***Improved Safety and Recovery Profile:*** advances in technology have led to reduced recovery times and introduction of more minimally-invasive procedures;
- ***Rise in Disposable Income:*** the global rise in disposable income provides individuals with greater discretionary funds for personal appearance enhancements including cosmetic surgery; and
- ***Increased Weight Gain in the Overall Population:*** worldwide prevalence of overweight and obesity in individuals continues to rise.

The combination of these growth drivers continue to propel the market.

Limitations to Existing Procedures

Fat reduction and body contouring procedures have become increasingly popular, but many offerings have significant limitations. Existing procedures for fat reduction or body contouring, other than AirSculpt®, currently include surgical procedures such as liposuction and abdominoplasty (tummy tuck) and non-surgical procedures that use cooling, injected medication or heat to reduce fat cells. We believe these procedures often

have limited, inconsistent and less predictable results than AirSculpt®. Many procedures can also involve significant pain and may require excess recovery time post-surgery.

The AirSculpt® Difference

AirSculpt® is a minimally invasive procedure delivered in one session while the patient is awake. Each procedure is done by a trained surgeon for customized and precise results. As for discomfort, patients typically report limited soreness the next day following the procedure. We believe our procedures offer dramatic results to our patients.

Our Competitive Strengths

We attribute our success to the following strengths that differentiate us from our competitors:

Trusted Brand Redefining Body Contouring

The AirSculpt® method was created to offer patients a gentler alternative to traditional fat removal procedures with transformative results delivered in a luxurious, spa-like environment. We specialize in body contouring through the minimally invasive removal of unwanted fat. The proprietary AirSculpt® method empowers our surgeons to use their high level of skill and artistry to deliver dramatic results personalized to our patients.

Beneficial Treatment Results and Premium Patient Experience, Underpinned by Proprietary AirSculpt® Technology

We believe that our AirSculpt® procedures offer beneficial results and a premium patient experience. Our offering is differentiated by our patented technology, broad and innovative procedures, elite patient experience, and highly skilled surgeons.

- ***AirSculpt® Technology:*** Our patented and precision-engineered method, AirSculpt®, permanently removes fat and tightens skin while sculpting targeted areas of the body through minimally invasive body contouring procedures. Unlike traditional liposuction which uses cannulae in a scraping motion, AirSculpt® drives a cannula 1,000 times per minute in a corkscrew motion to remove fat cells while tightening skin simultaneously. It requires no needle, no scalpel, no stitches and no general anesthesia to create dramatically natural, smooth results. AirSculpt® is minimally invasive, providing transformative results, all delivered in one session while the patient is awake.

  As of October 5, 2021, our patent portfolio is comprised of two issued U.S. utility patents and three pending U.S. utility patent applications, each of which we own directly. The tools we use to perform our fat removal and fat transfer procedures are purchased from third parties, and we do not own the proprietary rights to such tools. Instead of protecting specific, individual liposuction components (such as a particular handpiece design), our issued patents and one of our pending applications relate to certain proprietary implementations of the process described in the section “Our Technique, Training and Equipment,” and the combination of multiple components to form proprietary systems that are specially configured for carrying out those proprietary processes. We believe the systems and methodologies claimed in our issued patents provide impressive results with less patient trauma relative to other systems and methods, such as liposuction and abdominoplasty (tummy tuck), that require more invasive surgical procedures.

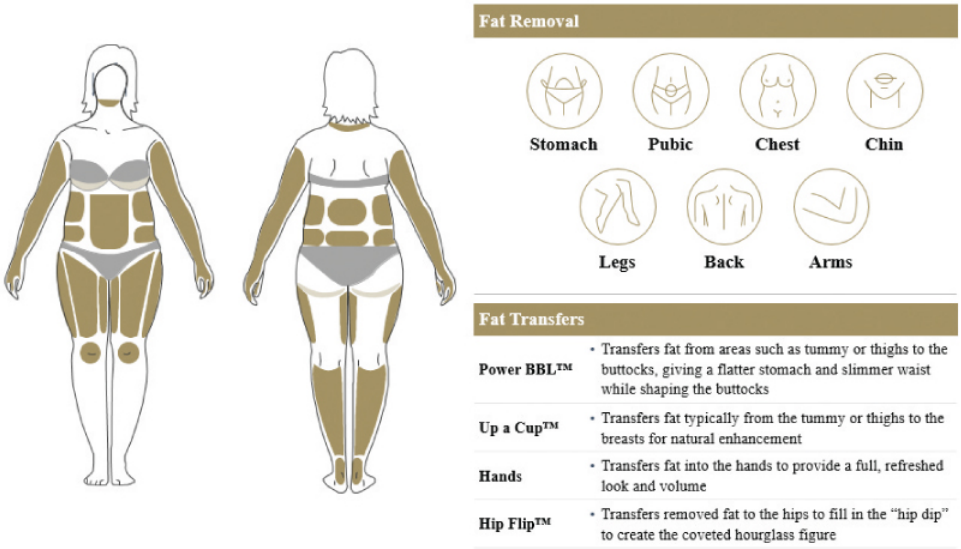
- ***Broad Offering of Innovative, Body Sculpting Procedures:*** We offer our patients a comprehensive suite of customized body contouring procedures, including fat removal and fat transfer, to meet their wants and needs.

  Our fat removal procedures remove a patient’s stubborn fat from a variety of treatment areas, such as the stomach, back and buttocks. We created our popular *48-Hour Six Pack*™ procedure to enhance and reveal abdominal muscles in just one session by removing the stubborn pockets of fat hiding one’s six-pack.

  We also offer fat transfer procedures, during which our surgeons transfer a patient’s collected fat cells to enhance the buttocks, breast, hips or aging hands to naturally enhance or sharpen a patient’s contours. Some of our most popular fat transfer procedures are:

- *Power BBL™ ("Brazilian Butt Lift")*, which removes a patient's unwanted fat from areas such as tummy or thighs and transfers it to the buttocks, giving a flatter stomach and slimmer waist, while shaping the buttocks and tightening the skin;
- *Up a Cup™ Breast Augmentation*, which removes a patient's natural fat, typically from the tummy or thighs, and transfers it to the breasts to increase size by about one cup. AirSculpt® enhanced breasts are all natural. No silicone or other foreign material is implanted; and
- *Hip Flip™*, which removes unwanted fat from one area of the body and transfers it to the hips to fill in the "hip dip" to create the coveted hourglass figure. It is often performed in combination with the Power BBL™.

We are continuously innovating to better serve our patients. In 2020, we started performing and trademarked the Hip Flip™ procedure. Since then, we have continued to innovate and in 2020 we introduced CankCure™, a procedure that removes fat and contours the calf and ankle area. We are only in the beginning stages of innovation and have much more to introduce to the body contouring field.



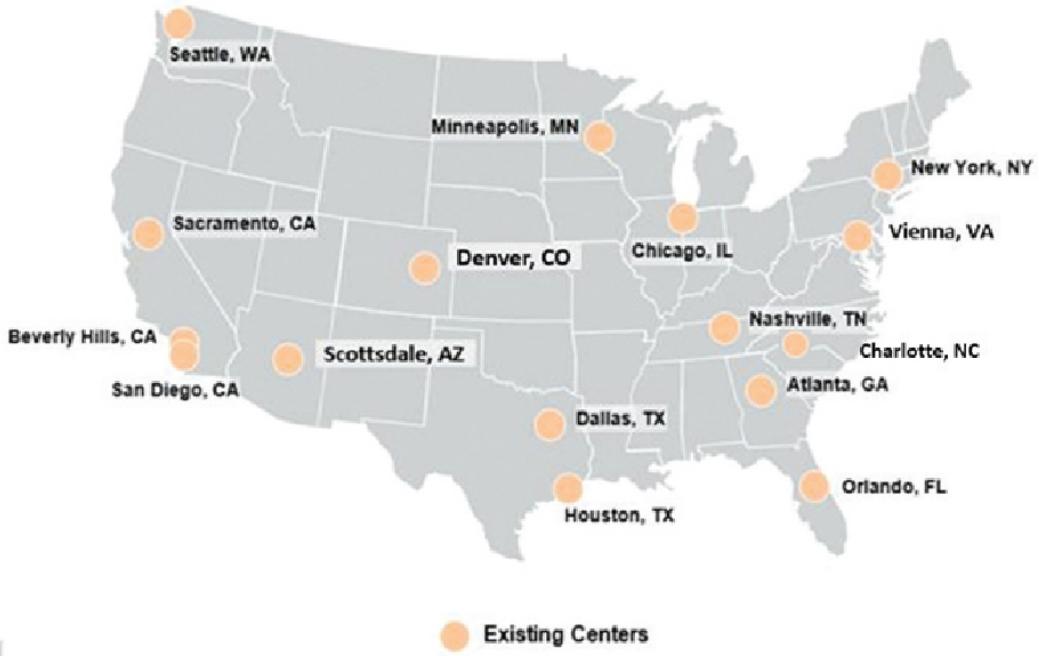
- ***Premium Patient Experience:*** We offer our patients a premium consumer experience. From the initial consultation to the day of procedure, our patients are guided by knowledgeable patient care consultants. Our centers are located near high end retail environments, such as Rodeo Drive in Beverly Hills and Fifth Avenue in New York. The centers are designed and furnished with furniture from a high-end retailer with the patient experience in mind, offering a comfortable and calming environment ahead of and after the procedure. In 2020, we began to offer our patients the choice of virtual consults prior to their procedures.
- ***Elite Surgeons:*** Our surgeons are chosen not only for their medical skills, generally as plastic or cosmetic surgeons, but also for their artistic vision. They are selected to join our nationwide practice because they are at the top of their profession, specialize in body sculpting, and have artistic skill. Before working on Elite Body Sculpture patients, each surgeon completes extensive AirSculpt® training to ensure the best results for every patient and treatment.

  We offer our surgeons a compelling economic opportunity, with annual compensation for part-time work at Elite Body Sculpture often higher than the average full-time salary in a private practice. By joining Elite Body Sculpture, surgeons are also able to grow their private practices by attracting Elite patients to their private practice for non-body contouring procedures, such as face lifts and injectables. Our surgeons are also featured on our social media platforms. AirSculpt® allows the surgeon to provide high quality outcomes to patients while being less physically demanding on the surgeon than traditional

liposuction. As AirSculpt® is only available for use at Elite Body Sculpture centers, we protect our brand and are able to retain high quality surgeons.

National Footprint Fueled by Attractive Unit Economics

We have a growing national footprint consisting of 16 centers across 13 states as of October 5, 2021. Our centers are located primarily in metropolitan cities near retail shops that our patients frequent and popular areas. On average, our centers contain two procedure rooms with the capacity to perform up to 36 surgeries a week, in addition to additional consultation offices for prospective patients. Our accreditation as an office-based practice under the Joint Commission demonstrates our commitment to safety and quality. In 2020, we generated revenue per case of approximately $10,600 on average. We require 100% private pay upfront and face no reimbursement risk.



Our centers generate highly attractive unit-level economics and require only a modest investment to open. Given the consistently high level of demand for our services and the average price of our procedures, our centers that have been open since 2019 achieve profitability within approximately three months on average, providing Elite Body Sculpture with a highly attractive and near-immediate return on invested capital.

Scaled Platform and Consistent Demand Drives Attractive Growth and Free Cash Flow

Our operating model is highly scalable and enables capital efficient growth. We have generated double digit growth in each of the years since 2015. For the year ended December 31, 2020, we generated approximately $63 million of revenue compared to $41 million for the year ended December 31, 2019, which represents approximately 52% growth. We have a capital efficient business that requires minimal maintenance capital expenditures and working capital to support our operations, enabling us to generate strong cash flows to fund future growth. We have achieved consistent, self-funded growth since our founding in 2012 and have accelerated our performance in recent years.

Experienced Founder-Led Management Team to Support Growth

We are led by an experienced team united by our vision to redefine body contouring and a belief in our future growth potential. Our founder and Chief Executive Officer, Dr. Aaron Rollins, is a celebrity cosmetic surgeon that is recognized as a leader in body sculpting and has been featured across digital, print and TV. Dr. Rollins

has been a licensed cosmetic surgeon since 2004. In addition, our non-executive chairman, Adam Feinstein, who founded our Sponsor (as defined hereinafter), has 25 years of experience working with many of the leading healthcare services companies, including service as a director of public and private healthcare company boards. They have partnered with our Chief Operating Officer and President, Ron Zelhof, and our Chief Financial Officer, Dennis Dean, who together have over 50 years of experience in the health care industry, including at Envision Healthcare, Healthsouth, and Surgery Partners. We have built a strong and diverse team across our marketing and operations functions that is highly scalable and capable of supporting future growth. We have a results-driven team culture. We believe our combination of talent, experience, and culture gives us the ability to drive sustainable growth.

Our Growth Strategies

We intend to deliver sustainable growth in revenue and profitability by executing on the following strategies:

- ***Continue to Grow Our Brand Awareness and Attract New Patients:*** We believe that consumer trends towards greater acceptance of body contouring and cosmetic treatments will continue to expand the market for our services. We believe we are a leading provider of body contouring procedures and that there is a significant opportunity to drive awareness and adoption of our AirSculpt® method and procedure offerings.
- ***Expand Footprint by Opening New Centers in the United States:*** We believe our track record of successfully opening new Elite Body Sculpture centers consistently generating strong unit-level economics validates our strategy across the United States and to domestically expand our footprint. In order to ensure our new centers are profitable, we follow the same business plan for each new center. A new center is generally profitable within the first few months of opening, supported by our 100% upfront private pay policy. We have strong conviction in our ability to continuously improve our unit economics as we open additional centers in the United States.
- ***Continue to Drive Sales Growth of Our Centers:*** We employ the following strategies to increase our procedures performed and drive higher revenue per procedure with the aim of continuing to accelerate our growth in existing centers:
  - *Continue to add new procedure rooms*
  - *Increase speed and efficiency of patient onboarding to increase utilization and reduce patient waiting times*
  - *Continue to introduce new, innovative procedures*
  - *Increase prices on procedures*
- ***Expand Internationally:*** We believe our brand has global appeal. We draw clients from international markets that travel to our existing centers for body contouring procedures. We believe there is significant opportunity to open new centers in densely populated, affluent international metropolitan regions.

Recent Developments

Preliminary Estimated Financial Results for the Three Months Ended September 30, 2021

Our financial results for the three months ended September 30, 2021 are not yet complete and will not be available until after the completion of this offering. Accordingly, set forth below are certain preliminary estimated financial results based upon our estimates and currently available information, which is subject to revision as a result of, among other things, the completion of our financial closing procedures, the completion of our financial statements for such period, and the completion of other operational procedures. Readers should exercise caution in relying on this information and should draw no inferences from this information regarding financial or operating data not provided. The information presented herein should not be considered a substitute for the financial information to be filed with the SEC in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021. Our preliminary estimated financial results contained in this prospectus have been prepared in good faith by, and are the responsibility of, management based upon our internal reporting for the three months ended September 30, 2021. Grant Thornton LLP has not audited,

reviewed, compiled or performed any procedures with respect to the following preliminary estimated financial results. Accordingly, Grant Thornton LLP does not express an opinion or any other form of assurance with respect thereto. For additional information, see "Forward-Looking Statements" and "Risk Factors".

The table below presents our preliminary financial results and key business metrics for the three months ended September 30, 2021 and 2020:

	Three Months Ended September 30,	
	2021 (Estimate)	2020 (Actual)
Consolidated Statements of Operations Data:		
($ in thousands)		
Revenue	$34,651	$17,837
Operating expenses:		
Cost of service	11,410	6,758
Selling, general and administrative	11,830	6,199
Depreciation and amortization	1,641	1,432
Total operating expenses	24,881	14,389
Income from operations	9,770	3,448
Interest expense, net	1,566	529
Net income	8,204	2,919
Pro forma income tax expense	1,969	496
Pro forma net income	$ 6,235	$ 2,423
Net income (loss) per unit data (unaudited):		
Net income (loss) per unit		
Basic and diluted	82	29
Pro forma net income (loss) per unit		
Basic and diluted	62	24
Weighted average units outstanding		
Basic and diluted	100	100
Other Data:		
Adjusted EBITDA[(1)]	$12,266	$ 5,333
Adjusted EBITDA Margin[(2)]	35.4%	29.9%
Cases	2,743	1,710
Revenue per case	$12,633	$10,431

(1) We report our financial results in accordance with GAAP, however, management believes the evaluation of our ongoing operating results may be enhanced by a presentation of Adjusted EBITDA, which is a non-GAAP financial measures. We consider Adjusted EBITDA to be an important measure because it helps illustrate underlying trends in our business and our historical operating performance on a more consistent basis. Adjusted EBITDA has limitations as an analytical tool including: (i) Adjusted EBITDA does not include results from unit-based compensation and (ii) Adjusted EBITDA does not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments. We define Adjusted EBITDA as net income (loss) excluding depreciation and amortization, net interest expense, sponsor management fee, pre-opening de novo costs, other non- ordinary course items, and unit-based compensation.

(2) We define Adjusted EBITDA Margin as net income (loss) excluding depreciation and amortization, net interest expense, sponsor management fee, pre-opening de novo costs, other non-ordinary course items, and unit-based compensation calculated as a percentage of revenue.

Our financial results for the three months ended September 30, 2021 compared to the three months ended September 30, 2020 reflect the addition of three de novo centers which increased our procedure rooms by six. Additionally, our 2020 results were more negatively impacted by the COVID-19 pandemic.

For the three months ended September 30, 2021, our revenue increased $16.8 million, or 94.3%, compared to the same three-month period in 2020. The significant increase in revenue was attributable to the 2020

period being impacted by the pandemic. Additionally, the increase also resulted from adding three de novo centers which added six procedure rooms compared to the 2020 period.

A reconciliation of net income to Adjusted EBITDA and Adjusted EBITDA Margin is set forth below for the periods indicated:

	Three Months Ended September 30,	
($ in thousands)	**2021**	**2020**
Net Income	$ 8,204	$2,919
Plus		
Depreciation and amortization	1,641	1,432
Interest expense, net	1,566	529
Pre-opening de novo and relocation costs	307	247
Restructuring and related severance costs	45	—
Sponsor management fee	417	125
Unit-based compensation	86	81
Adjusted EBITDA	**$12,266**	**$5,333**
Adjusted EBITDA Margin	35.4%	29.9%

Summary of Risk Factors

Investing in our common stock involves significant risks. Any of the factors set forth in the section entitled "Risk Factors" may limit our ability to successfully execute our business strategy. You should carefully consider all of the information set forth in this prospectus and, in particular, you should evaluate the specific factors set forth in the section entitled "Risk Factors" in deciding whether to invest in our common stock. Some of the principal risks we face include:

Risks Related to Our Business

- We have a limited operating history and our past results may not be indicative of our future performance.
- Our success depends on our ability to maintain the value and reputation of the Airsculpt® brand.
- We have grown rapidly recently and have limited operating experience at our current scale of operations.
- Our financial results will be harmed if there is not sufficient patient demand for AirSculpt® procedures.
- Our success depends largely upon patient satisfaction with the effectiveness of AirSculpt®.
- We may fail to open and operate new centers in a timely and cost-effective manner.
- We may not be able to successfully expand in markets outside of North America.
- We may not be able to compete or achieve significant market penetration.
- Changes in laws and regulations related to the internet, perceptions toward the use of social media and changes in internet infrastructure itself may diminish our ability to drive new customer acquisition.
- Regulations related to healthcare may hamper our availability to provide virtual consultations.
- We face competition for surgeons and other workers that provide our medspa and cosmetic services.
- We outsource the manufacturing of key elements of the tools we use for AirSculpt® procedures to a single third-party manufacturer, Euromi, who is dependent upon third-party suppliers.
- In some jurisdictions, we are precluded or limited in our ability to enter into non-compete agreements with our surgeons.
- Our centers and our affiliated Professional Associations may become subject to medical liability claims.
- Our revenue could decline due to changes in credit markets and decisions made by credit providers.

- We may be adversely affected if we lose any member of our senior management.
- The interests of our Sponsor (as defined hereinafter) may conflict with the interests of the Company and its other stockholders.
- Our leverage could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, expose us to interest rate risk.
- Restrictive covenants in our debt instruments may adversely affect us.
- Any failure to meet our debt service obligations could have a material adverse effect on our business, prospects, results of operations and financial condition.
- We are a holding company with no operations of our own.
- Our management team has limited experience managing a public company.
- The COVID-19 global pandemic could negatively affect our operations, business and financial condition, and liquidity.
- Use and storage of paper medical records increases risk of loss, destruction and could increase human error with respect to documentation and patient care.
- Our internal computer systems, or those of any of our manufacturers, other contractors, consultants, or collaborators, may fail or suffer security or data privacy breaches or other unauthorized or improper access to, use of, or destruction of our proprietary or confidential data, employee data, or personal data.

Risks Related to Intellectual Property

- Our competitors could develop and commercialize procedures and products similar or identical to ours.
- We may become a party to intellectual property litigation or administrative proceedings that could be costly and could interfere with our ability to market and perform our services.
- If we are unable to protect the confidentiality of our other proprietary information, our business and competitive position may be harmed.
- We may not be able to protect our intellectual property rights throughout the world to the same extent as in the United States.

Risks Related to Government Regulations

- If we fail to comply with numerous laws and regulations relating to the operation of our centers, we could incur significant penalties or other costs or be required to make significant changes to our operations.
- AirSculpt® procedures may cause or contribute to adverse medical events that we are required to report to the FDA and if we fail to do so, we could be subject to sanctions that would materially harm our business.
- If laws governing the corporate practice of medicine or fee-splitting change, we may be required to restructure some of our relationships.
- We may be subject to various federal and state laws pertaining to healthcare fraud and abuse, including anti-kickback, self-referral, false claims and fraud laws, and any violations by us of such laws could result in fines or other penalties.
- Certain risks are inherent in providing prescription and over the counter (“OTC”) treatments, and our insurance may not be adequate to cover any claims against us.

Risks Related to Ownership of Our Common Stock and This Offering

- We are an “emerging growth company,” and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

- Our stock price could be extremely volatile, and, as a result, you may not be able to resell your shares at or above the price you paid for them.
- There has been no prior public market for our common stock and an active, liquid trading market for our common stock may not develop.
- There may be sales of a substantial amount of our common stock after this offering by our current stockholders, and these sales could cause the price of our common stock to fall.
- Provisions in our charter documents and Delaware law may deter takeover efforts that could be beneficial to stockholder value.
- If you purchase shares in this offering, you will suffer immediate and substantial dilution.
- We have no plans to pay cash dividends on our common stock for the foreseeable future.
- Our internal controls may not be effective.
- The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business.
- Our stock price and trading volume could decline if securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business.
- Operating metrics may fluctuate from quarter to quarter, which makes these metrics difficult to predict.

Implications of Being an Emerging Growth Company

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. We may take advantage of certain exemptions from various public company reporting requirements, including not being required to have our internal control over financial reporting audited by our independent registered public accounting firm under Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and any golden parachute payments. We may take advantage of these exemptions for up to five years or until we are no longer an emerging growth company, whichever is earlier. We will cease to be an emerging growth company prior to the end of such five-year period if certain earlier events occur, including if we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, our annual gross revenue exceed $1.07 billion or we issue more than $1.0 billion of non-convertible debt in any three-year period. In particular, in this prospectus, we have provided only two years of audited financial statements and have not included all of the executive compensation related information that would be required if we were not an emerging growth company. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold stock. In addition, the JOBS Act provides that an "emerging growth company" can delay adopting new or revised accounting standards until those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

Corporate Information

EBS Intermediate Parent LLC, a Delaware limited liability, was formed on September 6, 2018 to facilitate the acquisition of EBS Enterprises, LLC f/k/a Rollins Enterprises, LLC. The Company is a wholly-owned subsidiary of EBS Parent LLC. Immediately prior to the consummation of this offering, AirSculpt Technologies, Inc., a Delaware corporation, will become the direct parent and sole member of EBS Intermediate Parent LLC. We refer to this capital structure modification, as further described below, as the "Reorganization." Our principal executive offices are located at 400 Alton Road, Unit TH-103M, Miami Beach, Florida 33139. Our telephone number at that location is (786) 709-9690. Our corporate website address is www.elitebodysculpture.com. Information contained on, or that may be accessed through, our website or social media platforms is not incorporated by reference into this prospectus and should not be considered a part of this prospectus.

The Offering

Common stock offered by us	1,562,500 shares.
Common stock offered by the selling stockholders	8,437,500 shares.
Option to purchase additional shares	Certain of the selling stockholders have granted to the underwriters the option, exercisable for 30 days from the date of this prospectus, to purchase up to 1,500,000 additional shares of common stock at the initial public offering price, less estimated underwriting discounts and commissions.
Common stock to be outstanding immediately after completion of this offering	55,359,177 shares.
Use of proceeds	We expect to receive net proceeds to us, after deducting estimated offering expenses and underwriting discounts and commissions, will be approximately $10.7 million (or $9.0 million if the underwriters exercise in full their option to purchase additional shares of common stock), based on an assumed offering price of $16.00 per share (the mid-point of the price range set forth on the cover of this prospectus). We intend to use a portion of the net proceeds from this offering to fund our growth strategy. We intend to use the balance of the net proceeds for general corporate purposes and working capital. See the section entitled “Use of Proceeds” in this prospectus. We will not receive any of the proceeds from the sale of our common stock offered by the selling stockholders.
Directed Share Program	At our request, the underwriters have reserved up to 500,000 shares of our common stock, or up to 5% of the shares offered by this prospectus, for sale at the initial public offering price to certain individuals associated with us and our Sponsor (as defined hereinafter), including our directors, officers, employees, and certain other individuals identified by management. The sales will be made at our direction by Morgan Stanley & Co. LLC and its affiliates through a directed share program. The number of shares of our common stock available for sale to the general public in this offering will be reduced to the extent that such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by Morgan Stanley & Co. LLC to the general public on the same terms as the other shares of our common stock offered by this prospectus. If purchased by our directors and officers, the shares will be subject to a 180-day lock-up restriction. See the section titled “Underwriting” for additional information.
Dividend policy	We have no current plans to pay dividends on our common stock. See the section entitled “Dividend Policy” in this prospectus.
Trading Symbol	We have applied to list our common stock on NASDAQ under the symbol “AIRS.”
Risk factors	You should read carefully the “Risk Factors” section of this prospectus for a discussion of factors that you should consider before deciding to invest in shares of our common stock.

Unless otherwise indicated, the number of shares of common stock to be outstanding after this offering is based on 53,796,677 shares of common stock outstanding after giving effect to the Reorganization, which excludes:

- 4,567,132 shares of common stock issuable under equity awards that we intend to grant under our 2021 Equity Incentive Plan immediately following the effectiveness of this offering; and
- 968,786 additional shares of common stock reserved for future issuance under our 2021 Equity Incentive Plan that we intend to adopt at the time of this offering.

Unless otherwise indicated, all information contained in this prospectus:

- assumes an initial public offering price of $16.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus;
- assumes the underwriters' option to purchase additional shares will not be exercised; and
- gives effect to our amended and restated certificate of incorporation and our amended and restated bylaws in connection with the consummation of this offering.

Summary Financial Data

The following tables summarize our financial data for the periods and as of the dates indicated. We have derived our summary statements of operations data for the years ended December 31, 2020 and 2019 and the summary balance sheet data as of December 31, 2020 and 2019 from our audited financial statements and related notes included elsewhere in this prospectus. We have derived our summary statements of operations data for the six months ended June 30, 2021 and 2020 and the summary balance sheet data as of June 30, 2021 from our unaudited financial statements and related notes included elsewhere in this prospectus. Our historical results are not necessarily indicative of results that may be expected in the future. You should read the following summary financial data together with our financial statements and the related notes appearing elsewhere in this prospectus and the information in the sections titled "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	Six Months Ended June 30,		Fiscal Year Ended December 31,	
	2021	2020	2020	2019
Consolidated Statements of Operations Data:				
($ in thousands)				
Revenue	$ 61,108	$22,086	$62,766	$41,236
Operating expenses:				
Cost of service	20,008	8,983	23,471	15,488
Selling, general and administrative	18,990	10,031	23,621	20,125
Loss on debt modification	682	—	—	—
Depreciation and amortization	3,023	2,733	5,641	4,960
Total operating expenses	42,703	21,747	52,733	40,573
Income from operations	18,405	339	10,033	663
Interest expense, net	1,757	1,247	2,456	2,875
Net income (loss)	16,648	(908)	7,577	(2,212)
Pro forma income tax expense (unaudited)	3,975	—	1,827	—
Pro forma net income (loss) (unaudited)	$ 12,673	$ (908)	$ 5,750	$ (2,212)
Consolidated Statements of Cash Flow Data:				
Net cash provided by operating activities	$ 23,814	$ 1,683	$13,957	$ 4,938
Net cash used in investing activities	(3,149)	(1,720)	(3,689)	(4,439)
Net cash used in financing activities	(14,196)	(2,034)	(5,017)	(783)
Net income (loss) per unit data (unaudited):				
Net income (loss) per unit				
Basic and diluted	166	(9)	76	(22)
Pro forma net income (loss) per unit				
Basic and diluted	127	(9)	58	(22)
Weighted average units outstanding				
Basic and diluted	100	100	100	100
Other Data:				
Adjusted EBITDA[(1)]	$ 23,784	$ 4,040	$17,493	$ 7,337
Adjusted EBITDA Margin[(2)]	38.9%	18.3%	27.9%	17.8%
Number of procedure rooms as of the end of the period	25	18	23	16
Number of centers as of the end of the period	15	11	14	10
Cases	5,422	2,169	5,885	3,865

	Six Months Ended June 30,		Fiscal Year Ended December 31,	
	2021	2020	2020	2019
Revenue per case	$11,270	$10,183	$10,665	$10,669
Same-center case growth	110.2%	N/A	9.8%	N/A
Same-center revenue per case growth	9.5%	N/A	(0.6)%	N/A

	June 30,	December 31,	
	2021	2020	2019
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 16,848	$ 10,379	$ 5,128
Total current assets	17,546	11,563	6,587
Total assets	$185,300	$179,610	$171,502
Current portion of long-term debt	$ 850	$ 400	$ 400
Long-term debt, net	82,123	32,119	32,308
Total liabilities	108,582	55,934	51,111
Total member's equity	$ 76,718	$123,676	$120,391

(1) We report our financial results in accordance with GAAP, however, management believes the evaluation of our ongoing operating results may be enhanced by a presentation of Adjusted EBITDA, which is a non-GAAP financial measures. We consider Adjusted EBITDA to be an important measure because it helps illustrate underlying trends in our business and our historical operating performance on a more consistent basis. Adjusted EBITDA has limitations as an analytical tool including: (i) Adjusted EBITDA does not include results from unit-based compensation and (ii) Adjusted EBITDA does not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments. We define Adjusted EBITDA as net income (loss) excluding depreciation and amortization, net interest expense, sponsor management fee, pre-opening de novo costs, other non-ordinary course items, and unit-based compensation.

(2) We define Adjusted EBITDA Margin as net income (loss) excluding depreciation and amortization, net interest expense, sponsor management fee, pre-opening de novo costs, other non-ordinary course items, and unit-based compensation calculated as a percentage of revenue.

Non-GAAP Financial Measures—Adjusted EBITDA and Adjusted EBITDA Margin Reconciliation:

The following table reconciles Adjusted EBITDA and Adjusted EBITDA Margin to net income (loss), the most directly comparable GAAP financial measure:

	Six Months Ended June 30,		Fiscal Year Ended December 31,	
($ in thousands)	2021	2020	2020	2019
Net Income (Loss)	$16,648	$ (908)	$ 7,577	$(2,212)
Plus				
Depreciation and amortization	3,023	2,733	5,641	4,960
Interest expense, net	1,757	1,247	2,456	2,875
Loss on debt modification	682	—	—	—
Pre-opening de novo and relocation costs	982	440	879	391
Restructuring and related severance costs	270	115	115	482
Sponsor management fee	250	250	500	500
Unit-based compensation	172	163	325	341
Adjusted EBITDA	**$23,784**	**$4,040**	**$17,493**	**$ 7,337**
Adjusted EBITDA Margin	**38.9%**	**18.3%**	**27.9%**	**17.8%**

RISK FACTORS

An investment in our common stock involves various risks. You should carefully consider the following risks and all of the other information contained in this prospectus, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our consolidated financial statements and the accompanying notes, before investing in our common stock. The risks described below are those which we believe are the material risks that we face. Additional risks not presently known to us or which we currently consider immaterial may also adversely affect us. The trading price of our common stock could decline due to any of these risks, and you may lose all or part of your investment in our common stock. Some statements in this prospectus, including such statements in the following risk factors, constitute forward-looking statements. See the section entitled "Cautionary Note Regarding Forward-Looking Statements" in this prospectus.

Risks Related to Our Business

We have a limited operating history and our past results may not be indicative of our future performance. Further, our revenue growth rate is likely to slow as our business and our market matures.

We began operations in 2012. We have a limited history of generating revenue. As a result, our historical revenue growth should not be considered indicative of our future performance. In particular, we have experienced periods of high revenue growth, including most recently, during the global pandemic, that we do not expect to continue as the business, and the body contouring market, matures. Estimates of future revenue growth and future growth rates are subject to many risks and uncertainties and our future revenue may differ materially from our projections. We have encountered, and will continue to encounter, risks and difficulties frequently experienced by growing companies in rapidly changing industries, including market acceptance of our procedures, attracting new patients, hiring surgeons and responding to increasing competition and expenses as we expand our business. We cannot be sure that we will be successful in addressing these and other challenges we may face in the future, and our business may be adversely affected if we do not manage these risks.

Our success depends on our ability to maintain the value and reputation of the Airsculpt® brand.

We believe that our brand is important to attracting patients and high-quality surgeons. Maintaining, protecting, and enhancing our brand depends largely on our ability to deliver results for our patients and the success of our marketing efforts. We believe that the importance of our brand will increase as competition further intensifies. Our brand could be harmed if we fail to achieve these objectives or if our public image were to be tarnished by negative publicity. Unfavorable publicity about us, including our procedures and technology, could diminish confidence in our AirSculpt brand. Such negative publicity also could have an adverse effect on our business, financial condition, and operating results.

We have grown rapidly in recent years and have limited operating experience at our current scale of operations. If we are unable to manage our growth effectively, our brand, company culture, and financial performance may suffer.

We have expanded rapidly and have limited operating experience at our current size. To effectively manage and capitalize on our growth, we must continue to expand our marketing, focus on innovation and upgrade our management information systems and other processes. Our continued growth could strain our existing resources, and we could experience ongoing operating difficulties in managing our business across numerous jurisdictions, including difficulties in hiring, training, and managing surgeons and other staff in our centers through the Professional Associations. Failure to scale and preserve our high-performance, results-driven culture during this period of growth could harm our future success. If we do not adapt to meet these evolving challenges, or if our management team does not effectively scale with our growth, we may experience erosion to our brand and our company culture may be harmed.

Our growth strategy contemplates expanding our footprint by opening new centers around the world. Many of our centers are relatively new and we cannot assure you that these centers or that future centers will generate revenue comparable with those generated by our more mature locations, especially as we move to new geographic markets. Further, many of our centers are leased pursuant to multi-year leases, and our ability to negotiate favorable terms on an expiring lease or for a lease renewal option may depend on factors that are not within our control. Expanding internationally will require significant additional investment. Successful implementation of our growth strategy will require significant expenditures before any substantial associated revenue is generated and we cannot guarantee that these increased investments will result in corresponding and offsetting revenue growth.

Our planned expansion will place increased demands on our existing operational, managerial, and administrative resources. These increased demands could strain our resources and cause us to operate our business less effectively, which in turn could cause the performance of our new and existing centers to suffer. Opening new centers may result in inadvertent oversaturation, temporarily or permanently divert customers from our existing centers to new centers and reduce comparable centers revenue, thus adversely affecting our overall financial performance. In addition, oversaturation, or the risk of oversaturation, may reduce or adversely affect the number or location of centers we plan to open, and could thereby materially and adversely affect our growth plans overall or in particular markets.

Because we have a limited history operating our business at its current scale, it is difficult to evaluate our current business and future prospects, including our ability to plan for and model future growth. Our limited operating experience at this scale, combined with the rapidly evolving nature of the body contouring market, substantial uncertainty concerning how these markets may develop, and other economic factors beyond our control, reduces our ability to accurately forecast quarterly or annual revenue. Failure to manage our future growth effectively and profitably could have an adverse effect on our business, financial condition, and operating results.

We are dependent upon the success of AirSculpt®. If the market acceptance for AirSculpt® fails to grow significantly, our business and future prospects could be harmed.

We commenced performing AirSculpt® procedures in 2012, and expect that the revenue we generate from performing AirSculpt® procedures will account for substantially all of our revenue for the next several years. Accordingly, our success depends on the acceptance among patients of AirSculpt® as a preferred aesthetic treatment for the selective reduction of fat. The degree of market acceptance of AirSculpt® by patients is unproven. We believe that market acceptance of AirSculpt® will depend on many factors, including:

- the perceived advantages or disadvantages of AirSculpt® compared to other aesthetic products and treatments;
- the safety and efficacy of AirSculpt® relative to other aesthetic products and alternative treatments;
- the price of AirSculpt® relative to other aesthetic products and alternative treatments;
- our success in expanding our sales and marketing organization;
- the effectiveness of our marketing initiatives;
- our success in maintaining the premium pricing for AirSculpt®; and
- our success in recruiting and training surgeons in the proper use of the AirSculpt® and selection of appropriate patients as candidates for AirSculpt® procedures.

Further, market acceptance and success of AirSculpt® can be affected by adverse publicity or negative public perception about us, our competitors, our patients, our services, or our industry generally. Adverse publicity may include publicity about the cosmetic treatment industry generally, the efficacy, safety and quality of body fat reduction procedures in general, and liability claims or other litigation, regardless of whether such litigation involves us or the business practices or services of our competitors. Our business, financial condition and results of operations could be adversely affected if AirSculpt® or any body fat reduction services provided by our competitors are alleged to be or are proved to be harmful to patients or to have unanticipated and unwanted health consequences.

We cannot assure you that AirSculpt® will achieve broad market acceptance among patients. Because we expect to derive substantially all of our revenue for the foreseeable future from AirSculpt® procedures, any failure of this product to satisfy patient demand or to achieve meaningful market acceptance will harm our business and future prospects.

If there is not sufficient patient demand for AirSculpt® procedures, our financial results and future prospects will be harmed.

The AirSculpt® procedure is an elective procedure, the cost of which must be borne by the patient, and is not reimbursable through government or private health insurance. The decision to undergo an AirSculpt® procedure is thus driven by patient demand, which may be influenced by a number of factors, such as:

- the success of our sales and marketing programs;
- our success in attracting consumers who have not previously undergone an aesthetic procedure;
- the extent to which our AirSculpt® procedure satisfies patient expectations;
- our ability to properly train our surgeons in performing AirSculpt® procedures such that our patients do not experience excessive discomfort during treatment or adverse side effects;
- the cost, safety, and effectiveness of AirSculpt® versus other aesthetic treatments;
- consumer sentiment about the benefits and risks of aesthetic procedures generally and AirSculpt® in particular;
- general consumer confidence, which may be impacted by economic and political conditions;
- our use of social media to drive new customer acquisition; and
- our ability to offer virtual consultations to our patients.

Our financial performance will be materially harmed in the event we cannot generate significant patient demand for AirSculpt®.

Our success depends largely upon patient satisfaction with the effectiveness of AirSculpt®.

In order to generate repeat and referral business, patients must be satisfied with the effectiveness of AirSculpt®. Patient perception of their results may vary. If patients are not satisfied with the aesthetic benefits of AirSculpt®, or feel that it is too expensive for the results obtained, our reputation and future sales will suffer.

If we fail to open and operate new centers in a timely and cost-effective manner or fail to successfully enter new markets, our financial performance could be materially and adversely affected.

Our growth strategy depends, in large part, on growing and expanding our operations, both in existing and new geographic regions, particularly in densely populated and affluent metropolitan and suburban regions, and operating our new centers successfully. We cannot assure you that our contemplated expansion will be successful.

Our ability to successfully open and operate new centers depends on many factors, including, among others, our ability to:

- recruit qualified surgeons through our affiliated Professional Associations for our new centers;
- address regulatory, competitive, and marketing, and other challenges encountered in connection with expansion into new markets;
- hire, train and retain surgeons and other personnel through our affiliated Professional Associations;
- maintain adequate information system and other operational system capabilities;
- successfully integrate new centers into our existing management structure with affiliated Professional Associations and operations, including information system integration;
- negotiate acceptable lease terms at suitable locations;

- source sufficient levels of medical supplies at acceptable costs;
- obtain and maintain necessary permits and licenses through our affiliated Professional Associations;
- construct and open our centers on a timely basis;
- generate sufficient levels of cash or obtain financing on acceptable terms to support our expansion;
- achieve and maintain brand awareness in new and existing markets; and
- identify and satisfy the needs and preferences of our patients.

Our failure to effectively address challenges such as these could adversely affect our ability to successfully open and operate new centers in a timely and cost-effective manner.

In addition, there can be no assurance that newly-opened centers will achieve net sales or profitability levels comparable to those of our existing centers in the time periods estimated by us, or at all. If our centers fail to achieve, or are unable to sustain, profitability levels, our business may be materially harmed and we may incur significant costs associated with closing those centers. Our plans to accelerate the growth of new centers may increase this risk.

Accordingly, we cannot assure you that we will achieve our planned growth or, even if we are able to grow our centers as planned, that our new centers will perform as expected. Our failure to implement our growth strategy and to successfully open and operate new centers in the time frames and at the costs estimated by us could have a material adverse effect on our business, financial condition and results of operations.

If we cannot maintain our high-performance and results-driven culture as we grow, we could lose the innovation and passion that we believe contribute to our success and our business may be harmed.

We believe that a critical component of our success has been our corporate culture. We have invested substantial time and resources in building our high-performance, results-driven culture. As we continue to grow, including geographically, and developing the infrastructure associated with being a public company, we will need to maintain our high-performance, results-driven culture among a larger number of surgeons and other employees, dispersed across various geographic regions. Any failure to preserve our culture could negatively affect our future success, including our ability to retain and recruit surgeons and other personnel on behalf of our affiliated Professional Associations and to effectively focus on and pursue our corporate objectives.

To successfully expand in markets outside of North America, we must address many issues with which we have limited experience.

International expansion is subject to a number of risks, including:

- difficulties in staffing and managing our international operations;
- increased competition as a result of more procedures receiving regulatory approval or otherwise freedom to market in international markets;
- reduced or varied protection for intellectual property rights in some countries;
- foreign tax laws;
- fluctuations in currency exchange rates;
- foreign certification and regulatory clearance or approval requirements;
- difficulties in developing effective marketing campaigns in unfamiliar foreign countries;
- political, social, and economic instability abroad, terrorist attacks, and security concerns in general;
- potentially adverse tax consequences, including the complexities of foreign value-added tax systems, tax inefficiencies related to our corporate structure, and restrictions on the repatriation of earnings;
- the burdens of complying with a wide variety of foreign laws and different legal standards; and
- increased financial accounting and reporting burdens and complexities.

If one or more of these risks were realized, it could require us to dedicate significant financial and management resources and our revenue may decline.

Our inability to effectively compete with our competitors may prevent us from achieving significant market penetration or improving our operating results.

The body contouring market is highly competitive and dynamic, and is characterized by rapid and substantial technological development and product innovations. Demand for AirSculpt® could be limited by the products and technologies offered by our competitors. In the United States, we compete against companies that have developed non-invasive and other minimally-invasive procedures for body contouring and companies that have developed invasive surgical procedures for fat reduction. Due to less stringent regulatory requirements, there are many more aesthetic products and procedures available for use in international markets than are approved for use in the United States. There are also fewer limitations on the claims our competitors in international markets can make about the effectiveness of their products and the manner in which they can market them. As a result, we face even greater competition in these markets than in the United States.

Many of our competitors are large, experienced companies that have substantially greater resources and brand recognition than we do. Some of these competitors offer similar services (including competitors who may charge less for such services than we do) and others also offer alternative services that are less expensive than the procedures we offer. Competing in the body contouring market could result in price-cutting, reduced profit margins, and limited market share, any of which would harm our business, financial condition, and results of operations.

Changes in laws and regulations related to the internet, perceptions toward the use of social media and changes in internet infrastructure itself may diminish our ability to drive new customer acquisition and could adversely affect our business and results of operations.

The success of our business depends upon the continued use of the internet and social media networks. Federal, state or foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the internet as a commercial medium. In addition, government agencies or private organizations have imposed and may impose additional taxes, fees or other charges for accessing the internet, generally. These laws, taxes, fees or charges could limit the use of the internet or decrease the demand for internet-based solutions.

The public's increasing concerns about data privacy and security and the use of social media may negatively affect the use or popularity of social media networks, and, in turn, adversely affect our business. Similarly, enhanced scrutiny may lead to an increase in regulation of social media, which could limit our ability to use social media to drive our brand awareness and increase consumer acceptance for our procedures.

In addition, the use of the internet as a business tool could be adversely affected due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease-of-use, accessibility and quality of service. The performance of the internet and its acceptance as a business tool have been adversely affected by "viruses," "worms" and similar malicious programs, as well as the risks associated with other types of security breaches. If the use of the internet is reduced as a result of these or other issues, then the reduction in marketing and networking with respect to our services and patients could result in a decline in demand for AirSculpt®, which could adversely affect our revenue, business, results of operations and financial condition.

Regulations related to health care, including telehealth, are evolving. To the extent regulations change, our ability to provide virtual consultations could be hampered.

In a regulatory climate that is uncertain, our operations and our arrangements with our affiliated Professional Associations may be subject to direct and indirect adoption, expansion or reinterpretation of various laws and regulations. Compliance with these future laws and regulations may require us to change our practices at an undeterminable and possibly significant initial monetary and recurring expense. These additional monetary expenditures may increase future overhead, which could have a material adverse effect on our results of operations and our ability to provide virtual services in certain jurisdictions. Areas of government regulation that, if changed, could be costly to us include rules governing the provision of virtual consultations.

In addition, a few states have imposed different, and, in some cases, additional, standards regarding the provision of virtual medical consultations and telehealth, generally. The unpredictability of this regulatory landscape means that sudden changes in policy regarding standards of care and what is permissible are possible. If a successful legal challenge or an adverse change in the relevant laws or regulations were to occur, and we were unable to adapt our business model accordingly, our operations in the affected jurisdictions or ability to reach patients in such jurisdictions would be disrupted, which could have a material adverse effect on our business, financial condition and results of operations. If we are required to adapt our business model, we may be limited to only in-person services, which may have a material adverse effect on our business, financial condition and results of operations.

We face competition for surgeons.

The number of surgeons available to work through our affiliated Professional Associations at our centers is finite, and we face intense competition from other cosmetic treatment centers in recruiting surgeons to work in our centers.

In addition, there may be other companies that may decide to enter our business. Many of these companies have greater resources than we do, including financial, marketing, staff and capital resources. If we are unable to compete effectively with any of these entities for surgeons, we may be unable to implement our business strategies successfully and our financial position and results of operations could be adversely effected.

We rely on a skilled, licensed labor force to provide our medspa and cosmetic services, and the supply of this labor force is finite. If we cannot hire adequate staff for our clinics, we will not be able to operate.

As of October 5, 2021, we employed approximately 230 full-time employees and approximately 30 part-time employees. The majority of our personnel is licensed to perform cosmetic services, including medical treatments, and hold licenses as physicians, nurses, nurse practitioners or physician assistants. Our success depends, in part, on our continuing ability to identify, hire, develop and retain highly qualified personnel, including surgeons, nurses, nurse practitioners and physician assistants, through our affiliated Professional Associations. The demand for medical professionals has increased significantly as a result of the COVID-19 pandemic. Further, even before the COVID-19 pandemic, the demand for medical professionals had been increasing as more consumers began gravitating to health and wellness treatments, such as medspa and cosmetic services. As a result, we have increased, and may continue to increase, the salaries and bonuses for both potential and existing personnel. Additionally, many of the jurisdictions in which we operate our centers have their own licensing or similar requirements applicable to our personnel, and the onboarding and training process for each of our employees and our independent contractors can take several months. If we cannot identify, hire, develop and retain adequate staff for our centers through our affiliated Professional Associations, we will not be able to open new centers on a timely basis or adequately staff existing centers.

Our personnel or others may engage in misconduct or other improper activities, including noncompliance with our policies and procedures.

We are exposed to the risk of misconduct or other improper activities by our personnel. Misconduct by our personnel could include inadvertent or intentional failures to comply with our policies and procedures (such as our data privacy policies), medical standards or procedures, the laws and regulations to which we are subject and/or ethical, social, product, labor and environmental standards. Our current and former personnel may also become subject to allegations of sexual harassment, racial and gender discrimination or other similar misconduct, which, regardless or the ultimate outcome, may result in adverse publicity that could significantly harm our brand, reputation and operations. Misconduct by our personnel could also involve the improper use of information obtained in the course of the associate's prior or current employment, which could result in legal or regulatory action and harm to our reputation.

We outsource the manufacturing of key elements of the tools we use for AirSculpt® procedures to a single third-party manufacturer.

Euromi manufactures the handpiece our surgeons use for AirSculpt® procedures. If the operations of Euromi are interrupted or if they are unable to meet our delivery requirements due to capacity limitations or other

constraints, we may be limited in our ability to perform procedures for customers which could harm our reputation and results of operations.

The manufacturing operations of Euromi are themselves dependent upon third-party suppliers, making us vulnerable to supply shortages and price fluctuations, which could harm our business.

The handpieces that our surgeons use for AirSculpt® procedures are currently manufactured by Euromi. We have not qualified alternate suppliers and rely upon purchase orders, rather than long-term supply agreements. A supply interruption or an increase in demand beyond Euromi's capabilities could harm our ability to perform AirSculpt® procedures until new sources of supply are identified and qualified. Our reliance on a single supplier of handpieces subjects us to a number of risks that could harm our business, including:

- interruption of supply resulting from modifications to or discontinuation of Euromi's operations;
- delays in product shipments resulting from uncorrected defects, reliability issues, or Euromi's variation in a component;
- a lack of long-term supply agreements;
- inability to obtain adequate supply in a timely manner, or to obtain adequate supply on commercially reasonable terms;
- difficulty and cost associated with locating and qualifying alternative suppliers for our handpieces in a timely manner;
- production delays related to the evaluation and testing of handpieces from alternative suppliers, and corresponding regulatory qualifications; and
- damage to our brand reputation caused by defective handpieces.

Any interruption in the supply of handpieces, or our inability to obtain substitute handpieces from alternate sources at acceptable prices in a timely manner, could harm our ability to perform AirSculpt® procedures until new sources of supply are identified and qualified.

Some jurisdictions preclude us from entering into non-compete agreements with our surgeons, and other non-compete agreements and restrictive covenants applicable to certain surgeons and other employees may not be enforceable.

We have contracts with surgeons in many states. Some of our services contracts include provisions preventing these surgeons from competing with us. The law governing non-compete agreements and other forms of restrictive covenants varies from state to state. Some jurisdictions prohibit us from entering into non-compete agreements with our professional staff. Other states are reluctant to strictly enforce non-compete agreements and restrictive covenants against surgeons. Therefore, there can be no assurance that our non-compete agreements related to employed or otherwise contracted surgeons will be enforceable if challenged in certain states. In such event, we would be unable to prevent former employed or otherwise contracted surgeons from competing with us, potentially resulting in the loss of some of our business.

We may become involved in litigation which could negatively impact the value of our business.

From time to time we are involved in lawsuits, claims, audits and investigations, including those arising out of services provided, personal injury claims, professional liability claims, billing and marketing practices, employment disputes and contractual claims. We may become subject to future lawsuits, claims, audits and investigations that could result in substantial costs and divert our attention and resources and adversely affect our business condition. These lawsuits, claims, audits or investigations, regardless of their merit or outcome, may also adversely affect our reputation and ability to expand our business.

Our centers and our affiliated Professional Associations providing professional services at such centers may become subject to medical liability and other legal claims, which could have a material adverse impact on our business.

The nature and use of our services could give rise to liability, including medical liability claims against our Professional Associations and surgeons, if a customer were injured while receiving our procedures or were to

suffer adverse reactions following our procedures. Adverse reactions could be caused by various factors beyond our control. If any of these events occurred, we and our affiliated Professional Associations could incur substantial litigation expense and be required to make payments in connection with settlements of claims or as a result of judgments against us, which could result in substantial damage awards that exceed the limits of our respective insurance coverage. Additionally, any claims made against us could divert the attention of our management and our surgeons from our operations, which could have a material adverse effect on our business, financial condition and results of operations.

In recent years, physicians, hospitals and other healthcare providers have become subject to an increasing number of legal actions alleging malpractice or related legal theories. Many of these actions involve large monetary claims and significant defense costs. We also owe certain defense and indemnity obligations to our officers and directors.

We, the Professional Associations and their surgeons maintain liability insurance in amounts that we believe are customary for the industry and appropriate in light of the risks attendant to our business. Currently, our affiliated Professional Associations maintain professional and general liability insurance that provides coverage on a claims-made basis of $2.0 million per occurrence with a retention of $25,000 per occurrence and $4.0 million in annual aggregate coverage. We also maintain business interruption insurance and property damage insurance, as well as an additional umbrella insurance policy in the aggregate of $5.0 million. Coverage under certain of these policies is contingent upon the policy being in effect when a claim is made regardless of when the events which caused the claim occurred. In addition, surgeons who provide professional services in our centers are required to maintain separate malpractice coverage with similar minimum coverage limits. We also maintain a directors' and officers' insurance policy, which insures our directors and officers against unindemnified losses arising from certain wrongful acts in their capacities as directors and officers and reimburses us for those losses for which we have lawfully indemnified the directors and officers.

Our collective insurance coverage may not cover all claims against us. Insurance coverage may not continue to be available at a cost allowing us to maintain adequate levels of insurance. If one or more successful claims against us, our affiliated Professional Associations or surgeons were not covered by or exceeded the coverage of our insurance, our financial condition and results of operations could be adversely affected. Our business, profitability and growth prospects could suffer if we face negative publicity or we pay damages or defense costs in connection with a claim that is outside the scope or limits of coverage of any applicable insurance coverage, including claims related to adverse patient events, contractual disputes, professional and general liability, and directors' and officers' duties.

In addition, if our costs of insurance and claims increase, then our earnings could decline. Market rates for insurance premiums and deductibles have been steadily increasing. Our earnings and cash flows could be materially and adversely affected by any of the following:

- the collapse or insolvency of our insurance carriers;
- further increases in premiums and deductibles;
- increases in the number of liability claims against us or the cost of settling or trying cases related to those claims; or
- an inability to obtain one or more types of insurance on acceptable terms, if at all.

The health of the economy may affect consumer purchases of discretionary services, such as cosmetic services, which could have a material adverse effect on our business, financial condition and results of operations.

Our results of operations may be materially affected by conditions in the capital and credit markets and the economy generally. We appeal to a wide demographic customer profile for cosmetic services. Uncertainty in the economy could adversely impact customer purchases of discretionary services, including cosmetic services. Factors that could affect customers' willingness to make such discretionary purchases include general business conditions, levels of employment, interest rates, tax rates, the availability of consumer credit, consumer confidence in future economic conditions and risks, or the public perception of risks, related to epidemics or pandemics, such as the COVID-19 pandemic. In the event of a prolonged economic downturn or acute recession, consumer spending habits could be adversely affected, and we could experience lower than expected net sales.

In addition, a general deterioration in economic conditions could adversely affect our commercial partners including our vendor partners as well as the real estate developers and landlords who we rely on to construct and operate locations in which our centers are located. A bankruptcy or financial failure of a significant vendor or a number of significant real estate developers or landlords could have a material adverse effect on our business, financial condition, profitability, and cash flows.

Our revenue could decline due to changes in credit markets and decisions made by credit providers.

Historically, approximately half of our patients have financed their procedures through third-party credit providers with whom we have existing relationships. If we are unable to maintain our relationships with our financing partners, there is no guarantee that we will be able to find replacement partners who will provide our patients with financing on similar terms, and our revenue may be adversely affected. Further, reductions in consumer lending and the availability of consumer credit could limit the number of patients with the financial means to purchase our products. Higher interest rates could increase our costs or the monthly payments for consumer products financed through other sources of consumer financing. In the future, we cannot be assured that third-party financing providers will continue to provide patients with access to credit or that available credit limits will not be reduced. Such restrictions or reductions in the availability of consumer credit, or the loss of our relationship with our current financing partners, could have an adverse effect on our business, financial conditions, and operating results.

Our centers are sensitive to regulatory, economic and other conditions in the states and jurisdictions where they are located.

Our revenue is particularly sensitive to regulatory, economic and other conditions in the states and jurisdictions in which we have centers. As of the date of this prospectus, we operate through our arrangements with our affiliated Professional Associations sixteen centers in Arizona, California, Colorado, Florida, Georgia, Illinois, Minnesota, New York, North Carolina, Tennessee, Texas, Washington, and Virginia.

In addition, our centers located in California represented 24% of our revenue in 2020 and approximately 24% of our revenue during the six months ended June 30, 2021. If there were an adverse regulatory, economic or other development in any of the states and jurisdictions in which we have a higher concentration of centers there could be unanticipated adverse impacts on our business in those states and jurisdictions, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

We depend on our senior management, and we may be adversely affected if we lose any member of our senior management.

Because our senior management has been key to our growth and success, we are highly dependent on Dr. Aaron Rollins, our founder and Chief Executive Officer. We do not maintain “key man” life insurance policies on any of our officers. Competition for senior management generally, and within the cosmetic surgery and healthcare industry specifically, is intense and we may not be able to recruit and retain the personnel we need if we were to lose an existing member of senior management. Because our senior management has contributed greatly to our growth since inception, the loss of key management personnel, without adequate replacements, or our inability to attract, retain and motivate sufficient numbers of qualified management personnel could have a material adverse effect on our financial condition and results of operations.

We rely on Vesey Street Capital Partners, L.L.C., our private equity sponsor (“Sponsor”) and the interests of our Sponsor may conflict with the interests of the Company and its other stockholders.

We have in recent years depended on our relationship with our Sponsor to help guide our business plan. Our Sponsor has significant expertise in financial matters. This expertise has been available to us through the representatives our Sponsor has on our board of directors and as a result of our Management Agreement with an affiliate of our Sponsor. In connection with the completion of this offering, the Management Agreement with an affiliate of our Sponsor will terminate. After the closing of this offering, affiliates of our Sponsor may elect to reduce its ownership in our Company, which could reduce or eliminate the benefits we have historically achieved through our relationship with it.

Additionally, our Sponsor is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. Our Sponsor may also pursue acquisition opportunities that may be complementary to our business and, as a result, those acquisition opportunities may not be available to us. So long as investment funds associated with or designated by our Sponsor continue to indirectly own a significant amount of our capital stock, even if such amount is less than a majority of our outstanding common stock on a fully-diluted basis, our Sponsor will continue to be able to strongly influence or effectively control our decisions.

Our leverage could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry, expose us to interest rate risk to the extent of our variable rate debt and prevent us from meeting our obligations under our outstanding indebtedness.

As of August 31, 2021, total outstanding indebtedness under our senior credit facility was approximately $84.7 million, consisting of $84.7 million in senior secured term loans (the "Term Loan") and a $5,000,000 revolving credit facility (the "Revolver"), of which approximately $5.0 million was undrawn (the "Term Loan and Revolving Facility"). Our leverage could have important consequences, including:

- making it more difficult for us to satisfy our obligations with respect to our indebtedness, and any failure to comply with the obligations under any of our debt instruments, including restrictive covenants, could result in an event of default under such instruments;
- making us more vulnerable to adverse changes in general economic, industry and competitive conditions and adverse changes in government regulation;
- limiting cash flow available for general corporate purposes, including capital expenditures and opening new centers, because a substantial portion of our cash flow from operations must be dedicated to servicing our debt;
- limiting our ability to obtain additional debt financing in the future for working capital, capital expenditures or opening new centers;
- limiting our flexibility in reacting to competitive and other changes in our industry and economic conditions generally; and
- exposing us to risks inherent in interest rate fluctuations because some of our borrowings will be at variable rates of interest, which could result in higher interest expense in the event of increases in interest rates.

Our ability to pay or to refinance our indebtedness will depend upon our future operating performance, which will be affected by general economic, financial, competitive, legislative, regulatory, business and other factors beyond our control.

Restrictive covenants in our debt instruments may adversely affect us.

Our Term Loan and Revolving Facility contain various covenants that limit, among other things, our ability and the ability of our restricted subsidiaries to:

- incur additional indebtedness;
- make certain distributions, investments and other restricted payments;
- dispose of our assets;
- grant liens on our assets;
- engage in transactions with affiliates;
- make capital expenditures in excess of agreed upon amounts
- merge, consolidate or transfer substantially all of our assets; and
- make payments to us (in the case of our restricted subsidiaries).

In addition, our Term Loan and Revolving Facility contain other and more restrictive covenants, including covenants requiring us to maintain specified financial ratios triggered in certain situations and to satisfy other financial condition tests. Our ability to meet those financial ratios and tests can be affected by events beyond our control, and we cannot assure you that we will continue to meet those tests. A breach of any of these covenants could result in a default under our Term Loan and Revolving Facility. Upon the occurrence of an event of default under our Term Loan and Revolving Facility, the lenders could elect to declare all amounts outstanding under our Term Loan and Revolving Facility to be immediately due and payable and terminate all commitments to extend further credit. If we were unable to repay those amounts, the lenders could proceed against the collateral granted to them to secure that indebtedness. We have pledged substantially all of our assets, other than assets of our non-guarantor subsidiaries, as security under our Term Loan and Revolving Facility. If the lenders under our Term Loan and Revolving Facility accelerate the repayment of borrowings, we cannot assure you that we will have sufficient assets to repay our Term Loan and Revolving Facility and our other indebtedness.

We cannot assure you that our business will generate sufficient cash flow from operations, that currently anticipated revenue growth and operating improvements will be realized or that future borrowings will be available to us under our Term Loan and Revolving Facility in amounts sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs. If we are unable to meet our debt service obligations or fund our other liquidity needs, we could attempt to restructure or refinance our indebtedness or seek additional equity capital. We cannot assure you that we will be able to accomplish those actions on satisfactory terms, if at all.

Despite our current indebtedness levels, we and our subsidiaries may still be able to incur substantially more debt, which could further exacerbate the risks associated with our substantial leverage.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future, including secured indebtedness. Although the Term Loan and Revolving Facility contains restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions could be substantial. In addition, as of August 31, 2021 we had approximately $5.0 million available for additional borrowings under our Revolver, all of which is permitted to be incurred under the Term Loan and Revolving Facility. If new debt is added to our or our subsidiaries' current debt levels, the related risks that we face would be increased.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control, and any failure to meet our debt service obligations could have a material adverse effect on our business, prospects, results of operations and financial condition.

Our ability to pay interest on and principal of our debt obligations principally depends upon our operating performance. As a result, prevailing economic conditions and financial, business and other factors, many of which are beyond our control, will affect our ability to make these payments.

In addition, we conduct our operations through our subsidiaries. Accordingly, repayment of our indebtedness is dependent on the generation of cash flow by our subsidiaries and their ability to make such cash available to us by dividend, debt repayment or otherwise. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness. Each of our subsidiaries is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries.

If we do not generate sufficient cash flow from operations to satisfy our debt service obligations, we may have to undertake alternative financing plans, such as refinancing or restructuring our indebtedness, selling assets, reducing or delaying capital investments or capital expenditures or seeking to raise additional capital. Our ability to restructure or refinance our debt, if at all, will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt instruments may restrict us from adopting some of these alternatives. Our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance

our obligations at all or on commercially reasonable terms, could affect our ability to satisfy our debt obligations and have a material adverse effect on our business, prospects, results of operations and financial condition.

We are a holding company with no operations of our own.

We are a holding company, and our ability to service our debt is dependent upon the earnings from the business conducted by our subsidiaries that operate the centers. The effect of this structure is that we depend on the earnings of our subsidiaries, and the distribution or payment to us of a portion of these earnings to meet our obligations, including those under our Term Loan and Revolving Facility and any of our other debt obligations. The distributions of those earnings or advances or other distributions of funds by these entities to us, all of which are contingent upon our subsidiaries' earnings, are subject to various business considerations. In addition, distributions by our subsidiaries could be subject to statutory restrictions, including state laws requiring that such subsidiaries be solvent, or contractual restrictions. Some of our subsidiaries may become subject to agreements that restrict the sale of assets and significantly restrict or prohibit the payment of dividends or the making of distributions, loans or other payments to stockholders, partners or members.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our indebtedness service obligations to increase significantly.

Borrowings under our Term Loan and Revolving Facility accrue interest at variable rates of interest and expose us to interest rate risk. All outstanding borrowings bear interest based on either a base rate or LIBOR plus an applicable per annum margin of 4.5% (base rate) or 5.5% (LIBOR) if our total leverage ratio is equal to or greater than 2.5x and less than 4.25x. If our total leverage ratio is equal to or greater than 4.25x, the interest is based on either a base rate or LIBOR plus an applicable per annum margin of 5.0% (base rate) or 6.0% (LIBOR). If our total leverage ratio is below 2.5x, the interest is based on either a base rate or LIBOR plus an applicable per annum margin of 4.0% (base rate) or 5.0% (LIBOR). At June 30, 2021, the applicable per annum margins under the credit agreement were 4.5% (base rate) and 5.5% (LIBOR). If either the base rate or LIBOR increases, our debt service obligations under the Term Loan and Revolving Facility would increase even though the amount of borrowings remained the same, and our net income and cash flows, including cash available for servicing our indebtedness, would correspondingly decrease. Accrued interest is payable in arrears on a monthly basis.

Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The Term Loan is a senior secured first lien obligation and is guaranteed on a senior secured first priority basis and secured by substantially all of our assets, including pledges of equity interests, of the Company and the subsidiary guarantors described in the documentation.

Comprehensive tax reform legislation or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our financial condition and results of operations.

We will be subject to income taxes in the United States, and our domestic tax liabilities will be subject to the allocation of expenses in differing jurisdictions.

New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could adversely affect our business operations and financial performance. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us. For example, the Tax Cuts and Jobs Act of 2017 (the "Tax Cuts and Jobs Act") enacted many significant changes to the U.S. tax laws. Future guidance from the Internal Revenue Service and other tax authorities with respect to the Tax Cuts and Jobs Act may affect us, and certain aspects of the Tax Cuts and Jobs Act could be repealed or modified in future legislation. For example, the Coronavirus Aid, Relief, and Economic Security Act enacted in 2020 (the "CARES Act") modified certain provisions of the Tax Cuts and Jobs Act. In addition, it is uncertain if and to what extent various states will conform to the Tax Cuts and Jobs Act, the CARES Act, or any newly enacted federal tax legislation.

Changes in corporate tax rates, the realization of net deferred tax assets relating to our operations, the taxation of foreign earnings, and the deductibility of expenses under the Tax Cuts and Jobs Act, the CARES Act or

future reform legislation could have a material impact on the value of our deferred tax assets, could result in significant one-time charges, and could increase our future U.S. tax expense.

In addition, we may be subject to audits of our income, sales and other transaction taxes by U.S. federal, state, local and foreign authorities. Outcomes from these audits could have an adverse effect on our financial condition and results of operations.

If there is a change in accounting standards by the Financial Accounting Standards Board or the interpretation thereof affecting consolidation of entities, it could have a material adverse effect on our consolidation of total revenue derived from the Professional Associations.

Our financial statements are consolidated in accordance with applicable accounting standards and include the accounts of our subsidiaries and the Professional Associations, which we manage under the MSAs but are not owned by us. Such consolidation for accounting and/or tax purposes does not, is not intended to, and should not be deemed to, imply or provide us any control over the medical or clinical affairs of our affiliated Professional Associations. In the event a change in accounting standards promulgated by FASB or in interpretation of its standards, or if there is an adverse determination by a regulatory agency or a court, or a change in state or federal law relating to the ability to maintain present agreements or arrangements with our affiliated Professional Associations, we may not be permitted to continue to consolidate the total revenue of such practices.

Our management team has limited experience managing a public company.

Most members of our management team have limited experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our transition to being a public company subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors. These new obligations and constituents will require significant attention from our senior management and could divert their attention away from the day-to-day management of our business, which could adversely affect our business, financial condition, and operating results.

The COVID-19 global pandemic could negatively affect our operations, business and financial condition, and our liquidity could be negatively impacted if the United States economy remains unstable for a significant amount of time.

The COVID-19 crisis is still rapidly evolving and much of its impact remains unknown and difficult to predict. It could potentially negatively impact our financial performance in 2021 and beyond.

We continue to take or support measures to try to slow the spread and minimize the impact of the virus on our business. As a result of local, state and federal guidelines as well as recommendations from major medical societies regarding social distancing and self-quarantines in response to the COVID-19 pandemic, we could potentially cancel or postpone a substantial percentage of the elective procedures scheduled at our centers and reduced operating hours at a significant number of our centers. The impact of the COVID-19 pandemic on our centers could vary based on the market in which the center operates. It is difficult to predict the impact of COVID-19 pandemic on our volume of procedures in the future, and while governmental restrictions are continuing to ease in certain areas of the United States, other areas are experiencing a surge in COVID-19 cases and may impose, re-impose or consider the imposition of additional restrictions in response. We cannot predict the timing of the potential recapture of cancelled or postponed procedures, if any.

We could experience, supply chain disruptions, including shortages and delays, and could experience significant price increases, in equipment and medical supplies, particularly personal protective equipment or PPE. Staffing, equipment, and medical supplies shortages may also impact our ability to serve patients at our centers.

Broad economic factors resulting from the current COVID-19 pandemic, including increasing unemployment rates and reduced consumer spending, could also negatively affect our patient volumes, Business closings and layoffs in the areas in which we operate may adversely affect demand for our services, as well as the ability of

patients to pay for services as rendered. If general economic conditions deteriorate or remain uncertain or diminished for an extended period of time, our liquidity and ability to repay our outstanding debt may be harmed.

In addition, our results and financial condition may be adversely affected by future federal or state laws, regulations, orders, or other governmental or regulatory actions addressing the current COVID-19 pandemic or the United States' health care system, which, if adopted, could result in direct or indirect restrictions to our business, financial condition, results of operations and cash flow.

The foregoing potential disruptions to our business as a result of the COVID-19 pandemic (including the potential resurgences of COVID-19 in jurisdictions currently engaged in reopening) may have a material adverse effect on our business and could have a material adverse effect on our results of operations, financial condition, cash flows and our ability to service our indebtedness.

A pandemic, epidemic or outbreak of a contagious disease in the markets in which we operate or that otherwise impacts our centers could adversely impact our business.

If a pandemic, epidemic or outbreak of an infectious disease, including the recent outbreak of respiratory illness caused by a novel coronavirus known as COVID-19, or other public health crisis were to affect the areas in which we operate, our business, including our revenue, profitability and cash flows, could be adversely affected. If any of our centers were involved, or perceived to be involved, in treating patients with a highly contagious disease, or there was an outbreak of a highly contagious disease in areas in which our centers are located, our patients might cancel or defer cosmetic procedures. This could result in reduced patient volumes and operating revenue, potentially over an extended period. Further, a pandemic, epidemic or outbreak of an infectious disease might adversely impact our business by causing temporary shutdowns of our centers or diversion of patients or by causing staffing shortages in our centers. We may be unable to locate replacement supplies, and ongoing delays could require us to reduce procedure volume or cause temporary shutdowns of our centers. Although we have disaster plans in place and operate pursuant to infectious disease protocols, the extent to which COVID-19 or other public health crisis will impact our business is difficult to predict and will depend on many factors beyond our control, including the speed of contagion, the development and implementation of effective preventative measures and possible treatments, the scope of governmental and other restrictions on travel and other activity, and public reactions to these factors.

Our centers may be adversely impacted by weather and other factors beyond our control, and disruptions in our disaster recovery systems or management continuity planning could limit our ability to operate our business effectively.

The financial results of our centers may be negatively impacted by adverse weather conditions, such as tornadoes, earthquakes and hurricanes, or other factors beyond our control, such as wildfires. These weather conditions or other factors could disrupt patient scheduling, displace our patients, employees and surgeon partners and force certain of our centers to close temporarily or for an extended period of time. In certain markets, we have a large concentration of centers that may be simultaneously affected by adverse weather condition or events beyond our control.

While we have disaster recovery systems and business continuity plans in place, any disruptions in our disaster recovery systems or the failure of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect our operating results by limiting our capacity to effectively monitor and control our operations. Despite our implementation of a variety of security measures, our technology systems could be subject to physical or electronic break-ins, and similar disruptions from unauthorized tampering or weather related disruptions where our headquarters is located. In addition, in the event that a significant number of our management personnel were unavailable in the event of a disaster, our ability to effectively conduct business could be adversely affected.

Use and storage of paper medical records increases risk of loss, destruction and could increase human error with respect to documentation and patient care.

The affiliated Practice Entities continue to rely on the use paper medical records, which are initially stored on-site at our centers. Paper records are more susceptible to human error both in terms of accurately capturing

patient information, as well as with respect to misplacing or losing the same. There is no duplicate or backup copy of the paper records and in the event of a flood, fire, theft, or other adverse event, the records, and all patient information, could be lost or destroyed. Paper records do not allow for a number of the benefits of electronic medical records systems, including interoperability with other providers allowing for better coordination of care, and other features designed to improve privacy, security, accuracy and accessibility of patient records. This may create more risk for the Provider Entities, surgeons and our centers to the extent it could lead to clinical issues or breaches of patient privacy.

Our internal computer systems, or those of any of our manufacturers, other contractors, consultants, collaborators, or third party service providers may fail or suffer security or data privacy breaches or other unauthorized or improper access to, use of, or destruction of our proprietary or confidential data, employee data, or personal data, which could result in additional costs, loss of revenue, significant liabilities, harm to our brand and material disruption of our operations.

We use information technology systems, infrastructure, and data in many aspects of our business operations, and our ability to effectively manage our business depends significantly on the availability, reliability and capacity of these systems. We are critically dependent on the integrity, security and consistent operations of these systems. We also collect, process and store significant sensitive, personally identifiable, and/or confidential information and intellectual property, including patients' information, private information about employees, and financial and strategic information about us and our business partners. The secure processing, maintenance and transmission of this information is critical to our operations.

Our systems (including those of our contractors, consultants, collaborators, and third-party service providers) may be subject to damage or interruption from cyber-attacks, power outages, telecommunications problems, data corruption, software errors, network failures, acts of war or terrorist attacks, fire, flood, global pandemics and natural disasters; our existing safety systems, data backup, access protection, user management and information technology emergency planning may not be sufficient to prevent data loss or long-term network outages. In addition, we and our contractors, consultants, collaborators, and third-party service providers may have to upgrade our existing information technology systems or choose to incorporate new technology systems from time to time in order for such systems to support the increasing needs of our expanding business. Costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology or with maintenance or adequate support of existing systems could disrupt our business and result in transaction errors, processing inefficiencies and loss of production or sales, causing our business and reputation to suffer. Any material disruption or slowdown of our systems or those of our third-party service providers and business partners, could have a material adverse effect on our business, financial condition, and results of operations.

Further, our systems and facilities, and those of our contractors, consultants, collaborators, and third-party service providers, may be vulnerable to security incidents, including cyber-attacks, ransomware, acts of vandalism, computer viruses, misplaced or lost data, human errors or other similar events. If unauthorized parties gain access to our facilities, networks, or databases, or those of our third-party vendors or business partners, they may be able to steal, publish, delete, use inappropriately, render unreadable or unusable, or modify our private and sensitive third-party information, including personally identifiable information, credit card information, and other sensitive, confidential, or proprietary information. In addition, employees may intentionally or inadvertently cause security incidents that result in unauthorized release of personally identifiable, sensitive, confidential, or proprietary information. Because the techniques used to circumvent security systems can be highly sophisticated, change frequently, are often not recognized until launched against a target and may originate from less regulated and remote areas around the world, we may be unable to proactively address all possible techniques or implement adequate preventive measures for all situations.

Security incidents compromising the confidentiality, integrity, and availability of this information and our systems and those of our third party vendors and business partners could result from cyber-attacks, computer malware, ransomware, viruses, social engineering (including phishing attacks), supply chain attacks, efforts by individuals or groups of hackers and sophisticated organizations, including state-sponsored organizations, errors or malfeasance of our personnel, and security vulnerabilities in the software or systems on which we rely. We anticipate that these threats will continue to grow in scope and complexity over time and such incidents have occurred in the past, and may occur in the future, resulting in unauthorized, unlawful, or inappropriate

access to, inability to access, disclosure of, or loss of the sensitive, proprietary and confidential information that we handle. As we rely on our contractors, consultants, collaborators and third-party service providers, we are exposed to security risks outside of our direct control, and our ability to monitor these third-party service providers and business partners' data security is limited. Despite the implementation of security measures, our internal computer systems and those of our current and any other contractors, consultants, collaborators and third-party service providers, such measures may not be effective in every instance.

Cybercrime and hacking techniques are constantly evolving, and we and/or our third-party service providers may be unable to anticipate or avoid attempted or actual security breaches, react in a timely manner, or implement adequate preventative measures, particularly given the increasing use of hacking techniques designed to circumvent controls, avoid detection, and remove or obfuscate forensic artifacts. While we have taken measures designed to protect the security of the confidential and personal information under our control, we cannot assure you that any security measures that we or our third-party service providers have implemented will be effective against current or future security threats.

If such an event were to occur and cause interruptions in our operations or result in the unauthorized acquisition of or access to personally identifiable information or individually identifiable health information (violating certain privacy laws), it could result in a material disruption of our business operations, whether due to a loss of our trade secrets or other similar disruptions.

Laws in all states and U.S. territories require businesses to notify affected individuals, governmental entities, media, and/or credit reporting agencies of certain security incidents affecting personal information. Such laws are inconsistent, and compliance in the event of a widespread security incident is complex and costly and may be difficult to implement. Moreover, while we maintain cyber insurance that may help provide coverage for these types of incidents, we cannot assure you that our insurance will be adequate to cover all costs and liabilities related to these incidents. In addition, such insurance may not be available to us in the future on economically reasonable terms, or at all. Further, our insurance may not cover all claims made against us and could have high deductibles in any event, and defending a suit, regardless of its merit, could be costly and divert management attention.

The cost of investigating, mitigating and responding to potential security breaches and complying with applicable breach notification obligations to individuals, regulators, partners and others can be significant. Security breaches can also give rise to claims, and the risk of such claims is increasing. For example, as discussed below, the CCPA creates a private right of action for certain data breaches. Further, defending a suit, regardless of its merit, could be costly, divert management attention and harm our reputation. The successful assertion of one or more large claims against us could adversely affect our reputation, business, financial condition, revenue, results of operations or cash flows.

Security breaches, loss of data, and other disruptions could compromise sensitive information related to our business or our patients, or prevent us from accessing critical information or systems and expose us to liability, and could adversely affect our business and our reputation.

In the ordinary course of our business, we create, receive, maintain, transmit, collect, store, use, disclose, share and process (collectively, "Process") sensitive data, including individually identifiable health information ("IIHI") and other types of personal data or personally identifiable information (collectively, "PII" and, together with IIHI, "IIHI/PII") relating to our employees, patients, and others. We also Process and contract with third-party service providers to Process sensitive information, including IIHI/PII, confidential information, and other proprietary business information.

We are highly dependent on information technology networks and systems, including the internet, to securely Process IIHI/PII and other sensitive data and information. Security breaches of this infrastructure, whether ours or of our third-party service providers, including physical or electronic break-ins, computer viruses, ransomware, attacks by hackers and similar breaches, and employee or contractor error, negligence or malfeasance, could create system disruptions, shutdowns or unauthorized access, acquisition, use, disclosure or modifications of such data or information, and could cause IIHI/PII to be accessed, acquired, used, disclosed or modified without authorization, to be made publicly available, or to be further accessed, acquired, used or disclosed.

We use third-party service providers for important aspects of the Processing of employee and patient IIHI/PII and other confidential and sensitive data and information, and therefore rely on third parties to manage functions that have material cybersecurity risks. Because of the sensitivity of the IIHI/PII and other sensitive data and information that we and our service providers Process, the security of our technology platform and other aspects of our services, including those provided or facilitated by our third-party service providers, are important to our operations and business strategy. We have implemented certain administrative, physical and technological safeguards to address these risks; however, such policies and procedures may not adequately address certain legal requirements, certain situations that could lead to increased privacy or security risks, and certain risks related to contractors and other third-party service providers who handle this IIHI/PII and other sensitive data and information for us. The training that we provide to our workforce and measures taken to protect our systems, the systems of our contractors or third-party service providers, or more generally the IIHI/PII or other sensitive data or information that we or our contractors or third-party service providers Process may not adequately protect us from the risks associated with Processing sensitive data and information. We may be required to expend significant capital and other resources to protect against security breaches, to safeguard the privacy, security, and confidentiality of IIHI/PII and other sensitive data and information, to investigate, contain, remediate, and mitigate actual or potential security breaches, and/or to report security breaches to patients, employees, regulators, media, credit bureaus, and other third parties in accordance with applicable law and to offer complimentary credit monitoring, identity theft protection, and similar services to patients and/or employees where required by law or otherwise appropriate. Despite our implementation of security measures, cyber-attacks are becoming more sophisticated, and frequent, and we or our third-party service providers may be unable to anticipate these techniques or to implement adequate protective measures against them or to prevent additional attacks. Our information technology networks and systems used in our business, as well as those of our service providers, may experience an increase in attempted cyber-attacks, seeking to take advantage of shifts to employees working remotely using their household or personal internet networks and to leverage fears promulgated by the COVID-19 pandemic. The success of any of these attempts could substantially impact our platform, and the privacy, security, or confidentiality of the IIHI/PII and other sensitive data and information contained therein or otherwise Processed in the ordinary course of our business operations, and could ultimately harm our reputation and our business. In addition, any actual or perceived security incident or breach may cause us to incur increased expenses to improve our security controls and to remediate security vulnerabilities. We exercise limited control over our third-party service providers and, in the case of some third-party service providers, may not have evaluated the adequacy of their security measures, which increases our vulnerability to problems with services they provide.

A security breach, security incident, or privacy violation that leads to unauthorized use, disclosure, access, acquisition, loss or modification of, or that prevents access to or otherwise impacts the confidentiality, security, or integrity of, patient or employee information, including IIHI/PII that we or our third-party service providers Process, could harm our reputation, compel us to comply with breach notification laws, cause us to incur significant costs for investigation, containment, remediation, mitigation, fines, penalties, settlements, notification to individuals, regulators, media, credit bureaus, and other third parties, complimentary credit monitoring, identity theft protection, training and similar services to patients and/or employees where required by law or otherwise appropriate, for measures intended to repair or replace systems or technology and to prevent future occurrences. We may also be subject to potential increases in insurance premiums, resulting in increased costs or loss of revenue.

If we or our third-party service providers are unable to prevent or mitigate security breaches, security incidents or privacy violations in the future, or if we or our third-party service providers are unable to implement satisfactory remedial measures with respect to known or future security incidents, or if it is perceived that we have been unable to do so, our operations could be disrupted, we may be unable to provide access to our systems, and we could suffer a loss of patients, loss of reputation, adverse impacts on patient and investor confidence, financial loss, governmental investigations or other actions, regulatory or contractual penalties, and other claims and liability. In addition, security breaches and incidents and other compromise or inappropriate access to, or acquisition or processing of, IIHI/PII or other sensitive data or information can be difficult to detect, and any delay in identifying such breaches or incidents or in providing timely notification of such incidents may lead to increased harm and increased penalties.

Any such security breach or incident or interruption of our systems or those of any of our third-party service providers could compromise our networks or data security processes, and IIHI/PII or other sensitive data and

information could be made inaccessible or could be compromised, used, accessed, or acquired by unauthorized parties, publicly disclosed, lost or stolen. Any such interruption in access, compromise, use, improper access, acquisition, disclosure or other loss of information could result in legal claims or proceedings and/or liability or penalties under laws and regulations that protect the privacy, confidentiality, or security of IIHI/PII, including, without limitation, the Federal Trade Commission Act ("FTC Act"), the California Consumer Privacy Act ("CCPA"), other state IIHI/PII privacy, security, or consumer protection laws, and state breach notification laws. Unauthorized access, loss or dissemination of IIHI/PII could also disrupt our operations, including our ability to perform our services, access, collect, process, and prepare company financial information, provide information about our current and future services and engage in other patient and clinician education and outreach efforts.

Risks Related to Intellectual Property

If we are unable to obtain and maintain patent protection of sufficient scope or at all or freedom to operate for our AirSculpt procedure or any technology we develop, our ability to successfully commercialize any procedures we may develop may be adversely affected.

We seek to protect our position by filing patent applications in the United States related to our proprietary procedures and any products that we may develop that are important to our business.

The patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patents or patent applications at a reasonable cost, in a timely manner, in all jurisdictions where protection may be commercially advantageous, or at all. It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. Although we enter into non-disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development output, such as our employees, consultants, contractors, collaborators, vendors and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection. In addition, publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in our patents or pending patent applications, or that we were the first to file for patent protection of such inventions.

Changes in either the patent laws or their interpretation in the United States and other countries may diminish our ability to protect our inventions, obtain, maintain, and enforce our patent rights and, more generally, could affect the value of our patents or narrow the scope of our patents. For example, patent reform legislation may pass in the future that could lead to additional uncertainties and increased costs surrounding the prosecution, enforcement and defense of our patents and applications. Furthermore, the U.S. Supreme Court and the U.S. Court of Appeals for the Federal Circuit have made, and will likely continue to make, changes in how the patent laws of the United States are interpreted. Similarly, foreign courts have made, and will likely continue to make, changes in how the patent laws in their respective jurisdictions are interpreted.

We cannot predict whether the patent applications we pursue will issue as patents or whether the claims of any issued patents will provide sufficient protection from competitors. The coverage claimed in a patent application can be significantly reduced before a patent is issued, and its scope can be reinterpreted after issuance. Even if our patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain.

Additionally, our competitors or other third parties may be able to circumvent our patents by developing similar or alternative non-infringing technologies, or procedures. Third parties may also have blocking patents that could prevent us from marketing our procedures and practicing our technology. Alternatively, third parties may seek approval to market their own procedures similar to or otherwise competitive with our procedures. In these circumstances, we may need to defend and/or assert our patents, including by filing lawsuits alleging patent infringement. In any of these types of proceedings, a court or agency with jurisdiction may find our patents invalid, unenforceable or not infringed, in which case, our competitors and other third parties may

then be able to market procedures that are substantially similar to ours. Even if we have valid and enforceable patents, these patents still may not provide protection against competing procedures or technologies sufficient to achieve our business objectives.

Competitors may also contest our patents, if issued, by showing the patent examiner that the invention was not original, was not novel or was obvious. In litigation, a competitor could claim that our patents, if issued, are not valid for a number of reasons. If a court agrees, we would lose our rights to those challenged patents.

The United States Patent and Trademark Office (USPTO) and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. In addition, periodic maintenance fees, renewal fees, annuity fees and various other government fees on issued patents and patent applications will be due to the USPTO and foreign patent agencies over the lifetime of our patents and applications. While an unintentional lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. If we fail to maintain the patents and patent applications covering our products, we may not be able to stop a competitor from marketing products that are the same as or similar to our products, which could have a material adverse effect on our business, financial condition and results of operations.

We may become a party to intellectual property litigation or administrative proceedings or other intellectual property challenges that could be costly and could interfere with our ability to market and perform our services.

The cosmetic treatment procedure industry has been characterized by extensive intellectual property litigation, and companies in the industry have used intellectual property litigation to gain a competitive advantage. It is possible that United States and foreign patents and pending patent applications or trademarks of third parties may be alleged to cover our technology or our procedures, or that we may be accused of misappropriating third parties' trade secrets. Additionally, our equipment includes components that we purchase from vendors, and may include design components that are outside of our direct control. Our competitors, many of which have substantially greater resources and have made substantial investments in patent portfolios, trade secrets, trademarks and competing technologies, may have applied for or obtained, or may in the future apply for or obtain, patents or trademarks that will prevent, limit or otherwise interfere with our ability to make, use, sell and/or export our technology and procedures or to use our proprietary names. Because patent applications can take years to issue and are often afforded confidentiality for some period of time, there is a risk we may develop one or more procedures or other technologies without knowledge of a pending patent application, which if such patent application issued into a patent would result in our procedures or technologies infringing such patent. From time to time, we may receive threatening letters, notices or "invitations to license," or may be the subject of claims that our procedures, technology, brands, proprietary names and marks, and/or business operations infringe or violate the intellectual property rights of others. Moreover, in recent years, individuals and groups that are non-practicing entities, commonly referred to as "patent trolls," have purchased patents and other intellectual property assets for the purpose of making claims of infringement in order to extract settlements. The defense of any of these matters, even claims without merit, can be time consuming, divert management's attention and resources, damage our reputation and brand and cause us to incur significant expenses, and if we settle any such claims, we may agree to make substantial payments or to redesign or cease making or using our challenged procedures or technology or to cease using our brands or proprietary names and marks. Vendors from whom we purchase hardware or software may not indemnify us in the event that such hardware or software is accused of infringing or misappropriating a third party's intellectual property rights, or any indemnification granted by such vendors may not be sufficient to address any liability and costs we incur as a result of such claims. Additionally, we may be obligated to indemnify our business partners in connection with intellectual property litigation, which could further exhaust our resources.

Even if we believe third party's intellectual property claims are without merit, there is no assurance that a court would find in our favor, including on questions of infringement, validity, enforceability or priority of patents. The strength of our defenses relating to patent claims will depend on the patents asserted, the

interpretation of these patents, and our ability to invalidate the asserted patents. A court of competent jurisdiction could hold that these third-party patents are valid and enforceable and have been infringed by us, which could materially and adversely affect our ability to commercialize any procedures or technology we may develop and any other procedures or technologies covered by the asserted third-party patents. In order to successfully challenge the validity of any such U.S. patent in federal court, we would need to overcome a presumption of validity. As this burden is a high one requiring us to present clear and convincing evidence as to the invalidity of any such U.S. patent claim, there is no assurance that a court of competent jurisdiction would invalidate the claims of any such U.S. patent. Conversely, the patent owner need only prove infringement by a preponderance of the evidence, which is a lower burden of proof.

Further, any successful claims of intellectual property infringement or misappropriation against us may harm our business and result in injunctions preventing us from developing, manufacturing, using or selling our technology or procedures, or result in obligations to pay license fees, damages, attorney fees and court costs, which could be significant. In addition, if we are found to willfully infringe third-party patents or trademarks or to have misappropriated trade secrets, we could be required to pay treble damages in addition to other penalties.

Even if any intellectual property disputes are settled through licensing or similar arrangements, costs associated with such arrangements may be substantial and could include ongoing royalties. We may be unable to obtain necessary licenses on satisfactory terms, if at all. In addition, if any license we obtain is non-exclusive, we may not be able to prevent our competitors and other third parties from using the intellectual property or technology covered by such license to compete with us. If we do not obtain necessary licenses, we may not be able to alter our procedures or redesign our equipment to avoid infringement. Any of these events could materially and adversely affect our business, financial condition and results of operations.

Similarly, interference or derivation proceedings provoked by third parties or brought by the USPTO may be necessary to determine priority with respect to our patents, patent applications, trademarks or trademark applications. We may also become involved in other proceedings, such as reexamination, *inter partes* review, derivation, cancellation or opposition proceedings before the USPTO or other jurisdictional body relating to our intellectual property rights or the intellectual property rights of others. Adverse determinations in a judicial or administrative proceeding or failure to obtain necessary licenses could prevent us from using or selling our procedures or technology or using proprietary names, which would have a significant adverse impact on our business, financial condition and results of operations.

Additionally, we may file lawsuits or initiate other proceedings to protect or enforce our patents, or other intellectual property rights and contractual restrictive covenants with our surgeons not to use the procedure outside of our centers, each of which could be expensive, time consuming and unsuccessful. Competitors may infringe our issued patents or other intellectual property, which we may not always be able to detect. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their intellectual property or alleging that our intellectual property is invalid or unenforceable. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may raise challenges to the validity of certain of our patent claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, post-grant review, *inter partes* review, interference proceedings, derivation proceedings and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings). In any such lawsuit or other proceedings, a court or other administrative body may decide that a patent of ours is invalid or unenforceable, in whole or in part, construe the patent's claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question.

The outcome following legal assertions of invalidity and unenforceability is unpredictable. If a third party were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our procedures, equipment, and other technologies (including those then under development). If our patents are found to be valid and infringed by a third party, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages and/or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by

the infringer's competition in the market. Any of these events could materially and adversely affect our business, financial condition and results of operations.

Even if resolved in our favor, litigation or other proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential or sensitive information could be compromised by disclosure in the event of litigation. Uncertainties resulting from the initiation and continuation of intellectual property litigation or other proceedings could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to protect our other proprietary rights, our business and competitive position may be harmed.

In addition to patent protection, we also rely on other proprietary rights that we seek to protect, including trade secrets, and other proprietary information that is not patentable or that we elect not to patent. However, trade secrets can be difficult to protect. To maintain the confidentiality of our trade secrets and proprietary information, we rely heavily on confidentiality provisions that we have in contracts with our employees, consultants, contractors, collaborators and others upon the commencement of their relationship with us. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary technology and processes. We may not be able to prevent the unauthorized disclosure or use of our technical knowledge or other trade secrets by such third parties, despite the existence generally of these confidentiality restrictions. These contracts may not provide meaningful protection for our trade secrets, know-how or other proprietary information in the event of any unauthorized use, misappropriation or disclosure of such trade secrets, know-how or other proprietary information. There can be no assurance that such third parties will not breach their agreements with us, that we will have adequate remedies for any breach, or that our trade secrets, know-how and other proprietary information will not otherwise become known. Despite the protections we do place on our intellectual property or other proprietary rights, monitoring unauthorized use and disclosure of our intellectual property is difficult, and we do not know whether the steps we have taken to protect our intellectual property or other proprietary rights will be adequate. Enforcing a claim that a party disclosed proprietary information in an unauthorized manner or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable.

In addition, we may in the future also be subject to claims by our former employees, surgeons, consultants or contractors asserting an ownership right in our intellectual property rights as a result of the work they performed on our behalf. Although it is our policy to require all of our employees, consultants, contractors and any other partners or collaborators who may be involved in the conception or development of intellectual property for us to execute agreements assigning such intellectual property to us, we cannot be certain that we have executed such agreements with all parties who may have contributed to the development of our intellectual property, that the assignment of intellectual property rights under our agreements that have been executed with such parties will be self-executing, or that our agreements with such parties will be upheld in the face of a potential challenge. Such agreements could also potentially be breached in a manner for which we may not have an adequate remedy. As a result, we may lose valuable intellectual property rights, such as exclusive ownership of, and/or right to use, intellectual property that is important to our business. Any such events could have a material adverse effect on our business, financial condition and results of operations.

To the extent our intellectual property or other proprietary information protection is inadequate, we are exposed to a greater risk of direct competition. A third party could, without authorization, copy or otherwise obtain and use our procedures, equipment, or technology. Our competitors could attempt to replicate some or all of the competitive advantages we derive from our development efforts or design around our intellectual property. Our failure to secure, protect and enforce our intellectual property rights could substantially harm

the value of our brand and business. The theft or unauthorized use or publication of our trade secrets and other confidential proprietary information could reduce the differentiation of our procedures and harm our business, the value of our investment in development could be reduced and third parties may make claims against us related to losses of their confidential or proprietary information.

Further, it is possible that others will independently develop the same or similar technology or otherwise obtain access to our unpatented technology, and in such cases we could not assert any trade secret rights against such parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our trade secret rights and related confidentiality and nondisclosure provisions. If we fail to obtain or maintain trade secret protection, or if our competitors rightfully obtain our trade secrets or independently develop technology similar to ours or competing technologies, our competitive market position could be materially and adversely affected. In addition, some courts are less willing or unwilling to protect trade secrets, and agreement terms that address non-competition are difficult to enforce in many jurisdictions and might not be enforceable in certain cases.

We also seek to preserve the integrity and confidentiality of our data and other confidential information by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached and detecting the disclosure or misappropriation of confidential information and enforcing a claim that a party illegally disclosed or misappropriated confidential information is difficult, expensive and time-consuming, and the outcome is unpredictable. Further, we may not be able to obtain adequate remedies for any breach. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

We may not be able to protect our intellectual property rights throughout the world to the same extent as in the United States.

While we have applied for patent protection in the United States relating to certain of our procedures, a company may attempt to commercialize competing procedures utilizing our proprietary methods in foreign countries where we do not have any patents or patent applications and where legal recourse may be limited or unavailable. In addition, we currently own registered trademarks and trademark applications relating to our business in the United States and other markets, but other companies may own these marks in other jurisdictions. Any such third party rights may have a significant commercial impact on our ability to expand into foreign markets.

Filing, prosecuting and defending patents or trademarks on our current and future procedures in all countries throughout the world would be prohibitively expensive. In addition, we may not accurately predict all of the jurisdictions where patent or trademark protection will ultimately be desirable. If we fail to timely file a patent or trademark application in some jurisdictions, we may be precluded from doing so at a later date. The requirements for patentability and for obtaining trademark protection may differ in certain countries, particularly developing countries. The laws of some foreign countries do not protect intellectual property rights to the same extent as laws in the United States. Consequently, we may not be able to prevent third parties from utilizing our inventions, trademarks and other proprietary rights in all countries outside the United States. Competitors may use our technologies or trademarks in jurisdictions where we have not obtained patent or trademark protection to develop or market their own procedures. Our patents, trademarks or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor, or may not be sufficiently robust for, the meaningful enforcement of patents, trademarks and other intellectual property rights, which could make it difficult for us to stop the infringement or other violation of our patents, trademarks and other intellectual property rights. Proceedings to enforce our intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents and trademarks at risk of being invalidated or interpreted narrowly and/or result in the unsuccessful prosecution of our patent or trademark applications, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. In addition, many countries, including India, China and certain countries in Europe, have compulsory licensing laws under which

a patent owner may be compelled to grant licenses to third parties. In those countries, we may have limited remedies if our patents are infringed or if we are compelled to grant a license to our patents to a third party, which could materially diminish the value of those patents. This could limit our potential revenue opportunities. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from our intellectual property. Finally, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws.

If our trademarks and trade names are not adequately protected, that could adversely impact our ability to build name recognition in certain markets.

We rely on trademarks, service marks, trade names and brand names to distinguish our procedures and services from those of our competitors and have registered or applied to register these trademarks. Our registered or unregistered trademarks, service marks, trade names and brand names may be challenged, infringed, diluted, circumvented or declared generic or determined to be infringing on other marks. Additionally, we cannot assure you that our trademark applications will be approved. During trademark registration proceedings, we may receive rejections. Although we are given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in proceedings before the USPTO and comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive such proceedings. In the event that our trademarks are successfully challenged, we could be forced to rebrand our procedures or services, which could result in loss of brand recognition and could require us to devote resources towards advertising and marketing new brands. At times, competitors may adopt trade names or trademarks similar to ours, which could harm our brand identity and lead to market confusion. Certain of our current or future trademarks may become so well known by the public that their use becomes generic and they lose trademark protection. Over the long term, if we are unable to establish name recognition through our trademarks and trade names, then we may not be able to compete effectively and our business, financial condition and results of operations may be adversely affected.

Risks Related to Government Regulations

If we fail to comply with or otherwise incur liabilities under the numerous federal and state laws and regulations relating to the operation of our centers, we could incur significant penalties or other costs or be required to make significant changes to our operations.

The cosmetic treatment industry is heavily regulated and we are subject to many laws and regulations at the federal, state and local government levels in the markets in which we operate. These laws and regulations require that our centers meet various licensing, accreditation, certification and other requirements, including, but not limited to, those relating to:

- ownership and control of our centers and our arrangements with our affiliated Professional Associations;
- operating policies and procedures
- qualification, training and supervision of medical and support persons;
- the appropriateness and adequacy of medical care, equipment, personnel, operating policies and procedures; maintenance and preservation of medical records;
- the protection and privacy of patient and other sensitive information of privacy, including, but not limited to, patient health information and credit card information;
- screening, stabilization and transfer of individuals who have emergency medical conditions and provision of emergency services;
- antitrust;
- building codes;
- workplace health and safety;

- licensure, certification and accreditation;
- fee-splitting and the corporate practice of medicine;
- handling of medication;
- confidentiality, data breach, identity theft and maintenance and protection of health-related and other personal information and medical records; and
- fat removal; and
- environmental protection, health and safety.

If we fail or have failed to comply with applicable laws and regulations, we could subject ourselves to administrative, civil or criminal penalties, cease and desist orders, and loss of licenses necessary to operate.

Many of these laws and regulations have not been fully interpreted by regulatory authorities or the courts, and their provisions are sometimes open to a variety of interpretations. Different interpretations or enforcement of existing or new laws and regulations could subject our current practices to allegations of impropriety or illegality, or require us to make changes in our operations, arrangements with surgeons and licensed professionals, centers, equipment, personnel, services, capital expenditure programs or operating expenses to comply with the evolving rules. Any enforcement action against us, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business.

In pursuing our growth strategy, we may seek to expand our presence into states in which we do not currently operate. In new geographic areas, we may encounter laws and regulations that differ from those applicable to our current operations. If we are unwilling or unable to comply with these legal requirements in a cost-effective manner, we may be unable to expand into new geographic markets or such expansion may be materially limited, which, in either case, could materially and adversely affect our ability to expand and grow the business.

A number of initiatives have been proposed during the past several years to reform various aspects of the healthcare system in the United States. In the future, different interpretations or enforcement of existing or new laws and regulations could subject our current practices to allegations of impropriety or illegality, or could require us to make changes in our centers, equipment, personnel, services, capital expenditure programs and operating expenses. In addition, some of the governmental and regulatory bodies that regulate us are considering or may in the future consider enhanced or new regulatory requirements. These authorities may also seek to exercise their supervisory or enforcement authority in new or more robust ways.

There are laws that limit the amount of fat that may be removed during the procedures we perform, and such restrictions vary depending on where the procedure is performed. If the laws were to change to materially restrict the amount of fat that may be removed during our procedures, this may limit demand for our services or the ability to continue to charge as much for the same procedures or to perform the procedures at all.

All of these possibilities, if they occurred, could detrimentally affect the way we conduct our business and manage our capital, either of which, in turn, could have a material adverse effect on our business, prospects, results of operations and financial condition.

AirSculpt® procedures may cause or contribute to adverse medical events that we are required to report to the FDA and if we fail to do so, we could be subject to sanctions that would materially harm our business.

In connection with the AirSculpt® method, we currently use an FDA-approved handpiece manufactured by Euromi S.A., a Belgian company that specializes in the manufacturing and distribution of medical, dermatological and plastic surgery products, and other FDA-approved parts, such as the cannula and vacuum pump, from other manufacturers. Using FDA-approved equipment in medical procedures is the practice of medicine and does not itself require further FDA review or approval. However, FDA regulations require that we report certain information about adverse medical events if our AirSculpt® procedures have caused or contributed to those adverse events. The timing of our obligation to report is triggered by the date we become aware of the adverse event as well as the nature of the event. We may fail to report adverse events we become aware of within the prescribed timeframe. We may also fail to appreciate that we have become aware of a reportable adverse event, especially if it is not reported to us as an adverse event or if it is an adverse event that

is unexpected or removed in time from the use of our products. If we fail to comply with our reporting obligations, the FDA could take action including criminal prosecution, the imposition of civil monetary penalties, revocation of our device clearance or approval, seizure of our products, or delay in approval or clearance of future products.

If laws governing the corporate practice of medicine or fee-splitting change, we may be required to restructure some of our relationships, which may result in a significant loss of revenue and divert other resources.

Our contractual relationships with our affiliated Professional Associations and surgeons may implicate certain state laws that generally prohibit non-professional entities from providing licensed medical services and exercising control over licensed physicians or other healthcare professionals (such activities generally referred to as the "corporate practice of medicine," or CPOM) or engaging in certain practices such as fee-splitting with such licensed professionals (i.e., sharing in a percentage of professional fees). The specific requirements, interpretation and enforcement of these laws vary significantly from state to state, and is subject to change and to evolving interpretations. There can be no assurance that these laws will be interpreted in a manner consistent with our practices or that other laws or regulations will not be enacted in the future that could have a material and adverse effect on our business, financial condition and results of operations. We provide comprehensive, administrative and non-clinical Management Services to our affiliated Professional Associations in exchange for a management fee. Regulatory authorities, state boards of medicine, state attorneys general and other parties may asset or determine that our relationships with our affiliated Professional Associations and surgeons violate state CPOM and/or fee-splitting prohibitions. If any of these events occur, we could be subject to significant fines and penalties, certain relationships with our affiliated Professional Associations and surgeons could be voided and declared unenforceable and/or we could be required to materially change the way we do business, which, could adversely affect our business, financial condition and results of operations. State CPOM and fee-splitting prohibitions also often impose penalties on healthcare professionals for aiding in the improper rendering of professional services, which could discourage surgeons and other healthcare professionals from providing clinical services at our centers.

We may be subject to various federal and state laws pertaining to healthcare fraud and abuse, including anti-kickback, self-referral, false claims and fraud laws, and any violations by us of such laws could result in fines or other penalties.

Although none of our services are currently covered by any state or federal government healthcare program or other third-party payor, applicable agencies and regulators may interpret that we are nonetheless subject to various federal and state laws intended to prevent healthcare fraud and abuse, including, but not limited, to the following:

- the federal Anti-Kickback Statute, which prohibits, among other things, any person from knowingly and willfully offering, soliciting, receiving or providing remuneration, directly or indirectly, to induce either the referral of an individual for an item or service or the purchasing or ordering of a good or service, for which payment may be made under federal healthcare programs such as the Medicare and Medicaid programs. Remuneration has been broadly defined to include anything of value, including cash, improper discounts and free or reduced price items and services;
- the federal False Claims Act, which prohibits, among other things, individuals or entities from knowingly presenting, or causing to be presented, false claims, or knowingly using false statements, to obtain payment from the federal government, and which may apply to entities that provide coding and billing advice to customers. The federal False Claims Act has been used to prosecute persons submitting claims for payment that are inaccurate or fraudulent, that are for services not provided as claimed or for services that are not medically necessary. The federal False Claims Act includes a whistleblower provision that allows individuals to bring actions on behalf of the federal government and share a portion of the recovery of successful claims;
- HIPAA, as amended, also created federal criminal laws that prohibit executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters;
- similar state anti-kickback and false claims laws, some of which apply to items or services reimbursed by any third party payor, including commercial insurers or services paid out-of-pocket by consumers; and

- the Federal Trade Commission Act and federal and state consumer protection, advertisement and unfair competition laws, which broadly regulate marketplace activities and activities that could potentially harm consumers.

Because of the breadth of these laws and the need to fit certain activities within one of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. The risk of our being found in violation of these laws and regulations is increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are sometimes open to a variety of interpretations. Our failure to accurately anticipate the application of these laws and regulations to our business or any other failure to comply with regulatory requirements could create liability for us and negatively affect our business. Any action against us for violation of these laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses, divert our management's attention from the operation of our business and result in adverse publicity.

We are subject to numerous environmental, health and safety laws and regulations, and must maintain licenses or permits, and non-compliance with these laws, regulations, licenses, or permits may expose us to significant costs or liabilities.

We are subject to numerous foreign, federal, state, and local environmental, health and safety laws and regulations relating to, among other matters, safe working conditions and environmental protection, including those governing the generation, storage, handling, use, transportation, and disposal of hazardous or potentially hazardous materials, including medical waste and other highly regulated substances. Some of these laws and regulations require us to obtain licenses or permits to conduct our operations. Environmental, health and safety laws and regulations are complex, occasionally change and have tended to become more stringent over time. If we violate or fail to comply with these laws, regulations, licenses, or permits, we could be fined or otherwise sanctioned by regulators. We cannot predict the impact on our business of new or amended laws or regulations or any changes in the way existing and future laws and regulations are interpreted or enforced, nor can we ensure we will be able to obtain or maintain any required licenses or permits.

Certain risks are inherent in providing prescription and over the counter ("OTC") treatments, and our insurance may not be adequate to cover any claims against us.

Sellers of prescriptions and OTC treatments are exposed to risks inherent in the packaging and distribution of prescriptions and OTC treatments and other healthcare products, such as with respect to improper filling of prescriptions, labeling of prescriptions, adequacy of warnings, unintentional distribution of counterfeit drugs and expiration of drugs. Our medical professionals may also have a duty to warn customers regarding any potential negative effects of a prescription drug if the warning could reduce or negate these effects. Although we maintain professional liability and errors and omissions liability insurance, from time to time, claims may result in the payment of significant amounts, some portions of which are not funded by insurance. We cannot assure you that the coverage limits under our insurance policies will be adequate to protect us against future claims, or that we will be able to maintain this insurance on acceptable terms in the future. Our business, financial condition and results of operations may be adversely affected if our insurance coverage proves to be inadequate or unavailable or there is an increase in liability for which we self-insure or we suffer reputational harm as a result of an error or omission in the process of prescribing, dispensing and administering prescription and OTC treatments.

If antitrust enforcement authorities conclude that our market share in any particular market is too concentrated or that we violate antitrust laws, we could be subject to enforcement actions that could have a material adverse effect on our business, prospects, results of operations and financial condition.

The federal government and most states have enacted antitrust laws that prohibit certain types of conduct deemed to be anti-competitive. These laws prohibit price fixing, concerted refusal to deal, market monopolization, price discrimination, tying arrangements, acquisitions of competitors and other practices that have, or may have, an adverse effect on competition. Violations of federal or state antitrust laws can result in various sanctions, including criminal and civil penalties. Antitrust enforcement in the healthcare industry is currently a priority of the Federal Trade Commission (the "FTC"). We believe we are in compliance with

federal and state antitrust laws, but courts or regulatory authorities may reach a determination in the future that could have a material adverse effect on our business, prospects, results of operations and financial condition.

The healthcare laws and regulation to which we are subject is constantly evolving and may change significantly in the future.

The regulation applicable to our business and to the healthcare industry generally to which we are subject is constantly in a state of flux. While we believe that we have structured our agreements and operations in material compliance with applicable healthcare laws and regulations, there can be no assurance that we will be able to successfully address changes in the current regulatory environment or changes in interpretation of existing laws and regulations. We believe that our business operations materially comply with applicable healthcare laws and regulations. However, some of the healthcare laws and regulations applicable to us are subject to limited or evolving interpretations, and a review of our business or operations by a court, law enforcement or a regulatory authority might result in a determination that could have a material adverse effect on us. Furthermore, the healthcare laws and regulations applicable to us may be amended or interpreted in a manner that could have a material adverse effect on our business, prospects, results of operations and financial condition.

We are subject to rapidly changing and increasingly stringent laws, regulations, industry standards, and other obligations relating to privacy, data protection, and data security. The restrictions and costs imposed by these requirements, or our actual or perceived failure to comply with them, could materially harm our business.

We collect, use, and disclose IIHI/PII of patients, personnel, business contacts, and others in the course of operating our business. These activities are or may become regulated by a variety of domestic and foreign laws and regulations relating to privacy, data protection, and data security, which are complex, and increasingly stringent, and the scope of which is constantly changing, and in some cases, inconsistent and conflicting and subject to differing interpretations, as new laws of this nature are proposed and adopted, and we currently, and from time to time, may not be in technical compliance with all such laws.

The Federal Trade Commission (“FTC”) has brought legal actions against organizations that have violated consumers’ privacy rights, or misled them by failing to maintain security for sensitive consumer information, or caused substantial consumer injury. In many of these cases, the FTC has charged the defendants with violating Section 5 of the FTC Act, which bars unfair and deceptive acts and practices in or affecting commerce.

State statutes and regulations also protect the confidentiality, privacy, availability, integrity, security, and other Processing of IIHI/PII and vary from state to state. These laws and regulations are often ambiguous, contradictory, and subject to changing or differing interpretations, and we expect new laws, rules and regulations regarding privacy, data protection, and information security to be proposed and enacted in the future. For example, the California Confidentiality of Medical Information Act (CMIA) regulates the disclosure of medical information, and applies to the IIHI we Process in the ordinary course of our Business. Violations of the CMIA can result in personal liability to the patient, the imposition of administrative fines and civil penalties, and even criminal liability. Additionally, the CCPA provides certain exceptions for some IIHI, but is still applicable to certain PII we Process in the ordinary course of our business. The effects of the CCPA are wide-ranging and afford consumers certain rights with respect to PII, including a private right of action for data breaches involving certain personal information of California residents. The California voters also passed, on November 3, 2020, the California Privacy Rights Act, or CPRA, which will come into effect on January 1, 2023, and will expand the rights of consumers under the CCPA and create a new enforcement agency. As new data security laws are implemented, we may not be able to timely comply with such requirements, or such requirements may not be compatible with our current processes. Changing our processes could be time consuming and expensive, and failure to implement required changes in a timely manner could subject us to liability for non-compliance. Consumers may also be afforded a private right of action for certain violations of privacy laws. This complex, dynamic legal landscape regarding privacy, data protection, and information security creates significant compliance issues for us and potentially restricts our ability to Process data and may expose us to additional expense, adverse publicity and liability. While we believe we have implemented data privacy and security measures in an effort to comply with applicable laws and regulations,

and we have implemented measures to require our third-party service providers to maintain reasonable data privacy and security measures, we cannot guarantee that these efforts will be adequate, and we may be subject to cybersecurity, ransomware or other security incidents. Further, it is possible that laws, rules and regulations relating to privacy, data protection, or information security may be interpreted and applied in a manner that is inconsistent with our practices or those of our third-party service providers.

If we or these third parties are found to have violated such laws, rules or regulations, it could result in regulatory investigations, litigation awards or settlements, government imposed fines, orders requiring that we or these third parties change our or their practices, or criminal charges, which could adversely affect our business. Complying with these various laws and regulations could cause us to incur substantial costs or require us to change our business practices, systems and compliance procedures in a manner adverse to our business.

We also publish statements to our patients and consumers that describe how we handle and protect IIHI/PII. If federal or state regulatory authorities or private litigants consider any portion of these statements to be untrue, we may be subject to claims of deceptive practices, which could lead to significant liabilities and consequences, including, without limitation, costs of responding to investigations, defending against litigation, settling claims, and complying with regulatory or court orders. Any of the foregoing consequences could seriously harm our business and our financial results.

Further, we are subject to the Payment Card Industry Data Security Standard ("PCI DSS"), a security standard applicable to companies that collect, store or transmit certain data regarding credit and debit cards, holders and transactions. We rely on vendors to handle PCI DSS matters and to ensure PCI DSS compliance. Despite our compliance efforts, we may become subject to claims that we have violated the PCI DSS based on past, present, and future business practices. Our actual or perceived failure to comply with the PCI DSS can subject us to fines, termination of banking relationships, and increased transaction fees. In addition, there is no guarantee that the PCI DSS compliance will prevent illegal or improper use of our payment systems or the theft, loss or misuse of payment card data or transaction information.

Despite our efforts, we may not be successful in complying with the rapidly evolving privacy, data protection, and data security requirements discussed above. Any actual or perceived non-compliance with such requirements could result in litigation and proceedings against us by governmental entities, customers, or others, fines, civil or criminal penalties, limited ability or inability to operate our business, offer services, or market our platform in certain jurisdictions, negative publicity and harm to our brand and reputation, changes to our business practices, and reduced overall demand for our platform. Such occurrences could have an adverse effect on our business, financial condition or results of operations.

Risks Related to Ownership of Our Common Stock and This Offering

We are an "emerging growth company," as defined in the Securities Act, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

We are an "emerging growth company," as defined in Section 2(a)(19) of the Securities Act, as modified by the JOBS Act, and we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies," including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation and exemptions from the requirements of holding a non-binding stockholder advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. As a result, our stockholders may not have access to certain information that they may deem important. We could be an emerging growth company for up to five years, although circumstances could cause us to lose that status earlier, including if our total annual gross revenue are $1.07 billion or more, if we issue more than $1 billion in non-convertible debt during the previous three-year period, or if the Company qualifies as a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

Our stock price could be extremely volatile, and, as a result, you may not be able to resell your shares at or above the price you paid for them.

The stock market in general has been highly volatile. As a result, the market price of our common stock is likely to be similarly volatile, and investors in our common stock may experience a decrease, which could be substantial, in the value of their stock, including decreases unrelated to our operating performance or prospects, and could lose part or all of their investment. The price of our common stock could be subject to wide fluctuations in response to a number of factors, including those described elsewhere in this prospectus and others such as:

- variations in our operating performance and the performance of our competitors;
- actual or anticipated fluctuations in our quarterly or annual operating results;
- publication of research reports by securities analysts about us or our competitors or our industry;
- announcements by us, our competitors or our vendors of significant contracts, acquisitions, joint marketing relationships, joint ventures or capital commitments;
- our failure or the failure of our competitors to meet analysts' projections or guidance that we or our competitors may give to the market;
- additions and departures of key personnel;
- strategic decisions by us or our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- the passage of legislation or other regulatory developments affecting us or our industry;
- speculation in the press or investment community;
- changes in accounting principles;
- terrorist acts, acts of war or periods of widespread civil unrest;
- natural disasters and other calamities; and
- changes in general market and economic conditions.

In the past, securities class action litigation has often been initiated against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs and divert our management's attention and resources, and could also require us to make substantial payments to satisfy judgments or to settle litigation.

There has been no prior public market for our common stock and an active, liquid trading market for our common stock may not develop.

Prior to this offering, there has not been a public market for our common stock. We cannot assure you that an active trading market will develop after this offering or how active and liquid that market may become. Although we have applied to have our common stock approved for listing on NASDAQ, we do not know whether third parties will find our common stock to be attractive or whether firms will be interested in making a market in our common stock. If an active and liquid trading market does not develop, you may have difficulty selling any of our common stock that you purchase. The initial public offering price for the shares will be determined by negotiations between us, the selling stockholders, and the representatives of the underwriters and may not be indicative of prices that will prevail in the open market following this offering. The market price of our common stock may decline below the initial offering price, and you may not be able to sell your shares of our common stock at or above the price you paid in this offering, or at all, and may suffer a loss on your investment.

Your percentage ownership in us may be diluted by future issuances of capital stock, which could reduce your influence over matters on which stockholders vote.

Following the closing of this offering, our board of directors has the authority, without action or vote of our stockholders, to issue all or any part of our authorized but unissued shares of common stock, including shares

issuable upon the exercise of options, or shares of our authorized but unissued preferred stock. Issuances of common stock or voting preferred stock would reduce your influence over matters on which our stockholders vote and, in the case of issuances of preferred stock, would likely result in your interest in us being subject to the prior rights of holders of that preferred stock.

There may be sales of a substantial amount of our common stock after this offering by our current stockholders, and these sales could cause the price of our common stock to fall.

After this offering, there will be 55,359,177 shares of common stock outstanding. Of our issued and outstanding shares, all the common stock sold in this offering will be freely transferable, except for any shares held by our "affiliates," as that term is defined in Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"). Following completion of this offering, approximately 47.1% of our outstanding common stock will be held by investment funds affiliated with our Sponsor and members of our management and employees.

Each of our directors and executive officers and substantially all of our equity holders (including affiliates of our Sponsor) have entered into a lock-up agreement with Morgan Stanley & Co. LLC, Piper Sandler & Co., and SVB Leerink LLC, as representatives on behalf of the underwriters, which regulates their sales of our common stock for a period of 180 days after the date of this prospectus, subject to certain exceptions and automatic extensions in certain circumstances. See the section entitled "Shares Eligible for Future Sale —Lock-Up Agreements" in this prospectus.

Sales of substantial amounts of our common stock in the public market after this offering, or the perception that such sales will occur, could adversely affect the market price of our common stock and make it difficult for us to raise funds through securities offerings in the future. Of the shares to be outstanding after the closing of this offering, the shares offered by this prospectus will be eligible for immediate sale in the public market without restriction by persons other than our affiliates.

Subject to the restrictions in the lock-up agreements entered into in connection with this offering, and subject to certain exceptions, holders of shares of our common stock may require us to register their shares for resale under the federal securities laws, and holders of additional shares of our common stock would be entitled to have their shares included in any such registration statement, all subject to reduction upon the request of the underwriter of the closing of this offering, if any. See the section entitled "Related Party Transactions—Registration Rights Agreement" in this prospectus. Registration of those shares would allow the holders to immediately resell their shares in the public market. Any such sales or anticipation thereof could cause the market price of our common stock to decline.

Provisions in our charter documents and Delaware law may deter takeover efforts that could be beneficial to stockholder value.

Our amended and restated certificate of incorporation and amended and restated by-laws that will be in effect immediately prior to the closing of this offering will contain, and Delaware law contains, provisions that could make it harder for a third party to acquire us, even if doing so might be beneficial to our stockholders. These provisions in our charter documents will include the following:

- a classified board of directors with three-year staggered terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors, unless the board of directors grants such right to the stockholders, to elect a director to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- the required approval of at least 66⅔% of the shares entitled to vote to remove a director for cause, and the prohibition on removal of directors without cause;

- the ability of our board of directors to alter our amended and restated bylaws without obtaining stockholder approval;
- the required approval of at least 66⅔% of the shares entitled to vote to adopt, amend or repeal our amended and restated bylaws or repeal the provisions of our amended and restated certificate of incorporation regarding the election and removal of directors;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- an exclusive forum provision providing that the Court of Chancery of the State of Delaware will be the exclusive forum for certain actions and proceedings;
- the requirement that a special meeting of stockholders may be called only by the board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors;
- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of us; and
- certain restrictions on mergers and other business combinations between us and any holder of 15% or more of our outstanding common stock other than affiliates of our Sponsor.

In addition, our board of directors has the right to authorize the issuance of shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval that could be used to dilute the ownership of a potential hostile acquiror.

Our amended and restated certificate of incorporation that will be in effect immediately prior to the closing of this offering will provide that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders and that the federal district courts shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees or the underwriters of any offering giving rise to such claim.

Our amended and restated certificate of incorporation that will be in effect immediately prior to the closing of this offering will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, in the event that the Chancery Court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) is the sole and exclusive forum for the following types of actions, suits or proceedings ("Proceedings"):

- any derivative Proceeding brought on our behalf;
- any Proceeding asserting a claim of a breach of fiduciary duty owed by any of our current or former directors, officers, other employees or stockholders to us or our stockholders;
- any Proceeding arising out of or pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws (in each case, as may be amended from time to time) or as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware;
- any Proceeding seeking to interpret, apply, enforce or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws; and
- any Proceeding asserting a claim against us or any of our current or former directors, officers, other employees or stockholders governed by the internal-affairs doctrine.

In addition, our amended and restated certificate of incorporation to be effective immediately prior to the closing of this offering will provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the

Securities Act, including all causes of action asserted against any defendant to such complaint. Additionally, our amended and restated certificate of incorporation to be effective immediately prior to the closing of this offering will provide that any person or entity holding, owning, purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions.

For the avoidance of doubt, this provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters to any offering giving rise to such Proceeding, and any other professional or entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. However, these choice of forum provisions may limit a stockholder's ability to bring a Proceeding in a judicial forum that it finds favorable for disputes with us or our directors, officers, other employees or stockholders. Further, these choice of forum provisions may increase the costs for a stockholder to bring such a Proceeding and may discourage them from doing so.

While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a Proceeding in a venue other than those designated in the exclusive forum provisions, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. If a court were to find either choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such Proceeding in other jurisdictions. For example, the Court of Chancery of the State of Delaware recently determined that the exclusive forum provisions of federal district courts of the United States of America for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable. We note that investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder.

If you purchase shares in this offering, you will suffer immediate and substantial dilution.

If you purchase shares of our common stock in this offering, you will incur immediate and substantial dilution in the pro forma book value deficiency of your stock, which would have been $(0.95) per share as of June 30, 2021 based on an assumed initial public offering price of $16.00 per share (the mid-point of the offering range shown on the cover of this prospectus), because the price that you pay will be substantially greater than the net tangible book value per share of the shares you acquire. You will experience additional dilution upon the issuance of restricted stock or other equity awards under our stock incentive plans. To the extent we raise additional capital by issuing equity securities, our stockholders will experience substantial additional dilution. See the section entitled "Dilution" in this prospectus.

Because we have no current plans to pay cash dividends on our common stock for the foreseeable future, you may not receive any return on investment unless you sell your common stock for a price greater than that which you paid for it.

We may retain future earnings, if any, for future operations, expansion and debt repayment and have no current plans to pay any cash dividends for the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that our board of directors may deem relevant. In addition, our ability to pay dividends may be limited by covenants of any existing and future outstanding indebtedness we or our subsidiaries incur, including our senior credit facility. As a result, you may not receive any return on an investment in our common stock unless you sell our common stock for a price greater than that which you paid for it.

As a result of becoming a public company, we will be obligated to report on the effectiveness of our internal controls over financial reporting. These internal controls may not be effective and our independent registered public accounting firm may not be able to certify as to their effectiveness, which could have a significant and adverse effect on our business and reputation.

We are not currently required to comply with SEC rules that implement Sections 302 and 404 of the Sarbanes-Oxley Act, and are therefore not required to make a formal assessment of the effectiveness of our internal controls over financial reporting for that purpose. However, at such time as Section 302 of the Sarbanes-Oxley Act is applicable to us, which we expect to occur immediately following effectiveness of this registration statement, we will be required to evaluate our internal controls over financial reporting. Furthermore, at such

time as we cease to be an "emerging growth company," as more fully described in "—*We are an "emerging growth company," as defined in the Securities Act, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors,*" we will also be required to comply with Section 404 of the Sarbanes-Oxley Act. At such time, we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. In addition, if we fail to achieve and maintain the adequacy of our internal controls, as such standards are modified, supplemented or amended from time to time, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. We cannot be certain as to the timing of completion of our evaluation, testing and any remediation actions or the impact of the same on our operations. If we are not able to implement the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner or with adequate compliance, our independent registered public accounting firm.

The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an "emerging growth company" under the JOBS Act.

Following the completion of this offering, we will be required to comply with various regulatory and reporting requirements, including those required by the SEC. Complying with these reporting and other regulatory requirements will be time-consuming and will result in increased costs to us and could have a material adverse effect on our business, results of operations and financial condition.

As a public company, we will be subject to the reporting requirements of the Exchange Act, and requirements of the Sarbanes-Oxley Act. These requirements may place a strain on our systems and resources. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. To maintain and improve the effectiveness of our disclosure controls and procedures, we will need to commit significant resources, hire additional staff and provide additional management oversight. We will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. Sustaining our growth also will require us to commit additional management, operational and financial resources to identify new professionals to join our firm and to maintain appropriate operational and financial systems to adequately support expansion. These activities may divert management's attention from other business concerns, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We also expect that operating as a public company will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. This could also make it more difficult for us to attract and retain qualified people to serve on our board of directors, our board committees, or as executive officers.

Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions, and other regulatory action and potentially civil litigation, which could have a material adverse effect on our financial condition and results of operations.

As an "emerging growth company" under the JOBS Act, we are permitted to, and intend to, take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies," including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. When these exemptions cease to apply, we expect to incur additional expenses and devote increased management effort toward ensuring compliance with them. We will remain an "emerging growth company" for up to five years, although we may cease to be an emerging growth company earlier under certain circumstances. See "—We are an "emerging growth company," as defined in the Securities Act, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors" for additional information on when we may cease to be an emerging growth company. We cannot predict or estimate the amount of additional costs we may incur as a result of becoming a public company or the timing of such costs.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of our Company, the trading price for our common stock would be negatively impacted. If we obtain securities or industry analyst coverage and if one or more of the analysts who covers us downgrades our common stock or publishes inaccurate or unfavorable research about our business, our stock price would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our common stock could decrease, which could cause our stock price and trading volume to decline.

We may be subject to securities litigation, which is expensive and could divert management attention.

The market price of our common stock may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

Our quarterly operating results and other operating metrics may fluctuate from quarter to quarter, which makes these metrics difficult to predict.

Our quarterly operating results and other operating metrics have fluctuated in the past and may continue to fluctuate from quarter to quarter. Additionally, our limited operating history makes it difficult to forecast our future results. As a result, you should not rely on our past quarterly operating results as indicators of future performance. You should take into account the risks and uncertainties frequently encountered by companies in rapidly evolving markets. Our financial condition and operating results in any given quarter can be influenced by numerous factors, many of which we are unable to predict or are outside of our control, including:

- the continued market acceptance of, and the growth of the body contouring market;
- our ability to maintain and attract new customers;
- our development and improvement of the quality of the AirSculpt experience, including, improving our proprietary AirSculpt technology and innovating new procedures;
- any change in the competitive landscape of our market;
- pricing pressure as a result of competition or otherwise;
- delays or disruptions in our supply of handpieces;
- errors in our forecasting of the demand for our services, which could lead to lower revenue or increased costs, or both;
- increases in marketing, sales, and other operating expenses that we may incur to grow and expand our footprint and to remain competitive;
- the ability to maintain and open new centers;
- successful expansion into international markets;
- constraints on the availability of consumer financing or increased down payment requirements to finance our procedures;
- system failures or breaches of security or privacy;
- adverse litigation judgments, settlements, or other litigation-related costs;
- changes in the legislative or regulatory environment, including with respect to healthcare regulation, privacy, consumer product safety, and advertising, or enforcement by government regulators, including fines, orders, or consent decrees;

- fluctuations in currency exchange rates and changes in the proportion of our revenue and expenses denominated in foreign currencies;
- changes in our effective tax rate;
- changes in accounting standards, policies, guidance, interpretations, or principles; and
- changes in business or macroeconomic conditions, including lower consumer confidence, recessionary conditions, increased unemployment rates, or stagnant or declining wages.

Any one of the factors above or the cumulative effect of some of the factors above may result in significant fluctuations in our operating results.

The variability and unpredictability of our quarterly operating results or other operating metrics could result in our failure to meet our expectations or those of analysts that cover us or investors with respect to revenue or other operating results for a particular period. If we fail to meet or exceed such expectations, the market price of our common stock could fall substantially, and we could face costly lawsuits, including securities class action suits.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and therefore are, or may be deemed to be, "forward-looking statements." These forward-looking statements can generally be identified by the use of forward-looking terminology, such as "believes," "expects," "may," "will," "potentially," "can," "should," "seeks," "projects," "approximately," "intends," "plans," "estimates" or "anticipates," or, in each case, their negatives or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this prospectus and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which we and our partners operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). We believe that these risks and uncertainties include, but are not limited to, those described in the section entitled "Risk Factors," which include but are not limited to the following:

- failure to open and operate new centers in a timely and cost-effective manner;
- shortages or quality control issues with third-party manufacturers or suppliers;
- competition for surgeons;
- litigation or medical malpractice claims;
- inability to protect the confidentiality of our proprietary information;
- changes in the laws governing the corporate practice of medicine or fee-splitting;
- changes in the regulatory, economic and other conditions of the states and jurisdictions where our facilities are located; and
- the increased costs we will face as a result of being a public company.

These factors should not be construed as exhaustive and should be read with the other cautionary statements in this prospectus.

Although we base the forward-looking statements contained in this prospectus on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this prospectus. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

You are cautioned not to place undue reliance on the forward-looking statements contained in this prospectus as predictions of future events, and we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements contained in this prospectus will be achieved or occur. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements.

Any forward-looking statement that we make in this prospectus speaks only as of the date of such statement, and we undertake no obligation to update any forward-looking statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

You should read this prospectus and the documents that we have filed with the SEC as exhibits to the registration statement, of which this prospectus is a part, with the understanding that our actual future results, levels of activity, performance and events and circumstances may be materially different from what we expect. We qualify all forward-looking statements by these cautionary statements.

USE OF PROCEEDS

We estimate that the net proceeds from the sale of our common stock in this offering will be approximately $10.7 million, based upon an assumed initial public offering price of $16.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. If the underwriters' option to purchase additional shares of our common stock is exercised in full, we estimate that the net proceeds from the offering will be approximately $9.0 million.

We intend to use approximately $6.0 million of the net proceeds from this offering to fund our growth strategy, of which we plan to use approximately $2.0 million for adding procedure rooms to existing locations and approximately $4.0 million for costs associated with opening de novo centers. We intend to use the balance of the net proceeds for general corporate purposes and working capital.

We will have broad discretion over how to use the net proceeds we receive from this offering. We intend to invest the net proceeds we receive from this offering that are not used as described above in a variety of capital preservation investments, including short-term, investment-grade, interest-bearing instruments and U.S. government securities.

A $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by $0.9 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions payable by us.

We will not receive any proceeds from the sale of our common stock by the selling stockholders. We will, however, bear the costs associated with the sale of shares of common stock by the selling stockholders, including the underwriting discounts and commissions. For more information, see "Principal and Selling Stockholders" and "Underwriting."

DIVIDEND POLICY

We do not currently intend to pay any dividends on our common stock. Any determination to pay dividends to holders of our common stock will be at the discretion of our board of directors and will depend on many factors, including our financial condition, results of operations, projections, liquidity, earnings, legal requirements, restrictions in the agreements governing any indebtedness we may enter into and other factors that our board of directors deems relevant.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and consolidated capitalization as of June 30, 2021 on an actual basis and on an as adjusted basis, giving effect to the Reorganization, our issuance and sale of shares of common stock in this offering at an assumed initial public offering price of $16.00 per share (the midpoint of the price range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, and the application of the proceeds as described under the section entitled "Use of Proceeds".

This table should be read in conjunction with the other information contained in this prospectus, including "Use of Proceeds," "Selected Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes appearing elsewhere in this prospectus.

	As of June 30, 2021	
($ in thousands)	**Historical**	**Adjusted**
Cash and cash equivalents	$ 16,848	$ 27,498
Debt:		
Term loan	$ 82,973	$ 82,973
Member's equity	76,718	—
Preferred stock, par value $0.001 per share: no shares authorized, issued and outstanding, actual; and 50,000,000 shares authorized and no shares issued and outstanding, as adjusted	—	—
Common Stock, par value $0.001 per share: no shares authorized, issued and outstanding, actual; and 450,000,000 shares authorized and 53,796,677 shares issued and outstanding, as adjusted	—	54
Retained earnings	—	6,267
Additional paid-in capital	—	81,047
Total capitalization	$159,691	$170,341

A $1.00 increase or decrease in the assumed initial public offering price of $16.00, the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, cash and cash equivalents, total assets and total equity by $0.9 million, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same and after deducting assumed underwriting discounts and commissions and estimated offering expenses.

The above table assumes the underwriters' option to purchase additional shares will not be exercised and excludes:

- 4,567,132 shares of common stock issuable under equity awards that we intend to grant under our 2021 Equity Incentive Plan immediately following the effectiveness of this offering; and
- 968,786 additional shares of common stock reserved for future issuance under our 2021 Equity Incentive Plan that we intend to adopt at the time of this offering.

DILUTION

Dilution represents the difference between the amount per share paid by investors in this offering and the pro forma and as-adjusted net tangible book value per share of our common stock immediately after this offering. The data in this section is derived from our balance sheet as of June 30, 2021 and is presented on a pro forma basis after giving effect to the Reorganization. The pro forma net tangible book value per share is equal to our total tangible assets less the amount of our total liabilities, divided by the sum of the number of our shares of common stock that will be outstanding immediately prior to the closing of this offering after giving effect to the Reorganization. Our pro forma net tangible book value deficiency as of June 30, 2021 was $(63.2) million, or $(1.18) per share.

After giving effect to the receipt of the estimated net proceeds from our sale of common stock in this offering, assuming an initial public offering price of $16.00 per share (the mid-point of the offering range shown on the cover of this prospectus), after deducting the underwriting discount and other estimated offering expenses payable by us and the application of the estimated net proceeds therefrom as described under the section entitled “Use of Proceeds,” our pro forma and as-adjusted net tangible book value as of June 30, 2021 would have been approximately $(52.6) million, or $(0.95) per share. This represents an immediate dilution to new investors in this offering of $(16.95) per share. The following table illustrates this dilution per share.

Assumed initial public offering price per share		$ 16.00
Pro forma net tangible book value per share as of June 30, 2021	$(1.18)	
Increase in net tangible book value per share attributable to new investors in this offering	0.23	
Pro forma and as-adjusted net tangible book value per share after this offering		(0.95)
Dilution per share to new investors		$(16.95)

The dilution information discussed above is illustrative only and will change based on the actual initial public offering price and other terms of this offering determined at pricing. A $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per share of our common stock, the midpoint of the price range set forth on the cover page of this prospectus, would decrease (increase) our pro forma and as-adjusted net tangible book value deficiency after giving effect to the offering by $0.9 million, assuming no change to the number of shares of our common stock offered by us as set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated expenses payable by us.

If the underwriters fully exercise their option to purchase additional shares, pro forma and as-adjusted net tangible book value deficiency after this offering would increase by approximately $0.20 per share, and there would be an immediate dilution of approximately $(16.98) per share to new investors.

The following table sets forth, as of June 30, 2021, the number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid by existing stockholders and to be paid by new investors purchasing shares of common stock in this offering, before deducting underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing Owners	45,359,177	81.9%	151,000,000	48.6%	$ 3.33
New investors	10,000,000	18.1%	160,000,000	51.4%	$16.00
Total	55,359,177	100.0%	311,000,000	100.0%	

We may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent additional capital is raised through the sale of equity or convertible debt securities, the issuance of those securities could result in further dilution to holders of our common stock.

To the extent that any equity awards are issued under our incentive plan, investors participating in this offering will experience further dilution.

SELECTED FINANCIAL DATA

The following tables summarize our selected financial data for the periods and as of the dates indicated. We have derived our selected statements of operations data for the years ended December 31, 2020 and 2019 and the selected balance sheet data as of December 31, 2020 and 2019 from our audited financial statements and related notes included elsewhere in this prospectus. We have derived our selected statements of operations data for the six months ended June 30, 2021 and 2020 and the selected balance sheet data as of June 30, 2021 from our unaudited financial statements and related notes included elsewhere in this prospectus. Our historical results include below and elsewhere in this prospectus are not necessarily indicative of the results that may be expected in the future. You should read the selected financial data below in conjunction with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes included elsewhere in this prospectus. The selected financial data in this section are not intended to replace the financial statements and are qualified in their entirety by the financial statements and related notes included elsewhere in this prospectus.

	Six Months Ended June 30,		Fiscal Year Ended December 31,	
	2021	2020	2020	2019
Consolidated Statements of Operations Data: ($ in thousands)				
Revenue	$ 61,108	$22,086	$62,766	$41,236
Operating expenses:				
Cost of service	20,008	8,983	23,471	15,488
Selling, general and administrative	18,990	10,031	23,621	20,125
Loss on debt modification	682	—	—	—
Depreciation and amortization	3,023	2,733	5,641	4,960
Total operating expenses	42,703	21,747	52,733	40,573
Income from operations	18,405	339	10,033	663
Interest expense, net	1,757	1,247	2,456	2,875
Net income (loss)	16,648	(908)	7,577	(2,212)
Pro forma income tax expense (unaudited)	3,975	—	1,827	—
Pro forma net income (loss) (unaudited)	$ 12,673	$ (908)	$ 5,750	$ (2,212)
Consolidated Statements of Cash Flow Data:				
Net cash provided by operating activities	$ 23,814	$ 1,683	$13,957	$ 4,938
Net cash used in investing activities	(3,149)	(1,720)	(3,689)	(4,439)
Net cash used in financing activities	(14,196)	(2,034)	(5,017)	(783)
Net income (loss) per unit data (unaudited):				
Net income (loss) per unit				
Basic and diluted	166	(9)	76	(22)
Pro forma net income (loss) per unit				
Basic and diluted	127	(9)	58	(22)
Weighted average units outstanding				
Basic and diluted	100	100	100	100

	June 30,	December 31,	
	2021	2020	2019
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 16,848	$ 10,379	$ 5,128
Total current assets	17,546	11,563	6,587
Total assets	$185,300	$179,610	$171,502
Current portion of long-term debt	$ 850	$ 400	$ 400
Long-term debt, net	82,123	32,119	32,308
Total liabilities	108,582	55,934	51,111
Total member's equity	$ 76,718	$123,676	$120,391

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

AirSculpt Technologies, Inc. is a newly formed Delaware corporation that has not, to date, conducted any activities other than those incident to its formation and the preparation of this registration statement. The following discussion and analysis of our financial condition and results of operations should be read together with our financial statements and related notes and other financial information appearing elsewhere in this prospectus. This discussion and analysis contains forward-looking statements that involve risk, uncertainties and assumptions. See the section entitled "Cautionary Note Regarding Forward-Looking Statements" in this prospectus. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including those discussed in "Risk Factors" and elsewhere in this prospectus.

Unless otherwise indicated or the context otherwise requires, references in this prospectus to the "Company," "Elite Body Sculpture," "we," "us" and "our" refer to, (i) EBS Intermediate Parent LLC and its consolidated subsidiaries and the Professional Associations immediately prior to the Reorganization and the consummation of this offering and (ii) AirSculpt Technologies, Inc. and its consolidated subsidiaries, including EBS Intermediate Parent LLC, and the Professional Associations immediately following the Reorganization and the consummation of this offering. Further, references in this prospectus to "our board of directors" refer to, (i) the Board of Managers of EBS Parent LLC immediately prior to the Reorganization and the consummation of this offering and (ii) the Board of Directors of AirSculpt Technologies, Inc. immediately following the Reorganization and the consummation of this offering.

Overview

Elite Body Sculpture is an experienced, fast-growing national provider of body contouring procedures delivering a premium consumer experience. We provide custom body contouring using our proprietary AirSculpt® procedure that removes unwanted fat in a minimally invasive procedure, producing dramatic results.

We believe our treatment results and elite patient experience have positioned Elite Body Sculpture as a preferred body contouring brand. We performed over 5,800 body contouring procedures in 2020. We deliver our AirSculpt® procedures through a growing nationwide footprint of 16 centers across 13 states as of October 5, 2021. The value proposition provided by our services results in exceptional unit-level economics, which in turn helps to support predictable and recurring revenue and attractive cash flow. We require 100% private pay upfront and face no reimbursement risk.

Under the stewardship of our founder and CEO, Dr. Aaron Rollins, who started Elite Body Sculpture in 2012, we have prioritized building a results-driven culture. In addition, after funds managed by our Sponsor acquired a controlling interest in the Company in October 2018, the Company has also benefited from the extensive management experience of our non-executive chairman, Adam Feinstein, who founded our Sponsor and, over the past 25 years, has worked with many of the leading healthcare services companies, including serving on the boards of public and private healthcare companies.

For the year ended December 31, 2020, we generated approximately $63 million of revenue compared to $41 million for the year ended December 31, 2019, which represents approximately 52% growth. We have continued to accelerate our growth through 2021. Our business generated approximately $61 million of revenue for the six months ended June 30, 2021. We have invested in our social media and marketing capabilities to drive our brand awareness and increase consumer acceptance for our procedures. We believe we have significant opportunity to grow our brand awareness, open new centers in the United States and internationally and drive sales in our existing centers.

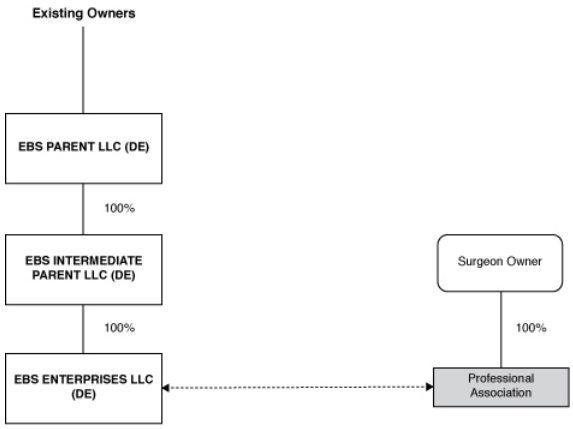
Corporate Structure and the Reorganization

Corporate Structure Prior to the Reorganization

Our business is currently conducted through EBS Intermediate Parent LLC, a Delaware limited liability company, and its subsidiaries and the Professional Associations owned by the surgeons that operate the centers. EBS Intermediate Parent LLC was formed on September 6, 2018 pursuant to an agreement effective October 2,

2018 (the "Purchase Agreement") to facilitate the acquisition of EBS Enterprises, LLC f/k/a Rollins Enterprises, LLC ("EBS Enterprises"). EBS Parent LLC ("Parent") is the sole owner of the equity interests of EBS Intermediate Parent LLC and has no other material assets. We refer to the existing equity owners of Parent, which includes Dr. Rollins and an affiliate of Vesey Street Capital Partners, L.L.C., as the "Existing Owners."

Pursuant to the terms of the Purchase Agreement, the Company, which was formed and capitalized by an affiliate of Vesey Street Capital Partners, L.L.C., acquired 100% of the equity of EBS Enterprises from Dr. Rollins for a combination of cash and equity in Parent. The transactions contemplated by the Purchase Agreement resulted in Dr. Rollins owning just over 28% of Parent, on a fully diluted basis, with an affiliate of Vesey Street Capital Partners, L.L.C. owning just under 68% of Parent. Additionally, in connection with the Purchase Agreement, the Professional Associations in existence at that time were restructured consistent with corporate practice of medicine requirements, resulting in, among other changes, an affiliate of the Company entering into long-term management agreements with each of the applicable Professional Associations.



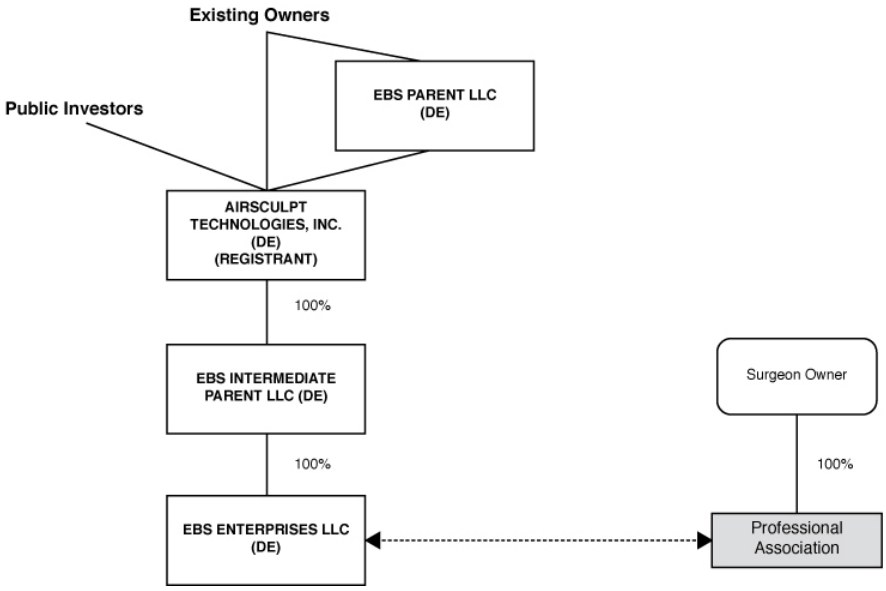
Reorganization and Corporate Structure After Reorganization and Offering

Immediately prior to the consummation of this offering, AirSculpt Technologies, Inc., a Delaware corporation, will become the direct parent and sole member of EBS Intermediate Parent LLC. We refer to this capital structure modification, as further described below, as the "Reorganization."

In the Reorganization, all of the equity interests of EBS Intermediate Parent LLC held by Parent will be contributed to AirSculpt Technologies, Inc. in exchange for a certain number of shares of common stock of AirSculpt Technologies, Inc. As a result, all of the equity interests of EBS Intermediate Parent, LLC will be held by AirSculpt Technologies, Inc. Parent will distribute the common stock of AirSculpt Technologies, Inc. to the Existing Owners.

Immediately following the consummation of this offering, after giving effect to the Reorganization, AirSculpt Technologies, Inc. will be a holding company, and its sole material asset will be an equity interest in EBS Intermediate Parent LLC. As the sole managing member of EBS Intermediate Parent LLC, AirSculpt Technologies, Inc. will operate and control all of the business and affairs of EBS Intermediate Parent LLC and, through EBS Intermediate Parent LLC and its subsidiaries, conduct our business.

Giving effect to the Reorganization and this offering, the diagram below reflects our corporate structure.



Market Outlook

We operate within the large and growing market for body fat reduction procedures. The global market for body fat reduction procedures was estimated to be $9.8 billion in 2020 by Global Market Insights. The North American market for body fat reduction procedures was estimated to be $2.6 billion in 2020, growing at approximately 5% compound annual growth rate ("CAGR") since 2015 and expected to grow at a 9.8% CAGR through 2026, according to Global Market Insights. This growth is driven by increased consumer awareness and focus on beauty consciousness, social acceptance of cosmetic treatments, advances in technology that have improved safety and recovery time, a rise in disposable income and an increase in the levels of obesity in the overall population.

Our Growth Strategy

We intend to capitalize on our market opportunity by:

- *Brand Awareness*. We will continue to grow our brand awareness through social, digital and traditional marketing, as well as through AirSculpt® TV.
- *Expansion*. We will expand our footprint by opening new centers in the United States and internationally.
- *Same-Center Sales Growth*. We will drive sales growth in our existing centers by adding procedure rooms, accelerating our patient onboarding process and continuing to develop new and innovative procedures.

Brand Awareness

We drive awareness of our brand using a four-part strategy:

- *Digital Content and AirSculpt® TV*. We develop digital content through our photo gallery of over 200,000 "before and after" photos that showcase our treatment outcomes. Our AirSculpt® TV program, featured on our Elite Body Sculpture Instagram page and website, provides a never-before seen transparency in our space, encouraging further growth.
- *Social, digital and traditional marketing:* Our in-house marketing team generates continuous media coverage of our offering across social, digital and traditional media channels, such as magazines and TV.

- *Celebrity endorsements:* We collaborate with celebrity influencers and TV personalities such as Yris Palmer, Chris Sapphire, Kira Girard, Chloe Trautman, and Jonathan Bennett to drive continuous media coverage that raises brand awareness and social acceptance of our procedures.
- *Patient testimonials:* Our patients are some of the best advocates for our brand, with many recommending our procedures to family and friends. All of our "before and after" photos are collected with the consent of our patients and we encourage our patients to share their "before and after" photos on social media.

Expansion

Within the United States

We believe our track record of successfully opening new Elite Body Sculpture centers across the United States and consistently generating superior unit-level economics validates our strategy to domestically expand our footprint. During the twelve months ended December 31, 2020, we opened four new centers. We opened our center in Denver, Colorado during January, our center in Scottsdale, Arizona during August, our center in Minneapolis, Minnesota during September, and our center in San Diego, California in December. Our centers are highly replicable models, require modest costs to open and operate on minimal maintenance capital expenditures. A new center is generally profitable within the first few months of opening, supported by our 100% upfront pay policy. We have strong conviction in our ability to continuously improve our unit economics as we open additional centers in the United States. We believe there is a significant domestic growth opportunity and will continue to opportunistically evaluate new center openings and target opening three to four centers each year.

Internationally

Our brand has global appeal. We draw clients from international markets that travel to our existing centers for body contouring procedures. In addition to expansion within the United States, we believe there is significant opportunity to open new centers in densely populated, affluent international metropolitan regions.

Same-Center Sales Growth

We intend to focus on driving growth within our existing centers by adding new procedure rooms and expanding our schedule from primarily being open six days to seven days a week to accommodate the strong demand from our patients for our services. We have and will continue to execute initiatives that increase the speed through which patients convert from initial consultation to procedure. These initiatives include hiring additional sales support staff to respond to patient inquiries and utilizing virtual consultations that enable our patients to speak with surgeons and qualified patient care representatives in the convenience of their own home or office, making is easier and quicker to schedule a procedure and reduce overall waiting time.

Lastly, we intend to continue developing innovative new procedures, such as the *Hip Flip*™ and CankCure™, to meet our patients' needs, attract more patients and generate more revenue per patient. Fat transfer has been a highly successful innovation and is now a critical component of our offering, enabling the artistry of many of our most popular and highest revenue procedures.

Key Factors Affecting Our Performance

Our results of operations and financial condition have been, and will continue to be, affected by a number of factors, including the following:

Our Ability to Attract New Patients

The decision to undergo an AirSculpt® procedure is driven by patient demand, which may be influenced by a number of factors, such as:

- general consumer confidence, which may be impacted by economic and political conditions;
- individual levels of disposable income to pay for our procedures and the continued availability of financing for our patients;

- the cost, safety and efficacy of AirSculpt® relative to other aesthetic products and alternative treatments;
- the success of our sales and marketing programs;
- the perceived advantages or disadvantages of AirSculpt® compared to other aesthetic products and treatments;
- the extent to which our AirSculpt® procedure satisfies patient expectations;
- our ability to properly train our surgeons in performing AirSculpt® procedures such that our patients do not experience excessive discomfort during treatment or adverse side effects; and
- consumer sentiment about the benefits and risks of aesthetic procedures generally and AirSculpt® in particular.

Our Ability to Successfully Expand our Footprint

Our growth strategy depends, in large part, on growing and expanding our operations, both in existing and new geographic regions, particularly in densely populated and affluent metropolitan and suburban regions, and operating our new centers successfully.

Our ability to successfully open and operate new centers depends on many factors, including, among others, our ability to:

- recruit qualified surgeons for our new centers;
- address regulatory, competitive, and marketing, and other challenges encountered in connection with expansion into new markets;
- hire, train and retain surgeons and other personnel;
- maintain adequate information system and other operational system capabilities;
- successfully integrate new centers into our existing management structure and operations, including information system integration;
- negotiate acceptable lease terms at suitable locations;
- source sufficient levels of medical supplies at acceptable costs;
- obtain and maintain necessary permits and licenses;
- construct and open our centers on a timely basis;
- generate sufficient levels of cash or obtain financing on acceptable terms to support our expansion;
- achieve and maintain brand awareness in new and existing markets; and
- identify and satisfy the needs and preferences of our patients.

Our failure to effectively address challenges such as these could adversely affect our ability to successfully open and operate new centers in a timely and cost-effective manner.

In addition, there can be no assurance that newly-opened centers will achieve net sales or profitability levels comparable to those of our existing centers in the time periods estimated by us, or at all.

Key Operational and Business Metrics

In addition to the measures presented in our consolidated financial statements, we use the following key operational and business metrics to evaluate our business, measure our performance, develop financial forecasts and make strategic decisions:

Six months ended June 30, 2021 and 2020

- Cases performed were 5,422 and 2,169 in 2021 and 2020, respectively;

- Revenue per case was $11,270 and $10,183 in 2021 and 2020, respectively;
- Same-center information;
- Net income (loss) was $16.6 million and $(0.9) million in 2021 and 2020, respectively;
- Adjusted EBITDA was $23.8 million and $4.0 million in 2021 and 2020, respectively; and
- Adjusted EBITDA Margin was 38.9% and 18.3%, in 2021 and 2020, respectively.

Twelve months ended December 31, 2020 and 2019

- Cases performed were 5,885 and 3,865 in 2020 and 2019, respectively;
- Revenue per case was $10,665 and $10,669 in 2020 and 2019, respectively;
- Same-center information;
- Net income (loss) was $7.6 million and $(2.2) million in 2020 and 2019, respectively;
- Adjusted EBITDA was $17.5 million and $7.3 million in 2020 and 2019, respectively; and
- Adjusted EBITDA Margin was 27.9% and 17.8%, in 2020 and 2019, respectively.

Cases Performed and Revenue per Case

Our case volumes in the table below, which are used for calculating revenue per case, represent one patient visit; notwithstanding that, a patient may incur multiple procedures during one visit. We believe this provides the best approach for assessing our revenue performance and trends.

Total Case and Revenue Metrics

	Six Months Ended June 30,		Fiscal Year Ended December 31,	
	2021	2020	2020	2019
Cases	5,422	2,169	5,885	3,865
Case growth	150.0%	N/A	52.3%	N/A
Revenue per case	$11,270	$10,183	$10,665	$10,669
Revenue per case growth	10.7%	N/A	0.0%	N/A
Number of total facilities	15	11	14	10
Number of total procedure rooms	25	18	23	16

Same-Center Information

For the six months ended June 30, 2021 and 2020, we define same-center case and revenue growth as the growth in each of our cases and revenue at facilities that have been owned and operated since January 1, 2020. We define same-center facilities and procedure rooms as facilities and procedure rooms that have been owned or operated since January 1, 2020.

For the years ended December 31, 2020 and 2019, we define same-center case and revenue growth as the growth in each of our cases and revenue at facilities that have been owned and operated since January 1, 2019. We define same-center facilities and procedure rooms as facilities and procedure rooms that have been owned or operated since January 1, 2019.

Same-Center Case and Revenue Metrics

	Six Months Ended June 30,		Fiscal Year Ended December 31,	
	2021	2020	2020	2019
Cases	4,559	2,169	4,074	3,712
Case growth	110.2%	N/A	9.8%	N/A
Revenue per case	$11,149	$10,182	$10,603	$10,669
Revenue per case growth	9.5%	N/A	-0.6%	N/A
Number of total facilities	11	11	7	7
Number of total procedure rooms	18	18	10	10

Non-GAAP Financial Measures—Adjusted EBITDA and Adjusted EBITDA Margin

We report our financial results in accordance with GAAP, however, management believes the evaluation of our ongoing operating results may be enhanced by a presentation of Adjusted EBITDA and Adjusted EBITDA Margin, which are non-GAAP financial measures.

We define Adjusted EBITDA as net income (loss) excluding depreciation and amortization, net interest expense, sponsor management fee, pre-opening de novo costs, other non-ordinary course items, and unit-based compensation. We include Adjusted EBITDA because it is an important measure on which our management assesses and believes investors should assess our operating performance. We consider Adjusted EBITDA to be an important measure because it helps illustrate underlying trends in our business and our historical operating performance on a more consistent basis. Adjusted EBITDA has limitations as an analytical tool including: (i) Adjusted EBITDA does not include results from unit-based compensation and (ii) Adjusted EBITDA does not reflect interest expense on our debt or the cash requirements necessary to service interest or principal payments. Adjusted EBITDA increased 138% between the year ended December 31, 2020 and 2019 and 489% between the six months ended June 30, 2021 and 2020 due to organic growth, opening de novo centers and the 2020 period being negatively impacted by the COVID-19 pandemic.

We define Adjusted EBITDA Margin as net income (loss) excluding depreciation and amortization, net interest expense, sponsor management fee, pre-opening de novo costs, other non-ordinary course items, and unit-based compensation calculated as a percentage of revenue. We included Adjusted EBITDA Margin because it is an important measure on which our management assesses and believes investors should assess our operating performance. We consider Adjusted EBITDA Margin to be an important measure because it helps illustrate underlying trends in our business and our historical operating performance on a more consistent basis. Adjusted EBITDA Margin increased to 27.9% in the year ended December 31, 2020 compared to 17.8% for the year ended December 31, 2019 and to 38.9% for the six months ended June 30, 2021 compared to 18.3% for the six months ended June 30, 2020, due to organic growth.

The following table reconciles Adjusted EBITDA and Adjusted EBITDA Margin to net income (loss), the most directly comparable GAAP financial measure:

	Six Months Ended June 30,		Fiscal Year Ended December 31,	
($ in thousands)	**2021**	**2020**	**2020**	**2019**
Net income (loss)	$16,648	$ (908)	$ 7,577	$(2,212)
Plus				
Depreciation and amortization	3,023	2,733	5,641	4,960
Interest expense, net	1,757	1,247	2,456	2,875
Loss on debt modification	682	—	—	—
Pre-opening de novo and relocation costs	982	440	879	391
Restructuring and related severance costs	270	115	115	482
Sponsor management fee	250	250	500	500
Unit-based compensation	172	163	325	341
Adjusted EBITDA	**$23,784**	**$4,040**	**$17,493**	**$ 7,337**
Adjusted EBITDA Margin	**38.9%**	**18.3%**	**27.9%**	**17.8%**

Impact of COVID-19

The COVID-19 global pandemic made 2020 a challenging year for businesses and significantly affected the United States economy and financial markets. We took immediate action to protect the health and safety of our surgeons, our employees and our patients including the implementation of protocols dictated by state and local guidelines and instituting strict health and safety practices. As a result of federal, state, and local guidelines, we started temporarily closing centers on March 15, 2020 and all facilities were closed by March 25, 2020 and remained closed through April 30, 2020. We began reopening centers at a reduced capacity on May 1, 2020, and all facilities were opened by May 15, 2020 at a reduced capacity. We continued to experience lower volumes throughout May and most of June 2020. As a result, case volumes and revenue across most of our centers were significantly impacted in the second quarter of 2020. We used borrowings from our revolving credit facility along with cash from operations to maintain cash liquidity during the COVID-19 pandemic. Our case volumes and revenue improved in the second half of 2020 as states began to re-open and allow for non-emergent procedures. We were also able to mitigate the impact of COVID-19 by offering virtual consultations for our patients. For the six months ended June 30, 2021, we have continued to experience improved case volumes as federal, state and local guidelines continue to allow for non-emergent procedures to be performed. Through the first six months of 2021, we have not experienced a negative impact at our centers; however, we continue to monitor the current COVID-19 situation in each market we perform procedures and will react accordingly should events require us to temporarily close.

Our operating structure also allows for some flexibility in the cost structure according to the volume of cases performed, including much of our cost of services. As a result of this flexibility and the return of volumes in the second half of the year, we did not request or receive any proceeds from the CARES Act and other governmental assistance programs. Other than the temporary decrease in revenue and cost of service, we did not incur any significant costs attributable to the pandemic.

Our Operating Structure

The Company owns and operates non-clinical assets and provides Management Services, through its wholly-owned subsidiaries, to our affiliated Professional Associations located across the United States under the MSAs. The Management Services provide for the administration of the non-clinical aspects of the medical operations and include, but are not limited to, financial, administrative, technical, marketing and personnel services. We do not practice medicine. The Professional Associations, which are all owned by licensed surgeons, are responsible for all clinical aspects of the medical operations that take place in each of our centers.

Our consolidated financial statements present the results of operations and financial position of the Company, its wholly-owned subsidiaries and each of the Professional Associations that we manage under the MSAs.

Even though we do not have voting control over the Professional Associations, we have a long-term and unilateral controlling financial interest over such Professional Associations' assets and operations under the MSAs. As a result, the accounting principles generally accepted in the United States of America (GAAP) require us to consolidate the results of the Professional Associations into our financial statements. All of our revenue is earned from services provided by the Professional Associations we manage. See "Critical Accounting Policies and Estimates—Principles of Consolidation."

Components of Results of Operations

Revenue

Our revenue is generated from our patented AirSculpt® procedures performed on our patients. We are 100% self-pay and do not accept payments from the U.S. federal government or payer organizations. We assist patients, as needed, by providing third-party financing options to pay for procedures. We have arrangements with various financing companies to facilitate this option. There is a financing transaction fee based on a set percentage of the amount financed and we recognize revenue based on the expected transaction price which is reduced for financing fees.

Our policy is to require full payment for services in advance of performing a procedure. Payments received for which services have yet to been performed for all reported periods are included in deferred revenue and patient deposits on our balance sheets.

Cost of Service (excluding depreciation and amortization)

Cost of service is comprised of all service and product costs related to the delivery of procedures, including but not limited to compensation to our physicians and clinical staff, medical supply costs, and facility-related rent expense.

Operating Expense

Selling, General and Administrative

Selling, general and administrative consists of marketing and advertising expenses we incur to market our patented AirSculpt® procedures to potential patients and general and administrative costs, including rent for our corporate offices.

Marketing and Advertising

Our marketing and advertising include both national and site-based advertising used to generate greater awareness and engagement among our current and potential patients. Our marketing and advertising expenses include social media, digital marketing and traditional advertising. We do not include salaries, commissions and employee benefit costs for employees engaged in marketing and sales. We also do not include required infrastructure expenses which support our marketing endeavors. These costs are included in general and administrative expenses.

We generally expect our marketing and advertising costs to increase as we continue to grow our brand and expand our national footprint. We evaluate our marketing and advertising expense as compared to growth in our sales volume and will invest accordingly to the extent we believe we can increase our growth without materially negatively impacting our Adjusted EBITDA Margins.

General and Administrative

General and administrative expenses include employee-related expenses, including salaries and related costs (excluding physician and clinical cost included in cost of service), unit-based compensation, technology, operations, finance, legal, corporate office rent and human resources. We expect our general and administrative expenses to increase over time following the closing of this offering due to the additional legal, accounting, insurance, investor relations and other costs that we will incur as a public company. We also expect increases from other costs associated with continuing to grow our business. As we continue to expand the number of centers and procedures rooms, we anticipate general and administrative expenses to decrease as a percentage of revenue over time.

Interest Expense

Interest expense, net consists primarily of interest costs on our outstanding borrowings under our debt. We expect this amount to increase as a result of our recent amendment to our credit agreement in May 2021 which increased our long-term debt balance by approximately $52.0 million to approximately $85.0 million.

Results of Operations

The following tables summarize certain results from the statements of operations for each of the periods indicated and the changes between periods. The tables also show the percentage relationship to revenue for the periods indicated:

	Six Months Ended June 30,				Fiscal Year Ended December 31,			
	2021		2020		2020		2019	
($ in thousands)	Amount	% of Revenues	Amount	% of Revenues	Amount	% of Revenues	Amount	% of Revenues
Revenue	$61,108	100.0%	$22,086	100.0%	$62,766	100.0%	$41,236	100.0%
Operating expenses:								
Cost of service	20,008	32.7%	8,983	40.7%	23,471	37.4%	15,488	37.6%
Selling, general and administrative	18,990	31.1%	10,031	45.4%	23,621	37.6%	20,125	48.8%
Loss on debt modification	682	1.1%	—	0.0%	—	0.0%	—	0.0%
Depreciation and amortization	3,023	4.9%	2,733	12.4%	5,641	9.0%	4,960	12.0%
Total operating expenses	42,703	69.9%	21,747	98.5%	52,733	84.0%	40,573	98.4%
Income from operations	18,405	30.1%	339	1.5%	10,033	16.0%	663	1.6%
Interest expense, net	1,757	2.9%	1,247	5.6%	2,456	3.9%	2,875	7.0%
Net income (loss)	16,648	27.2%	(908)	(4.1%)	7,577	12.1%	(2,212)	(5.4%)
Pro forma income tax expense (unaudited)	3,975	6.5%	—	0.0%	1,827	2.9%	—	0.0%
Pro forma net income (loss) (unaudited)	$12,673	20.7%	$ (908)	(4.1%)	$ 5,750	9.2%	$ (2,212)	(5.4%)

	Six Months Ended June 30,			Fiscal Year Ended December 31,		
	2021	2020		2020	2019	
($ in thousands)	Amount	Amount	$ Change	Amount	Amount	$ Change
Revenue	$61,108	$22,086	$39,022	$62,766	$41,236	$21,530
Operating expenses:						
Cost of service	20,008	8,983	11,025	23,471	15,488	7,983
Selling, general and administrative	18,990	10,031	8,959	23,621	20,125	3,496
Loss on debt modification	682	—	682	—	—	—
Depreciation and amortization	3,023	2,733	290	5,641	4,960	681
Total operating expenses	42,703	21,747	20,956	52,733	40,573	12,160
Income from operations	18,405	339	18,066	10,033	663	9,370

($ in thousands)	Six Months Ended June 30, 2021 Amount	Six Months Ended June 30, 2020 Amount	$ Change	Fiscal Year Ended December 31, 2020 Amount	Fiscal Year Ended December 31, 2019 Amount	$ Change
Interest expense, net	1,757	1,247	510	2,456	2,875	(419)
Net income (loss)	16,648	(908)	17,556	7,577	(2,212)	9,789
Pro forma income tax expense (unaudited)	3,975	—	3,975	1,827	—	1,827
Pro forma net income (loss) (unaudited)	$12,673	$ (908)	$13,581	$5,750	$ (2,212)	$ 7,962

Six Months Ended June 30, 2021 Compared to Six Months Ended June 30, 2020

Overview—Our financial results for the six months ended June 30, 2021 compared to the six months ended June 30, 2020 reflect the addition of four de novo centers which increased our procedure rooms by seven. Additionally, our 2020 results were more negatively impacted by the COVID-19 pandemic. Beginning in March 2020, as a result of federal, state, and local guidelines, we cancelled or postponed most procedures scheduled at our facilities during the second half of March 2020 and much of the second quarter of 2020. As a result, case volumes and revenue across most of our centers were significantly impacted in the second quarter of 2020. For the six months ended June 30, 2021, we have continued to experience improved case volumes.

Revenue—Our revenue increased $39.0 million, or 176.7%, compared to the same period in 2020. The increase is the result of adding four de novo centers which expanded our footprint from 11 centers to 15 centers and our number of procedure rooms from 18 to 25 as of June 30, 2021.

Revenue also increased due to our same-center case volume, which increased to 4,559 cases from 2,169 cases for the six months ended June 30, 2021 compared to the same period in 2020. This increase was due to the lessening effect of the COVID-19 pandemic which decreased case volume primarily in the second quarter of 2020.

Cost of Services—Our cost of services increased $11.0 million, or 122.7%, compared to the six months ended June 30, 2020. This increase is primarily attributable to opening four de novo centers. The increase in our cost of services also relates to the increase in our same store volume which was due to the lessening effect of the COVID-19 pandemic during the six months ended June 30, 2021 compared to the six months ended June 30, 2020.

Selling, General and Administrative Expenses—Selling, general and administrative expenses increased $9.0 million, or 89.3%, for the six months ended June 30, 2021 compared to the same period in 2020. This increase is related to additional expenses we incurred for marketing and corporate support as we grow our center count through de novo expansion and providing support for our centers. We expect these costs to continue to increase as we continue to open de novo centers and expand the support we provide to our centers.

Selling, general and administrative expenses as a percent of revenue was 31.1% and 45.4% for the six months ended June 30, 2021 and 2020, respectively. This decrease is the result of our revenues increasing, allowing us to leverage certain components of our selling, general and administrative expenses which are fixed in nature. The six months ended June 30, 2020 period was negatively impacted by the COVID-19 pandemic, which caused a reduction in revenue while we continued to incur certain fixed costs. We expect this percentage to continue to decrease over time as we expand our national footprint.

Additionally, we expect our selling, general and administrative expenses to increase over time following the closing of this offering due to the additional legal, accounting, insurance, investor relations and other costs that we will incur as a public company.

Depreciation and Amortization—Depreciation and amortization increased to approximately $3.0 million for the six months ended June 30, 2021 compared to $2.7 million for the same period in 2020. This increase is the result of opening four de novo centers during the 12 months ended June 30, 2021 and having a full six months of depreciation in 2021 for facilities opened during the 2020 period.

Loss on debt modification—We recognized a $682,000 loss related to amending our existing credit agreement in May 2021, adding an incremental $52.0 million of senior secured term loans.

Interest Expense, net—Interest expense increased to $1.8 million from $1.3 million for the six months ended June 30, 2021 and 2020, respectively. The increase is the result of adding an incremental $52.0 million of senior secured term loans in May 2021.

Pro Forma Income Tax Expense—The Company will undergo a corporate reorganization during 2021 where a new C corporation will become the direct parent of EBS Intermediate Parent LLC. As a result, we would be subject to taxation as a C corporation. Our effective tax rate is 23.9% for the six months ended June 30, 2021.

Comparatively, no tax would have been incurred for the six months ended June 30, 2020 as the Company was in a net loss position.

Fiscal Year Ended December 31, 2020 Compared to Fiscal Year Ended December 31, 2019

Overview—Our financial results for the fiscal year ended December 31, 2020 compared to fiscal year ended December 31, 2019 reflect the addition of four centers which increased our procedure rooms by seven. Additionally, our 2020 results were negatively impacted by the COVID-19 pandemic. Beginning in March 2020, our revenue and operations were negatively affected. As a result of federal, state, and local guidelines, we cancelled or postponed most procedures scheduled at our facilities during the second half of March 2020 and much of the second quarter of 2020. As a result, case volumes and revenue across most of our centers were significantly impacted in the second quarter of 2020.

Revenue—Our revenue increased $21.5 million, or 52.2%, compared to 2019. The increase is the result of adding four de novo centers which expanded our footprint from 10 centers to 14 centers and our number of procedure rooms from 16 to 23 as of December 31, 2020. Additionally, the increase was due in part to three centers opened during 2019 but subsequent to January 1, 2019. Revenue also increased due to our same-center case volume increase to 4,074 cases from 3,712 cases for 2020 compared to 2019.

The increases in revenue was negatively impacted by the COVID-19 pandemic due to decreased case volume primarily in the second quarter of 2020.

Cost of Services—Our cost of services increased $8.0 million, or 51.5%, compared to 2019. This increase is primarily attributable to opening four de novo centers. Additionally, the increase was due in part from three centers opened during 2019 but subsequent to January 1, 2019. Cost of services also increased due to our same-center volume to 4,074 from 3,712 for 2020 compared to 2019.

The increase in our cost of services were offset by reduced cost during the second quarter of 2020 due to the COVID-19 pandemic as we were able to manage our surgeon costs to match our lower volumes.

Selling, General and Administrative Expenses—Selling, general and administrative expenses increased $3.5 million, or 17.4%, compared to 2019. This increase is related to additional expenses we incurred for marketing and corporate support as we grow our center count through de novo expansion and providing superior support for our centers. We expect these costs to continue to increase as we continue to open de novo centers and expand the support we provide to our centers.

Selling, general and administrative expenses as a percent of revenue was 37.6% and 48.8% for the 2020 and 2019, respectively. This decrease is related to leveraging certain existing costs which are mostly fixed in nature. We expect this percentage to continue to decrease over time as we expand our national footprint, however, we do expect additional increases as we expand our footprint and related support services. Additionally, we expect our selling, general and administrative expenses to increase over time following the closing of this offering due to the additional legal, accounting, insurance, investor relations and other costs that we will incur as a public company.

Depreciation and Amortization—Depreciation and amortization increased to approximately $5.6 million for 2020 compared to $5.0 million for 2019. This increase is the result of opening four de novo centers during 2020 plus three centers opened during 2019 but subsequent to January 1, 2019.

Interest Expense, net—Interest expense decreased to $2.5 million from $2.9 million for the fiscal year ended December 31, 2020 and 2019, respectively. The decrease is primarily a result of decreases in the LIBOR rate during 2020 compared to 2019.

Pro Forma Income Tax Expense—The Company will undergo a corporate reorganization during 2021 where a new C corporation will become the direct parent of EBS Intermediate Parent LLC. As a result, we would be subject to taxation as a C corporation. Our effective tax rate is 24.1% for 2020. Comparatively, no tax would have been incurred in 2019 as the Company was in a net loss position.

Liquidity and Capital Resources

We principally rely on cash flows from operations as our primary source of liquidity and, if needed, up to $5.0 million in revolving loans under our revolving credit facility. Our primary cash needs are for payroll, marketing and advertisements, rent, capital expenditures associated with adding procedure rooms to existing locations and opening de novo locations, as well as information technology and infrastructure, including our corporate office. We believe that cash expected to be generated from operations and the availability of borrowings under the revolving credit facility will be sufficient for our working capital requirements, liquidity obligations, anticipated capital expenditures relating to the opening of de novo centers, and payments due under our existing credit facilities for at least the next 12 months.

As of June 30, 2021, we had $16.8 million in cash and cash equivalents and an available amount of $5.0 million under our revolving credit facility. We do not have any letters of credit outstanding as of June 30, 2021.

As of December 31, 2020, we had $10.4 million in cash and cash equivalents and $5.0 million of additional availability under our revolving credit facility, which represents the full available amount under the revolving credit facility. We do not have any letters of credit outstanding as of December 31, 2020.

We plan to spend approximately $6.0 million in expenditures related to our growth strategy, of which we plan to use approximately $2.0 million for adding procedure rooms to existing locations and approximately $4.0 million for costs associated with opening de novo centers. We expect to primarily fund our capital needs by using cash on our balance sheet and cash provided by operations. We plan to open three to four new centers during fiscal year 2022.

The following table summarizes the net cash provided by (used for) operating activities, investing activities and financing activities for the periods indicated:

	Six Months Ended June 30,		Fiscal Year Ended December 31,	
($ in thousands)	2021	2020	2020	2019
Cash Flows Provided By (Used For):				
Operating activities	$ 23,814	$ 1,683	$13,957	$ 4,938
Investing activities	(3,149)	(1,720)	(3,689)	(4,439)
Financing activities	(14,196)	(2,034)	(5,017)	(783)
Net increase (decrease) in cash and cash equivalents	6,469	(2,071)	5,251	(284)

In May 2021, we amended our existing credit agreement by adding an incremental $52.0 million of senior secured term loans. We used the proceeds from these borrowings plus approximately $10.0 million of cash from our balance sheet to pay $59.7 million of distributions to our member.

Operating Activities

The primary source of our operating cash flow is the collection of self-pay patient payments received prior to performing surgical procedures. For the six months ended June 30, 2021, our operating cash flow increased by $22.1 million compared to the same period in 2020. This increase is primarily driven by improved income from operations related to opening four new centers in the 12 months ended June 30, 2021 and an increase in same store volumes which were impacted by the COVID-19 pandemic in the second quarter of 2020. At June 30, 2021, we had working capital of $3.8 million compared to $2.1 million at December 31, 2020.

Investing Activities

Net cash used in investing activities for the six months ended June 30, 2021 and 2020 was $3.1 million and $1.7 million, respectively. These expenditures were used to open new de novo centers in the period.

The increase in investing activities during the six months ended June 30, 2021 as compared to the six months ended June 30, 2020 was primarily attributable to the impact of COVID-19 limiting our ability to fully execute our de novo center growth strategy during 2020.

Net cash used in investing activities during the year ended December 31, 2020 and 2019 was $3.7 million and $4.4 million, respectively which was primarily to fund capital expenditures to open de novo centers.

The decrease in investing activities during the fiscal year ended December 31, 2020 as compared to the year ended December 31, 2019 was primarily attributable to the impact of COVID-19 limiting our ability to fully execute our de novo center growth strategy.

Financing Activities

Net cash used in financing activities during the six months ended June 30, 2021 was $14.2 million. During the six months ended June 30, 2021, we received cash (net of fees) of $50.0 million from amending our existing credit agreement, adding an incremental $52.0 million in senior secured term loans. We used the proceeds from these borrowings plus approximately $10.0 million of cash from our balance sheet to pay $59.7 million of distributions to our member. We had further distributions to our member during the six months ended June 30, 2021 of $4.1 million and made scheduled principal payments on our debt of $413,000.

Net cash used in financing activities for the six months ended June 30, 2020 was $2.0 million. For the six months ended June 30, 2020, we made distributions to our member of $4.3 million and paid scheduled principal payments on our debt of $200,000. This was offset by borrowings on our revolver of $2.5 million during the six months ended June 30, 2020.

Net cash used in financing activities during the year ended December 31, 2020 was $5.0 million. During 2020, we made distributions to our member of $4.6 million. In May 2020, we borrowed $2.5 million on our revolving credit facility. We used the proceeds along with cash from operations to maintain cash liquidity during the COVID-19 pandemic. Due to stronger than expected volumes returning which favorably impacted our cash position, we repaid $2.5 million on our revolving credit facility in December 2020. Additionally, we made our scheduled $0.1 million quarterly principal payments during 2020 for a total of $0.4 million for the full year.

Net cash used in financing activities during the year ended December 31, 2019 was $0.8 million. During 2019, we made distributions to our member of $0.3 million. We also made principal payments during 2019 for a total of $0.5 million for the full year.

Long-term Debt

The carrying value of our total indebtedness was $83.0 million, $32.5 million and $32.7 million, which includes unamortized deferred financing costs, issuance discount and premium of $1.7 million, $0.6 million and $0.8 million, as of June 30, 2021, December 31, 2020 and 2019, respectively.

Term Loan and Revolving Credit Agreement

In October 2018, we entered into our credit agreement with First Eagle Alternative Capital (formerly known as THL Corporate Finance). Under the terms of the credit agreement, we obtained a $34.0 million term loan and a $5.0 million revolving credit facility. Principal payments on the term loan commenced in January 2019 and are paid quarterly in the amount of $100,000 through the maturity date on October 2, 2023 when all remaining unpaid principal shall be due. The term loan is presented as long-term debt, net of debt issuance costs.

In May 2021, we amended the credit agreement by adding an incremental $52.0 million senior secured term loan to the existing term loan. The proceeds from this incremental loan plus excess cash on our balance sheet were used to pay a distribution to our member of approximately $59.7 million and the related fees for this transaction. Beginning on June 30, 2021, our quarterly principal payments increased from $100,000 to $212,500.

Under the credit agreement, we are obligated to make interest payments on the last day of each month. All outstanding loans bear interest based on either a base rate or LIBOR plus an applicable per annum margin of 4.5% (base rate) or 5.5% (LIBOR) if our total leverage ratio, as defined in the credit agreement, is equal to or greater than 2.5x and less than 4.25x. If our total leverage ratio is equal to or greater than 4.25x, the interest is based on either a base rate or LIBOR plus an applicable per annum margin of 5.0% (base rate) or 6.0% (LIBOR). If our total leverage ratio is below 2.5x, the interest is based on either a base rate or LIBOR plus an applicable per annum margin of 4.0% (base rate) or 5.0% (LIBOR). At June 30, 2021, the applicable per annum margins under the credit agreement were 4.5% (base rate) and 5.5% (LIBOR). Additionally, we are required to pay an unused credit facility fee equal to 0.5% per annum on the unused amount of the revolving line of credit.

If our total leverage ratio exceeds 4.25x for the preceding twelve-month period the principal payment on the term loan is $250,000 per quarter or, beginning on September 30, 2021, $531,250 per quarter. Also, additional principal prepayments could be required if excess cash flow exists, as defined in the credit agreement.

The Company calculated an excess cash flow prepayment of approximately $1.3 million required as of December 31, 2020. Effective May 2021, we received a waiver from our lender for this prepayment and continue to reflect this amount in long-term debt as of December 31, 2020.

All borrowings under the credit facility are collateralized by substantially all our assets. We are subject to certain restrictive financial covenants including quarterly total leverage ratio and fixed charge ratio requirements and a limit on capital expenditures. We are in compliance with all covenants and have no letters of credit outstanding as of June 30, 2021 and December 31, 2020.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements as of June 30, 2021 and December 31, 2020.

Seasonality

Our business experiences limited seasonality.

Contractual Obligations, Commitments and Contingencies

The following table provides the Company's significant commitments and contractual obligations as of December 31, 2020:

	Payments due by Period				
($ in thousands)	**Total**	**Less than 1 Year**	**1-3 Years**	**4-5 Years**	**More than 5 Years**
Debt – principal[1]	$ 85,100	$ 838	$ 84,262	$ —	$ —
Interest expense[1][2]	12,873	4,059	8,813		
Operating lease agreements	19,992	3,321	8,809	5,245	2,617
Total	$117,965	$8,218	$101,884	$5,245	$2,617

(1) Amounts in the table reflect the payments obligated under the amended the Credit Agreement effective May 2021. The Company amended its existing credit agreement in May 2021 by adding an incremental $52.0 million senior secured term loan. Beginning on September 30, 2021, the quarterly principal payments will increase from $100,000 to $212,500.

(2) Amounts in the table reflect the contractually required interest payable pursuant to borrowings under our debt related to our Credit Agreement. Interest payments in the table above were calculated using an interest rate of 6.0% for the debt which was the average interest rate applicable to the borrowing as of December 31, 2020.

JOBS Act Accounting Election

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised

accounting standards and, therefore, will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

Subject to certain conditions set forth in the JOBS Act, if, as an "emerging growth company," we choose to rely on such exemptions we may not be required to, among other things, (i) provide an auditor's attestation report on our system of internal controls over financial reporting pursuant to Section 404, (ii) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Wall Street Reform and Consumer Protection Act, (iii) comply with any requirement that may be adopted by the PCAOB regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (auditor discussion and analysis), and (iv) disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the CEO's compensation to median employee compensation. These exemptions will apply for a period of five years following the completion of our initial public offering or until we are no longer an "emerging growth company," whichever is earlier.

Critical Accounting Policies and Estimates

Our management's discussion and analysis of financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of our consolidated financial statements and related disclosures requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue, costs and expenses and the disclosure of contingent assets and liabilities, if applicable, in our consolidated financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions. While our significant accounting policies are described in greater detail in *Note 1—"Organization and Summary of Key Accounting Policies*," to our consolidated financial statements included elsewhere in this prospectus, we believe that the following accounting policies are those most critical to the judgments and estimates used in the preparation of our consolidated financial statements. In addition, refer to *Note 1—"Organization and Summary of Key Accounting Policies,*" in our consolidated financial statements for a summary of recent and pending accounting standards.

Revenue Recognition

We have adopted ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, we perform the following five steps:

i. Identify the contract(s) with a customer;

ii. Identify the performance obligations in the contract;

iii. Determine the transaction price;

iv. Allocate the transaction price to the performance obligations in the contract; and

v. Recognize revenue as the entity satisfies a performance obligation.

Our revenue consists primarily of revenue earned for the provision of the Company's patented AirSculpt® procedures. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account for revenue recognition. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Our performance obligations are delivery of specialty, minimally invasive liposuction services.

Revenue for services is recognized over time as the service is delivered, typically over a single day. Payment is typically rendered in advance of the service. Customer contracts generally do not include more than one performance obligation.

Our policy is to require payment for services in advance of performing any procedure. Payments received for which services have yet to been performed were $5.0 million as of June 30, 2021 and $3.2 million as of both December 31, 2020 and 2019, respectively and are included in deferred revenue and patient deposits on our balance sheets.

Principles of Consolidation

Our consolidated financial statements present the financial position and results of operations of the Company, its wholly-owned subsidiaries, and affiliated Professional Associations, which we manage, have a controlling financial interest in with the power to direct the non-clinical activities of the Professional Associations that most significantly impact its economic performance and are considered variable interest entities in which we are the primary beneficiary.

All intercompany accounts and transactions have been eliminated in consolidation.

Variable Interest Entities

Some states have laws that prohibit business entities with non-physician owners from practicing medicine, which are generally referred to as the corporate practice of medicine. States that have corporate practice of medicine laws require only physicians to practice medicine, exercise control over medical decisions or engage in certain arrangements with other physicians, such as fee-splitting. Therefore, we mainly operate by maintaining MSAs with our affiliated Professional Associations, which are owned, directly or indirectly, and operated by a licensed surgeon, and which contract with individual surgeons to provide medical services. Under the MSAs, we provide and perform non-medical Management Services for which we are paid a management fee by each Professional Association. See “Business—Surgeon Practice Structure—Management Services Agreements.”

The surgeons contracted by the Professional Associations are exclusively in control of, and responsible for, all aspects of the practice of medicine. Each surgeon owner of a Professional Association (each a “Surgeon Owner,” and collectively, the “Surgeon Owners”) is also party to a continuity agreement (each, a “Continuity Agreement,” and collectively, the “Continuity Agreements”), which (i) prohibits the applicable surgeons from freely transferring or selling their interests in the Professional Associations, (ii) provides for the ability to add a second surgeon equityholder to help ensure continuity of the Professional Association, and (iii) provides for the automatic transfer of ownership upon the occurrence of certain events, save that, due to limitations under New York law, there is no Continuity Agreement in place with respect to the New York Professional Association. See “Business—Surgeon Practice Structure—Continuity Agreements.”

In accordance with relevant accounting guidance, each of these Professional Associations is determined to be a variable interest entity. Elite Body Sculpture has the ability, through the Management Services and (with the exception of New York) Continuity Agreements to direct the activities (excluding clinical decisions) that most significantly affect the Professional Associations’ economic performance. Accordingly, we are the primary beneficiary of the Professional Associations, and, in accordance with accounting principles generally accepted in the United States of America (US GAAP), we consolidate the Professional Associations into our financial statements. All management fee revenue and related expenses are eliminated in consolidation, and all of the revenue reflected in our financial statements is revenue from services provided by the affiliated Professional Associations to patients.

Goodwill and intangible assets

Indefinite-lived, non-amortizing intangible assets include goodwill. Goodwill represents the excess of the fair value of the consideration conveyed in the acquisition over the fair value of net assets acquired. Goodwill is not amortized and are evaluated annually for impairment or sooner if factors occur that would trigger an impairment review. Our judgments regarding the existence of impairment indicators are based on market conditions and operational performance.

Definite-lived, amortizing intangible assets primarily consist of trademarks and tradenames, patents and other intellectual property. We amortize definite-lived identifiable intangible assets on a straight-line basis over their estimated useful life of 15 years.

Impairment of goodwill

Goodwill represents the excess of purchase price over the fair value of net assets acquired in a business combination. Goodwill is not amortized but evaluated for impairment at least annually at the reporting unit level or whenever events or changes in circumstances indicate that the value may not be recoverable. Events or changes in circumstances which could trigger an impairment review include significant adverse changes in the business climate, unanticipated competition, a loss of key personnel, or the strategy for our overall business, significant industry or economic trends, or significant underperformance relevant to expected historical or projected future results of operations.

Goodwill is assessed for possible impairment by performing a qualitative analysis to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the events or circumstances, we determine it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then additional impairment testing is not required. However, if we were to believe our fair value was more likely lower than our carrying value, then we are required to perform a quantitative analysis.

The quantitative analysis involves comparing the estimated fair value of a reporting unit with its respective book value, including goodwill. If the estimated fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. If, however, the fair value of the reporting unit is less than its book value, then the carrying amount of the goodwill is reduced by recording an impairment loss in an amount equal to the excess. We review goodwill for impairment annually in the month of October.

We performed our annual review of goodwill impairment in October 2020 and 2019 using a qualitative analysis and determined that a quantitative analysis was not required. There were no triggering events during the six months ended June 30, 2021 and 2020 or the years ended December 31, 2020 or 2019.

Unit-Based Compensation

We recognize unit-based compensation expense for employees and non-employees based on the grant-date fair value of Profit Interest Unit (“PIU”) awards over the applicable service period. For awards that vest based on continued service, unit-based compensation cost is recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the awards. For awards with performance vesting conditions, unit-based compensation cost is recognized on a graded vesting basis over the requisite service period when it is probable the performance condition will be achieved. Once it is probable that the performance condition will be achieved, we recognize unit-based compensation cost over the remaining requisite service period under a graded vesting model, with a cumulative adjustment for the portion of the service period that occurred for the period prior to the performance condition becoming probable of being achieved. The grant date fair value of PIU awards that contain service or performance conditions is estimated using the Black-Scholes pricing model.

Determining the fair value of PIU awards requires judgment. We use the Black-Scholes pricing model to estimate the fair value of PIU awards that have service and performance vesting conditions. The assumptions used in this pricing model requires the input of subjective assumptions and are as follows:

- *Fair value*—As our PIUs are not currently publicly traded, the fair value of our underlying member units was determined by management with the assistance of a third-party valuation firm. We will continue to determine fair value in this manner until such time as we have common stock that commences trading on an established stock exchange or national market system.
- *Expected volatility*—Expected volatility is based on historical volatilities of a publicly traded peer group based on daily price observations over a period equivalent to the expected term of the PIU awards.
- *Expected term*—For PIU awards with only service vesting conditions the expected term is based upon the length of time the award is expected to be outstanding. For awards with performance conditions, the term is estimated in consideration of the time period expected to achieve the performance.
- *Risk-free interest rate*—The risk-free interest rate is based on the U.S. Treasury yield of treasury bonds with a maturity that approximates the expected term of the PIUs.

- *Expected dividend yield*—The dividend yield is based on our current expectations of dividend payouts. We do not anticipate paying any cash dividends in the foreseeable future.

The following table sets forth the assumptions that were used to calculate the fair value of PIU awards granted on March 31, 2019. No awards were granted in 2020 and no new awards have been granted in 2021, through the filing date.

	2019
Expected volatility	26.6%
Expected term	5.0
Risk-free interest rate	2.27%
Expected dividend yield	0%

The determination of unit-based compensation cost is inherently uncertain and subjective and involves the application of valuation models and assumptions requiring the use of judgment. If factors change and different assumptions are used, unit-based compensation expense and net income (loss) could be significantly different. Unrecognized compensation cost related to unvested time-based units was approximately $0.9 million and $1.1 million at June 30, 2021 and December 31, 2020, respectively. Unrecognized compensation cost will be expensed annually based on the number of units that vest during the year. Further, we have unrecognized compensation cost of $1.7 million at both December 31, 2020 and June 30, 2021 related to the performance-based units, which will be recognized on a graded vesting basis over the requisite service period when it is probable the performance condition will be achieved.

Quantitative and Qualitative Disclosure About Market Risk

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of exposure due to potential changes in inflation or interest rates. We do not hold financial instruments for trading purposes.

Controls and Procedures

Historically, as a privately held company, we have maintained internal controls over financial reporting. However, these internal controls have not been subject to the testing required under the standards of publicly traded companies by Section 404 of Sarbanes-Oxley. We are not currently required to comply with SEC rules that implement Sections 302 and 404 of the Sarbanes-Oxley Act, and are therefore not required to make a formal assessment of the effectiveness of our internal controls over financial reporting for that purpose. However, at such time as Section 302 of the Sarbanes-Oxley Act is applicable to us, we will be required to evaluate our internal controls over financial reporting.

Limitations on the Effectiveness of Controls

Our management, including the Chief Executive Officer and the Chief Financial Officer, recognizes that any set of controls and procedures, no matter how well-designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, with the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of controls. For these reasons, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Interest Rate Risk

Our primary market risk exposure is changing interest rates. Interest rate risk is highly sensitive due to many factors, including United States monetary and tax policies, United States and international economic factors

and other factors beyond our control. Our Credit Agreement bears interest at a floating rate equal to either LIBOR plus 5.5% or a base rate plus 4.5% if the Company's total leverage is equal to or greater than 2.5x and less than 4.25x as defined in our Credit Agreement. As of June 30, 2021, we had term loan borrowings of $84.7 million in principal amount under the Loan Agreement. Based on the amount outstanding, a 100 basis point increase or decrease in market interest rates over a twelve-month period would result in a change to interest expense of approximately $0.8 million.

Inflation Risk

Based on our analysis of the periods presented, we believe that inflation has not had a material effect on our operating results. There can be no assurance that future inflation will not have an adverse impact on our operating results and financial condition.

LETTER FROM THE FOUNDER AND CEO

Elite Body Sculpture was founded a decade ago with the goal of delivering the absolute best body contouring results and patient experience possible.

I have devoted my entire career to minimally invasive body contouring and found that most body contouring of all types delivered inconsistent outcomes and poor patient experiences. I saw a need to deliver "celebrity" quality results to the American population by creating a specialty center that focuses on just one thing—removing unwanted fat.

We have created an incredible team of highly trained and artistic surgeons who are passionate about delivering the best body contouring results and patient experience on the planet.

The AirSculpt® method was developed to fill the need for superior and reliable results. It does so by removing one fat cell at a time through a freckle-sized hole instead of using a scalpel incision. Further, unlike traditional liposuction which uses cannulae in a scraping motion, our procedure uses an FDA-approved handpiece, which is manufactured by a third party, to drive a cannula 1,000 times per minute in a corkscrew motion to remove fat cells, all while tightening the skin. Moreover, we are able to perform this procedure while our patients are awake and with minimal invasiveness—no needles, no scalpel and no stitches.

Our average patient is able to resume normal activities the following day and many have expectation-shattering results in just two weeks. Our average patient sees full results in just three months and does not require multiple sessions.

We have worked tirelessly over the last ten years to fine tune every aspect of the AirSculpt® method and make it the best experience our patients have ever had at the doctor's office. Each office is designed with a luxurious spa-like feel. We continue to evolve in order to ensure we do everything possible to meet our patients' satisfaction.

Elite cares as much about its employees as it does its patients. We prize teamwork, promote from within and encourage initiative and leadership. Some of our best developments have come from employees at all levels who are as passionate as I am about achieving the best results and patient experience possible. We are propelled and motivated by our patients' joy when they see their extraordinary results and relay what a wonderful experience they have had. It is what we live for.

I am humbled and excited to see AirSculpt® resonate across the nation. What excites me most is having the opportunity to roll out centers nationwide with the objective of making AirSculpt® available in every major metropolitan area and beyond.

We look forward to continuing to redefine body contouring and are committed to innovating for many years to come. I am delighted to welcome you on this journey and our next stage of growth.

Sincerely,

/s/ Aaron J. Rollins MD

Aaron J. Rollins MD
Founder and CEO

BUSINESS

Our Company

We are an experienced, fast-growing national provider of body contouring procedures delivering a premium consumer experience. At Elite Body Sculpture, we provide custom body contouring using our proprietary AirSculpt® method that removes unwanted fat in a minimally invasive procedure, producing dramatic results. It is our mission to generate the best results for our patients.

We believe our treatment results and elite patient experience have positioned Elite Body Sculpture as a preferred body contouring brand. We performed over 5,800 body contouring procedures in 2020. Our proprietary and patented AirSculpt® method is minimally invasive because it requires no needle, no scalpel, no stitches and no general anesthesia to achieve transformational change that appears both natural and smooth. Our patients are guided by surgeons and patient care consultants through every step of the experience. Our patients are awake and can converse with their surgeon or listen to music during their procedure and often resume normal activity the next day.

We have a broad offering of fat removal procedures across treatment areas. We also offer innovative fat transfer procedures that use the patient's own fat cells to enhance the breasts, buttocks, hips or other areas and do not require silicone or foreign materials to be implanted. Our innovative body contouring procedures include the Power BBL™, a Brazilian butt lift procedure, the Up a Cup™, a breast enhancement procedure, and the Hip Flip™, an hourglass contouring procedure. Our motivation to provide the best body contouring outcomes for our patients fuels our innovation.

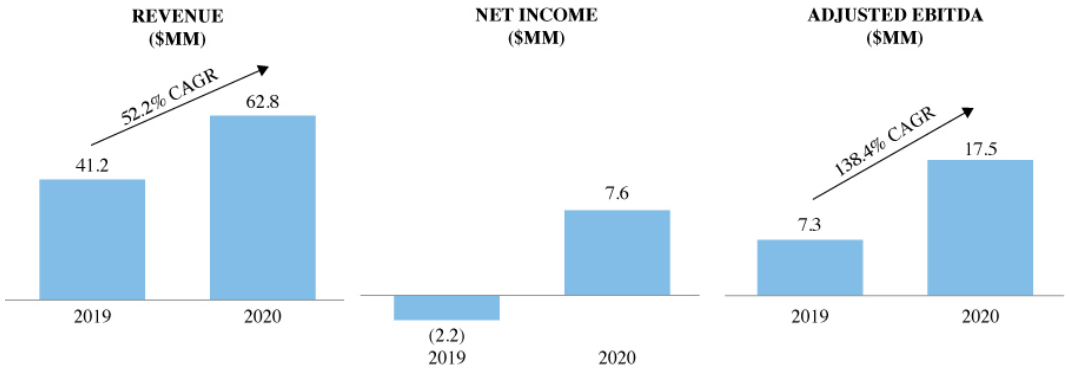
Our treatment results—highlighted by a vast gallery of "before and after" photos across gender, body shape and treatment areas—are a powerful tool to build our brand through digital marketing including on our website and social media accounts. We also leverage AirSculpt® TV, which takes viewers into procedure rooms to watch our surgeons use AirSculpt® body contouring procedure to achieve dramatic results and hear patient testimonials. We utilize celebrity and influencer endorsements, as well as word-of-mouth referrals, to drive new patient acquisition.

We deliver our body contouring procedures through a growing, nationwide footprint of 16 centers across 13 states as of October 5, 2021. Our centers, located in metropolitan and suburban areas, offer a premium patient experience and luxurious, spa-like atmosphere. Due to restrictions on the corporate practice of medicine in many states, the Professional Associations, which are separate legal entities owned by a licensed surgeon, are responsible for all clinical aspects of the medical operations that take place in each of our centers, including contracting with the surgeons who perform procedures on patients at our centers.

We are a holding company and all of our operations are conducted through the Professional Associations and our wholly-owned subsidiaries, which own and operate the non-clinical assets and provide Management Services to the Professional Associations through MSAs.

The value proposition provided by our services results in exceptional unit-level economics, which in turn helps to support predictable and recurring revenue and attractive cash flow. Additionally, we require 100% private pay upfront and face no reimbursement risk.

Under the stewardship of our founder and CEO, Dr. Aaron Rollins, our non-executive chairman, Adam Feinstein, and the other management team members, we have built a results-driven culture. For the year ended December 31, 2020, we generated approximately $63 million of revenue compared to $41 million for the year ended December 31, 2019, which represents approximately 52% growth. Additionally, we have invested in our social media and marketing capabilities to drive our brand awareness and increase consumer acceptance for our procedures. We believe we have significant opportunity to further grow our brand awareness, open new centers in the United States and internationally, and drive sales in our existing centers.



Our Growing Market Opportunity

Our Market Opportunity

We operate within the large and growing market for body fat reduction procedures. Our market includes both surgical procedures, such as liposuction and abdominoplasty procedures, as well as non-surgical procedures such as cryolipolysis, ultrasound, laser lipolysis and other non-surgical body fat reduction procedures. The global market for body fat reduction procedures was estimated to be $9.8 billion in 2020 by Global Market Insights. The North American market for body fat reduction procedures was estimated to be $2.6 billion in 2020, growing at approximately a 6.5% compound annual growth rate ("CAGR") since 2015 and expected to grow at a 9.8% CAGR through 2026, according to Global Market Insights. The North American market for non-surgical body fat reduction procedures was estimated to be $434 million in 2020, growing at approximately a 13.5% CAGR since 2015 and expected to grow at a 16.6% CAGR through 2026, according to Global Market Insights.

Our Growth Drivers

The market for surgical aesthetic procedures is growing, fueled by favorable trends including:

- ***Self-Image Awareness:*** increased consumer awareness and focus on beauty consciousness driven by social media and prioritization of healthy lifestyles;
- ***Social Acceptance:*** consumers have embraced cosmetic treatment and reduced the social stigma, especially through the proliferation of shared patient photos on social media;
- ***Improved Safety and Recovery Profile:*** advances in technology have led to reduced recovery times and introduction of more minimally-invasive procedures;
- ***Rise in Disposable Income:*** the global rise in disposable income provides individuals with greater discretionary funds for personal appearance enhancements including cosmetic surgery; and
- ***Increased Weight Gain in the Overall Population:*** worldwide prevalence of overweight and obesity in individuals continues to rise.

The combination of these growth drivers continue to propel the market.

Limitations to Existing Procedures

Fat reduction and body contouring procedures have become increasingly popular, but many offerings have significant limitations. Existing procedures for fat reduction or body contouring, other than AirSculpt®, currently include surgical procedures such as liposuction and abdominoplasty (tummy tuck) and non-surgical procedures that use cooling, injected medication or heat to reduce fat cells. We believe these procedures often have limited, inconsistent and less predictable results than AirSculpt®. Many procedures can also involve significant pain and may require excess recovery time post-surgery.

The AirSculpt® Difference

AirSculpt® is a minimally invasive procedure delivered in one session while the patient is awake. Each procedure is done by a trained surgeon for customized and precise results. As for discomfort, patients typically report limited soreness the next day following the procedure. We believe our procedures offer dramatic results to our patients.

Our Competitive Strengths

We attribute our success to the following strengths that differentiate us from our competitors:

Trusted Brand Redefining Body Contouring

The AirSculpt® method was created to offer patients a gentler alternative to traditional fat removal procedures with transformative results delivered in a luxurious, spa-like environment. We specialize in body contouring through the minimally invasive removal of unwanted fat. The proprietary AirSculpt® method empowers our surgeons to use their high level of skill and artistry to deliver dramatic results personalized to our patients. Our patients are awake and can watch TV or listen to music during their procedure and often resume normal activity the next day.

By providing a premium, efficacious experience, we have drawn a following among celebrities, social elite and individuals who prioritize their physique. Our treatment results—highlighted by a vast gallery of before and after photos across gender, body shape and treatment areas—are a powerful tool to build our brand on our website and social media accounts. Launched in 2020, AirSculpt® TV takes viewers live into procedure rooms to watch our surgeons use AirSculpt® to achieve dramatic results and hear live patient testimonials. We also leverage celebrity endorsements to drive coverage on social media, magazines and TV, as well as benefit from word-of-mouth referrals. Our mission is to provide top-notch body contouring services to all who desire an enhanced physique and lifestyle. Our ability to reach a broad audience has enabled us to build our brand and supports our continued growth.

Beneficial Treatment Results and Premium Patient Experience, Underpinned by Proprietary AirSculpt® Technology

We believe that our AirSculpt® procedures offer beneficial results and a premium patient experience. Our offering is differentiated by our patented technology, broad and innovative procedures, elite patient experience, and highly skilled surgeons.

- ***AirSculpt® Technology:*** Our patented and precision-engineered method, AirSculpt®, permanently removes fat and tightens skin while sculpting targeted areas of the body through minimally invasive body contouring procedures. Unlike traditional liposuction which uses cannulae in a scraping motion, AirSculpt® drives a cannula 1,000 times per minute in a corkscrew motion to remove fat cells while tightening skin simultaneously. It requires no needle, no scalpel, no stitches and no general anesthesia to create dramatically natural, smooth results. AirSculpt® is minimally invasive, providing transformative results, all delivered in one session while the patient is awake. Each procedure is done by a highly skilled surgeon with artistic vision for customized and precise results with minimal discomfort or downtime.

  Using our specialized fat transfer system, we purify the collected material and our surgeons carefully transfer it to enhance the buttocks, breast, hips or aging hands to naturally sharpen a patient's contours. Using our closed-loop system, we have been able to eliminate syringes from large volume fat transfer which in turn has decreased overall cost per procedure compared to market. In the more than 5,800 procedures we performed in 2020 and over 5,400 procedures performed in the six months ended June 30, 2021, approximately 22% included a fat transfer.

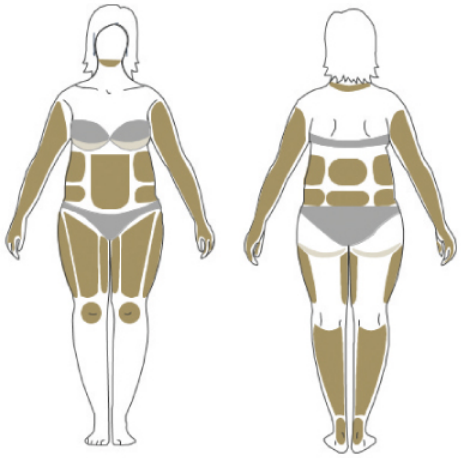
- ***Broad Offering of Innovative, Body Sculpting Procedures:*** We offer our patients a comprehensive suite of customized body contouring procedures, including fat removal and fat transfer, to meet their wants and needs.

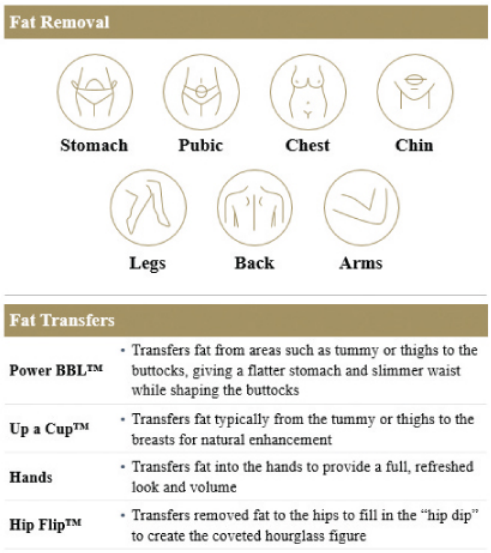
Our fat removal procedures remove a patient's stubborn fat from a variety of treatment areas, such as the stomach, back and buttocks. We created our popular *48-Hour Six Pack*™ procedure to enhance and reveal abdominal muscles in just one session by removing the stubborn pockets of fat hiding one's six-pack.

We also offer fat transfer procedures, during which our surgeons transfer a patient's collected fat cells to enhance the buttocks, breast, hips or aging hands to naturally enhance or sharpen a patient's contours. Some of our most popular fat transfer procedures are:

- *Power BBL*™ *("Brazilian Butt Lift")*, which removes a patient's unwanted fat from areas such as tummy or thighs and transfers it to the buttocks, giving a flatter stomach and slimmer waist, while shaping the buttocks and tightening the skin;
- *Up a Cup*™ *Breast Augmentation*, which removes a patient's natural fat, typically from the tummy or thighs, and transfers it to the breasts to increase size by about one cup. AirSculpt® enhanced breasts are all natural. No silicone or other foreign material is implanted; and
- *Hip Flip*™, which removes unwanted fat from one area of the body and transfers it to the hips to fill in the "hip dip" to create the coveted hourglass figure. It is often performed in combination with the Power BBL™.

We are continuously innovating to better serve our patients. In 2020, we started performing and trademarked the Hip Flip™ procedure. Since then, we have continued to innovate and in 2020 we introduced CankCure™, an innovative procedure that removes fat and contours the calf and ankle area. We are only in the beginning stages of innovation and have much more to introduce to the body contouring field.





- ***Premium Patient Experience:*** We offer our patients a premium consumer experience. From the initial consultation to the day of procedure, our patients are guided by knowledgeable patient care consultants. In 2020, we began to offer our patients the choice of virtual consults prior to their procedures. Rather than making an in-office appointment, our patients are able to speak with our surgeons and qualified patient care consultants in the convenience of their own home or office typically within 24-72 hours. We encourage a strong relationship between our patients and surgeons, from initial consultation, through procedure and through follow-up appointments. Nearly all of our patient care consultants are former patients and can speak to their personal Elite experiences. Our consultants provide patients pricing information the day of their consult and assist patients in securing third-party financing, if needed, enabling patients to more quickly schedule their procedure.

  On the day of treatment, patients are welcomed into a spa-like environment by a friendly patient concierge and taken to meet their patient care consultant who will escort them to the procedure. Our

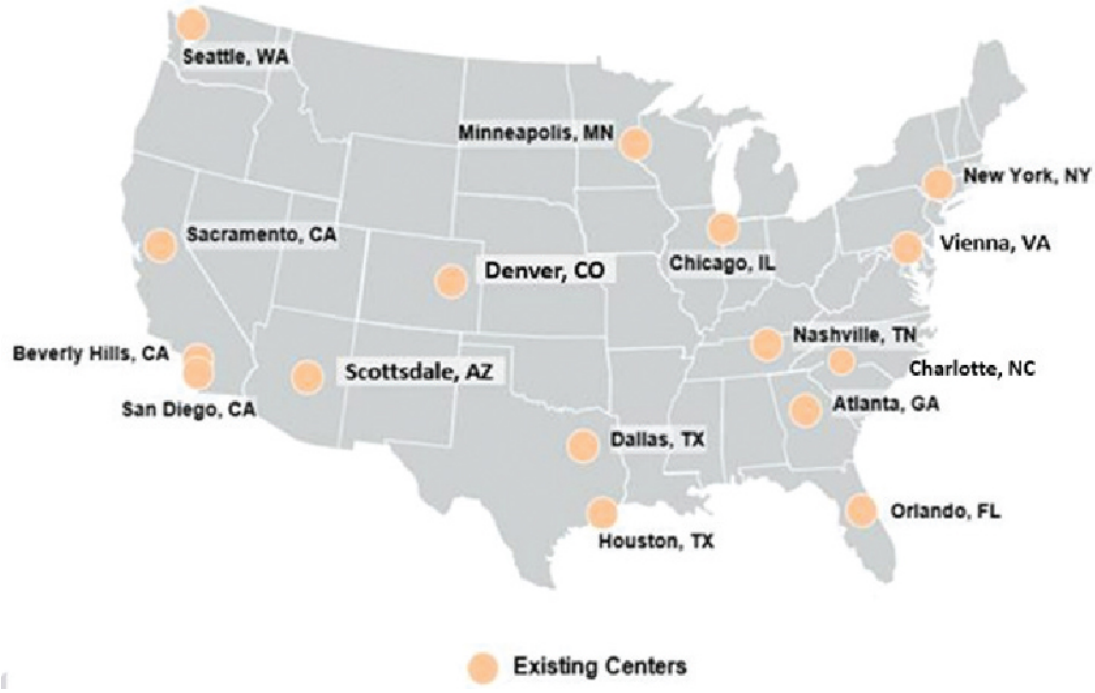
centers are located near high end retail environments, such as Rodeo Drive in Beverly Hills and Fifth Avenue in New York. The centers are designed and furnished with furniture from a high-end retailer with the patient experience in mind, offering a comfortable and calming environment ahead of and after the procedure. Our strategic footprint and unique staffing model lead to positive patient experiences throughout their process.

- ***Elite Surgeons:*** Our surgeons are chosen not only for their medical skills, generally as plastic or cosmetic surgeons, but also for their artistic vision. They are selected to join our nationwide practice because they are at the top of their profession, specialize in body sculpting, and have artistic skill. Most of our surgeons are ambidextrous to enable symmetrical results and have interests in drawing, painting, and sculpture. Before working on Elite Body Sculpture patients, each surgeon completes extensive AirSculpt® training to ensure the best results for every patient and treatment. We conduct ongoing follow-ups with physicians to ensure the best results for our patients.

  We offer our surgeons a compelling economic opportunity, with annual compensation for part-time work at Elite Body Sculpture often higher than the average full-time salary in a private practice. By joining Elite Body Sculpture, surgeons are also able to grow their private practices by attracting Elite patients to their private practice for non-body contouring procedures, such as face lifts and injectables. Our surgeons are also featured on our social media platforms. AirSculpt® allows the surgeon to provide high quality outcomes to patients while being less physically demanding on the surgeon than traditional liposuction. As AirSculpt® is only available for use at Elite Body Sculpture centers, we protect our brand and are able to retain high quality surgeons.

National Footprint Fueled by Attractive Unit Economics

We have a growing national footprint consisting of 16 centers as of October 5, 2021. Our centers are located primarily in metropolitan cities near retail shops that our patients frequent and popular areas. On average, our centers contain two procedure rooms with the capacity to perform up to 36 surgeries a week, in addition to additional consultation offices for prospective patients. Our accreditation as an office-based practice under the Joint Commission demonstrates our commitment to safety and quality. In 2020, we generated revenue per case of approximately $10,600 on average. We require 100% private pay upfront and face no reimbursement risk.



Our centers generate highly attractive unit-level economics and require only a modest investment to open. Given the consistently high level of demand for our services and the average price of our procedures, our centers that have been open since 2019 achieve profitability within approximately three months on average, providing Elite Body Sculpture with a highly attractive and near-immediate return on invested capital.

Scaled Platform and Consistent Demand Drives Attractive Growth and Free Cash Flow

Our operating model is highly scalable and enables capital efficient growth. We have generated double digit growth in each of the years since 2015. For the year ended December 31, 2020, we generated approximately $63 million of revenue compared to $41 million for the year ended December 31, 2019, which represents approximately 52% growth. We have a capital efficient business that requires minimal maintenance capital expenditures and working capital to support our operations, enabling us to generate strong cash flows to fund future growth. We have achieved consistent, self-funded growth since our founding in 2012 and have accelerated our performance in recent years.

Experienced Founder-Led Management Team to Support Growth

We are led by an experienced team united by our vision to redefine body contouring and a belief in our future growth potential. Our founder and Chief Executive Officer, Dr. Aaron Rollins, is a celebrity cosmetic surgeon that is recognized as a leader in body sculpting and has been featured across digital, print and TV. Dr. Rollins has been a licensed cosmetic surgeon since 2004. In addition, our non-executive chairman, Adam Feinstein, who founded our Sponsor, has 25 years of experience working with many of the leading healthcare services companies, including service as a director of public and private healthcare company boards. They have partnered with our Chief Operating Officer and President, Ron Zelhof, and our Chief Financial Officer, Dennis Dean, who together have over 50 years of experience in the health care industry, including at Envision Healthcare, Healthsouth, and Surgery Partners. We have built a strong and diverse team across our marketing and operations functions that is highly scalable and capable of supporting future growth. We have a results-driven team culture. We believe our combination of talent, experience, and culture gives us the ability to drive sustainable growth.

Our Growth Strategies

We intend to deliver sustainable growth in revenue and profitability by executing on the following strategies:

- ***Continue to Grow Our Brand Awareness and Attract New Patients:*** We believe that consumer trends towards greater acceptance of body contouring and cosmetic treatments will continue to expand the market for our services. We believe we are a leading provider of body contouring procedures and that there is a significant opportunity to drive awareness and adoption of our AirSculpt® method and procedure offerings.

We employ the following strategies to drive brand awareness:

- *Developing digital content, including a "before and after" photo gallery and AirSculpt® TV:* We have collected a catalog of over 200,000 "before and after" photos, showcasing our treatment outcomes. Our AirSculpt® TV program, featured on our Elite Body Sculpture Instagram page and website, provides a never-before seen transparency in our space, encouraging further growth. We will continue to develop high quality digital content that highlights the transformative power of our minimally invasive procedures.
- *Social, digital and traditional marketing:* Our in-house marketing team generates continuous media coverage of our offering across social, digital, and traditional media channels, such as magazines and TV. We have over 250,000 followers across our social media channels, as of June 1, 2021. By using web-based lead generation, we generate over 250,000 monthly website visits, primarily through optimized spend on Google's marketing engine.
- *Celebrity endorsements:* We collaborate with celebrity influencers and TV personalities such as Yris Palmer, Chris Sapphire, Kira Girard, Chloe Trautman, and Jonathan Bennett to drive continuous media coverage that raises brand awareness and social acceptance of our procedures. We have

collaborated with 48 influencers with over 200,000 followers each, of which 20 influencers have more than one million followers each.

- *Patient testimonials:* Our patients are some of the best advocates for our brand, with many recommending our procedures to family and friends. We encourage our patients to share their "before and after" photos on social media.
- ***Expand Footprint by Opening New Centers in the United States:*** We believe our track record of successfully opening new Elite Body Sculpture centers consistently generating strong unit-level economics validates our strategy across the United States and to domestically expand our footprint. In order to ensure our new centers are profitable, we follow the same business plan for each new center. A new center is generally profitable within the first few months of opening, supported by our 100% upfront private pay policy. We have strong conviction in our ability to continuously improve our unit economics as we open additional centers in the United States With our patient care consultants and surgeons performing virtual consultations ahead of store openings, we are able to pre-book procedures and can begin performing surgeries on a center's opening day, accelerating the ramp up of those centers.

Management uses a disciplined approach to choose potential markets, opening centers at minimal cost located near premium retail shops that our patients frequent. We believe there is a significant domestic growth opportunity and will continue to opportunistically evaluate new center openings and target opening three to four centers each year.

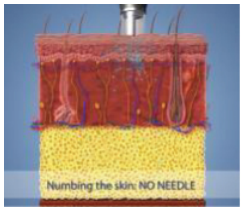
- ***Continue to Drive Sales Growth of Our Centers:*** We employ the following strategies to increase our procedures performed and drive higher revenue per procedure with the aim of continuing to accelerate our growth in existing centers:
  - *Continue to add new procedure rooms:* Our centers typically have one to two procedure rooms. We have the opportunity to continue to both add procedure rooms and adapt our schedule from primarily open six days to seven days a week in order to meet the strong demand from our patients for our services. Through referral and outreach, we plan to continue recruiting surgeons to operate on our growing number of patients and staff to conduct consultations and organize appointments.
  - *Increase speed and efficiency of patient onboarding to increase utilization and reduce patient waiting times:* We have and will continue to execute initiatives that increase the speed through which patients convert from initial consultation to procedure. These initiatives include hiring additional sales support staff to respond to patient inquiries and utilizing virtual consultations that enable our patients to speak with surgeons and qualified patient care representatives in the convenience of their own home or office, making it easier and quicker to schedule a procedure and reduce overall waiting time.
  - *Continue to introduce new, innovative procedures:* Since our founding in 2012, we have demonstrated our ability to innovate with the novel introduction of the AirSculpt® method to the cosmetic surgery field. Over the past decade, we have generated more revenue per patient, which we believe is a direct result of our successful introduction of new procedures to meet our patients' needs. Fat transfer has been a highly successful innovation and is now a critical component of our offering, enabling the artistry of many of our most popular and highest revenue procedures. We also continue to develop new procedures, such as the Hip Flip™ and CankCure™, to meet our patients' demand and drive traffic to our centers.
  - *Increase prices on procedures:* We have an ability to increase prices on our procedures driven by the strong value proposition that our services offer to our patients.
  - *Expand Internationally:* We believe our brand has global appeal. We draw clients from international markets that travel to our existing centers for body contouring procedures. We believe there is significant opportunity to open new centers in densely populated, affluent international metropolitan regions.

Our Technique, Training and Equipment

AirSculpt® is a proprietary, patented method of tumescent liposuction that removes unwanted fat from several targeted areas of the body in a minimally invasive procedure, producing dramatic results. By contrast to

traditional liposuction, AirSculpt® requires no needle, no scalpel, no stitches and no general anesthesia, with patients remaining awake during the procedure. We train our surgeons in the AirSculpt® procedure, for which we possess a patent covering the process illustrated below. Our surgeons are contractually prohibited from performing Elite Body Sculpture's proprietary procedures, including the AirSculpt® procedure, if they leave Elite Body Sculpture.

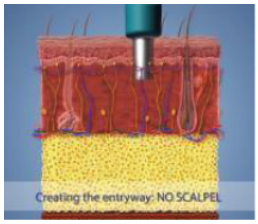
1. Pain Management



Prior to the procedure, patient is given a sedative cocktail and local anesthesia via air pressure from a needleless jet injector.

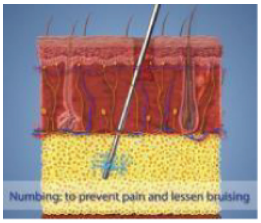
Patient remains fully awake during the procedure

2. Access Point Creation



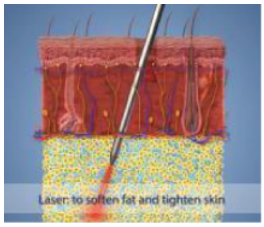
One to three entryways are created by the jet injector, which are widened to 2mm (freckle-sized) by means of a biopsy punch.

3. Local Numbing



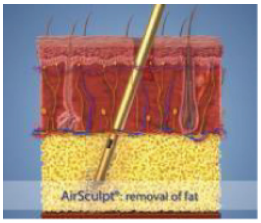
A thin cannula is inserted in each entryway, at which point a local numbing solution is dispersed subdermally to the target areas.

4. Laser Ablation



Laser ablation, which is the use of the heat from laser light to destroy unwanted cells, is then applied to soften the fat cells for extraction. As a byproduct of the laser's heat, the skin in the treated area is tightened for post-surgery effects.

5. Fat Removal Process



Proprietary fat removal process uses industry accepted, FDA approved tools to grab, separate, and remove fat cells.

An FDA-approved handpiece drives cannula 1,000 times per minute in a corkscrew motion to remove fat cells, without harming surrounding tissue and structures.

The amount of fat removed via the AirSculpt® method depends on patient body size, desired outcomes and state regulations. After the procedure is complete, a piece of dry gauze is used to cover the entryway to protect against infection.

Across our centers, we use a network of independent surgeons to perform the AirSculpt® procedure. We believe that the desire to be an Elite Body Sculpture surgeon has provided us with ready access to talented providers, making recruitment a selective process. Additionally, through referral and outreach, we plan to continue recruiting surgeons to perform procedures on our growing number of patients. We conduct

background checks on prospective surgeons, confirming licensure and checking surgeon records contained in the National Practitioner Data Bank. Furthermore, we consider the body of work of prospective surgeons, including before and after photos and areas of specialization. Following this initial selection process, our prospective surgeons undergo in-house training through the Elite Fellowship Program where they receive proprietary information regarding the AirSculpt® method and approved body markings, observe videos of experienced AirSculpt® surgeons, observe those surgeons complete eight to ten procedures in-person, and later complete three procedures under the in-person supervision of those surgeons. If a prospective surgeon successfully completes the Elite Fellowship Program, they are permitted to conduct the AirSculpt® method without restrictions. Otherwise, they are observed in additional training procedures or are not chosen to join the Elite Body Sculpture team. Additionally, there is a comprehensive ongoing review process of all surgeons conducted by our experienced AirSculpt® surgeons, which includes on-site visits at centers to help maintain quality standards, and feedback from other staff members, including members of our nursing team.

In connection with the AirSculpt® method, we currently use an FDA-approved handpiece manufactured by Euromi S.A., a Belgian company that specializes in the manufacturing and distribution of medical, dermatological and plastic surgery products, and other FDA-approved parts, such as the cannula and vacuum pump, from other manufacturers. The handpiece we use costs significantly more than other handpiece models, we believe it is more powerful while being gentler for the patient, helping to produce better results. Some of the other parts used are customized for us by our suppliers for our procedure. Although using FDA-approved equipment in medical procedures is the practice of medicine and does not itself require further FDA review or approval, FDA regulations require that we report certain information about adverse medical events if our AirSculpt® procedures have caused or contributed to those adverse events.

While we recruit our surgeons with a focus on excellence and skill, the handpiece we use in connection with the AirSculpt® method is designed to automatically shut off if any issues are detected in the process (e.g., excessive heat levels). As of the date of this prospectus, we are not aware of any adverse events in connection with the AirSculpt® procedure that would require reporting under any regulations.

We are continuously working to innovate to make the AirSculpt® procedure easier to perform, deliver enhanced results, and be more pleasant for our patients, all with a goal of providing the best body contouring results possible. Moreover, we continue to develop AirSculpt® for new procedures and also seek to incorporate new technologies into our current procedures.

Our Treatment Process

Pre-Treatment

During our pre-treatment process, our surgeons meet with patients in-person, virtually or through asynchronous review of photo submissions. During the consultation process, our surgeons provide one-on-one advice, verify the appropriateness of patient candidacy, and align with the patient on procedural expectations.

Day of Treatment

On the day of treatment, patients are welcomed into one of our facilities, which is designed to provide a spa-like environment by a patient concierge and escorted to their procedure by a patient care consultant. Prior to the procedure, the surgeon meets with the patient to complete markings on their body, which serve as a guide during the procedure. Additionally, pre-treatment photos are taken. Procedure times vary. For example, a typical chin procedures takes approximately an hour while a full abdomen procedure with fat transfer or Power BBL™ takes approximately three hours. Procedures follow the method outlined in “Our Technique, Training and Equipment” above, during which time the patient is fully awake and may speak with the surgeon or listen to music. Post-treatment, the patient is brought to a recovery room with a recovery compression garment and is subsequently provided discharge instructions.

Post Day of Treatment

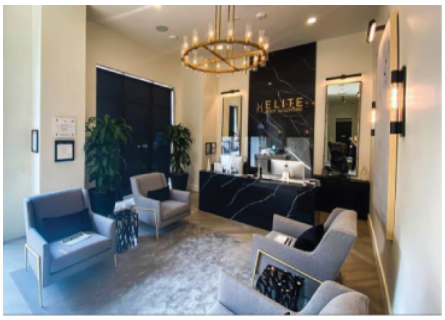
Given the minimally invasive nature of our procedures, our patients often resume normal activities and return to work the day following treatment. The patient is provided with a recovery compression garment that the

patient will wear for typically two weeks. Our procedure follow-ups include email check-ins within 48 hours, one week, and three months post procedure, as well as post procedure visits one week and three months after treatment. Post-treatment photos are taken and may be shared on social media with the patient's consent.

Center Format and Selection

Our centers are approximately 3,000 square feet each and are typically open six days per week, with select centers are open seven days per week, from 9 am to 5 pm. Certain centers may operate outside of typical hours to accommodate client schedules. Most existing locations have two procedure rooms. Our centers are typically staffed by three surgeons, who are independent contractors, nurses, office managers, sales consultants, sales assistants and front desk concierges/administrative assistants.

Scottsdale, AZ



Beverly Hills, CA

We use a disciplined approach when opening de novo centers and conduct extensive diligence of potential markets through social research and economic analysis of each market. Our target markets include affluent metropolitan and suburban areas with populations exceeding two million people. We conduct in-person site visits to proposed center locations.

Our Marketing and Sales Efforts and Third Party Financing

Our marketing efforts are driven by an in-house team of professionals that focus on digital and other platforms. In addition to monitoring and managing our social media presence, our team is focused on search engine optimization on our digital platform. Our total marketing spend for 2020 was approximately $7.5 million, or approximately 12% of revenue, which is split between 74% for digital platforms and 26% for other platforms. Our customer acquisition costs were approximately $1,280 per customer in 2020.

Our sales assistants respond to inquiries from prospective patients and schedule virtual or in-person consultations. In 2020, we began to offer our patients the choice of a pre-procedure virtual consult. Rather than making an in-office appointment, our patients are able to speak with our surgeons and qualified patient care consultants in the convenience of their own home or office typically within 24-72 hours. We encourage a strong relationship between our patients and surgeons, from initial consultation, through procedure, to after treatment. Nearly all of our patient-facing consultants are former patients and can speak to their personal Elite experiences. Based on these efforts, together with discussions with our surgeons, our patients elect to move forward and schedule a procedure date. Many patients, satisfied with results and experience, return to Elite Body Sculpture to receive further AirSculpt® treatments on additional body parts.

Our consultants provide patients pricing information the day of their consult and, if requested by the patient, assist patients with securing third-party financing from entities such as CareCredit, Alphaeon Credit and United Medical Credit, enabling consumers to more quickly schedule their procedures. We do not face any risk in default of payment under that financing arrangement, which is solely between the patient and third party financing vendor. In 2020, approximately 43% of our revenue involved the patient securing third-party financing.

Our Intellectual Property

As of October 5, 2021, our patent portfolio is comprised of two issued U.S. utility patents and three pending U.S. utility patent applications, each of which we own directly. The tools we use to perform our fat removal

and fat transfer procedures are purchased from third parties and we do not own the proprietary rights to such tools. Instead of protecting specific, individual liposuction components (such as a particular handpiece design), our issued patents and one of our pending applications relate to certain proprietary implementations of the process described in the section "Our Technique, Training and Equipment," and the combination of multiple components to form proprietary systems that are specially configured for carrying out those proprietary processes. We believe the systems and methodologies claimed in our issued patents provide impressive results with less patient trauma relative to other systems and methods, such as liposuction and abdominoplasty (tummy tuck), that require more invasive surgical procedures. In general, patents have a term of 20 years from the application filing date or earliest claimed non-provisional priority date. We expect our issued patents to expire in 2033 or later.

AirSculpt®, No Needle, No Scalpel, No Stitches®, If You Can Pinch It, We Can Take It®, Power BBL®, Tiny Tuck®, RevisionSculpt®, 48 Hour Six Pack®, AirSculpt is for Everybody®, Cure for the Hip Dip™, Hip Flip™, CankCure™, and our logo are U.S. registered trademarks or trademarks for which registration is pending in the United States. We have also registered AirSculpt® and certain other trademarks outside of the United States.

We seek to protect our intellectual property by filing patent applications in the United States related to our procedures that are important to our business. We rely on a combination of confidentiality, non-disclosure and assignment of invention agreements with our employees, surgeons, consultants, contractors and other partners and collaborators. We further rely on copyright, trademark and trade secret laws to protect our brands, proprietary technologies, know-how, data, and copyrighted content (including our library of before and after photographs).

Competition

We believe that our brand recognition and minimally invasive procedures with results meeting or exceeding our customer expectations distinguish us in the rapidly growing market for body contouring.

While we believe we are transforming and growing the body contouring market, our primary competition includes individual and small practice group providers of traditional liposuction, which we believe require a longer patient recovery time than AirSculpt® and some national providers of other minimally-invasive techniques, which we believe are less effective than AirSculpt®. Additionally, university and hospital systems, medical spas and centers and beauty and rejuvenation centers include the body contouring services in their offerings.

The areas in which we compete include:

- ***Patients:*** We compete for patients to utilize our procedures through our marketing efforts and exceptional brand reputation.
- ***Procedure Offering:*** We compete with providers of liposuction, abdominoplasty (tummy tuck) and gastric bypass surgery, and non-surgical procedures that use cooling, injected medication or heat to reduce fat cells. Many procedures can also involve significant pain and may require excess post-surgical recovery time.
- ***Surgeons and other professionals:*** We compete for high quality surgeons and other professionals across the body contouring and cosmetic surgery industry to ensure we are able to continue to provide our patients with a smooth process, premium service, and high quality results.

The principal competitive factors that companies in our industry need to consider include, but are not limited to: enhanced products and services, procedure safety, competitive pricing policies, vision for the market and procedure innovation, strength of sales and marketing strategies, technological advances, brand awareness and reputation, and access to financing. We believe we compete favorably across all of these factors and we have developed a business model that is difficult to replicate.

Surgeon Practice Structure

Due to the prevalence of the corporate practice of medicine doctrine, including in many of the states where we conduct our business, our affiliated surgeons are organized in traditional physician practice group structures.

In accordance with applicable state laws, our surgeons have exclusive control and responsibility for all clinical decision-making and the provision of medical care to patients. The Professional Associations are set up as legal entities, separate from Elite Body Sculpture, organized in accordance with applicable state laws regarding the types of entities that may operate a physician practice group. Each of the Professional Associations under which our affiliated surgeons operate is owned by a licensed, qualified physician. Our structure enables more effective and efficient sharing of results among our affiliated surgeons, including with respect to educating and training them as to best demonstrated clinical processes, provides them with access to our sophisticated information systems, and helps to shield us from professional liability.

Each of the Professional Associations contracts with surgeons to provide body contouring services to its patients. Each such surgeon must hold an active license to practice medicine in the state where the applicable Professional Association operates. In most cases, surgeons enter into independent contractor agreements with the applicable Professional Association, under which the surgeon is paid a percentage of the professional fees collected by the Professional Association for each surgery the surgeon personally performs, net of any adjustments for financing fees, patient refunds, or any other allowances applicable to the services provided. A typical agreement with our surgeons will have a term of two to three years. The Professional Associations are generally responsible for billing patients for services rendered by our surgeons. Subject to applicable state laws governing enforceability of restrictive covenants relating to physicians, our surgeons contracted by the Professional Associations have agreed not to compete during the contracted period and have agreed not to use or disclose Elite Body Sculpture's proprietary information, including the AirSculpt® procedure, even after the terms of their respective contracts.

Management Services Agreements

We have entered into MSAs with each of the Professional Associations, under which the Company, through its wholly-owned subsidiaries, provides the Professional Associations with exclusive, administrative, management and other business support services, including, but not limited to, billing and collection, accounting, legal, human resources, information technology, compliance and recruiting assistance (the "Management Services"). The Professional Associations retain exclusive control and responsibility for all clinical aspects of the practice of medicine and the delivery of medical services and for contracting with all surgeons and other licensed professionals performing procedures through the Professional Associations. The MSAs are long-term in nature, typically with an initial term of 10 years that automatically renews for successive 5 year terms unless either party provides notice not to renew before the end of the then-current term, subject only to a right of termination in the case of uncured material breach. Under the terms of the MSAs, and subject to state laws and other regulations governing professional fee-splitting, our wholly-owned subsidiaries are typically paid either a flat monthly fee or where permitted, a monthly fee structured as (i) a flat dollar amount for all marketing and advertising advice, assistance, and services provided and (ii) a fee equal to a percentage of the Professional Association's gross revenues for the applicable month. These agreements also generally provide opportunities for supplemental bonuses. In addition, the Professional Associations have also agreed to reimburse us for certain expenses. See "Governmental Regulation—State Corporate Practice of Medicine and Fee-Splitting Laws."

Continuity Agreements

Dr. Rollins is the sole director, officer, and owner of a majority of the Professional Associations. With the exception of the New York Professional Association, we have entered into Continuity Agreements with Dr. Rollins and the other Surgeon Owners, which (i) prohibit the Surgeon Owners from freely transferring or selling their interests in the Professional Associations, (ii) provide for the ability to add a second Surgeon Owner to help ensure continuity of the Professional Association, and (iii) provide that the ownership interests of the Surgeon Owners will automatically be transferred to another licensed professional designated by us in accordance with the terms of the Continuity Agreement upon the occurrence of certain events, which include, but is not limited to, the Surgeon Owner's death, the termination of the Surgeon Owner's employment, the Surgeon Owner's license to practice medicine being revoked or terminated, the Surgeon Owner filing a petition for bankruptcy, the Surgeon Owner becoming indicted for or convicted of any felony or any misdemeanor offense involving moral turpitude, the Surgeon Owner breaching any provision of the Continuity Agreement, the Surgeon Owner's gross negligence, willful misconduct or fraud with respect to the Professional Association, and the Surgeon Owner's disability or incapacity.

Each Continuity Agreement will remain in effect until it is terminated (i) by written agreement signed by or on behalf of each party, (ii) upon the 21-year anniversary of the death of the Surgeon Owner, or (iii) only by the manager (being our wholly-owned subsidiaries), upon at least 30 days prior written notice of such termination to the Professional Association.

Governmental Regulation

Our business and the healthcare industry generally are highly regulated. While we believe that we have structured our agreements and operations in material compliance with applicable healthcare laws and regulations, there can be no assurance that we will be able to successfully address changes in the current regulatory environment or changes in interpretation of existing laws and regulations. We believe that our business operations materially comply with applicable healthcare laws and regulations. However, some of the healthcare laws and regulations applicable to us are subject to limited or evolving interpretations, and a review of our business or operations by a court, law enforcement or a regulatory authority might result in a determination that could have a material adverse effect on us. Furthermore, the healthcare laws and regulations applicable to us may be amended or interpreted in a manner that could have a material adverse effect on our business, prospects, results of operations and financial condition.

Licensing, Medical Practice, Certification

The practice of medicine, including the performance of surgery, is subject to various federal, state and local certification and licensing laws, regulations, approvals and standards, relating to, among other things, the adequacy of medical care, the practice of medicine (including the provision of remote care and consultations), equipment, personnel, operating policies and procedures, prerequisites for the prescription of medication, ordering tests and other professional services.

Physicians, surgeons and licensed professionals who provide professional medical services to patients must hold a valid license to practice medicine or otherwise be certified or qualified to provide the licensed professional service in the state in which the patient is located. Failure to comply with these laws and regulations could result in licensure actions against the professionals, rendered services being found to be non-reimbursable, or prior payments being subject to recoupments and can give rise to civil, criminal or administrative penalties. Our centers are operated as physician office-based practices, which generally rely on the licenses of the surgeons performing medical services through the affiliated Professional Associations at our locations, as well as other permits and licenses including CLIA certifications, medical waste permits, and local operating permits. Some states also require the applicable Professional Association to hold its own clinic license or permit. Through the affiliated Professional Associations, we voluntarily seek accreditation from The Joint Commission for all of our centers. The Joint Commission is a not-for-profit with over 70 years of experience in health care accreditation. Accreditation and certification for each of our centers requires an on-site evaluation of the quality and safety of patient care. A leading nationally-recognized accreditation, for an office-based practice, demonstrates our commitment to safety and quality. Our ability to operate profitably will depend in part upon our centers, the affiliated Professional Associations and their surgeons obtaining and maintaining all necessary licenses and other approvals and operating in compliance with applicable healthcare regulations. Failure to do so could have a material adverse effect on our business.

Our centers are subject to other federal, state and local laws dealing with issues such as occupational safety, employment, medical leave, insurance regulations, civil rights, discrimination, building codes and other environmental issues. Federal, state and local governments are expanding the regulatory requirements on businesses like ours. The imposition of these regulatory requirements may have the effect of increasing operating costs and reducing the profitability of our operations.

State Corporate Practice of Medicine and Fee-Splitting Laws

The laws in many of the states in which we operate or may in the future operate, prohibit entities owned by non-physicians from practicing medicine, exercising control over surgeons, employing surgeons or otherwise interfering with the independent professional judgment of surgeons. This prohibition on the corporate practice of medicine, is intended to prevent unlicensed persons from interfering with the practice of medicine by licensed surgeons or interfering in any way with the independent professional judgment of physicians as it pertains to patient treatment and related clinical matters. Activities other than those directly related to the

delivery of healthcare may be considered an element of the practice of medicine in many states. In certain states where we currently, or in the future, may operate, the corporate practice of medicine doctrine and other licensed professions restrictions may be implicated by decisions and activities such as contracting, setting rates and the hiring and management of clinical or licensed personnel. Many states also have regulations that prevent professional fee-splitting, which is the unlawful sharing of professional fees with unlicensed persons or entities owned by unlicensed persons, often in connection with referrals or other business generated by such persons. Corporate practice of medicine and fee splitting laws and rules vary from state to state and are not always consistent. In addition, these requirements are subject to broad interpretation and enforcement by state regulators. Thus, regulatory authorities or other persons, including the Professional Associations' contracted surgeons, may assert that, notwithstanding the careful structuring of our management arrangements, that we are engaged in the corporate practice of medicine or that the fees earned by us under our contractual arrangements with the Professional Associations constitute unlawful fee splitting. In such event, failure to comply could lead to adverse judicial or administrative action against us and/or our surgeons, civil, criminal or administrative penalties, receipt of cease and desist orders from state regulators, loss of provider licenses, the need to make changes to the terms of engagement with the Professional Associations (or their terms of engagement with their contracted surgeons), in each case that interfere with our business, our profitability and may have other materially adverse consequences.

Healthcare Fraud and Abuse Laws

Even though our services are not currently covered by any government healthcare program or other third-party payor, the laws in some of the states in which we operate, or may in the future operate, prohibit surgeons and other healthcare providers from referring patients to centers in which the surgeon or other healthcare provider has a financial interest unless an exception applies or providing any form of remuneration or a "kickback" for referrals of patients for medical items or services. Some state fraud and abuse laws apply to items or services reimbursed by any payor, including patients and commercial insurers, not just those reimbursed by a federally funded healthcare program. Because of the breadth of these laws and the narrowness of available statutory and regulatory exceptions, it is possible that some of our business activities could be subject to challenge under one or more of such laws. If we or our operations are found to be in violation of any of these laws or any other governmental regulations that apply to us, we may be subject to penalties, including civil and criminal penalties, damages, fines, imprisonment and the curtailment or restructuring of our operations, any of which could materially adversely affect our ability to operate our business and our financial results.

Antitrust Laws

The federal government and most states have enacted antitrust laws that prohibit certain types of conduct deemed to be anti-competitive. These laws prohibit price fixing, concerted refusal to deal, market monopolization, price discrimination, tying arrangements, acquisitions of competitors and other practices that have, or may have, an adverse effect on competition. Violations of federal or state antitrust laws can result in various sanctions, including criminal and civil penalties. Antitrust enforcement in the healthcare industry is currently a priority of the Federal Trade Commission (the "FTC"). We believe we are in compliance with federal and state antitrust laws, but courts or regulatory authorities may reach a determination in the future that could have a material adverse effect on our business, prospects, results of operations and financial condition.

Legal Proceedings

During the ordinary course of business, we have become and may in the future become subject to pending and threatened legal actions and proceedings, including with respect to the quality of our services. All of the current legal actions and proceedings that we are a party to are of an ordinary or routine nature incidental to our operations, the resolution of which should not have a material adverse effect on our financial condition, results of operations or cash flows. These claims, to the extent they exceed our insurance deductibles, are covered by insurance, but there can be no assurance that our insurance coverage will be adequate to cover any such liability.

Employees

As of October 5, 2021, we employed approximately 230 full-time employees and approximately 30 part-time employees. We also had contracts with approximately 40 surgeons. While each center varies depending on its size, case volume and case types, we employ an average of approximately 10 full-time equivalent employees at our centers.

While we provide "full-time equivalent" information, a number of our employees work on flexible schedules rather than full-time, which increases our staffing efficiency. As a result, these employees also do not participate in our benefits structure, which we believe reduces the relative cost of our benefits plans to us. None of our employees is represented by a collective bargaining agreement.

Properties

Our corporate headquarters is located in Miami Beach, Florida, where we occupy approximately 1,310 rentable square feet under a lease that expires in October 2023. We use this location primarily for sales and marketing, information technology, social media content management, research and development, supply chain and logistics, finance, human resources, and editing related to AirSculpt® TV.

In addition to our corporate headquarters, as of the date of this prospectus, we operate sixteen centers* from which we offer AirSculpt® procedures.

State	City	Number of Procedure Rooms
Arizona	Scottsdale	1
California	Beverly Hills	2
California	Sacramento	1
California	San Diego	2
Colorado	Denver	2
Florida	Orlando	2
Georgia	Atlanta	2
Illinois	Chicago	1
Minnesota	Minneapolis	2
New York	New York	2
North Carolina	Charlotte	2
Tennessee	Nashville	2
Texas	Dallas	1
Texas	Houston	1
Washington	Seattle	2
Virginia	Vienna	2

* Leases have been signed with facilities in Toronto, Boston, Miami, Las Vegas and Salt Lake City, but it is not yet known when these facilities will open for business.

We intend to procure additional space as we hire additional employees and expand geographically. We believe that our facilities are adequate to meet our needs for the immediate future and that suitable additional space will be available to accommodate any expansion of our operations as needed.

MANAGEMENT

The following table sets forth the name, age (as of the date of this prospectus) and position of individuals serving as our directors and executive officers upon the consummation of this offering. The following also includes certain information regarding our directors' and officers' individual experience, qualifications, attributes and skills, and brief statements of those aspects of our directors' backgrounds that led us to conclude that they should serve as directors.

Name	Age	Position
Dr. Aaron Rollins	46	Chief Executive Officer and Director
Adam Feinstein	49	Non-Executive Chairman of the Board
Ronald P. Zelhof	57	Chief Operating Officer and President
Dennis Dean	49	Chief Financial Officer
Daniel Sollof	38	Director
Caroline Chu	41	Director
Thomas Aaron	59	Director
Kenneth Higgins	56	Director
Pamela Netzky	46	Director

Executive Officers

Dr. Aaron Rollins is our founder and has served as Chief Executive Officer since 2012. Dr. Rollins is the cosmetic surgeon to the stars, as well as, the founder of Elite Body Sculpture. Dr. Rollins is considered a specialist in body sculpting and has performed thousands of laser liposuction procedures. He is a life-long art lover who studied sculpture and to fulfill his dream of combining art and science, he eventually attended medical school. Dr. Rollins went to medical school at the McGill University Faculty of Medicine in Montreal, Canada after completing his undergraduate studies at McGill University. He has received many awards for his distinguished work, including the I.D.E.A. Bronze Medal for medical inventions and the "Great Distinction" honor at McGill University. He is affiliated with the American College of Surgeons, American Board of Laser Surgery, American Academy of Cosmetic Surgery and the American Society of Liposuction Surgery. He is also a member of the World Academy of Cosmetic Surgery. Dr. Rollins was awarded the Compassionate Doctor certification in 2013. We believe that Dr. Rollins' industry knowledge, as well as his leadership experience, make him an appropriate member of our board of directors.

Ronald P. Zelhof has served as our Chief Operating Officer since December 2018 and as our President since October 2021. Mr. Zelhof brings over 30 years of experience to the company, including over ten years at Surgery Partners, Inc. where he most recently served in the position of Senior Vice President of Operations from November 2015 to December 2018 and over 20 years at Healthsouth where he served in various positions, including VP of Operations. Mr. Zelhof received his B.S. in Education and is a graduate of the professional program in Physical Therapy from the University of Miami.

Dennis Dean has served as our Chief Financial Officer since June 1, 2021. Mr. Dean has over 20 years of experience in multi-site healthcare services. Prior to joining the Company, Mr. Dean served as Senior Vice President of Finance and Operations for Envision Healthcare from January 2019 to December 2020. Mr. Dean also over served as Chief Accounting Officer and Corporate Controller for Surgery Partners and its predecessor company, Symbion, from 2008 through 2018 and was part of the team which took Surgery Partners public in 2015. Prior to joining Symbion, he co-founded Resource Partners, LLC, a healthcare-focused financial consulting firm, and began his career at Deloitte. Mr. Dean is a Certified Public Accountant and holds a B.S. in Accounting and an MAcc from Western Kentucky University.

Non-Employee Directors

Adam Feinstein has served as non-executive chairman of the board of managers of Elite Body Sculpture since October 2018 and the non-executive chairman of the board of directors of the Company since September 2021. Mr. Feinstein founded Vesey Street Capital Partners, L.L.C. (VSCP) in 2014 and has served as Managing

Partner of the firm since August 2014. Mr. Feinstein has 25 years of experience working with many of the leading healthcare services companies. He has been Chairman of the Board of Directors of HealthChannels (ScribeAmerica), a provider of medical scribe support and value-based healthcare solutions, since October 2016 and QualityMetric, a provider of health and disease specific surveys, since August 2020. He has served as a member of the Board of Directors of Pathgroup, a leading pathology services company since August 2016. Mr. Feinstein has served as a board member of Safecor Health, which provides pharmaceutical unit dose packaging services for hospitals and health systems, since August 2021. He was a board member of Surgery Partners, Inc. (Nasdaq: SGRY) from September 2015 to December 2019 and Imedex, Inc. from July 2015 to August 2017. Prior to founding VSCP, Mr. Feinstein was the Senior Vice President of Corporate Development, Strategic Planning and Office of the Chief Executive Officer at LabCorp from June 2012 to August 2014. At LabCorp, he oversaw mergers and acquisitions, corporate development, strategic partnerships and corporate strategy and managed the company's partnerships with large hospital systems. Prior to LabCorp, Mr. Feinstein served as the Managing Director in Equity Research at Barclays Capital/Lehman Brothers for 14 years. He was ranked #1 in the Institutional Investor All America Research Survey in the Health Care Facilities category for eight years. Mr. Feinstein is a CFA charterholder and has a B.S. in Business from the Smith School at the University of Maryland. He also completed the Nashville Healthcare Council Fellows program. We believe that Mr. Feinstein's public company experience, industry knowledge, as well as his leadership experience, make him an appropriate non-executive chairman of our board of directors.

Daniel Sollof has served as a member of the board of managers of Elite Body Sculpture since October 2018 and as a member of the board of directors of the Company since June 2021. Mr. Sollof joined VSCP in August 2014 and serves as a General Partner for the firm. In addition to sourcing and evaluating potential investment opportunities, Mr. Sollof works closely with VSCP's portfolio companies. He has been a Board Observer at HealthChannels (ScribeAmerica) since October 2016. From July 2015 to August 2017, he served as a member of the Board of Directors of Imedex, Inc. Prior to joining VSCP, Mr. Sollof served as Vice President and Research Analyst for Barclays Capital/Lehman Brothers August 2007 to August 2014, focusing on the Healthcare Facilities and Medical Supplies & Devices Sectors. Prior to Barclays Capital/Lehman Brothers, Mr. Sollof worked as a Valuation and Business Modeling Analyst in the Transaction Advisory Services group at Ernst & Young from September 2005 to July 2007. Mr. Sollof received a B.S. in Management Science from the University of California – San Diego and is a CFA charterholder. We believe that Mr. Sollof's industry knowledge, as well as his leadership experience, make him an appropriate member of our board of directors.

Caroline Chu will become a member of our board of directors upon consummation of this offering. Previously, Ms. Chu spent 16 years at Goldman Sachs Group, Inc. from June 2002 to February 2018. She served as an investment analyst in Equity Research, a public equities investor in Goldman Sachs Principal Strategies and portfolio manager and Managing Director in Goldman Sachs Investment Partners. Ms. Chu also served as Co-Head of Equities and Managing Director for Alwyne Management LP from May 2018 to January 2020. Ms. Chu received her B.S. degrees in Economics and Management Science from the Massachusetts Institute of Technology in 2002. We believe that Ms. Chu's leadership experience makes her an appropriate member of our board of directors.

Thomas Aaron will become a member of our board of directors upon consummation of this offering. Mr. Aaron joined Cincinnati Financial Corporation (Nasdaq: CINF) in November 2019 and currently serves as a member of the board of directors, as a member of CINF's audit committee, and as a member of the boards of directors of CINF's property casualty insurance companies and other subsidiaries. From 2016 to 2017, Mr. Aaron served as Senior Vice President of Finance of Community Health Systems, Inc. (NYSE: CYH). Mr. Aaron was appointed to serve as Executive Vice President and Chief Financial Officer of CYH in May 2017, a position in which he served through December 2019. Prior to joining CYH, Mr. Aaron had a distinguished, 32-year career at Deloitte leading audit and consulting services to, among others, national healthcare organizations. Mr. Aaron is a Certified Public Accountant and holds a B.S. in Accounting from the University of Kentucky. We believe that Mr. Aaron's leadership experience makes him an appropriate member of our board of directors.

Kenneth Higgins will become a member of our board of directors upon consummation of this offering. Mr. Higgins currently serves as the managing director and co-founder of Northborne Partners, LLC, a middle market-focused mergers and acquisitions advisory firm. Previously, Mr. Higgins spent 4.5 years at BMO

Capital Markets Corp. (a subsidiary of Bank of Montreal (NYSE: BMO)) from 2016 to 2021. Mr. Higgins received his Bachelor of Business Administration from the University of Michigan School of Business and his Juris Doctor degree from Harvard Law School. We believe that Mr. Higgin's leadership experience makes him an appropriate member of our board of directors.

Pamela Netzky will become a member of our board of directors upon consummation of this offering. Ms. Netzky co-founded Skinny Pop Popcorn in 2010 and served as its President until July 2014. In 2014, SkinnyPop Popcorn sold a majority stake to TA Associates, a leading private equity firm, and changed its name to Amplify Snack Brands. Ms. Netzky transitioned to become a Senior Advisor of Amplify Snack Brands in 2014 and was named a board member of the company. In 2015, Amplify Snack Brands went public on the New York Stock Exchange (formerly NYSE: BETR). Ms. Netzky continued to serve on the board of directors until its sale to The Hershey Company (NYSE: HSY) in 2018 in a transaction valued at approximately $1.6 billion. Ms. Netzky has shown dedicated support to the City of Chicago as well as the arts, education and health care. She has been recognized for her philanthropic pursuits by The Illinois Holocaust Museum. Ms. Netzky earned a BA from DePaul University. We believe that Ms. Netzky's leadership experience makes her an appropriate member of our board of directors.

Board Composition and Election of Directors

Our business and affairs are managed under the direction of our board of directors. The primary responsibilities of our board of directors are to provide oversight, strategic guidance, counseling and direction to our management. Our board of directors meets on a regular basis and additionally as required.

The number of directors will be fixed by our board of directors, subject to the terms of our amended and restated certificate of incorporation and our amended and restated bylaws that will become effective immediately prior to the completion of this offering and our stockholders agreement. Upon the consummation of this offering, our board of directors will consist of seven directors, four of whom will qualify as "independent" under Nasdaq listing standards.

Directors will (except for the filling of vacancies and newly created directorships) be elected by the holders of a plurality of the votes cast by the holders of shares present in person or represented by proxy at the meeting and entitled to vote on the election of such directors. In accordance with our amended and restated certificate of incorporation and our amended and restated bylaws, which will become effective immediately prior to the completion of this offering, immediately after the completion of this offering our board of directors will be divided into three classes with staggered three-year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Our directors will be divided among the three classes as follows:

- the Class I directors will be Daniel Sollof and Pamela Netzky, and their terms will expire at the first annual meeting of stockholders after the completion of this offering;
- the Class II directors will be Adam Feinstein, Kenneth Higgins and Thomas Aaron, and their terms will expire at the second annual meeting of stockholders after the completion of this offering; and
- the Class III directors will be Dr. Aaron Rollins and Caroline Chu, and their terms will expire at the third annual meeting of stockholders after the completion of this offering.

Each director's term will continue until the election and qualification of his or her successor, or his or her earlier death, resignation, disqualification or removal. No decrease in the number of directors will shorten the term of any incumbent director. Our board of directors is authorized to assign members of the board already in office to the three classes; provided, that each class include a specified director designated pursuant to our stockholders agreement. This classification of our board of directors may have the effect of delaying or preventing changes in control of our company.

In addition, we intend to enter into a stockholders agreement with affiliates of our Sponsor and Dr. Aaron Rollins in connection with this offering. This agreement will grant affiliates of our Sponsor and Dr. Aaron Rollins the right to designate nominees to our board of directors subject to the maintenance of certain ownership requirements in us. See "Certain Relationships and Related Person Transactions—Stockholders Agreement."

Director Independence

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment and affiliations, our board of directors has determined that Caroline Chu, Thomas Aaron, Pamela Netzky, and Kenneth Higgins, do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the applicable rules and regulations of the SEC and the listing standards of Nasdaq. In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence.

Committees of the Board of Directors

Upon the consummation of this offering, our board of directors will have an audit committee, a compensation committee and a nominating and corporate governance committee. The composition and responsibilities of each of the committees of our board of directors is described below. Members will serve on these committees until their resignation or until as otherwise determined by our board of directors.

Audit Committee

Upon the consummation of this offering, our audit committee will consist of Thomas Aaron, Caroline Chu, and Kenneth Higgins, with Thomas Aaron serving as Chairperson. The composition of our audit committee will meet the requirements for independence under current Nasdaq listing standards and SEC rules and regulations. Each member of our audit committee will meet the financial literacy requirements of Nasdaq listing standards. In addition, our board of directors has determined that Thomas Aaron is an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K under the Securities Act of 1933. Our audit committee will, among other things:

- review our consolidated financial statements and our critical accounting policies and practices;
- select a qualified firm to serve as the independent registered public accounting firm to audit our consolidated financial statements;
- help to ensure the independence and performance of the independent registered public accounting firm;
- discuss the scope and results of the audit with the independent registered public accounting firm and review, with management and the independent registered public accounting firm, our interim and year-end results of operations;
- pre-approve all audit and all permissible non-audit services to be performed by the independent registered public accounting firm;
- oversee the performance of our internal audit function when established;
- review the adequacy of our internal controls;
- develop procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- review our policies on risk assessment and risk management; and
- review related party transactions.

Our audit committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable rules of the SEC and the listing standards of Nasdaq.

Compensation Committee

Upon the consummation of this offering, our compensation committee will consist of Thomas Aaron and Caroline Chu, with Caroline Chu serving as Chairperson. The composition of our compensation committee will meet the requirements for independence under Nasdaq listing standards and SEC rules and regulations.

Each member of the compensation committee is also a non-employee director, as defined pursuant to Rule 16b-3 promulgated under the Exchange Act. The purpose of our compensation committee is to discharge the responsibilities of our board of directors relating to compensation of our executive officers. Our compensation committee will, among other things:

- review, approve and determine, or make recommendations to our board of directors regarding, the compensation of our executive officers;
- administer our stock and equity incentive plans;
- review and approve, or make recommendations to our board of directors regarding, incentive compensation and equity plans; and
- establish and review general policies relating to compensation and benefits of our employees.

Our compensation committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable rules of the SEC and the listing standards of Nasdaq.

Nominating and Corporate Governance Committee

Upon the consummation of this offering, our nominating and corporate governance committee will consist of Pamela Netzky and Kenneth Higgins, with Kenneth Higgins serving as Chairperson. The composition of our nominating and corporate governance committee will meet the requirements for independence under Nasdaq listing standards and SEC rules and regulations. Our nominating and corporate governance committee will, among other things:

- identify, evaluate and select, or make recommendations to our board of directors regarding, nominees for election to our board of directors and its committees;
- evaluate the performance of our board of directors and of individual directors;
- consider and make recommendations to our board of directors regarding the composition of our board of directors and its committees;
- review developments in corporate governance practices;
- oversee environmental, social and governance (ESG) matters;
- evaluate the adequacy of our corporate governance practices and reporting; and
- develop and make recommendations to our board of directors regarding corporate governance guidelines and matters.

The nominating and corporate governance committee will operate under a written charter, to be effective prior to the completion of this offering, that satisfies the applicable listing requirements and rules of Nasdaq.

Role of Board of Directors in Risk Oversight Process

Our board of directors has responsibility for the oversight of our risk management processes and, either as a whole or through its committees, regularly discusses with management our major risk exposures, their potential impact on our business and the steps we take to manage them. The risk oversight process includes receiving regular reports from board committees and members of senior management to enable our board of directors to understand our risk identification, risk management and risk mitigation strategies with respect to areas of potential material risk, including operations, finance, legal, regulatory, cybersecurity, strategic and reputational risk.

Code of Business Conduct

Upon completion of this offering, our board of directors will establish a Code of Conduct applicable to our directors, officers and employees. The Code of Conduct will be accessible on our website at www.elitebodysculpture.com. If we make any substantive amendments to the Code of Conduct or grant any waiver, including any implicit waiver, from a provision of the Code of Conduct to our officers, we will disclose the nature of such amendment or waiver on that website or in a report on Form 8-K.

Compensation Committee Interlocks and Insider Participation

All compensation and related matters are reviewed by our compensation committee. Upon the consummation of this offering, our compensation committee will consist of Thomas Aaron and Caroline Chu. None of the members of our compensation committee is or has at any time during the past year been an officer or employee of ours. None of our executive officers currently serves or in the past year has served as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

EXECUTIVE COMPENSATION

For the year ended December 31, 2020, we had two executive officers, Dr. Aaron Rollins, our Chief Executive Officer, and Ronald P. Zelhof, our Chief Operating Officer and President. We refer to Dr. Rollins and Mr. Zelhof herein as our "named executive officers" or "NEOs."

2020 Summary Compensation Table

The following table presents all of the compensation awarded to or earned by our named executive officers for the year ended December 31, 2020.

Name and Principal Position	Year	Salary ($)	Bonus ($)[1]	Non-Equity Incentive Plan Compensation ($)[2]	All Other Compensation ($)[3]	Total ($)
Dr. Aaron Rollins Chief Executive Officer	2020	300,000	150,000	140,241	8,569	598,810
Ronald P. Zelhof Chief Operating Officer and President	2020	300,000	120,000	—	13,328	433,328

(1) Amounts in this column reflect annual performance bonus payments earned by our named executive officers in 2020, which were paid in 2021.

(2) Amounts in this column reflect the Equityholder Bonus that Dr. Rollins earned in 2020, as described under "Narrative to the Summary Compensation Table—Equityholder Bonus for Dr. Rollins" below.

(3) Amounts shown in the "All Other Compensation" column represent medical, dental and vision insurance policy premiums paid by us.

Narrative Disclosure to the Summary Compensation Table

In 2020, we primarily compensated our NEOs through a combination of base salary and annual cash bonus awards. Our NEOs are also entitled to certain medical, dental and vision insurance policy premiums that are paid by the Company.

We did not grant equity awards to our NEOs in 2020. Dr. Rollins has not historically received any Company equity awards. Mr. Zelhof received a one-time equity award in 2019, as discussed under "Outstanding Equity Awards at Fiscal Year-End" below.

Annual Base Salary

Each named executive officer's base salary is a fixed component of compensation for each year for performing specific job duties and functions. The 2020 annual base salaries for our named executive officers are set forth in the Summary Compensation Table above.

In May 2021, our board of directors approved an increase to Dr. Rollins' annual base salary from $300,000 to $600,000 and an increase to Mr. Zelhof's annual base salary from $300,000 to $500,000. As discussed under "Employment Agreements" below, upon completion of this offering, Dr. Rollins' annual base salary will be increased to $875,000 and Mr. Zelhof's annual base salary will be increased to $575,000.

Annual Cash Bonuses

In addition to their annual base salary, our named executive officers are eligible for an annual cash performance bonus for each fiscal year based upon achievement of our performance targets, as determined by our board of directors in its sole and absolute discretion. For 2020, Dr. Rollins and Mr. Zelhof were eligible to receive an annual target cash performance bonus of 50% and 40%, respectively, of their annual base salary based on annual EBITDA performance. In December of 2019, our board of directors approved the 2020 budgeted EBITDA target of $24.0 million, however, in July 2020 our board of directors revised the 2020 target EBITDA from $24.0 down to $15.3 million as a result of the COVID-19 pandemic. For the 2020 performance period, our EBITDA was $17.5 million and as a result, Dr. Rollins and Mr. Zelhof earned bonuses of $150,000 and

$120,000, respectively, which were equal to their target annual bonus for the year. These bonuses were paid during the first quarter of 2021.

Equityholder Bonus for Dr. Rollins

Pursuant to the terms of his employment agreement with us, Dr. Rollins was previously eligible to receive an annual cash incentive award based on his ownership of Company equity and the Company's EBITDA performance (the "Equityholder Bonus"). The Equityholder Bonus is paid annually in an amount equal to (x) the greater of (i) $500,000 and (ii) 2% of the Company's consolidated EBITDA for such calendar year, multiplied by (y) a fraction, the numerator of which is the number of Class A Units held by Dr. Rollins and the denominator of which is the aggregate number of Class A Units outstanding as of December 31 of the applicable calendar year. The Equityholder Bonus was paid in four quarterly installments during the course of the year for which it was earned and was adjusted after the end of the year to the extent quarterly installments were over or under paid. As discussed under "Employment Agreements" below, after completion of this offering Dr. Rollins will no longer be entitled to the Equityholder Bonus.

For 2020, Dr. Rollins earned an Equityholder Bonus of $140,241 which was calculated as $500,000 multiplied by 28.0482% and was paid in quarterly installments during the year.

Insurance Plans

All of our current named executive officers are eligible to participate in our employee benefit plans, including our medical, dental, and vision, in each case on the same basis as all of our other employees, except that we pay for the full cost of premiums of such benefits for our named executive officers. We generally do not provide perquisites or personal benefits to our named executive officers.

Employment Agreements

We previously entered into employment agreements with each of Dr. Rollins, effective October 2, 2018, Mr. Zelhof, effective December 1, 2018, and Dennis Dean, effective June 1, 2021. Mr. Dean was not serving as an executive officer of the Company as of December 31, 2020, but has since joined the Company as our Chief Financial Officer. On October 5, 2021, we entered into Amended and Restated Employment Agreements with each of Dr. Rollins, Mr. Zelhof and Mr. Dean in connection with this offering (the "Amended and Restated Employment Agreements"), which agreements will become effective upon completion of this offering.

The Amended and Restated Employment Agreements each provide that the executive will receive a base salary of $875,000 (in the case of Dr. Rollins), $575,000 (in the case of Mr. Zelhof) and $500,000 (in the case of Mr. Dean), which may be reviewed annually and may be increased, but not decreased, without the executive's consent. The Amended and Restated Employment Agreements also provide that the executive is eligible to receive an annual performance-based cash bonus with a target annual bonus of 100% of base salary (in the case of Dr. Rollins) and 75% of base salary (in the case of Mr. Zelhof and Mr. Dean), which bonus is earned based on the achievement of performance targets, as determined annually by our board of directors. Any annual bonus, to the extent earned, is paid in a lump sum.

The Amended and Restated Employment Agreements also provide that the executive will receive a special one-time equity award grant as soon as reasonably practicable following the completion of this offering. The special one-time equity award grants to Dr. Rollins, Mr. Zelhof and Mr. Dean are described under "IPO Equity Awards" below. Under the Amended and Restated Employment Agreements, the executives are also eligible to participate in the Company's annual equity grant program, with the first such annual equity grant in the first quarter of 2022. For Dr. Rollins, the 2022 annual equity grant will have a grant date fair value equal to 200% of base salary, with a portion of such award being in the form of time-vesting restricted stock units that vest over three years in equal annual installments. All equity awards are subject to the approval of our board of directors. The form of equity award agreement and the terms and conditions of such equity awards, including with respect to vesting, will be determined by our board of directors.

The Amended and Restated Employment Agreements for each of Mr. Zelhof and Mr. Dean also provide that the executive will receive a special one-time cash bonus in a lump sum payment as soon as reasonably

practicable following the completion of this offering in the amount of $4,750,000 (in the case of Mr. Zelhof) and $1,800,000 (in the case of Mr. Dean).

Under the Amended and Restated Employment Agreements the executive may terminate their respective employment at any time and for any reason with 60 days' prior written notice, provided, however, that we may accelerate the executive's last day of employment to any date within the 60-day notice period without converting the resignation into anything other than a voluntary resignation. The executive's employment terminates automatically upon their death. We may terminate the executive's employment immediately for "disability" (as defined in the Amended and Restated Employment Agreements) or immediately upon written notice for "cause" (as defined below). In the event that the executive's employment is terminated due to his death or disability, for "cause" or upon his resignation without "good reason" (as defined below), we must provide the executive (or his beneficiaries) with (i) any unpaid base salary through the date of termination, (ii) payment for any accrued but unused paid time off, (iii) following submission of proper expense reports, reimbursement for expenses properly incurred, and (iv) all other vested entitlements or benefits to which he is entitled (collectively, the "Accrued Benefits").

If we terminate the executive's employment without cause (which in the case of Mr. Zelhof must be with 90 days' written notice) or the executive terminates his employment for "good reason" (as defined below), then we must provide the executive with the Accrued Benefits and subject to the executive's execution and non-revocation of a release of claims, a lump sum payment equal to two times (in the case of Dr. Rollins) and one and one-half times (in the case of Mr. Zelhof and Mr. Dean), the sum of (i) executive's annual base salary, plus (ii) his target annual bonus, in each case at the rates and target amounts in effect as of such termination of employment.

For purposes of the Amended and Restated Employment Agreements with each of Dr. Rollins and Mr. Zelhof, "cause" generally means the executive's (i) fraud, embezzlement or other misappropriation of funds or property of the Company or any of its subsidiaries or affiliates (each, a "Company Group Member") or any persons or professional for which the Company or its subsidiaries or affiliates provides business, management, administrative, marketing or other support services ("Managed Practices"), (ii) any gross misconduct that is injurious, directly or indirectly, in any material respect to any Company Group Member or any Managed Practice, (iii) failure to perform, or breach of, in any material respect, of any obligations under the Employment Agreement or any other agreement between the executive and any Company Group Member, (iv) exclusion, debarment, termination or suspension under any Medicate, Medicaid, TRICARE or other federal, state or government health care program, or commission or conviction of, indictment for or plea of guilty or no contest to, any felony or any crime involving moral turpitude, embezzlement, fraud or self-dealing or any crime which could reasonably be expected to subject the executive, any Company Group Member, services or Managed Practice to exclusion, disbarment, termination or suspension under any Medicate, Medicaid, TRICARE or other federal, state or government health care program, (v) use of alcohol or controlled substances that impairs the executive's ability to perform his duties and responsibilities with respect to any Company Group Member or Managed Practice in any material respect, (vi) challenging the legality, validity or enforceability of any of the Managed Practice documents, (vii) termination by a Managed Practice owned or controlled by the executive of a managed services agreement with any Company Group Member for reasons other than a material breach of such agreement by any Company Group Member, (viii) the willful breach by a Managed Practice owned or controlled by the executive of a management services agreement with any Company Group Member, or (ix) the executive's failure to give timely notice of his resignation under the employment agreement. With respect to items (ii), (iii), (viii) and (ix), any such action will only constitute "cause" if the board of directors notifies the executive in writing of such action and the executive has not remedied the action within 30 days of such notice. For Dr. Rollins, "cause" is also defined to include his license to practice medicine in the State of California or New York being revoked, terminated, cancelled, suspended, relinquished or placed on probationary status.

For purposes of the Amended and Restated Employment Agreement with Mr. Dean, "cause" generally is defined in the same manner as set forth above for Dr. Rollins and Mr. Zelhof, however prongs (iv), (vii) and (viii) of the "cause" definition described above do not apply to Mr. Dean and are replaced with a prong that includes Mr. Dean's conviction of, or plea of guilty or no contest to, a felony or crime involving moral turpitude.

For purposes of the Amended and Restated Employment Agreements, "good reason" generally means (i) a material reduction of title authority, duties or responsibilities with the Company, (ii) a material reduction in base salary, (iii) relocation of principal place of work to a place more than 25 miles from the Company's headquarters in Miami, Florida, or, in the case of Mr. Dean, 35 miles from Nashville, Tennessee, or (iv) a material breach by the Company of the employment agreement. Good reason will not exist unless the executive notifies the Company in writing of such action not later than 30 days after its initial occurrence and the Company has not remediated the action within 15 days of such notice. If the Company cannot remedy the action or condition for reasons beyond its control it may get a 15 day extension of the cure period.

Employee Covenants Agreement

We also entered into an Employee Covenants Agreement with Dr. Rollins dated as of October 2, 2018 (the "Rollins Covenants Agreement"), which agreement includes customary confidentiality and non-disparagement provisions, as well as provisions relating to assignment of inventions. On October 5, 2021, we entered into an amendment to the Rollins Covenants Agreement, which will become effective upon completion of this offering. The Rollins Covenants Agreement, as amended, also includes non-competition and non-solicitation of employees and customers provision that run during Dr. Rollins employment with the Company and for a period of twelve months after termination of employment.

2018 Equity Incentive Plan

We established the EBS Management LLC 2018 Equity Incentive Plan (the "2018 Plan") effective December 1, 2018 to provide key employees, consultants, independent contractors and board members of the Company and of our subsidiaries or affiliates with incentive awards. The 2018 Plan provides for the grant of incentive units in EBS Management LLC ("Incentive Units"), which participate in the value created at EBS Parent LLC through interests in EBS Parent LLC that are held by EBS Management LLC. The Incentive Units are intended to qualify as "profits interests" for US federal income tax purposes. To achieve this tax treatment, each Incentive Unit is assigned a distribution threshold (or "strike price"), which refers to the amount determined by our board of directors to not be less than the aggregate amount of distributions that would be made on the Incentive Unit's grant date if there were a hypothetical sale of EBS Parent LLC's assets and the proceeds therefrom were distributed in accordance with the terms of the EBS Parent LLC limited liability company agreement, following which distributions were made by EBS Management LLC in accordance with the terms of its limited liability company agreement.

The maximum number of Incentive Units available for issuance to participants pursuant to awards under the 2018 Plan is 13,865 Incentive Units. A total of 12,362.9 Incentive Units are subject to outstanding awards under the 2018 Plan as of October 20, 2021. After completion of this offering, we do not intend to grant any further awards under the 2018 Plan.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth certain information with respect to outstanding Incentive Units awarded under the 2018 Plan held by Mr. Zelhof as of December 31, 2020. As of December 31, 2020, Dr. Rollins did not hold any outstanding equity awards under the 2018 Plan or otherwise.

The amounts provided in this table reflect the issuance of shares of our restricted common stock to Mr. Zelhof in respect of his Incentive Units held as of December 31, 2020. In connection with this offering, Mr. Zelhof will receive shares of restricted common stock pursuant to a restricted stock award agreement with us in respect of both his vested and unvested Incentive Units. In accordance with the 2018 Plan, shares of our restricted common stock issued in respect of Incentive Units vest on the third anniversary of the consummation of this offering, regardless of the vesting schedule or conditions applicable to such Incentive Units prior to this offering. It is anticipated that the Incentive Unit award granted to Mr. Zelhof will be amended in connection with this offering to provide that restricted shares issued to Mr. Zelhof in respect of Incentive Units will vest 50% on the six-month anniversary of the consummation of this offering and 50% on the one-year anniversary of the consummation of this offering, regardless of the vesting schedule or conditions applicable to such Incentive Units prior to this offering. Any such unvested restricted shares will be subject to transfer restrictions while unvested and forfeited on a termination of employment prior to vesting, except as otherwise described under "Potential Payments and Benefits upon Termination or Change in Control" below.

For purposes of estimating the number of shares issuable to the holders of Incentive Units, we assumed a hypothetical liquidation of EBS Parent LLC based on a value equal to the initial public offering price of $16.00 per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus). The actual number of shares of restricted common stock subject to vesting is dependent upon the final public offering price in this offering. Pursuant to the applicable restricted stock award agreements, any shares of restricted common stock issued to holders of Incentive Units that do not vest will be forfeited. For a more detailed description of the treatment of interests in EBS Parent LLC and EBS Management LLC see the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations".

		Stock Awards	
Name	Grant Date	Number of Shares or Units of Stock That Have Not Vested (#)[1]	Market Value of Shares or Units of Stock That Have Not Vested ($)[2]
Ronald P. Zelhof	3/31/2019	597,953	$9,567,248

(1) Represents the number of shares of restricted common stock to be issued in respect of the Incentive Units previously awarded under the 2018 Plan. The number of shares of restricted common stock to be issued is calculated based on the final public offering price in this offering. The table above assumes an initial public offering price of $16.00 per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus). Any shares that do not vest will be forfeited.

(2) The market value of the restricted stock awards was determined assuming an initial public offering price of $16.00 per share (the midpoint of the estimated public offering price range set forth on the cover page of this prospectus).

Potential Payments and Benefits upon Termination or Change in Control

As discussed under "Employment Agreements," the Amended and Restated Employment Agreements provide for certain severance payments in connection with our NEOs termination of employment under certain circumstances.

Treatment of Incentive Units

Under the amended Incentive Unit grant agreement that we anticipate entering into with Mr. Zelhof in connection with this offering, in the event of a termination of Mr. Zelhof's employment without cause, for good reason or due to his death or disability, any unvested Incentive Units granted to Mr. Zelhof will accelerate and vest in full as of such termination. The terms "cause" and "good reason" are as defined in Mr. Zelhof's employment agreement. We anticipate that the same treatment on a qualifying termination will apply to the restricted shares to be issued to Mr. Zelhof in respect of his Incentive Units.

Treatment of IPO Equity Awards

As detailed below under "Anticipated Changes to our Compensation Program Following this Offering," we plan to adopt a new equity incentive plan in connection with this offering, the 2021 Plan (as defined below), and to grant each of Dr. Rollins, Mr. Zelhof and Mr. Dean restricted stock units ("RSUs") and performance-based restricted stock units ("PSUs") in connection with this offering. We expect that the grants of RSUs and PSUs under the 2021 Plan to Dr. Rollins, Mr. Zelhof and Mr. Dean in connection with this offering will provide for the following treatment in connection with certain qualifying terminations of employment or a change in control. All references to "change in control" in this section refer to such term as it is defined in the 2021 Plan.

Dr. Rollins. In the event of a termination of Dr. Rollins without cause, for good reason or due to his death or disability, (i) all unvested RSUs granted to Dr. Rollins in connection with this offering will accelerate and vest in full as of the date of such termination and (ii) all unvested PSUs will remain outstanding and eligible to vest pro-rata, based on time employed during the performance period, subject to achievement of the specified performance condition during the performance period. The terms "cause" and "good reason" are as defined in Dr. Rollins's employment agreement. On a change in control, all PSUs will be converted into time-vesting RSUs at target amounts, with cliff vesting at the end of the applicable performance period. Upon a qualifying

termination of employment following a change in control, all unvested RSUs and PSUs will accelerate and vest in full as of the date of such termination.

Mr. Zelhof and Mr. Dean. In the event of a termination of Mr. Zelhof or Mr. Dean without cause, for good reason or due to death or disability, (i) all unvested RSUs granted in connection with this offering that would have vested during the twelve month period following the executive's termination of employment will vest as of the date of such termination and (ii) all unvested PSUs will remain outstanding and eligible to vest pro-rata, based on time employed during the performance period, for a period of 12 months following termination of employment, subject to achievement of the specified performance condition during such twelve month period. The terms "cause" and "good reason" are as defined in the executive's employment agreement. On a change in control, all PSUs will be converted into time-vesting RSUs at target amounts, with cliff vesting at the end of the applicable performance period. Upon a qualifying termination of employment during the eighteen month period immediately following a change control, all unvested RSUs and PSUs will accelerate and vest in full as of the date of such termination.

Anticipated Changes to our Compensation Program Following this Offering

In connection with this offering, we plan to adopt incentive plans, under which we will be permitted to grant equity and cash-based incentive awards.

2021 Equity Incentive Plan

In connection with this offering, we plan to adopt a new equity incentive plan, the 2021 Equity Incentive Plan (the "2021 Plan"). The principal features of the 2021 Plan are summarized below.

Purpose. The purposes of the 2021 Plan are to align the interests of eligible participants with our stockholders by providing incentive compensation tied to the Company's performance and to advance the Company's interests and increase stockholder value by attracting, retaining and motivating personnel.

Shares Available. The maximum number of shares of our common stock that may be issued under the 2021 Plan is 5,535,918 shares. The number of shares of common stock reserved for issuance under the 2021 Plan will automatically increase on January 1 of each year, beginning on January 1, 2023, and continuing through and including January 1, 2031, by four percent (4%) of the aggregate number of shares of common stock of all classes issued and outstanding on December 31 of the preceding calendar year, or a lesser number of shares determined by our board of directors prior to the applicable January 1. The maximum number of shares that may be issued upon the exercise of ISOs under the 2021 Plan is 5,535,918 shares.

Shares issued under the 2021 Plan will be authorized but unissued or reacquired shares of common stock. Shares subject to awards granted under the 2021 Plan that expire or terminate without being exercised in full, or that are paid out in cash rather than in shares, will not reduce the number of shares available for issuance under the 2021 Plan. Additionally, shares issued pursuant to awards under the 2021 Plan that we repurchase or that are forfeited, as well as shares used to pay the exercise price of an award or to satisfy the tax withholding obligations to an award, will become available for future grant under the 2021 Plan.

Plan Administration. Our board of directors, or a duly authorized committee of our board, will administer the 2021 Plan. We sometimes refer to the board of directors, or the applicable committee with the power to administer our equity incentive plans, as the "administrator." The administrator may also delegate to one or more of our officers the authority to (1) designate employees (other than officers) to receive specified awards, and (2) determine the number of shares subject to such awards.

The administrator has the authority to determine the terms of awards, including recipients, the exercise, purchase or strike price of awards, if any, the number of shares subject to each award, the fair market value of a share of common stock, the vesting schedule applicable to the awards, together with any vesting acceleration, and the form of consideration, if any, payable upon exercise or settlement of the award and the terms of the award agreements for use under the 2021 Plan. In addition, subject to the terms of the 2021 Plan, the administrator also has the power to modify outstanding awards under the 2021 Plan, including the authority to reprice any outstanding option or stock appreciation right, cancel and re-grant any outstanding option or stock appreciation right in exchange for new stock awards, cash or other consideration, or take any other

action that is treated as a repricing under generally accepted accounting principles, with the consent of any materially adversely affected participant.

Eligibility. Any employee, officer, non-employee director, or any natural person who is a consultant or other personal service provider of the Company or any of its subsidiaries is eligible to participate in the 2021 Plan, at the administrator's discretion. In its determination of eligible participants, the administrator may consider any and all factors it considers relevant or appropriate, and designation of a participant in any year does not require the administrator to designate that person to receive an award in any other year. Because the 2021 Plan provides for broad discretion in selecting participants, the total number of persons who will actually participate in the 2021 Plan and the benefits that will be provided to the participants cannot be known at this time.

Non-Employee Director Compensation Limit. The aggregate value of all compensation granted or paid to any non-employee director with respect to any calendar year, including stock awards granted and cash fees paid by us to such non-employee director, will not exceed $750,000 in total value, calculating the value of any such stock awards based on the grant-date fair value of such stock awards for financial reporting purposes.

Types of Awards. The 2021 Plan provides for the grant of incentive stock options ("ISOs"), nonstatutory stock options ("NSOs"), stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based awards and other awards (collectively, "awards"). ISOs may be granted only to employees of the Company, employees of a "parent corporation" of the Company or employees of a "subsidiary corporation" of the Company (as such terms are defined in Sections 424 of the Code). All other awards may be granted to our employees, including our officers, our non-employee directors and consultants and the employees and consultants of our affiliates.

Stock Options. A stock option granted under the 2021 Plan entitles a participant to purchase a specified number of shares of our common stock during a specified term at an exercise price. ISOs and NSOs are granted pursuant to stock option agreements adopted by the administrator. The administrator determines the exercise price for a stock option, within the terms and conditions of the 2021 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under the 2021 Plan vest at the rate specified in the stock option agreement as specified by the administrator.

The administrator determines the term of stock options granted under the 2021 Plan, up to a maximum of 10 years. Unless the terms of an optionholder's stock option agreement provide otherwise, if an optionholder's service relationship with us, or any of our affiliates, ceases for any reason other than disability, death or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. The option term may be extended in the event that either an exercise of the option or an immediate sale of shares acquired upon exercise of the option following such a termination of service is prohibited by applicable securities laws or our insider trading policy. If an optionholder's service relationship with us or any of our affiliates ceases due to disability or death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 12 months in the event of disability and 18 months in the event of death. In the event of a termination for cause, options generally terminate immediately upon the termination of the individual for cause. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of common stock issued upon the exercise of a stock option will be determined by the administrator and may include (1) cash, check, bank draft or money order, (2) a broker-assisted cashless exercise, (3) the tender of shares of common stock previously owned by the optionholder, (4) a net exercise of the option if it is an NSO and (5) other legal consideration approved by the administrator.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of common stock with respect to ISOs that are exercisable for the first time by an optionholder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will be treated as NSOs. No ISOs may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our parent or subsidiary corporations, unless (1) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant and (2) the term of the ISO does not exceed five years from the date of grant.

Stock Appreciation Rights. A stock appreciation right ("SAR") granted under the 2021 Plan entitles a participant to the right to receive, upon exercise or other payment of the SAR, an amount in cash, shares of our common stock or a combination of both, equal to the product of (a) the excess of (1) the fair market value of one share of our common stock on the date of exercise or payment of the SAR, over (2) the strike price of such SAR, and (b) the number of shares of our common stock as to which such SAR is exercised or paid. Stock appreciation rights are granted pursuant to SAR grant agreements adopted by the administrator. The administrator determines the strike price for a SAR, which generally cannot be less than 100% of the fair market value of common stock on the date of grant. A SAR granted under the 2021 Plan vests at the rate specified in the SAR agreement as determined by the administrator.

The administrator determines the term of SARs granted under the 2021 Plan, up to a maximum of 10 years. Unless the terms of a participant's SAR agreement provide otherwise, if a participant's service relationship with us or any of our affiliates ceases for any reason other than cause, disability or death, the participant may generally exercise any vested SAR for a period of three months following the cessation of service. The SAR term may be further extended in the event that exercise of the SAR following such a termination of service is prohibited by applicable securities laws. If a participant's service relationship with us, or any of our affiliates, ceases due to disability or death, or a participant dies within a certain period following cessation of service, the participant or a beneficiary may generally exercise any vested SAR for a period of 12 months in the event of disability and 18 months in the event of death. In the event of a termination for cause, SARs generally terminate immediately upon the occurrence of the event giving rise to the termination of the individual for cause. In no event may a SAR be exercised beyond the expiration of its term.

Restricted Stock Awards. A restricted stock award granted under the 2021 Plan is a grant of a specified number of shares of our common stock to a participant, subject to vesting restrictions as specified in the award. Restricted stock awards may be granted in consideration for cash, check, bank draft or money order, services rendered to us or our affiliates or any other form of legal consideration. Common stock acquired under a restricted stock award may, but need not, be subject to a share repurchase option in our favor in accordance with a vesting schedule to be determined by the administrator. A restricted stock award may be transferred only upon such terms and conditions as set by the administrator. Except as otherwise provided in the applicable award agreement, restricted stock awards that have not vested may be forfeited or repurchased by us upon the participant's cessation of continuous service for any reason.

Restricted Stock Unit Awards. A restricted stock unit (or RSU) granted under the 2021 Plan provides a participant with to the right to receive, upon vesting and settlement of the restricted stock unit, one share of our common stock per vested unit, or an amount in cash equal to the fair market value of one share, as determined by the administrator. Restricted stock unit awards are granted pursuant to RSU award agreements adopted by the administrator. Restricted stock unit awards may be granted in consideration for any form of legal consideration. Additionally, dividend equivalents may be credited in respect of shares covered by a RSU award. Except as otherwise provided in the applicable award agreement, RSUs that have not vested will be forfeited upon the participant's cessation of continuous service for any reason.

Performance Awards. The 2021 Plan permits the grant of performance-based stock and cash awards. The administrator can structure such awards so that the stock or cash will be issued or paid pursuant to such award only following the achievement of certain pre-established performance goals during a designated performance period. Performance awards that are settled in cash or other property are not required to be valued in whole or in part by reference to, or otherwise based on, our common stock.

The performance goals may be based on any measure of performance selected by the administrator. The administrator may establish performance goals on a company-wide basis, with respect to one or more business units, divisions, affiliates or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices.

Other Awards. The administrator may grant other awards based in whole or in part by reference to our common stock. The administrator will set the number of shares under the award and all other terms and conditions of such awards.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split or recapitalization, appropriate adjustments will be made to (1) the class and

maximum number of shares reserved for issuance under the 2021 Plan; (2) the class and maximum number of shares by which the share reserve may increase automatically each year; (3) the class and maximum number of shares that may be issued upon the exercise of ISOs and (4) the class and number of shares and exercise price, strike price or purchase price, if applicable, of all outstanding awards.

Corporate Transactions. In the event of a corporate transaction, any stock awards outstanding under the 2021 Plan may be assumed, continued or substituted for by any surviving or acquiring corporation (or its parent company), and any reacquisition or repurchase rights held by us with respect to the stock award may be assigned to the successor (or its parent company). If the surviving or acquiring corporation (or its parent company) does not assume, continue or substitute for such stock awards, then (i) with respect to any such stock awards that are held by participants whose continuous service has not terminated prior to the effective time of the corporate transaction, or current participants, the vesting (and exercisability, if applicable) of such stock awards will be accelerated in full to a date prior to the effective time of the corporate transaction (contingent upon the effectiveness of the corporate transaction), and such stock awards will terminate if not exercised (if applicable) at or prior to the effective time of the corporate transaction, and any reacquisition or repurchase rights held by us with respect to such stock awards will lapse (contingent upon the effectiveness of the corporate transaction), and (ii) any such stock awards that are held by persons other than current participants will terminate if not exercised (if applicable) prior to the effective time of the corporate transaction, except that any reacquisition or repurchase rights held by us with respect to such stock awards will not terminate and may continue to be exercised notwithstanding the corporate transaction. In addition, the plan administrator may also provide, in its sole discretion, that the holder of a stock award that will terminate upon the occurrence of a corporate transaction if not previously exercised will receive a payment, if any, equal to the excess of the value of the property the participant would have received upon exercise of the stock award over the exercise price otherwise payable in connection with the stock award.

Under the 2021 Plan, a corporate transaction is generally the consummation of (1) a sale or other disposition of all or substantially all of our assets, (2) a sale or other disposition of at least 50% of our outstanding securities, (3) a merger, consolidation or similar transaction following which we are not the surviving corporation or (4) a merger, consolidation or similar transaction following which we are the surviving corporation but the shares of common stock outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction.

A stock award may be subject to additional acceleration of vesting and exercisability upon or after a corporate transaction as may be provided in an applicable award agreement or other written agreement, but in the absence of such provision, no such acceleration will occur.

Transferability. A participant may not transfer awards under the 2021 Plan other than by will, the laws of descent and distribution or as otherwise provided under the 2021 Plan.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend or terminate the 2021 Plan, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No ISOs may be granted after the tenth anniversary of the date our board of directors adopted the 2021 Plan. No awards may be granted under the 2021 Plan while it is suspended or after it is terminated.

IPO Equity Awards

In connection with this offering, we intend to award special one-time grants of RSUs and PSUs under the 2021 Plan to certain key executives, including each of Dr. Rollins, Mr. Zelhof and Mr. Dean (the "IPO Awards"), which IPO Awards will be made following the completion of this offering. It is anticipated that an aggregate of 2,283,566 shares will be granted pursuant to RSUs and 2,283,566 shares will be granted pursuant to PSUs in connection with the IPO Awards.

For Dr. Rollins, Mr. Zelhof and Mr. Dean, pursuant to their Amended and Restated Employment Agreements, they are entitled to IPO Awards in a number of shares equal to 3.5% (in the case of Dr. Rollins), 1.75% (in the case of Mr. Zelhof) and 1.75% (in the case of Mr. Dean) of the number of shares of our common stock outstanding upon the effectiveness of the applicable Form S-1 registration statement. The IPO Awards for Dr. Rollins, Mr. Zelhof and Mr. Dean are 50% in the form of RSUs and 50% in the form of PSUs.

Accordingly, it is anticipated that the number of RSUs that will be granted to Dr. Rollins, Mr. Zelhof and Mr. Dean in connection with their IPO Awards will cover 968,786 shares of our common stock, 484,393 shares of our common stock and 484,393 shares of our common stock, respectively. The RSUs will vest one-third annually over the first three anniversaries of the date of grant, subject to continued employment on such date, except as otherwise described under "Potential Payments and Benefits upon Termination or Change in Control" above.

For Dr. Rollins, Mr. Zelhof and Mr. Dean, it is anticipated that the number of PSUs that will be granted to them in connection with their IPO Awards will cover 968,786 shares of our common stock, 484,393 shares of our common stock and 484,393 shares of our common stock, respectively. Fifty percent of the PSUs will vest based on the highest 60-day volume weighted average price of our common stock at any time during the three-year period following the date of grant as compared to the offering price of our common stock in connection with this offering (the "baseline stock price"), with (i) one-third of such PSUs vesting upon achievement of a stock price of 120% of the baseline stock price, (ii) one-third of such PSUs vesting upon achievement of a stock price of 145% of the baseline stock price, and (iii) one-third of such PSUs vesting upon achievement of a stock price of 175% of the baseline stock price. The other 50% of the PSUs will vest in full based on our achievement of a net revenue performance goal, which goal will be determined by mutual agreement of Dr. Rollins and our board of directors, over any trailing four consecutive fiscal quarters during the three-year period following the date of grant. Vesting of the PSUs is subject to continued employment on the date the performance goal is achieved, except as otherwise described under "Potential Payments and Benefits upon Termination or Change in Control" above. Upon a change in control (as defined in the 2021 Plan), the performance conditions underlying the PSUs are deemed satisfied at 100% and the PSUs remain subject solely to time-based vesting over the remainder of the three year performance period, subject to continued service on such date except as otherwise described under "Potential Payments and Benefits upon Termination or Change in Control" above.

Director Compensation

In connection with this offering, we anticipate establishing a formal policy governing the compensation of our non-employee directors. Any director who also serves as an employee receives no additional compensation for services as a director or as a member of a committee of our board of directors.

Following this offering, compensation for our non-employee directors (other than Adam Feinstein and Daniel Sollof, who are not compensated for their service as directors) will include an annual cash retainer of $75,000. In addition, non-employee directors (other than Adam Feinstein and Daniel Sollof, who are not compensated for their service as directors) will also receive an additional cash retainer for service on the audit committee, compensation committee, or nominating and corporate governance committee of our board of directors. The chairman of the audit committee will receive an additional cash retainer of $20,000, and the other members of the audit committee will receive an additional cash retainer of $10,000. The chairmen of the compensation committee or nominating and corporate governance committee will each receive an additional cash retainer of $15,000, and each other member of such committee will receive an additional cash retainer of $7,500. All cash retainers for service on committees of our board of directors will be payable quarterly. All cash retainers will be pro-rated for any partial periods of service. In addition to cash compensation, each non-employee director (other than Adam Feinstein and Daniel Sollof, who are not compensated for their service as directors) will receive an annual RSU grant equal to $150,000 of our common stock, which will be granted at each annual meeting of our stockholders and will vest upon the earlier of (i) the first anniversary of the date of grant or (ii) the day prior to our next annual meeting of stockholders.

In connection with this offering, we intend to grant RSUs under the 2021 Plan to our non-employee directors upon the completion of this offering, with the number of shares subject to such awards determined by dividing $150,000 by the initial public offering price per share (rounded down to the nearest whole share). The RSUs granted to our non-employee directors will vest upon the first anniversary of the date of this offering, subject to each non-employee director's continued service through such date.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the compensation arrangements, including employment, termination of employment and change in control arrangements and indemnification arrangements, discussed, when required, in the sections titled "Management" and "Executive Compensation," the following is a description of each transaction since January 1, 2018 and each currently proposed transaction in which:

- we have been or are to be a participant;
- the amount involved exceeded or exceeds the lesser of $120,000 or 1% of our assets; and
- any of our directors, executive officers or holders of more than 5% of our capital stock, or any immediate family member of, or person sharing the household with, any of these individuals, had or will have a direct or indirect material interest.

Professional Services Agreements

We entered into professional services agreements (the "Professional Services Agreements"), effective October 2, 2018, with Vesey Street Capital Partners, L.L.C., Dr. Aaron Rollins and other equity holders (collectively the "Advisors"), where the Advisors provide certain managerial and advisory services to us. Each of the Advisors has an ownership interest in EBS Parent LLC. Under the Professional Services Agreements, we agreed to pay the Advisors an aggregate annual fee of the greater of $500,000 or 2% of consolidated earnings before interest, tax, depreciation and amortization, less any amounts paid to Dr. Rollins as an equityholder bonus paid to Dr. Rollins pursuant to the terms of the Employment Agreement with Dr. Rollins, payable in advance quarterly installments, and the fee is allocated between the Advisors based on the outstanding Class A Units of EBS Parent LLC held by such Advisor. Under the agreements, we also reimburse the Advisors for any out-of-pocket expenses incurred related to providing their services. During the years ended December 31, 2020 and 2019, the Company incurred management fees of approximately $500,000 each year, including the equityholder bonus paid to Dr. Rollins pursuant to the terms of the Employment Agreement with Dr. Rollins . The parties to the Professional Services Agreements have agreed to terminate the Professional Services Agreements immediately prior to the completion of this offering for an aggregate termination fee of $1,000,000, including an equityholder bonus paid to Dr. Rollins pursuant to the terms of the Employment Agreement with Dr. Rollins .

Management Services Agreements and Continuity Agreements

We have entered into MSAs with Elite Body Sculpture, PC (California), EBS Florida, PLLC, EBS Minnesota, LLC, Madison Avenue Medical PLLC (New York) (the "New York Professional Association"), EBS Tennessee, PLLC, EBS—Texas, PLLC, EBS Utah, LLC, EBS Virginia, LLC, and EBS Washington, PLLC. Each of these Professional Associations is owned by Dr. Aaron Rollins. Dr. Aaron Rollins does not receive any additional compensation as a result of his ownership interest in these Professional Associations.

In July 2020, we entered into an MSA with EBS Arizona, LLC, which is owned by Dr. Aaron Rollins' father, Dr. Arlen J. Rollins. Pursuant to this MSA, during 2020 and for the six months ending June 30, 2021, Dr. Arlen J. Rollins received compensation of $9,287 and $15,750, respectively, for his role as medical director of our center located in Scottsdale, Arizona.

In connection with each of the MSAs, we have entered into Continuity Agreements with Dr. Aaron Rollins and Dr. Arlen J. Rollins; provided that, because of limitations under New York law, there is no Continuity Agreement in place with respect to the New York Professional Association. For more information regarding these agreements with Dr. Aaron Rollins and Dr. Arlen J. Rollins. see "Business—Surgeon Practice Structure—Management Services Agreements" and "Business—Surgeon Practice Structure—Continuity Agreements."

Stockholders Agreement

In connection with this offering, we intend to enter into a stockholders agreement with affiliates of our Sponsor, Dr. Aaron Rollins and the other stockholder party thereto. This agreement will require us to, among other things, nominate a number of individuals designated by affiliates of our Sponsor for election as our directors at any meeting of our stockholders (each a "Sponsor Director") such that, upon the election of each

such individual, and each other individual nominated by or at the direction of our board of directors or a duly-authorized committee of the board, as a director of our company, and taking into account any director continuing to serve without the need for re-election, the number of Sponsor Directors serving as directors of our company will be equal to: (i) if affiliates of our Sponsor together beneficially own 25% or more of our outstanding shares of common stock, two Sponsor Directors; and (ii) if affiliates of our Sponsor together beneficially own 10 % or more, but less than 25%, of our outstanding shares of common stock, one Sponsor Director. For so long as the stockholders agreement remains in effect, Sponsor Directors may be removed only with the consent of our Sponsor. In the case of a vacancy on our board created by the removal or resignation of a Sponsor Director, the stockholders agreement will require us to nominate an individual designated by affiliates of our Sponsor for election to fill the vacancy. Additionally, for so long as affiliates of our Sponsor hold at least 25% of our outstanding shares of common stock, we must take all necessary action to ensure that the number of directors serving on our board of directors will not exceed seven without the consent of affiliates of our Sponsor. Further, for so long as affiliates of our Sponsor are entitled to designate two Sponsor Directors for election to our board of directors, we will be required to take all necessary action to cause the chairperson of our board of directors to be an individual chosen by affiliates of our Sponsor.

Additionally, the agreement will grant Dr. Aaron Rollins the right to nominate one director (the "Rollins Director") to our board of directors for so long as Dr. Aaron Rollins beneficially owns 10% or more of our outstanding shares of common stock. For so long as the stockholders agreement remains in effect, the Rollins Director may be removed only with the consent of Dr. Aaron Rollins. In the case of a vacancy on our board created by the removal or resignation of the Rollins Director, the stockholders agreement will require us to nominate an individual designated by Dr. Aaron Rollins for election to fill the vacancy.

The stockholders agreement will also provide that we will obtain customary director indemnity insurance and enter into indemnification agreements with the Sponsor Directors and the Rollins Director.

Registration Rights Agreement

In connection with this offering, we intend to enter into a registration rights agreement with our Sponsor and Dr. Aaron Rollins. The registration rights agreement will provide our Sponsor and Dr. Aaron Rollins with certain demand registration rights, including shelf registration rights, in respect of any shares of our common stock held by it, subject to certain conditions. In addition, in the event that we register additional shares of common stock for sale to the public following the completion of this offering, we will be required to give notice of such registration to our Sponsor and Dr. Aaron Rollins, and, subject to certain limitations, include shares of common stock held by them in such registration. The agreement will include customary indemnification provisions in favor of our Sponsor and Dr. Aaron Rollins, any person who is or might be deemed a control person (within the meaning of the Securities Act and the Exchange Act) and related parties against certain losses and liabilities (including reasonable costs of investigation and legal expenses) arising out of or based upon any filing or other disclosure made by us under the securities laws relating to any such registration.

Directed Share Program

At our request, the underwriters have reserved up to 500,000 shares of common stock, or up to 5% of the shares offered by this prospectus, for sale at the initial public offering price to certain individuals associated with us and our Sponsor, including our directors, officers, employees and certain other individuals identified by management, through a directed share program.

Dividend Recapitalization

In February 2021, the Company made a $3 million distribution to the Parent.

In May 2021, the Company amended the Credit Agreement by adding an incremental $52.0 million senior secured term loan. The proceeds from this loan plus excess cash on the balance sheet were used to pay a distribution to the Parent of approximately $59.7 million and the related fees for this transaction.

Limitation of Liability and Indemnification of Officers and Directors

Prior to the completion of this offering, we expect to adopt an amended and restated certificate of incorporation, which will become effective immediately prior to the completion of this offering and which will

contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for the following:

- any breach of their duty of loyalty to our company or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which they derived an improper personal benefit.

Any repeal or modification of these provisions will not adversely affect any right or protection under these provisions in respect of any act, omission or claim occurring or arising prior to such repeal or modification. If the Delaware General Corporation Law is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of our directors will be further limited to the greatest extent permitted by the Delaware General Corporation Law.

In addition, prior to the completion of this offering, we expect to adopt amended and restated bylaws which will provide that we will indemnify, to the fullest extent permitted by law, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was one of our directors or officers or, while serving as one of our directors or officers, is or was serving at our request as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity (a “covered person”). Our amended and restated bylaws are expected to provide that we may indemnify to the fullest extent permitted by law any employee or agent of the Corporation who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was an employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity. Our amended and restated bylaws will also provide that, on satisfaction of certain conditions, we must pay expenses incurred by or on behalf of any covered person, and may also pay the expenses incurred by or on behalf of an employee or agent, in defending any action, suit or proceeding in advance of its final disposition. Our amended and restated bylaws will permit us to secure insurance on behalf of any officer, director, employee, or agent for any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such regardless of whether we would have the power to indemnify him or her against such liability under the provisions of the Delaware General Corporation Law.

Further, prior to the completion of this offering, we expect to enter into indemnification agreements with each of our directors and executive officers that may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements will require us, among other things, to indemnify our directors and executive officers against liabilities that may arise by reason of their status or service. These indemnification agreements will also require us to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding. We believe that these agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

The limitation of liability and indemnification provisions that are expected to be included in our amended and restated certificate of incorporation, amended and restated bylaws and in indemnification agreements that we enter into with our directors and executive officers may discourage stockholders from bringing a lawsuit against our directors and executive officers for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against our directors and executive officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder’s investment may be harmed to the extent that we pay the costs of settlement and damage awards against directors and executive officers as required by these indemnification provisions. At present, we are not aware of any pending litigation or proceeding involving any person who is or was one of our directors, officers, employees or other agents or is or was serving at our request as a director, officer, employee or agent of another corporation, partnership, joint

venture, trust or other enterprise, for which indemnification is sought, and we are not aware of any threatened litigation that may result in claims for indemnification.

Prior to the completion of this offering, we expect to obtain insurance policies under which, subject to the limitations of the policies, coverage is provided to our directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims relating to public securities matters, and to us with respect to payments that may be made by us to these directors and executive officers pursuant to our indemnification obligations or otherwise as a matter of law.

Certain of our non-employee directors may, through their relationships with their employers, be insured and/or indemnified against certain liabilities incurred in their capacity as members of our board of directors. The underwriting agreement will provide for indemnification by the underwriters of us and our officers, directors and employees for certain liabilities arising under the Securities Act or otherwise. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling our company pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Policies and Procedures for Related Party Transactions

Following the completion of this offering, our audit committee charter will provide that the audit committee has the primary responsibility for reviewing and approving or disapproving "related party transactions," which are transactions between us and related persons in which the aggregate amount involved exceeds or may be expected to exceed the lesser of $120,000 or 1% of our assets and in which a related person has or will have a direct or indirect material interest. For purposes of this policy, a related person will be defined as a director, executive officer, nominee for director or greater than 5% beneficial owner of our common stock, in each case since the beginning of the most recently completed year, and their immediate family members. As of the date of this prospectus, we have not adopted any formal standards, policies or procedures governing the review and approval of related party transactions, but we expect that our audit committee will do so in the future.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information regarding the beneficial ownership of our common stock as of October 20, 2021 by (i) such persons known to us to be beneficial owners of more than 5% of our common stock, (ii) each of our directors, director nominees, and named executive officers, (iii) all of our directors, director nominees and executive officers as a group, and (iv) the selling stockholders.

Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to such securities. Beneficial ownership includes shares issuable pursuant to stock options that are exercisable within 60 days of October 20, 2021. The number of shares of our common stock beneficially owned and percentages of beneficial ownership before this offering that are set forth below are based on the number of shares of common stock to be issued and outstanding immediately prior to the completion of this offering after giving effect to the Reorganization. The number of shares of our common stock outstanding and percentages of beneficial ownership after this offering that are set forth below includes 10 million common shares being offered for sale by the selling stockholders and us in this offering. In addition, the applicable percentage ownership assumes no purchase of our common stock through the directed share program.

To our knowledge, except as otherwise indicated, all persons listed below have sole voting and investment power with respect to the shares beneficially owned by them, subject to applicable community property laws. Unless otherwise indicated, the address for each listed stockholder is: 400 Alton Road, Unit TH-103M, Miami Beach, Florida 33139.

	Common Stock Beneficially Owned Prior to the Offering		Common Stock to be Sold in the Offering	Common Stock Beneficially Owned After the Offering (assuming no option exercise)		Common Stock Beneficially Owned After the Offering (assuming full option exercise)[3]	
Name and Address of Beneficial Owner	Number	Percentage	Number	Number	Percentage	Number	Percentage
Directors, Director Nominees and Named Executive Officers:							
Dr. Aaron Rollins	14,044,532	26.1	—	14,044,532	25.4	13,294,532	24.0
Adam Feinstein[1]	34,021,876	63.2	7,967,628	26,054,249	47.1	26,054,249	47.1
Ronald P. Zelhof	597,953	1.1	—	597,953	1.1	597,953	1.1
Daniel Sollof	—	*	—	—	*	—	*
Caroline Chu	—	*	—	—	*	—	*
Thomas Aaron	—	*	—	—	*	—	*
Kenneth Higgins	—	*	—	—	*	—	*
Pamela Netzky	—	*	—	—	*	—	*
All executive officers, directors and director nominees as a group (9 persons)	48,664,361	90.4	7,967,628	40,696,734	73.5	39,946,734	72.2
Other Selling Stockholders:							
Vesey Street Capital Partners and affiliated entities[1]	34,021,876	63.2	7,967,628	26,054,249	47.1	26,054,249	47.1
J. Christopher Burch[2]	3,566,238	6.6	469,872	3,096,366	5.6	2,346,366	4.2

(1) The number of shares listed as beneficially owned before this offering consists of 15,750,697 shares of common stock held of record

by VSCP EBS Aggregator, L.P. (“VSCP EBS”), 5,075,538 shares of common stock held of record by Vesey Street Capital Partners Healthcare Fund-A, LP (“VSCP Health Fund A”) and 13,195,641 shares of common stock held of record by EBS Aggregator Blocker Holdings, LLC (“Aggregator Blocker Holdings”), which may be deemed to be beneficially owned by Adam Feinstein. Mr. Feinstein serves as sole managing member of Vesey Street Capital Partners Healthcare GP, L.P. (“VSCP Health GP”), which serves as the general partner of VSCP EBS and VSCP Health Fund A. Mr. Feinstein serves as sole manager of Aggregator Blocker Holdings. Mr. Feinstein disclaims beneficial interest in the shares of the Company held by VSCP EBS, except to the extent of his pecuniary interest therein. The address for Mr. Feinstein, VSCP EBS and VSCP Health GP is c/o Adam Feinstein, 428 Greenwich Street, New York, NY 10013.

(2) The number of shares listed as beneficially owned before this offering consists of 1,559,877 shares of common stock held of record by J. Christopher Burch and 2,006,362 shares of common stock held of record by JCBI II LLC, which may be deemed to be beneficially owned by Mr. Burch. The address for Mr. Burch and JCBI II LLC is 840 First Avenue Suite 200, King of Prussia PA 19406.

(3) The allocation between the selling stockholders with respect to the exercise by the underwriters of their option to purchase additional shares of common stock is based on preliminary negotiations and is subject to change.

DESCRIPTION OF CAPITAL STOCK

General

The following description of our capital stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws are summaries and are qualified by reference to our amended and restated certificate of incorporation and our amended and restated bylaws, which will become effective immediately prior to the completion of this offering. Copies of these documents will be filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of the common stock and preferred stock reflect changes to our capital structure that will be in effect immediately prior to the completion of this offering.

Upon filing of our amended and restated certificate of incorporation and the closing of this offering, our authorized capital stock will consist of 500,000,000 shares, all with a par value of $0.001 per share, of which 450,000,000 shares will be designated common stock and 50,000,000 shares will be designated preferred stock.

As of October 20, 2021, after giving effect to the Reorganization, there were 53,796,677 shares of common stock outstanding and held of record by 16 stockholders.

Common Stock

Voting Rights. The common stock is entitled to one vote per share on any matter that is submitted to a vote of our stockholders. Our amended and restated certificate of incorporation does not provide for cumulative voting for the election of directors. Our amended and restated certificate of incorporation establishes a classified board of directors that is divided into three classes with staggered three-year terms. Only the directors in one class will be subject to election by a plurality of the votes cast at each annual meeting of our stockholders, with the directors in the other classes continuing for the remainder of their respective three-year terms. The affirmative vote of holders of at least 66 2/3% of the voting power of all of the then outstanding shares of capital stock, voting as a single class, will be required to amend certain provisions of our amended and restated certificate of incorporation, including provisions relating to amending our amended and restated bylaws, the classified structure of our board of directors, the size of our board of directors, removal of directors, director liability, vacancies on our board of directors, special meetings, stockholder notices, actions by written consent, competition and corporate opportunities, business combinations with interested stockholders and exclusive jurisdiction.

Dividends. Subject to the rights and preferences of any holders of any outstanding series of preferred stock that we may designate and issue in the future, the holders of our common stock are entitled to receive proportionately any dividends as may be declared by our board of directors. See the section entitled “Dividend Policy” for further information.

Liquidation Rights. On our liquidation, dissolution, or winding-up, the holders of common stock will be entitled to receive proportionately our net assets available for distribution to stockholders after the payment of all debts and other liabilities and subject to the prior rights of any outstanding preferred stock.

No Preemptive or Similar Rights. The holders of our shares of common stock are not entitled to preemptive rights, and are not subject to conversion, redemption or sinking fund provisions.

Preferred Stock

Under our amended and restated certificate of incorporation that will become effective immediately prior to the closing of this offering, our board of directors may, without further action by our stockholders, fix the rights, preferences, privileges and restrictions of up to an aggregate of 50,000,000 shares of preferred stock in one or more series and authorize their issuance. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences and the number of shares constituting any series or the designation of such series, any or all of which may be greater than the rights of our common stock. Any issuance of our preferred stock could adversely affect the voting power of holders of our common stock, and the likelihood that such holders would receive dividend payments and payments on liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or

preventing a change of control or other corporate action. Immediately prior to the completion of this offering, no shares of preferred stock will be outstanding. We have no present plan to issue any shares of preferred stock.

Anti-Takeover Provisions

Certificate of Incorporation and Bylaws to be in Effect Immediately Prior to the Completion of this Offering.

Because our stockholders do not have cumulative voting rights, stockholders holding a majority of the voting power of our shares of common stock will be able to elect all our directors. Our amended and restated certificate of incorporation and our amended and restated bylaws will require that any action to be taken by our stockholders must be effected at a duly called annual or special meeting of stockholders and not be taken by written consent. A special meeting of stockholders may be called by our board of directors or the chairperson of our board of directors. Our amended and restated bylaws will establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our board of directors.

As described above in "Management—Board Composition and Election of Directors," in accordance with our amended and restated certificate of incorporation to be filed in connection with this offering, immediately after this offering, our board of directors will be divided into three classes with staggered three-year terms.

The foregoing provisions will make it more difficult for another party to obtain control of us by replacing our board of directors. Since our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management. In addition, the authorization of undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change our control.

These provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal and to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and may have the effect of deterring hostile takeovers or delaying changes in our control or management. As a consequence, these provisions may also inhibit fluctuations in the market price of our stock that could result from actual or rumored takeover attempts.

Business Combinations

We have opted out of Section 203 of the DGCL; however, our amended and restated certificate of incorporation contains similar provisions providing that we may not engage in certain "business combinations" with any "interested stockholder" for a three-year period following the time that the stockholder became an interested stockholder, unless:

- prior to such time, our board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to that time, the business combination is approved by our board of directors and by the affirmative vote of holders of at least 66⅔% of our outstanding voting stock that is not owned by the interested stockholder.

Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an "interested stockholder" is a person who, together with that person's affiliates and associates, owns, or within the previous three years owned, 15% or more of our outstanding voting stock. For purposes of this section only, "voting stock" has the meaning given to it in Section 203 of the DGCL.

Under certain circumstances, this provision will make it more difficult for a person who would be an "interested stockholder" to effect various business combinations with us for a three-year period. This provision may

encourage companies interested in acquiring us to negotiate in advance with our board of directors because the stockholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction that results in the stockholder becoming an interested stockholder. These provisions also may have the effect of preventing changes in our board of directors and may make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Our amended and restated certificate of incorporation provides that our founder, investment funds affiliated with our Sponsor and their respective affiliates, and any direct or indirect transferees of such investment funds and their respective affiliates, and any group as to which such persons are a party, do not constitute "interested stockholders" for purposes of this provision.

Choice of Forum

Our amended and restated certificate of incorporation that will be in effect immediately prior to the closing of this offering will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, in the event that the Chancery Court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) is the sole and exclusive forum for the following types of Proceedings: (A) any derivative Proceeding brought on our behalf; (B) any Proceeding asserting a claim of a breach of fiduciary duty owed by any of our current or former directors, officers, other employees or stockholders to us or our stockholders: (C) any Proceeding arising out of or pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws (in each case, as may be amended from time to time) or as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware; (D) any Proceeding seeking to interpret, apply, enforce or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws; and (E) any Proceeding asserting a claim against us or any of our current or former directors, officers, other employees or stockholders governed by the internal-affairs doctrine.

Further, our amended and restated certificate of incorporation to be effective immediately prior to the closing of this offering will provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act, including all causes of action asserted against any defendant to such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters to any offering giving rise to such Proceeding, and any other professional or entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a Proceeding in a venue other than those designated in the exclusive forum provisions, and there can be no assurance that such provisions will be enforced by a court in those other jurisdictions. We note that investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder.

Additionally, our amended and restated certificate of incorporation to be effective immediately prior to the closing of this offering will provide that any person or entity holding, owning, purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions.

Conflicts of Interest

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our amended and restated certificate of incorporation will, to the maximum extent permitted from time to time by Delaware law, renounce any interest or expectancy that we have in, or right to be offered an opportunity to participate in, specified business opportunities that are from time to time presented to our Sponsor and any director that is appointed by our Sponsor. Our amended and restated certificate of incorporation provides that, to the fullest extent permitted by law, none of the investment funds affiliated with our Sponsor or any of their respective affiliates or any director appointed by our Sponsor will have any duty to refrain from (i) engaging in a corporate opportunity in the same or similar lines of business in which we or our affiliates now engage or

propose to engage or (ii) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that the investment funds affiliated with our Sponsor or any of their respective affiliates or any of their respective directors, officers, principals, partners, members, managers, employees, agents or other representatives acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself, himself or herself or its, his or her affiliates or for us or our affiliates, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and they may take any such opportunity for themselves or offer it to another person or entity. Our amended and restated certificate of incorporation will not renounce our interest in any business opportunity that is expressly offered to a director, officer, principal, partner, member, manager, employee, agent or other representative of any investment fund affiliated with our Sponsor or any of their respective affiliates solely in his or her capacity as a director, officer or agent of the Company. In addition, these provisions shall not release any person who is or was our employee from any obligations or duties that such person may have pursuant to any other agreement with us. To the fullest extent permitted by law, no business opportunity will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under our amended and restated certificate of incorporation, we have sufficient financial resources to undertake the opportunity and the opportunity would be in line with our business.

Pursuant to our stockholders agreement, we will be required to take all necessary action to ensure that no amendment to our amended and restated certificate of incorporation pertaining to the renouncement of corporate opportunity is effected without the consent of affiliates of our Sponsor for so long as such affiliates have the right to designate at least one Sponsor Director.

Limitations of Liability and Indemnification

See “Certain Relationships and Related Party Transactions—Limitation of Liability and Indemnification of Officers and Directors.”

Exchange Listing

We have applied to list our common stock on the NASDAQ Global Market under the symbol “AIRS.”

Transfer Agent and Registrar

Upon the completion of this offering, the transfer agent and registrar for our common stock will be Computershare Trust Company, N.A. The transfer agent’s address is 150 Royall Street Canton, MA 02021.

SHARES ELIGIBLE FOR FUTURE SALE

Immediately prior to this offering, there was no public market for our common stock, and we cannot predict what effect, if any, market sales of shares of common stock or the availability of shares of common stock for sale will have on the market price of our common stock prevailing from time to time. Nevertheless, sales of substantial amounts of common stock, including shares issued upon the exercise of outstanding options and warrants, in the public market, or the perception that such sales could occur, could materially and adversely affect the market price of our common stock and could impair our future ability to raise capital through the sale of our equity or equity-related securities at a time and price that we deem appropriate.

Upon the completion of this offering, we will have outstanding an aggregate of approximately 55,359,177 shares of common stock. Of the outstanding shares, the shares sold in this offering will be freely tradable without restriction or further registration under the Securities Act, except any shares purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act, may be sold only in compliance with the limitations described below. The remaining outstanding shares of common stock will be deemed restricted securities, as defined under Rule 144. Restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which we summarize below. All of these shares will be subject to lock-up agreements described below.

Taking into account the lock-up agreements described below, and assuming Morgan Stanley & Co. LLC does not release stockholders from these agreements, certain shares will be eligible for sale in the public market at the following times, subject to the provisions of Rule 144 and Rule 701.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements for at least 90 days, a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates, is entitled to sell such shares (subject to the requirements of the lock-up agreements, as described below) without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then such person is entitled to sell such shares (subject to the requirements of the lock-up agreements, as described below) without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates are entitled to sell upon expiration of the lock-up agreements described below, within any three-month period beginning 90 days after the date of this prospectus, a number of shares that does not exceed the greater of one percent of the number of shares of our common stock then outstanding or the average weekly trading volume of our common stock on NASDAQ during the four calendar weeks preceding the date of filing of a Notice of Proposed Sale of Securities Pursuant to Rule 144 with respect to the sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us. Notwithstanding the availability of Rule 144, substantially all of the holders of our common stock have entered into lock-up agreements as described below, and their restricted securities will become eligible for sale (subject to the above limitations under Rule 144) upon the expiration of the restrictions set forth in those agreements.

Rule 701

In general, under Rule 701 as currently in effect, any of our employees, directors, officers, consultants or advisors who purchase shares from us in connection with a compensatory stock or option plan or other written agreement before the completion of this offering is entitled to sell such shares (subject to the requirements of the lock-up agreements, as described below) 90 days after the completion of this offering in reliance on Rule 144, in the case of affiliates, without having to comply with the holding period requirements

of Rule 144 and, in the case of non-affiliates, without having to comply with the public information, holding period, volume limitation or notice filing requirements of Rule 144.

Lock-Up Agreements

Notwithstanding the availability of Rule 144, we and all of our officers and directors, the selling stockholders, and substantially all of the holders of our common stock, or securities exercisable for or convertible into our common stock outstanding immediately prior to this offering, have agreed that, without the prior written consent of Morgan Stanley & Co. LLC, we and they will not, during the period ending 180 days after the date of this prospectus:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock; or
- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of our common stock, whether any such transaction described above is to be settled by delivery of shares of our common stock or such other securities, in cash or otherwise, subject to certain exceptions set forth in the section entitled “Underwriting.”

Registration Statements on Form S-8

We intend to file one or more registration statements on Form S-8 under the Securities Act with the SEC to register the offer and sale of shares of our common stock that are issuable under the 2021 Plan. These registration statements will become effective immediately on filing. Shares covered by these registration statements will then be eligible for sale in the public markets, subject to vesting restrictions, any applicable lock-up agreements and market standoff provisions described below, and Rule 144 limitations applicable to affiliates.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF COMMON STOCK

The following is a summary of certain material U.S. federal income tax considerations relating to the acquisition, ownership and disposition of shares of our common stock issued pursuant to this offering by "non-U.S. holders," as defined below. This summary deals only with shares of our common stock acquired by a non-U.S. holder in this offering that are held as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code") (generally, property held for investment). This summary does not address all aspects of U.S. federal income taxation that may be important to a particular non-U.S. holder in light of that non-U.S. holder's individual circumstances, nor does it address any aspects of the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010, any U.S. federal gift and estate taxes, except to the limited extent provided below, any U.S. alternative minimum taxes or any state, local or non-U.S. taxes. This summary does not address the U.S. federal income tax considerations applicable to a non-U.S. holder that is subject to special treatment under U.S. federal income tax laws, including: a broker or dealer in securities or currencies; a financial institution; a tax-exempt organization (including a private foundation) and a tax-qualified retirement plan; a non-U.S. government or an international organization; a "qualified foreign pension fund" as defined in Section 897(l)(2) of the Code and an entity all of the interests of which are held by qualified foreign pension funds; an insurance company; a person holding shares of our common stock as part of a hedging, integrated, conversion or straddle transaction or a person deemed to sell shares of our common stock under the constructive sale provisions of the Code; a trader in securities that has elected the mark-to-market method of accounting; an entity or arrangement that is treated as a partnership (or is disregarded from its owner) for U.S. federal income tax purposes; a person that received shares of our common stock in connection with services provided to the company or any of its affiliates; a person subject to special tax accounting rules as a result of any item of gross income with respect to our common stock being taken into account in an applicable consolidated financial statement; a person that owns, or is deemed to own, more than five percent of our common stock; a person whose "functional currency" is not the U.S. dollar; a "controlled foreign corporation"; a "passive foreign investment" company; a corporation that accumulates earnings to avoid U.S. federal income tax; and U.S. expatriates and certain former citizens or long-term residents of the United States.

This summary is based upon provisions of the Code, and applicable Treasury regulations promulgated or proposed thereunder, rulings and judicial decisions, all as in effect as of the date hereof. Those authorities may be changed, perhaps with retroactive effect, or may be subject to differing interpretations, which could result in U.S. federal income tax consequences different from those discussed below. There can be no assurance that the Internal Revenue Service ("IRS") will concur with the discussion of the tax considerations set forth below, and we have not obtained, and we do not intend to obtain, a ruling from the IRS with respect to the U.S. federal income tax consequences to a non-U.S. holder of the purchase, ownership or disposition of shares of our common stock. This summary does not address all aspects of U.S. federal income tax and does not address any state, local, non-U.S., or gift tax considerations or any considerations relating to the alternative minimum tax or the Medicare tax on net investment income.

For purposes of this discussion, a "non-U.S. holder" is a beneficial holder of shares of our common stock that is for U.S. federal income tax purposes not a partnership or disregarded entity and not (i) an individual citizen or resident of the United States for U.S. federal income tax purposes; (ii) a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia (or otherwise treated as a domestic corporation for U.S. federal income tax purposes); (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust if it (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons (as defined in the Code) have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

An individual non-U.S. citizen may, in some cases, be deemed to be a resident alien (as opposed to a nonresident alien) by virtue of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year. Generally, for this purpose, all the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year, are counted.

Resident aliens are generally subject to U.S. federal income tax as if they were U.S. citizens. Individuals who are uncertain of their status as resident or nonresident aliens for U.S. federal income tax purposes are urged to consult their tax advisors regarding the U.S. federal income tax consequences of the ownership or disposition of our common stock.

If an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds shares of our common stock, the tax treatment of a person treated as a partner in such partnership for U.S. federal income tax purposes generally will depend upon the status of the partner and the activities of the partnership. Any entity or arrangement that is treated as a partnership for U.S. federal income tax purposes, and any person holding shares of our common stock through such a partnership, are urged to consult their tax advisors regarding the acquisition, ownership and disposition of shares of our common stock.

This summary is for general information only and is not, and is not intended to be, tax advice. Non-U.S. holders of shares of our common stock are urged to consult their tax advisors concerning the tax considerations related to the acquisition, ownership and disposition of shares of our common stock in light of their particular circumstances, as well as any tax considerations relating to gift or estate taxes, the alternative minimum tax or to the Medicare tax on net investment income, and any tax considerations arising under the laws of any other jurisdiction, including any state, local and non-U.S. income and other tax laws or under any applicable tax treaty.

Distributions

As discussed in the section entitled "Dividend Policy" above, we do not currently expect to make distributions in respect of our common stock. In the event that we do make a distribution of cash or property with respect to our common stock, any such distributions generally will constitute dividends for U.S. federal income tax purposes to the extent of our current and accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, the excess will first constitute a return of capital and will reduce a holder's adjusted tax basis in such holder's shares of our common stock, determined on a share-per-share basis but not below zero. Any remaining excess will be treated as capital gain and subject to the tax treatment described below in the section entitled "—Sale, Exchange, Redemption or Certain Other Taxable Dispositions of Our Common Stock."

Unless dividends, if any, are effectively connected with a non-U.S. holder's U.S. trade or business (and if required by an applicable income tax treaty, are attributable to a permanent establishment or fixed base maintained in the United States), dividends paid to a non-U.S. holder of shares of our common stock generally will be subject to U.S. federal income tax (which generally will be collected through withholding) at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty). Even if a non-U.S. holder is eligible for a lower treaty rate, dividend payments generally will be subject to withholding at a 30% rate (rather than the lower treaty rate) unless the non-U.S. holder provides a valid IRS Form W-8BEN or W-8BEN-E or other appropriate form (or any successor or substitute form thereof) certifying such holder's qualification for the reduced rate. Such form must be provided prior to the payment of the applicable dividend and must be updated periodically. If a non-U.S. holder holds stock through a financial institution or other agent acting on the holder's behalf, the holder will be required to provide appropriate documentation to such agent. The holder's agent will then be required to provide certification to the applicable withholding agent, either directly or through other intermediaries. Each non-U.S. holder should consult its tax advisor regarding its entitlement to benefits under an applicable income tax treaty.

Subject to the discussions below regarding backup withholding and the Foreign Account Tax Compliance Act, if dividends paid to a non-U.S. holder are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment or fixed base maintained in the United States), the non-U.S. holder will be exempt from U.S. federal withholding tax. To claim the exemption, the non-U.S. holder must furnish to us or the relevant withholding agent a valid IRS Form W-8ECI or other appropriate form (or any successor or substitute form thereof), certifying that the dividends are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States.

Any dividends paid on shares of our common stock that are effectively connected with a non-U.S. holder's U.S. trade or business (and, if required by an applicable tax treaty, attributable to a permanent establishment or fixed base maintained in the United States) generally will be subject to U.S. federal income tax on a net

income basis in the same manner as if such holder were a U.S. person. A non-U.S. holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable tax treaty) on a portion of its effectively connected earnings and profits for the taxable year. Non-U.S. holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Non-U.S. holders who do not timely provide us or the relevant withholding agent with the required certification, but who qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under a tax treaty.

If at the time a distribution is made we are not able to determine whether or not it will be treated as a dividend for U.S. federal income tax purposes (as opposed to being treated as a return of capital or capital gain), we or a financial intermediary may withhold tax on all or a portion of such distribution at the rate applicable to dividends. However, a non-U.S. holder may obtain a refund of any excess withholding by timely filing an appropriate claim for refund with the IRS.

Any distribution described in this section would also be subject to the discussion below in the section entitled “Foreign Account Tax Compliance Act.”

Sale, Exchange, Redemption or Certain Other Taxable Dispositions of Our Common Stock

Subject to the discussions below regarding backup withholding and the Foreign Account Tax Compliance Act, a non-U.S. holder generally will not be subject to U.S. federal income tax or withholding tax on gain realized upon a sale, exchange or other taxable disposition of shares of our common stock (including a redemption, but only if the redemption would be treated as a sale or exchange rather than as a distribution for U.S. federal income tax purposes) unless: (i) the gain is effectively connected with the non-U.S. holder’s conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained in the United States); (ii) the non-U.S. holder is a non-resident alien individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or (iii) we are or have been a “U.S. real property holding corporation” (“USRPHC”) for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition and the non-U.S. holder’s holding period for shares of our common stock (the “relevant period”) and certain other conditions are met, as described below.

If the first exception applies, the non-U.S. holder generally will be subject to U.S. federal income tax on a net basis with respect to such gain in the same manner as if such holder were a resident of the United States. In addition, if the non-U.S. holder is a corporation for U.S. federal income tax purposes, such gains may, under certain circumstances, also be subject to the branch profits tax at a rate of 30% (or at a lower rate prescribed by an applicable income tax treaty).

If the second exception applies, the non-U.S. holder generally will be subject to U.S. federal income tax at a rate of 30% on the gain from a disposition of shares of our common stock, which may be offset by capital losses allocable to U.S. sources during the taxable year of disposition (even though the non-U.S. holder is not considered a resident of the United States), provided such holder timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third exception above, we believe we currently are not, and we do not anticipate becoming, a USRPHC for U.S. federal income tax purposes. Because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our other trade or business assets and our non-U.S. real property interests, there can be no assurances that we will not become a USRPHC in the future. Generally, a corporation is a USRPHC only if the fair market value of its U.S. real property interests (as defined in the Code) equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. Even if we are or become a USRPHC, a non-U.S. holder would not be subject to U.S. federal income tax on a sale, exchange or other taxable disposition of shares of our common stock by reason of our status as a USRPHC so long as (i) shares of our common stock continue to be regularly traded on an established securities market (within the meaning of Section 897(c)(3) of the Code) during the calendar year in which such disposition occurs and (ii) such non-U.S. holder does not own and is not deemed to own (directly,

indirectly or constructively) more than 5% of the shares of our common stock at any time during the relevant period. If we are a USRPHC and the requirements described in clauses (i) or (ii) in the preceding sentence are not met, gain on the disposition of shares of our common stock generally will be taxed in the same manner as gain that is effectively connected with the conduct of a U.S. trade or business, except that the branch profits tax generally will not apply. No assurance can be provided that our common stock will be regularly traded on an established securities market at all times for purposes of the rules described above.

Non-U.S. holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Information Reporting and Backup Withholding Tax

We or a financial intermediary must report annually to the IRS and to each non-U.S. holder the gross amount of the distributions on shares of our common stock paid to such holder and the tax withheld, if any, with respect to such distributions, regardless of whether withholding was required. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established. A non-U.S. holder generally will be subject to backup withholding at the then applicable rate for dividends paid to such holder unless such holder furnishes a valid IRS Form W-8BEN or W-8BEN-E (or such other applicable form and documentation as required by the Code or the Treasury regulations) certifying under penalties of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a U.S. person as defined under the Code), or otherwise establishes an exemption. Dividends paid to non-U.S. holders subject to U.S. federal withholding tax, as described above in the section entitled “Distributions,” generally will be exempt from U.S. backup withholding.

Information reporting and, depending on the circumstances, backup withholding will apply to the payment of the proceeds of a sale or other disposition of shares of our common stock by a non-U.S. holder effected by or through the U.S. office of any broker, U.S. or non-U.S., unless such holder certifies that it is not a U.S. person (as defined under the Code) and satisfies certain other requirements, or otherwise establishes an exemption. Generally, information reporting and backup withholding will not apply to a payment of disposition proceeds to a non-U.S. holder where the transaction is effected outside the U.S. through a non-U.S. office of a broker. However, for information reporting purposes, dispositions effected through a non-U.S. office of a broker with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker. Prospective investors should consult their tax advisors regarding the application of the information reporting and backup withholding rules to them.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a credit against a non-U.S. holder’s U.S. federal income tax liability, if any, and may entitle such holder to a refund, provided that an appropriate claim is timely filed with the IRS.

Foreign Account Tax Compliance Act

Under legislation commonly referred to as the Foreign Account Tax Compliance Act, as modified by Treasury regulations and subject to any official interpretations thereof, any applicable intergovernmental agreement between the United States and a non-U.S. government to implement these rules and improve international tax compliance, or any fiscal or regulatory legislation or rules adopted pursuant to any such agreement (collectively, “FATCA”), a 30% withholding tax will apply to dividends, if any, on, and, subject to the proposed Treasury Regulations discussed below, gross proceeds from the sale or other disposition of, shares of our common stock paid to certain non-U.S. entities (including financial intermediaries) unless various information reporting and due diligence requirements, which are different from and in addition to the certification requirements described elsewhere in this discussion, have been satisfied (generally relating to ownership by U.S. persons of interests in or accounts with those entities).

While, beginning on January 1, 2019, withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of our common stock, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

Holders of shares of our common stock should consult their tax advisors regarding the possible impact of FATCA on their investment in our common stock, including, without limitation, the process and deadlines for meeting the applicable requirements to prevent the imposition of the 30% withholding tax under FATCA.

Federal Estate Tax

Common stock we have issued that is owned (or treated as owned) by an individual who is not a citizen or a resident of the United States (as defined for U.S. federal estate tax purposes) at the time of death will be included in the individual's gross estate for U.S. federal estate tax purposes unless an applicable estate or other tax treaty provides otherwise, and therefore may be subject to U.S. federal estate tax. Holders of our common stock are urged to consult their tax advisors regarding the U.S. federal estate tax consequences of the ownership or disposition of our common stock.

Each prospective investor should consult its tax advisor regarding the particular U.S. federal, state, local, and non-U.S. tax consequences of purchasing, holding, and disposing of our common stock, including the consequences of any proposed change in applicable laws.

UNDERWRITING

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. LLC, Piper Sandler & Co. and SVB Leerink LLC are acting as representatives, have severally agreed to purchase, and we and the selling stockholders have agreed to sell to them, severally, the number of shares indicated below:

Name	Number of Shares
Morgan Stanley & Co. LLC	
Piper Sandler & Co.	
SVB Leerink LLC	
Raymond James & Associates, Inc.	
Total:	10,000,000

The underwriters and the representatives are collectively referred to as the "underwriters" and the "representatives," respectively. The underwriters are offering the shares of common stock subject to their acceptance of the shares from us and the selling stockholders and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' over-allotment option to purchase additional shares described below.

The underwriters initially propose to offer part of the shares of common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers. After the initial offering of the shares of common stock, the offering price and other selling terms may from time to time be varied by the representatives.

Certain of the selling stockholders have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to 1,500,000 additional shares of common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of common stock offered by this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of common stock as the number listed next to the underwriter's name in the preceding table bears to the total number of shares of common stock listed next to the names of all underwriters in the preceding table.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and proceeds before expenses to us and the selling stockholders. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional 1,500,000 shares of common stock.

		Total	
	Per Share	No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discounts and commissions[(1)]	$	$	$
Proceeds, before expenses, to us	$	$	$
Proceeds, before expenses, to the selling stockholders	$	$	$

(1) We have agreed to pay all underwriting discounts and commissions applicable to the sale of the common stock of the selling stockholders incurred in connection with such sale.

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately $3,150,000.00. The underwriters have agreed to reimburse the Company for up to $975,000 in

expenses related to the offering. We have agreed to reimburse the underwriters for expense relating to clearance of this offering with the Financial Industry Regulatory Authority up to $40,000.00.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of common stock offered by them.

At our request, the underwriters have reserved up to 500,000 shares of common stock, or up to 5% of the shares offered hereby, for sale at the initial public offering price through a directed share program to certain individuals associated with us and our Sponsor, including our directors. The sales will be made at our direction by Morgan Stanley & Co. LLC and its affiliates through a directed share program. The number of shares of our common stock available for sale to the general public in this offering will be reduced to the extent that such individuals purchase such reserved shares. The underwriters will receive the same discount from such reserved shares as they will from other shares of our common stock offered by this prospectus. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of common stock offered by this prospectus. We have agreed to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act, in connection with the sales of the shares reserved for the directed share program. If purchased by our directors and officers, the shares will be subject to a 180-day lock-up restriction.

We have applied to list our common stock on NASDAQ under the trading symbol “AIRS”.

We, the selling stockholders, and all directors and officers and the holders of substantially all of our outstanding stock have agreed that, without the prior written consent of Morgan Stanley & Co. LLC on behalf of the underwriters, we and they will not, and will not publicly disclose an intention to, during the period ending 180 days after the date of this prospectus (the “restricted period”):

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock;
- file any registration statement with the Securities and Exchange Commission relating to the offering of any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock; or
- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock.

whether any such transaction described above is to be settled by delivery of common stock or such other securities, in cash or otherwise. In addition, we and each such person agrees that, without the prior written consent of Morgan Stanley & Co. LLC on behalf of the underwriters, we or such other person will not, during the restricted period, make any demand for, or exercise any right with respect to, the registration of any shares of common stock or any security convertible into or exercisable or exchangeable for common stock.

The restrictions described in the immediately preceding paragraph do not apply to:

- the sale of shares to the underwriters; or
- the issuance by the Company of shares of common stock upon the exercise of an option or a warrant or the conversion of a security outstanding on the date of this prospectus of which the underwriters have been advised in writing; or
- transactions by any person other than us relating to shares of common stock or other securities acquired in open market transactions after the completion of the offering of the shares; provided that no filing under Section 16(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is required or voluntarily made in connection with subsequent sales of the common stock or other securities acquired in such open market transactions;

Morgan Stanley & Co. LLC in its sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time.

In order to facilitate the offering of the common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under the over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under the over-allotment option. The underwriters may also sell shares in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of common stock in the open market to stabilize the price of the common stock. These activities may raise or maintain the market price of the common stock above independent market levels or prevent or retard a decline in the market price of the common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time.

We, the selling stockholders and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representatives may agree to allocate a number of shares of common stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make Internet distributions on the same basis as other allocations.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Pricing of the Offering

Prior to this offering, there has been no public market for our common stock. The initial public offering price was determined by negotiations between us, the selling stockholders, and the representatives. Among the factors considered in determining the initial public offering price were our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours.

Selling Restrictions

European Economic Area

In relation to each Member State of the European Economic Area and the United Kingdom (each, a "Relevant State"), no securities have been offered or will be offered pursuant to the offering to the public in that Relevant

State prior to the publication of a prospectus in relation to the securities which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of securities may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representatives; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or any of our representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to any shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended).

Notice to Prospective Investors in the United Kingdom

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA") received by it in connection with the issue or sale of the shares of our common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of our common stock in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA("FINMA"), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein

and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, or ASIC, in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons, the Exempt Investors, who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance

Notice to Prospective Investors in Japan

No registration pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended)(the "FIEL") has been made or will be made with respect to the solicitation of the application for the acquisition of the shares of common stock.

Accordingly, the shares of common stock have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit

of, any resident of Japan except pursuant to an exemption from the registration requirements, and otherwise in compliance with, the FIEL and the other applicable laws and regulations of Japan.

For Qualified Institutional Investors ("QII")

Please note that the solicitation for newly-issued or secondary securities (each as described in Paragraph 2, Article 4 of the FIEL) in relation to the shares of common stock constitutes either a "QII only private placement" or a "QII only secondary distribution" (each as described in Paragraph 1, Article 23-13 of the FIEL). Disclosure regarding any such solicitation, as is otherwise prescribed in Paragraph 1, Article 4 of the FIEL, has not been made in relation to the shares of common stock. The shares of common stock may only be transferred to QIIs.

For Non-QII Investors

Please note that the solicitation for newly-issued or secondary securities (each as described in Paragraph 2, Article 4 of the FIEL) in relation to the shares of common stock constitutes either a "small number private placement" or a "small number private secondary distribution" (each as is described in Paragraph 4, Article 23-13 of the FIEL). Disclosure regarding any such solicitation, as is otherwise prescribed in Paragraph 1, Article 4 of the FIEL, has not been made in relation to the shares of common stock. The shares of common stock may only be transferred en bloc without subdivision to a single investor.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the shares were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time, the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA)pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

    (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

    (b) where no consideration is or will be given for the transfer;

    (c) where the transfer is by operation of law;

    (d) as specified in Section 276(7) of the SFA; or

    (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investment) (Securities and Securities based Derivatives Contract)Regulations 2018.

Notice to Prospective Investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105

Underwriting Conflicts (NI33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in China

This prospectus will not be circulated or distributed in the People's Republic of China, or PRC, and the shares will not be offered or sold to any person for re-offering or resale directly or indirectly to any residents of the PRC, except pursuant to any applicable laws and regulations of the PRC. Neither this prospectus nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with applicable laws and regulations.

Notice to Prospective Investors in South Korea

The shares offered by this prospectus have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "FSCMA"), and the shares have been and will be offered in Korea as a private placement under the FSCMA. None of the shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "FETL"). Furthermore, the purchaser of the shares will comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the shares. By the purchase of the shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

LEGAL MATTERS

The validity of the issuance of the shares of common stock to be sold in this offering will be passed upon for us by McDermott Will & Emery LLP. Certain legal matters relating to this offering will be passed upon for the underwriters by Latham & Watkins LLP, New York, New York.

EXPERTS

The audited financial statements of Airsculpt Technologies, Inc. included in this prospectus and elsewhere in the registration statement have been so included in reliance upon the report of Grant Thornton LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing.

The audited financial statements of EBS Intermediate Parent, LLC included in this prospectus and elsewhere in the registration statement have been so included in reliance upon the report of Grant Thornton LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The SEC maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

Upon the completion of this offering, we will be subject to the information reporting requirements of the Exchange Act, and we will file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information will be available at www.sec.gov.

We also maintain a website at www.elitebodysculpture.com. Information contained in, or accessible through, our website or social media platforms are not a part of this prospectus, and the inclusion of our website address in this prospectus is only as an inactive textual reference.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

AirSculpt Technologies, Inc.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholder
AirSculpt Technologies, Inc.

Opinion on the financial statements

We have audited the accompanying balance sheet of AirSculpt Technologies, Inc. (a Delaware corporation) (the "Company") as of June 30, 2021 and the related note (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

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

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

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

Miami, Florida
September 10, 2021

AirSculpt Technologies, Inc.

Balance Sheet

	June 30, 2021
Stockholder's Equity	
Common stock, $0.0001 par value, 1,000,000 shares authorized, 100 shares outstanding	$ —
Accumulated paid in capital	10
Stockholder receivable	(10)
Total stockholder's equity	$ —

See Note to the Balance Sheet

Airsculpt Technologies, Inc.

Note to the Balance Sheet

NOTE 1—ORGANIZATION

AirSculpt Technologies, Inc. (the "Company") was incorporated in the state of Delaware on June 30, 2021, with the issuance of 100 shares of common stock to its sole stockholder in exchange for $10 due from that stockholder. The receivable from the stockholder is presented in the accompanying balance sheet as a deduction from stockholder's equity. The Company has not engaged in any operations and has had no cash flows from the date of incorporation through June 30, 2021.

The Company evaluated subsequent events through the financial statement issuance date of September 10, 2021. No subsequent events requiring accrual or disclosure were identified.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Member
EBS Intermediate Parent LLC

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of EBS Intermediate Parent LLC (a Delaware limited liability company) and subsidiaries (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations, changes in member's equity, and cash flows for each of the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

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

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2018.

Miami, Florida
July 2, 2021

EBS Intermediate Parent LLC and Subsidiaries

Consolidated Balance Sheets
December 31, 2020 and 2019

($000s)	2020	2019
Assets		
Current assets		
Cash and cash equivalents	$ 10,379	$ 5,128
Prepaid expenses and other current assets	1,184	1,459
Total current assets	11,563	6,587
Property and equipment, net	7,108	4,306
Other long-term assets	1,544	1,339
Right of use operating lease assets	17,053	12,174
Intangible assets, net	60,608	65,362
Goodwill	81,734	81,734
Total assets	$179,610	$171,502
Liabilities and Member's Equity		
Current liabilities		
Accounts payable	$ 1,095	$ 2,114
Accrued payroll and benefits	1,258	534
Current portion of long-term debt	400	400
Deferred revenue and patient deposits	3,233	3,188
Accrued and other current liabilities	581	174
Current right of use operating lease liabilities	2,890	1,943
Total current liabilities	9,457	8,353
Long-term debt, net	32,119	32,308
Long-term right of use operating lease liability	14,358	10,450
Total liabilities	55,934	51,111
Commitments and contingent liabilities (Note 9)		
Member's equity	123,676	120,391
Total liabilities and member's equity	$179,610	$171,502

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

EBS Intermediate Parent LLC and Subsidiaries

Consolidated Statements of Operations
For the years ended December 31, 2020 and 2019

($000s)	2020	2019
Revenue	$62,766	$41,236
Operating expenses:		
Cost of service (exclusive of depreciation and amortization shown below)	23,471	15,488
Selling, general and administrative	23,621	20,125
Depreciation and amortization	5,641	4,960
Total operating expenses	52,733	40,573
Income from operations	10,033	663
Interest expense, net	2,456	2,875
Net income (loss)	7,577	(2,212)
Pro forma income tax expense (unaudited)	1,827	—
Pro forma net income (loss) (unaudited)	$ 5,750	$ (2,212)

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

EBS Intermediate Parent LLC and Subsidiaries

Consolidated Statement of Changes in Member's Equity
For the years ended December 31, 2020 and 2019

($000s)	
Balance at December 31, 2018	$122,548
Distributions	(283)
Unit-based compensation	341
Net loss	(2,212)
Other	(3)
Balance at December 31, 2019	120,391
Distributions	(4,617)
Unit-based compensation	325
Net income	7,577
Balance at December 31, 2020	$123,676

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

EBS Intermediate Parent LLC and Subsidiaries

Consolidated Statements of Cash Flows
For the years ended December 31, 2020 and 2019

($000s)	2020	2019
Cash flows from operating activities		
Net income (loss)	$ 7,577	$(2,212)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	5,641	4,960
Unit-based compensation	325	341
Non-cash interest expense; amortization of debt costs	211	226
Changes in assets and liabilities		
Prepaid expense and other current assets	275	(1,841)
Other assets	(204)	(635)
Accounts payable	(1,019)	1,872
Deferred revenue and patient deposits	45	1,835
Accrued and other liabilities	1,106	392
Net cash provided by operating activities	13,957	4,938
Cash flows from investing activities		
Purchases of property and equipment, net	(3,689)	(4,439)
Net cash used in investing activities	(3,689)	(4,439)
Cash flows from financing activities		
Payment on term loan	(2,900)	(500)
Borrowings on term loan	2,500	—
Distribution to member	(4,617)	(283)
Net cash used in financing activities	(5,017)	(783)
Net increase (decrease) in cash and cash equivalents	5,251	(284)
Cash and cash equivalents		
Beginning of period	5,128	5,412
End of period	$10,379	$ 5,128
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 2,293	$ 2,683

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

EBS Intermediate Parent LLC and Subsidiaries

Notes to Consolidated Financial Statements
For the years ended December 31, 2020 and 2019

NOTE 1—ORGANIZATION AND SUMMARY OF KEY ACCOUNTING POLICIES

EBS Intermediate Parent LLC (the "Company") was formed as a limited liability company under the laws of the state of Delaware pursuant to an agreement effective October 2, 2018 to facilitate the acquisition of EBS Enterprises, LLC f/k/a Rollins Enterprises, LLC. The Company is a wholly-owned subsidiary of EBS Parent LLC (the "Parent"). The Company's revenues are concentrated in the specialty, minimally invasive liposuction market.

The Company, through its wholly-owned subsidiaries, is a provider of practice management services to professional associations ("PAs") located throughout the United States. The Company owns and operates non-clinical assets and provides its management services to the PAs through management services agreements ("MSAs"). Management services provide for the administration of the non-clinical aspects of the medical operations and include, but are not limited to, financial, administrative, technical, marketing, and personnel services.

At December 31, 2020 and 2019, the Company is providing management services to fourteen and ten medical practices, respectively. Pursuant to the MSA, the PA is responsible for all clinical aspects of the medical operations of the practice.

Impact of COVID-19

The COVID-19 global pandemic has significantly affected the Company's facilities, employees, patients, business operations and financial performance, as well as the U.S. economy and financial markets. The COVID-19 pandemic materially impacted the Company's financial performance for the year ending December 31, 2020. The length and severity of the pandemic continues to be difficult to predict and is dependent on factors beyond the Company's control. Beginning in March 2020, the COVID-19 pandemic began to negatively affect net revenue and business operations. As a result of federal, state, and local guidelines, the Company cancelled or postponed most procedures scheduled at the facilities. As a result, case volumes across most of the Company's centers were significantly impacted in the second quarter of 2020. Although the length and severity of the impact of the COVID-19 pandemic cannot be predicted, the Company's volumes improved in the second half of 2020 as states began to re-open and allow for non-emergent procedures.

The Company's operating structure allows for some flexibility in the cost structure according to the volume of cases performed, including much of the cost of services. As a result of this flexibility and the return of volumes in the second half of the year, the Company did not request or receive any proceeds from the CARES Act and other governmental assistance programs.

Reclassifications

Certain reclassifications have been made to the comparative periods' financial statements to conform to the year ended December 31, 2020 presentation. The Company reclassified its merchant service fees from cost of services to selling, general and administrative. Merchant service fees were $822,000 and $511,000 for the years ended December 31, 2020 and 2019, respectively. Further, the Company reclassified rent expense into both cost of services and selling, general and administrative. Cost of services includes the Company's rent expense related to its suites in medical office buildings which was $2.8 million and $1.5 million for the years ended December 31, 2020 and 2019, respectively. The Company's rent related to its corporate offices is included in selling, general and administrative which was $143,000 and $78,000 for the years ended December 31, 2020 and 2019, respectively. These reclassifications had no impact on the Company's consolidated financial position, results of operations or cash flows.

Principles of Consolidation

These consolidated financial statements present the financial position and results of operations of the Company, its wholly-owned subsidiaries, and the PAs, which are considered variable interest entities in which the Company is the primary beneficiary.

NOTE 1—ORGANIZATION AND SUMMARY OF KEY ACCOUNTING POLICIES (Continued)

All intercompany accounts and transactions have been eliminated in consolidation.

Variable Interest Entities

The Company has a variable interest in the managed PAs where it has a long-term and unilateral controlling financial interest over such PAs' assets and operations. The Company has the ability to direct the activities that most significantly affect the PAs' economic performance via the MSAs and related agreements. The Company is a practice management service organization and does not engage in the practice of medicine. These services are provided by licensed professionals at each of the PAs. Certain key features of the MSAs and related agreements enable the Company to assign the member interests of certain of the PAs to another member designated by the Company (i.e., "nominee shareholder") for a nominal value in certain circumstances at the Company's sole discretion. The MSA does not allow the Company to be involved in, or provide guidance on, the clinical operations of the PAs. The Company consolidates the PAs into the financial statements. All of the Company's revenue is earned from services provided by the PAs. The only assets and liabilities held by the PAs included in the accompanying consolidated balance sheets are clinical related. The clinical assets and liabilities are not material to the Company as a whole.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Concentration of Credit Risk

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. The Company's revenues are concentrated in the specialty, minimally invasive liposuction market.

The Company maintains cash balances at financial institutions which may at times exceed the amount covered by the Federal Deposit Insurance Corporation. The Company has not experienced any losses in such accounts.

Revenue Recognition

Revenues consist primarily of revenues earned for the provision of the Company's patented AirSculpt® procedures. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account for revenue recognition. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Company's performance obligations are delivery of specialty, minimally invasive liposuction services.

The Company assists patients, as needed, by providing third-party financing options to pay for procedures. The Company has arrangements with various financing companies to facilitate this option. There is a financing transaction fee based on a set percentage of the amount financed and the Company recognizes revenue based on the expected transaction price which is reduced for financing fees.

Revenue for services is recognized when the service is performed. Payment is typically rendered in advance of the service. Customer contracts generally do not include more than one performance obligation.

The Company's policy is to require payment for services in advance. Payments received for services that have yet to be performed as of December 31, 2020 and 2019 are included in deferred revenue and patient deposits.

NOTE 1—ORGANIZATION AND SUMMARY OF KEY ACCOUNTING POLICIES (Continued)

Cost of Service

Cost of service is comprised of all service and product costs related to the delivery of procedures, including but not limited to compensation to doctors, nurses and clinical staff, supply costs, and facility rent expense.

Deferred Financing Costs, Net

Loan costs are capitalized in the period in which they are incurred and amortized on the straight-line basis over the term of the respective financing agreement which approximates the effective interest method. These costs are included as a reduction of long-term debt on the consolidated balance sheets. Total amortization of deferred financing costs was approximately $211,000 and $226,000 for the years ended December 31, 2020 and 2019, respectively, and is included as a component of interest expense.

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method of accounting over the assets' estimated useful lives. Depreciation of leasehold improvements is based on the shorter of the estimated useful life of the improvement or the remaining lease term.

Leases

On January 1, 2019, the Company adopted the Lease Accounting Standard using the modified retrospective transition approach by applying the new standard to all leases existing at that date. Results and disclosure requirements for reporting periods beginning after January 1, 2019 are presented under the new guidance.

The Company elected the package of practical expedients permitted under the transition guidance, which allowed the Company to carryforward its historical lease identification, lease classification and initial direct costs for any leases that existed prior to January 1, 2019.

The Company determines if an arrangement is a lease at inception. Right-of-use assets represent the right to use the underlying assets for the lease term and the lease liabilities represent the obligation to make lease payments arising from the leases. Right-of-use assets and liabilities are recognized at commencement date based on the present value of future lease payments over the lease term, which includes only payments that are fixed and determinable at the time of commencement. When readily determinable, the Company uses the interest rate implicit in a lease to determine the present value of future lease payments. For leases where the implicit rate is not readily determinable, the Company's incremental borrowing rate is used. The Company calculates its incremental borrowing rate on a periodic basis using a third-party financial model that estimates the rate of interest the Company would have to pay to borrow an amount equal to the total lease payments on a collateralized basis over a term similar to the lease. The Company applies its incremental borrowing rate using a portfolio approach. The right-of-use assets also include any lease payments made prior to commencement and is recorded net of any lease incentives received. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options.

Goodwill and Intangible Assets

Indefinite-lived, non-amortizing intangible assets include goodwill. Goodwill represents the excess of the fair value of the consideration conveyed in the acquisition over the fair value of net assets acquired. Goodwill is not amortized and is evaluated annually for impairment or sooner if factors occur that would trigger an impairment review. Judgments regarding the existence of impairment indicators are based on market conditions and operational performance.

NOTE 1—ORGANIZATION AND SUMMARY OF KEY ACCOUNTING POLICIES (Continued)

Definite-lived, amortizing intangible assets primarily consist of patents, tradenames and other intellectual property. The Company amortizes definite-lived identifiable intangible assets on a straight-line basis over their estimated useful life of 15 years.

Impairment of goodwill

Goodwill represents the excess of purchase price over the fair value of net assets acquired in a business combination. Goodwill is not amortized but evaluated for impairment at least annually at the reporting unit level or whenever events or changes in circumstances indicate that the value may not be recoverable. Events or changes in circumstances which could trigger an impairment review include significant adverse changes in the business climate, unanticipated competition, a loss of key personnel, or the strategy for the overall business, significant industry or economic trends, or significant underperformance relevant to expected historical or projected future results of operations.

Goodwill is assessed for possible impairment by performing a qualitative analysis to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the events or circumstances, the Company determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then additional impairment testing is not required. However, if the Company were to believe the fair value was more likely than not lower than the carrying value, then the Company is required to perform a quantitative analysis.

The quantitative analysis involves comparing the estimated fair value of a reporting unit with its respective book value, including goodwill. If the estimated fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. If, however, the fair value of the reporting unit is less than its book value, then the carrying amount of the goodwill is reduced by recording an impairment loss in an amount equal to the excess. The Company reviews goodwill for impairment annually in the month of October.

See “Note 2—Goodwill and Intangibles, Net” for further discussion.

Long-Lived Assets

The Company accounts for impairment of long-lived assets in accordance with the provisions of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 350, *Intangibles—Goodwill and Other*. This standard requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets to be held and used is measured by a comparison of the carrying amount of an asset to future estimated cash flows expected to arise as a direct result of the use and eventual disposition of the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell. No impairment charges were recognized for the years ended December 31, 2020 or 2019.

Fair Value

ASC Topic 820, *Fair Value Measurements and Disclosure*s, defines fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the United States, and expands disclosure requirements about fair value measurements.

ASC Topic 820 defines three categories for the classification and measurement of assets and liabilities carried at fair value:

NOTE 1—ORGANIZATION AND SUMMARY OF KEY ACCOUNTING POLICIES (Continued)

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

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

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

The fair value of financial instruments is generally estimated through the use of public market prices, quotes from financial institutions and other available information. Judgment is required in interpreting data to develop estimates of market value and, accordingly, amounts are not necessarily indicative of the amounts that could be realized in a current market exchange.

Short-term financial instruments, including cash, prepaid expenses and other current assets, accounts payable, and other liabilities, consist primarily of instruments without extended maturities, for which the fair value, based on management's estimates, approximates their carrying values. Borrowings bear interest at what is estimated to be current market rates of interest, accordingly, carrying value approximates fair value.

Unit-Based Compensation

The Company recognizes unit-based compensation expense for employees and non-employees based on the grant-date fair value of Profit Interest Unit ("PIU") awards over the applicable service period. For awards that vest based on continued service, unit-based compensation cost is recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the awards. For awards with performance vesting conditions, unit-based compensation cost is recognized on a graded vesting basis over the requisite service period when it is probable the performance condition will be achieved. Once it is probable that the performance condition will be achieved, the Company recognizes unit-based compensation cost over the remaining requisite service period under a graded vesting model, with a cumulative adjustment for the portion of the service period that occurred for the period prior to the performance condition becoming probable of being achieved. The grant date fair value of PIU awards that contain service or performance conditions is estimated using the Black-Scholes pricing model.

Determining the fair value of PIU awards requires judgment. The Company uses the Black-Scholes pricing model to estimate the fair value of PIU awards that have service and performance vesting conditions. See "Note 6—Unit-Based Compensation" for further discussion.

The determination of unit-based compensation cost is inherently uncertain and subjective and involves the application of valuation models and assumptions requiring the use of judgment. If factors change and different assumptions are used, unit-based compensation expense and net losses could be significantly different.

Earnings Per Share

The Company's business is currently conducted through EBS Intermediate Parent LLC which is a wholly-owned subsidiary of EBS Parent LLC. The Company expects to have a corporate reorganization during 2021 where a new C corporation will be formed and will become the direct or indirect parent of EBS Intermediate Parent LLC. As a result, the Company does not believe earnings per share to be a meaningful presentation in the accompanying statements of operations.

Advertising Costs

Advertising costs are expensed in the period when the costs are incurred. Advertising expenses were approximately $7.0 million and $7.2 million for the years ended December 31, 2020 and 2019, respectively.

EBS Intermediate Parent LLC and Subsidiaries

Notes to Consolidated Financial Statements (Continued)
For the years ended December 31, 2020 and 2019

NOTE 1—ORGANIZATION AND SUMMARY OF KEY ACCOUNTING POLICIES (Continued)

Income Taxes

The Company is organized as a limited liability company and has elected to be treated as a partnership for federal and state income tax purposes. Accordingly, the tax consequences of the Company's profits and losses are passed through to the members of the Company and are reported in their respective income tax returns. Therefore, historically no provision for income taxes has been provided in the accompanying consolidated financial statements.

The Company applies the provisions of ASC 740-10, *Accounting for Uncertain Tax Positions* ("ASC 740-10"). Under these provisions, companies must determine and assess all material positions existing as of the reporting date, including all significant uncertain positions, for all tax years that are open to assessment or challenge under tax statutes. Additionally, those positions that have only timing consequences are analyzed and separated based on ASC 740-10's recognition and measurement model.

ASC 740-10 provides guidance related to uncertain tax positions for pass-through entities and tax-exempt not-for profit entities. ASC 740-10 also modifies disclosure requirements related to uncertain tax positions for nonpublic entities and provides that all entities are subject to ASC 740-10 even if the only tax position in question is the entity's status as a pass-through.

As required by the uncertain tax position guidance, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Company applied the uncertain tax position guidance to all tax positions for which the statute of limitations remained open and determined that there are no uncertain tax positions as of December 31, 2020 or 2019. The Company is not subject to U.S. federal tax examination prior to 2018, when it was formed.

Unaudited Pro Forma Income Taxes

The Company expects to have a corporate reorganization during 2021 where a new C corporation will be formed and will become the direct or indirect parent of EBS Intermediate Parent LLC. As a result, the Company would be subject to taxation as a C corporation. The Company has included a pro forma tax expense in its consolidated statement of operations, as if it were taxed as a C corporation. The Company has computed pro forma entity level income tax expense using an estimated effective tax rate of approximately 24.1% and 0% for the years ended December 31, 2020 and 2019, respectively, inclusive of all applicable U.S. federal and state income taxes.

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers ("Topic 606") which outlines a single comprehensive model for recognizing revenue and supersedes most existing revenue recognition guidance. On January 1, 2019, the Company adopted the standard using the modified retrospective approach. Under the modified retrospective approach, the Company was required to recognize the cumulative effect of initially applying Topic 606 as an adjustment to the opening balance of member's equity as of January 1, 2019, the date of initial application. The cumulative effect of initially applying Topic 606 had no impact on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes Topic 840, Leases ("ASU 2016-02"). ASU 2016- 02 requires a lessee to recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. The Company adopted ASU 2016-02 effective January 1, 2019, using a modified

NOTE 1—ORGANIZATION AND SUMMARY OF KEY ACCOUNTING POLICIES (Continued)

retrospective transition approach. The most prominent of the changes resulting from ASU 2016-02 is the recognition of right-of-use assets and lease liabilities by lessees for those leases classified as operating leases. Upon adoption of ASU 2016-02, the Company recorded $14.3 million of operating lease liabilities and $14.2 million in right-of-use assets on January 1, 2019. The cumulative effect of the accounting change recognized upon adoption had an immaterial impact to the consolidated balance sheets.

NOTE 2—GOODWILL AND INTANGIBLES, NET

On October 2, 2018, the Company acquired a controlling interest in EBS Enterprises, LLC in exchange for total consideration of $151.0 million. The fair value of the net identifiable assets at transaction date was $69.3 million, comprised primarily of $17.7 million in intangible assets related to the AirSculpt and Elite trademarks and tradenames and $53.6 million in intangible assets related to the AirSculpt technology and know-how. The resulting excess consideration over fair value of identifiable net assets was recorded to goodwill in the amount of $81.7 million.

The annual review of goodwill impairment was performed in October 2020 and 2019 using a qualitative analysis and the Company determined that a quantitative analysis was not required. There were no triggering events during the years ended December 31, 2020 or 2019.

The Company had goodwill of $81.7 million at December 31, 2020 and 2019.

Intangible assets consisted of the following at December 31, 2020 and 2019 (in 000's):

	2020	2019	Useful Life
Technology and know-how	$53,600	$53,600	15 years
Trademarks and tradenames	17,700	17,700	15 years
	71,300	71,300	
Accumulated amortization of technology and know-how	(8,038)	(4,464)	
Accumulated amortization of tradenames and trademarks	(2,654)	(1,474)	
Total intangible assets	$60,608	$65,362	

Aggregate amortization expense on intangible assets was approximately $4.8 million and for both of the years ended December 31, 2020 and 2019.

The estimated aggregate amortization expense on intangible assets for each of the next five years and thereafter is estimated to be as follows (in 000's):

Year ending December 31,	
2021	$ 4,753
2022	4,753
2023	4,753
2024	4,753
2025	4,753
Thereafter	36,843
Total	$60,608

EBS Intermediate Parent LLC and Subsidiaries

Notes to Consolidated Financial Statements (Continued)
For the years ended December 31, 2020 and 2019

NOTE 3—PROPERTY AND EQUIPMENT, NET

As of December 31, 2020 and 2019 property and equipment consists of the following: (in 000's):

	2020	2019
Medical equipment	$ 1,955	$ 533
Office and computer equipment	137	72
Furniture and fixtures	741	288
Leasehold improvements	5,374	3,627
Less: Accumulated depreciation and amortization	(1,099)	(214)
Property and equipment, net	$ 7,108	$4,306

Depreciation expense was approximately $888,000 and $207,000 for the years ended December 31, 2020 and 2019, respectively.

NOTE 4—DEBT

In October 2018, the Company entered into a credit agreement (the "Credit Agreement") with a lender. Under the terms of the Credit Agreement, the Company obtained a $34 million term loan and a $5 million revolving credit facility.

Principal payments on the term loan commenced in January 2019. Such principal payments are in the amount of $100,000 per quarter through the maturity date on October 2, 2023 when all remaining unpaid principal shall be due. If the Company's total leverage ratio, as defined in the Credit Agreement, exceeds 4.25 for the preceding twelve-month period the principal payment is $250,000 per quarter. Also, additional prepayments could be required if excess cash flow exists, as defined in the Credit Agreement. The Company calculated an excess cash flow prepayment of approximately $1.3 million required as of December 31, 2020. Effective May 2021, the Company received a waiver from the lender for this prepayment and thus the Company continues to reflect this amount in long-term debt as of December 31, 2020.

Under the Credit Agreement, the Company is obligated to make interest payments on the last day of each month. All outstanding loans bear interest based on either a base rate or LIBOR plus an applicable per annum margin of 4.5% (base rate) or 5.5% (LIBOR) if the Company's total leverage is equal to or greater than 2.5x and less than 4.25x. If the Company's total leverage ratio is equal to or greater than 4.25x, the interest is based on either a base rate or LIBOR plus an applicable per annum margin of 5.0% (base rate) or 6.0% (LIBOR). If the Company's total leverage ratio is below 2.5x, the interest is based on either a base rate or LIBOR plus an applicable per annum margin of 4.0% (base rate) or 5.0% (LIBOR). At June 30, 2021, the applicable per annum margins under the Credit Agreement were 4.5% (base rate) and 5.5% (LIBOR). At December 31, 2020, the borrowings under the Credit Agreement bore interest at approximately 6.0%. Additionally, the Company is required to pay an unused credit facility fee equal to 0.5% per annum on the unused amount of the revolving line of credit.

Total borrowings as of December 31, 2020 and 2019 were as follows (in 000's):

	2020	2019
Term loan	$33,100	$33,500
Unamortized debt issuance costs	(581)	(792)
Total debt, net	32,519	32,708
Less: Current portion	(400)	(400)
Long-term debt, net	$32,119	$32,308

EBS Intermediate Parent LLC and Subsidiaries

Notes to Consolidated Financial Statements (Continued)
For the years ended December 31, 2020 and 2019

NOTE 4—DEBT (Continued)

As of December 31, 2020, the Company had $5.0 million available on the revolving credit facility.

The scheduled future maturities of long-term debt as of December 31, 2020 is as follows (in 000's):

2021	$ 400
2022	400
2023	32,300
Total maturities	$33,100

All borrowings under the Credit Agreement are cross collateralized by substantially all assets of the Company and are subject to certain restrictive covenants including quarterly total leverage ratio and fixed charge ratio requirements and a limit on capital expenditures. The Company is in compliance with all covenants and has no letter of credit outstanding as of December 31, 2020.

NOTE 5—LEASES

The Company's operating leases are primarily for real estate, including suites in medical office buildings and corporate offices. The Company incurred rent expense of $2.8 million and $1.5 million for its suites in medical office buildings for the years ended December 31, 2020 and 2019, respectively. The Company incurred rent expense of $143,000 and $78,000 related to the corporate offices for the years ended December 31, 2020 and 2019, respectively. Rent expense related to suites in medical office buildings is included in cost of services while rent expense for the corporate offices is included in selling, general and administrative on the consolidated statements of operations. The Company currently does not have any finance leases. Real estate lease agreements typically have initial terms of five to ten years and may include one or more options to renew. The useful life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. The Company's lease agreements do not contain any material residual value guarantees, restrictions or covenants.

The following table presents the weighted-average lease terms and discount rates at December 31, 2020 and 2019:

	2020	2019
Weighted-average remaining lease term	5 years	4.8 years
Weight average discount rate	4.6%	4.1%

All of the Company's lease expense is classified in rent expense in the consolidated statements of operations.

The following table presents supplemental cash flow information for the years ended December 31, 2020 and 2019 (in 000's):

	2020	2019
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	$2,540	$1,325
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	$6,447	$8,910

Future minimum rental payments under all non-cancellable operating lease agreements for the succeeding five years are as follows, excluding common area maintenance charges that may be required by the agreements (in 000's):

EBS Intermediate Parent LLC and Subsidiaries

Notes to Consolidated Financial Statements (Continued)
For the years ended December 31, 2020 and 2019

NOTE 5—LEASES (Continued)

Year ended December 31,	
2021	$ 3,321
2022	3,192
2023	2,861
2024	2,757
2025	2,740
Thereafter	5,121
Total lease payments	19,992
Less: imputed interest	(2,744)
Total lease obligations	$17,248

NOTE 6—UNIT-BASED COMPENSATION

Under the Parent's 2018 incentive unit plan, the Parent is authorized to issue approximately 14,000 PIUs (the "Class B units") that represent non-voting interest in the Parent and that may only be issued in return for services provided to the Parent or its subsidiaries. During the year ended December 31, 2019, approximately 12,000 PIUs have been granted to employees and directors under the 2018 incentive unit plan and approximately 2,000 PIUs remain available for grant under the plan for each of the years ended December 31, 2020 and 2019.

The Company recognizes unit-based compensation expense based on the grant-date fair value of Profit Interest Unit ("PIU") awards over the applicable service period. Half of the PIUs have time-based vesting, and the remainder vest upon achievement of a specified return for the Parent's initial investors. Vesting of these PIUs are generally subject to continuing service over the vesting periods.

For awards that vest based on continued service, unit-based compensation cost is recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the awards. The vesting period is five years. For awards with performance vesting conditions, unit-based compensation cost is recognized on a graded vesting basis over the requisite service period when it is probable the performance condition will be achieved. Once it is probable that the performance condition will be achieved, the Company recognizes unit-based compensation cost over the remaining requisite service period under a graded vesting model, with a cumulative adjustment for the portion of the service period that occurred for the period prior to the performance condition becoming probable of being achieved. The grant date fair value of PIU awards that contain service or performance conditions is estimated using the Black-Scholes pricing model.

A summary of non-vested unit activity for the years ended December 31, 2020 and 2019 follows:

	Unvested Units	Weighted Average Grant Date Fair Value of Units
Outstanding at December 31, 2018	—	
Granted	12,363	$278.99
Vested	(347)	278.99
Outstanding at December 31, 2019	12,016	$278.99
Vested	(1,167)	278.99
Outstanding at December 31, 2020	10,849	$278.99

NOTE 6—UNIT-BASED COMPENSATION (Continued)

Determining the fair value of PIU awards requires judgment. The Company uses the Black-Scholes pricing model to estimate the fair value of PIU awards that have service and performance vesting conditions. The assumptions used in this pricing model requires the input of subjective assumptions and are as follows:

- Fair value—As the Company's member units are not currently publicly traded, the fair value of the Company's underlying member units was determined by management with the assistance of a third-party valuation firm. The Company will continue to determine fair value in this manner until such time as the Company's equity commences trading on an established stock exchange or national market system.
- Expected volatility—Expected volatility is based on historical volatilities of a publicly traded peer group based on daily price observations over a period equivalent to the expected term of the PIU awards.
- Expected term—For PIU awards with only service vesting conditions the expected term is estimated based on the expected timing of a liquidity event. For awards with performance conditions, the term is estimated in consideration of the time period expected to achieve the performance.
- Risk-free interest rate—The risk-free interest rate is based on the U.S. Treasury yield of treasury bonds with a maturity that approximates the expected term of the PIUs.
- Expected dividend yield—The dividend yield is based on the current expectations of dividend payouts. The Company does not anticipate paying any cash dividends in the foreseeable future.

The following table sets forth the assumptions that were used to calculate the fair value of PIU awards granted on March 31, 2019. No awards were granted in 2020.

	2019
Expected volatility	26.6%
Expected term	5.0
Risk-free interest rate	2.27%
Expected dividend yield	0%

At December 31, 2020, unrecognized compensation cost related to unvested time-based units was approximately $1.1 million. Unrecognized compensation cost will be expensed annually based on the number of units that vest during the year. Further the Company has unrecognized compensation cost of $1.7 million related to the performance-based units, which will be recognized on a graded vesting basis over the requisite service period when it is probable the performance condition will be achieved.

The Company recorded unit-based compensation expense of $325,000 and $341,000 for the years ended December 31, 2020 and 2019, respectively, in selling, general and administrative expenses on the consolidated statements of operations. Forfeitures are recognized as incurred.

NOTE 7—MEMBER'S EQUITY

On October 2, 2018, the Company transferred all of its limited liability company interests to the Parent, in exchange for all capital contributions made from the Parent. The Parent has approximately 124,785 Class A units outstanding at both December 31, 2020 and 2019.

The rights of all such units are governed by the amended and restated limited liability agreements of the Company and the Parent both dated October 2, 2018.

NOTE 7—MEMBER'S EQUITY (Continued)

The Parent also has PIUs (the "Class B units") that represent non-voting interest in the Parent and that may only be issued in return for services provided to the Parent or its subsidiaries. As of December 31, 2020, the Parent has a maximum grant pool of approximately 14,000 PIUs under the Parent's 2018 incentive unit plan.

NOTE 8—RELATED PARTY TRANSACTIONS

The Company entered into a professional services agreements, effective October 2, 2018, with Vesey Street Capital Partners, L.L.C., JCBI II, LLC, and Dr. Aaron Rollins (collectively the "Advisors"), where the Advisors provide certain managerial and advisory services to the Company. Each of the Advisors has an ownership interest in the Parent. Under the professional services agreements, the Company agreed to pay the Advisors an aggregate annual fee of the greater of $500,000 or 2% of consolidated earnings before interest, tax, depreciation and amortization, payable in advance quarterly installments, and the fee is allocated between the Advisors based on the outstanding Parent Class A Units held. Under the agreements, the Company also reimburses the Advisors for any out-of-pocket expenses incurred related to providing their services. During the years ended December 31, 2020 and 2019, the Company incurred management fees of approximately $500,000 each year.

NOTE 9—COMMITMENTS AND CONTINGENCIES

Professional Liability

In the ordinary course of business, the Company becomes involved in pending and threatened legal actions and proceedings, most of which involve claims of medical malpractice related to medical services provided by the PAs employed and affiliated physicians. The Company may also become subject to other lawsuits which could involve large claims and significant costs. The Company believes, based upon a review of pending actions and proceedings, that the outcome of such legal actions and proceedings will not have a material adverse effect on its business, financial condition, results of operations, and cash flows. The outcome of such actions and proceedings, however, cannot be predicted with certainty and an unfavorable resolution of one or more of them could have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

Although the Company currently maintains liability insurance coverage intended to cover professional liability and certain other claims, the Company cannot assure that its insurance coverage will be adequate to cover liabilities arising out of claims asserted against it in the future where the outcomes of such claims are unfavorable. Liabilities in excess of the Company's insurance coverage, including coverage for professional liability and certain other claims, could have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

NOTE 10—SEGMENT INFORMATION

The Company has one reportable segment: direct medical procedure services. This segment is made up of facilities and medical staff that provide the Company's patented AirSculpt® procedures to patients. Segment information is presented in the same manner that the Company's chief operating decision maker ("CODM") reviews the operating results in assessing performance and allocating resources. The Company's CODM is the Company's chief executive and chief operating officers. This committee reviews financial information presented on a consolidated basis for purposes of making operating decisions, assessing financial performance and allocating resources. The Company's CODM reviews revenue, gross profit and EBITDA. Gross profit is defined as revenues less cost of service incurred and EBITDA as net income excluding other income (net), interest expense, sponsor management fee, depreciation and amortization, unit-based compensation, pre-opening de novo costs and other non-ordinary course items.

NOTE 11—SUBSEQUENT EVENTS

In February 2021, the Company made a $3 million distribution to the Parent.

The Company calculated an excess cash flow prepayment of approximately $1.3 million required as of December 31, 2020. Effective May 2021, the Company received a waiver from the lender for this prepayment The Company has reflected this amount in long-term debt as of December 31, 2020 as the waiver was obtained subsequent to year end.

In May 2021, the Company amended the Credit Agreement by adding an incremental $52.0 million senior secured term loan. The proceeds from this loan plus excess cash on the balance sheet were used to pay a distribution to the Parent of approximately $59.7 million and the related fees for this transaction. Beginning on June 30, 2021, the quarterly principal payments will increase from $100,000 to $212,500. There were no other changes in the terms of the Credit Agreement.

The Company has evaluated subsequent events through the financial statement issuance date of July 2, 2021.

EBS Intermediate Parent, LLC and Subsidiaries

Condensed Consolidated Balance Sheets (unaudited)
June 30, 2021 and December 31, 2020

($000s)	June 30, 2021	December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	$ 16,848	$ 10,379
Prepaid expenses and other current assets	698	1,184
Total current assets	17,546	11,563
Property and equipment, net	10,578	7,108
Other long-term assets	1,709	1,544
Right of use operating lease assets	15,504	17,053
Intangible assets, net	58,229	60,608
Goodwill	81,734	81,734
Total assets	$185,300	$179,610
Liabilities and Member's Equity		
Current liabilities		
Accounts payable	$ 1,636	$ 1,095
Accrued payroll and benefits	1,962	1,258
Current portion of long-term debt	850	400
Deferred revenue and patient deposits	4,998	3,233
Accrued and other current liabilities	1,397	581
Current right of use operating lease liabilities	2,899	2,890
Total current liabilities	13,742	9,457
Long-term debt, net	82,123	32,119
Long-term right of use operating lease liability	12,717	14,358
Total liabilities	108,582	55,934
Commitments and contingent liabilities (Note 9)		
Member's equity	76,718	123,676
Total liabilities and member's equity	$185,300	$179,610

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

EBS Intermediate Parent, LLC and Subsidiaries

Condensed Consolidated Statements of Operations (unaudited)
For the six months ended June 30, 2021 and 2020

	Six Months Ended June 30,	
($000s)	**2021**	**2020**
Revenue	$61,108	$22,086
Operating expenses:		
Cost of service (exclusive of depreciation and amortization shown below)	20,008	8,983
Selling, general and administrative	18,990	10,031
Loss on debt modification	682	—
Depreciation and amortization	3,023	2,733
Total operating expenses	42,703	21,747
Income from operations	18,405	339
Interest expense, net	1,757	1,247
Net income (loss)	16,648	(908)
Pro forma income tax expense	3,975	—
Pro forma net income (loss)	$12,673	$ (908)

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

EBS Intermediate Parent, LLC and Subsidiaries

Condensed Consolidated Statement of Changes in Member's Equity (unaudited)
For the six months ended June 30, 2021 and 2020

($000s)	
Balance at December 31, 2019	$120,391
Distributions	(4,334)
Unit-based compensation	163
Net loss	(908)
Balance at June 30, 2020	$115,312
Balance at December 31, 2020	$123,676
Distributions	(63,778)
Unit-based compensation	172
Net income	16,648
Balance at June 30, 2021	$ 76,718

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

EBS Intermediate Parent, LLC and Subsidiaries

Condensed Consolidated Statements of Cash Flows (unaudited)
For six months ended June 30, 2021 and 2020

	Six Months Ended June 30,	
($000s)	**2021**	**2020**
Cash flows from operating activities		
Net income (loss)	$ 16,648	$ (908)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	3,023	2,733
Unit-based compensation	172	163
Non-cash interest expense; amortization of debt costs	191	106
Loss on debt modification	682	—
Changes in assets and liabilities		
Prepaid expense and other current assets	(478)	560
Other assets	1,384	(2,964)
Accounts payable	541	(829)
Deferred revenue and patient deposits	1,765	(699)
Accrued and other liabilities	(114)	3,521
Net cash provided by operating activities	23,814	1,683
Cash flows from investing activities		
Purchases of property and equipment, net	(3,149)	(1,720)
Net cash used in investing activities	(3,149)	(1,720)
Cash flows from financing activities		
Payment on term loan	(413)	(200)
Borrowings on term loan	49,995	2,500
Distribution to member	(63,778)	(4,334)
Net cash used in financing activities	(14,196)	(2,034)
Net increase (decrease) in cash and cash equivalents	6,469	(2,071)
Cash and cash equivalents		
Beginning of period	10,379	5,128
End of period	$ 16,848	$ 3,057
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 1,570	$ 1,143

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

EBS Intermediate Parent, LLC and Subsidiaries

Notes to Condensed Consolidated Financial Statements (unaudited)
For the six months ended June 30, 2021 and 2020

NOTE 1—ORGANIZATION AND SUMMARY OF KEY ACCOUNTING POLICIES

EBS Intermediate Parent, LLC (the "Company") was formed as a limited liability company under the laws of the state of Delaware pursuant to an agreement effective October 2nd, 2018 to facilitate the acquisition of EBS Enterprises, LLC f/k/a Rollins Enterprises, LLC. The Company is a wholly-owned subsidiary of EBS Parent, LLC (the "Parent"). The Company's revenues are concentrated in the specialty, minimally invasive liposuction market.

The Company, through its wholly-owned subsidiaries, is a provider of practice management services to professional associations ("PAs") located throughout the United States. The Company owns and operates non-clinical assets and provides its management services to the PAs through management services agreements ("MSAs"). Management services provide for the administration of the non-clinical aspects of the medical operations and include, but are not limited to, financial, administrative, technical, marketing, and personnel services.

At June 30, 2021 and 2020, the Company is providing management services to sixteen and eleven medical practices, respectively. Pursuant to the MSA, the PA is responsible for all clinical aspects of the medical operations of the practice.

Impact of COVID-19

The COVID-19 global pandemic has significantly affected the Company's facilities, employees, patients, business operations and financial performance, as well as the U.S. economy and financial markets. The COVID-19 pandemic materially impacted the Company's financial performance for the six months ending June 30, 2020. Beginning in March 2020, the COVID-19 pandemic began to negatively affect revenue and business operations. As a result of federal, state, and local guidelines, the Company cancelled or postponed most procedures scheduled at the facilities. As a result, case volumes across most of the Company's centers were significantly impacted in the second quarter of 2020. Although the length and severity of the impact of the COVID-19 pandemic cannot be predicted, the Company's volumes improved in the second half of 2020 as states began to re-open and allow for non-emergent procedures. During the second half of 2020 the Company's volumes and revenue have recovered to pre-pandemic levels and for the six months ended June 30, 2021 include minimal impact from the COVID-19 global pandemic. The length and severity of the pandemic continues to be difficult to predict and is dependent on factors beyond the Company's control.

Principles of Consolidation

These consolidated financial statements present the financial position and results of operations of the Company, its wholly-owned subsidiaries, and the PAs, which are under the control of the Company and are considered variable interest entities in which the Company is the primary beneficiary.

All intercompany accounts and transactions have been eliminated in consolidation.

Variable Interest Entities

The Company has a variable interest in the managed PAs where it has a long-term and unilateral controlling financial interest over such PAs' assets and operations. The Company has the ability to direct the activities that most significantly affect the PAs' economic performance via the MSAs and related agreements. The Company is a practice management service organization and does not engage in the practice of medicine. These services are provided by licensed professionals at each of the PAs. Certain key features of the MSAs and related agreements enable the Company to assign the member interests of certain of the PAs to another member designated by the Company (i.e., "nominee shareholder") for a nominal value in certain circumstances at the Company's sole discretion. The MSA does not allow the Company to be involved in, or provide guidance on, the clinical operations of the PAs. The Company consolidates the PAs into the financial statements. All of the Company's revenue is earned from services provided by the PAs. The only assets and liabilities held by the PAs

included in the accompanying consolidated balance sheets are clinical related. The clinical assets and liabilities are not material to the Company as a whole.

Basis of Presentation

The consolidated balance sheet as of June 30, 2021, and the consolidated statements of operations, convertible preferred stock and stockholders' deficit, and cash flows for the six months ended June 30, 2020 and 2021 are unaudited. The unaudited consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and reflect, in the opinion of management, all adjustments of a normal and recurring nature that are necessary for the fair statement of the Company's financial position as of June 30, 2021 and the results of operations and cash flows for the six months ended June 30, 2021 and 2020. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. The financial data and the other financial information disclosed in these notes to the condensed consolidated financial statements related to the six months ended June 30, 2021 and 2020 are also unaudited. The consolidated results of operations for the six months ended June 30, 2021 are not necessarily indicative of results to be expected for the year ending December 31, 2021 or for any other future annual or interim period. The condensed consolidated balance sheet as of December 31, 2020 included herein was derived from the audited consolidated financial statements as of that date.

These interim condensed consolidated financial statements should be read in conjunction with the Company's audited financial statements.

The condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, as well as interests in PAs controlled by the Company through rights granted to the Company by contract to manage and control the affiliate's business (as described in "Variable Interest Entities" above). All significant intercompany balances and transactions are eliminated in consolidation.

Revenue Recognition

Revenues consist primarily of revenues earned for the provision of the Company's patented AirSculpt® procedures. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account for revenue recognition. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Company's performance obligations are delivery of specialty, minimally invasive liposuction services.

The Company assists patients, as needed, by providing third-party financing options to pay for procedures. The Company has arrangements with various financing companies to facilitate this option. There is a financing transaction fee based on a set percentage of the amount financed and the Company recognizes revenue based on the expected transaction price which is reduced for financing fees.

Revenue for services is recognized when the service is performed. Payment is typically rendered in advance of the service. Customer contracts generally do not include more than one performance obligation.

The Company's policy is to require payment for services in advance. Payments received for services that have yet to be performed as of June 30, 2021 and December 31, 2020 are included in deferred revenue and patient deposits.

Deferred Financing Costs, Net

Loan costs are capitalized in the period in which they are incurred and amortized on the straight-line basis over the term of the respective financing agreement which approximates the effective interest method. These costs are included as a reduction of long-term debt on the consolidated balance sheets. Total amortization of deferred financing costs was approximately $191,000 and $106,000 for the six months ended June 30, 2021 and 2020, respectively. Amortization of loan costs is included as a component of interest expense.

Long-Lived Assets

The Company accounts for impairment of long-lived assets in accordance with the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 350, *Intangibles—Goodwill and Other*. This standard requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets to be held and used is measured by a comparison of the carrying amount of an asset to future estimated cash flows expected to arise as a direct result of the use and eventual disposition of the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell. No impairment charges were recognized for the six months ended June 30, 2021 and 2020.

Fair Value

ASC Topic 820, *Fair Value Measurements and Disclosure*s, defines fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the United States, and expands disclosure requirements about fair value measurements.

ASC Topic 820 defines three categories for the classification and measurement of assets and liabilities carried at fair value:

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

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

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

The fair value of financial instruments is generally estimated through the use of public market prices, quotes from financial institutions and other available information. Judgment is required in interpreting data to develop estimates of market value and, accordingly, amounts are not necessarily indicative of the amounts that could be realized in a current market exchange.

Short-term financial instruments, including cash, prepaid expenses and other current assets, accounts payable, and other liabilities, consist primarily of instruments without extended maturities, for which the fair value, based on management's estimates, approximates their carrying values. Borrowings bear interest at what is estimated to be current market rates of interest, accordingly, carrying value approximates fair value.

Earnings Per Share

The Company's business is currently conducted through EBS Intermediate Parent, LLC which is a wholly-owned subsidiary of EBS Parent, LLC. The Company expects to have a corporate reorganization during 2021 where a new C corporation will be formed and will become the direct or indirect parent of EBS Parent, LLC. As a result, the Company does not believe earnings per share to be a meaningful presentation in the accompanying condensed consolidated financial statements.

Advertising Costs

Advertising costs are expensed in the period when the costs are incurred. Advertising expenses were approximately $5.1 million and $2.9 million for the six months ended June 30, 2021 and 2020, respectively.

Income Taxes

The Company is organized as a limited liability company and has elected to be treated as a partnership for federal and state income tax purposes. Accordingly, the tax consequences of the Company's profits and losses are passed through to the members of the Company and are reported in their respective income tax returns.

Therefore, historically no provision for income taxes has been provided in the accompanying condensed consolidated financial statements.

The Company expects to have a corporate reorganization during 2021 where a new C corporation will be formed and will become the direct or indirect parent of EBS Parent, LLC. As a result, the Company would be subject to taxation as a C corporation. The Company has included a pro forma tax expense in its condensed consolidated statement of operations, as if it were taxed as a C corporation.

The Company applies the provisions of ASC 740-10, *Accounting for Uncertain Tax Positions* ("ASC 740-10"). Under these provisions, companies must determine and assess all material positions existing as of the reporting date, including all significant uncertain positions, for all tax years that are open to assessment or challenge under tax statutes. Additionally, those positions that have only timing consequences are analyzed and separated based on ASC 740-10's recognition and measurement model.

ASC 740-10 provides guidance related to uncertain tax positions for pass-through entities and tax-exempt not-for profit entities. ASC 740-10 also modifies disclosure requirements related to uncertain tax positions for nonpublic entities and provides that all entities are subject to ASC 740-10 even if the only tax position in question is the entity's status as a pass-through.

As required by the uncertain tax position guidance, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the condensed consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. The Company applied the uncertain tax position guidance to all tax positions for which the statute of limitations remained open and determined that there are no uncertain tax positions as of June 30, 2021 or December 31, 2020. The Company is not subject to U.S. federal tax examination prior to 2018, when it was formed.

Pro Forma Income Taxes

The Company expects to have a corporate reorganization during 2021 where a new C corporation will be formed and will become the direct or indirect parent of EBS Intermediate Parent LLC. As a result, the Company would be subject to taxation as a C corporation. The Company has included a pro forma tax expense in its consolidated statement of operations, as if it were taxed as a C corporation. The Company has computed pro forma entity level income tax expense using an estimated effective tax rate of approximately 23.9% and 0% for the six months ended June 30, 2021 and 2020, respectively, inclusive of all applicable U.S. federal and state income taxes.

NOTE 2—GOODWILL AND INTANGIBLES, NET

The annual review of goodwill impairment will be performed in October 2021. There were no triggering events during the six months ended June 30, 2021 and 2020.

The Company had goodwill of $81.7 million at June 30, 2021 and December 31, 2020.

Intangible assets consisted of the following at June 30, 2021 and December 31, 2020 (in 000's):

	June 30, 2021	December 31, 2020	Useful Life
Technology and know-how	$53,600	$53,600	15 years
Trademarks and tradenames	17,700	17,700	15 years
	71,300	71,300	
Accumulated amortization of technology and know-how	(9,826)	(8,038)	
Accumulated amortization of tradenames and trademarks	(3,245)	(2,654)	
Total intangible assets	$58,229	$60,608	

Aggregate amortization expense on intangible assets was approximately $2.4 million and for both of the six months ended June 30, 2021 and 2020.

NOTE 3—PROPERTY AND EQUIPMENT, NET

As of June 30, 2021 and December 31, 2020 property and equipment consists of the following: (in 000's):

	June 30, 2021	December 31, 2020
Medical equipment	$ 2,332	$ 1,955
Office and computer equipment	164	137
Furniture and fixtures	1,016	741
Leasehold improvements	6,649	5,374
Construction in progress	2,152	—
Less: Accumulated depreciation and amortization	(1,735)	(1,099)
Property and equipment, net	$10,578	$ 7,108

Depreciation expense was approximately $646,000 and $387,000 for the six months ended June 30, 2021 and 2020, respectively.

NOTE 4—DEBT

In October 2018, the Company entered into a credit agreement (the "Credit Agreement") with a lender. Under the terms of the Credit Agreement, the Company obtained a $34 million term loan and a $5 million revolving credit facility. In May 2021, the Company amended the Credit Agreement by adding an incremental $52.0 million senior secured term loan. The proceeds from this loan plus excess cash on the balance sheet were used to pay a distribution to the Parent of approximately $59.7 million and the related fees for this transaction. Beginning on September 30, 2021, the quarterly principal payments will increase from $100,000 to $212,500. As a result of the amendment, the Company recognized a loss on debt modification of $682,000 in its condensed consolidated statement of operations for the six months ended June 30, 2021.

The Company calculated an excess cash flow prepayment of approximately $1.3 million required as of December 31, 2020. Effective May 2021, the Company received a waiver from the lender for this prepayment. The Company has appropriately reflected this in long-term debt as of December 31, 2020.

There were no other changes in the terms of the Credit Agreement during the six months ended June 30, 2021.

Total borrowings as of June 30, 2021 and December 31, 2020 were as follows (in 000's):

	June 30, 2021	December 31, 2020
Term loan	$84,688	$33,100
Unamortized debt issuance costs	(1,715)	(581)
Total debt, net	82,973	32,519
Less: Current portion	(850)	(400)
Long-term debt, net	$82,123	$32,119

As of June 30, 2021, the Company had $5.0 million available on the revolving credit facility.

The scheduled future maturities of long-term debt as of June 30, 2021 is as follows (in 000's):

2021	$ 425
2022	850
2023	83,413
Total maturities	$84,688

All borrowings under the Credit Agreement are cross collateralized by substantially all assets of the Company and are subject to certain restrictive covenants including quarterly total leverage ratio and fixed charge ratio requirements and a limit on capital expenditures. The Company is in compliance with all covenants and has no letter of credit outstanding as of June 30, 2021.

NOTE 5—LEASES

The Company's operating leases are primarily for real estate, including suites in medical office buildings and corporate offices. For the six months ended June 30, 2021 and 2020, the Company incurred rent expense of $1.6 million and $1.2 million, respectively, related to its suites in medical office buildings. The Company's rent expense related to its suites in medical office buildings is classified in cost of services within the Company's Condensed Consolidated Statement of Operations. The Company incurred rent expense of $44,000 and $63,000 for the six months ended June 30, 2021 and 2020, respectively related to the corporate offices which is classified in selling, general and administrative expenses. The Company currently does not have any finance leases.

Real estate lease agreements typically have initial terms of five to ten years and may include one or more options to renew. The useful life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. The Company's lease agreements do not contain any material residual value guarantees, restrictions or covenants.

The following table presents supplemental cash flow information for the six months ended June 30, 2021 and 2020 (in 000's):

	June 30, 2021	June 30, 2020
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	$1,494	$1,146
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	$ —	$3,775

Future minimum rental payments under all non-cancellable operating lease agreements for the succeeding five years are as follows, excluding common area maintenance charges that may be required by the agreements (in 000's):

Year ended December 31,	
2021 (excluding the six months ended June 30, 2021)	$ 1,708
2022	3,340
2023	3,352
2024	3,307
2025	3,345
Thereafter	5,584
Total lease payments	20,636
Less: imputed interest	(5,020)
Total lease obligations	$15,616

NOTE 6—UNIT-BASED COMPENSATION

Under the Parent's 2018 incentive unit plan, the Parent is authorized to issue approximately 14,000 PIUs (the "Class B units") that represent non-voting interest in the Parent and that may only be issued in return for services provided to the Parent or its subsidiaries. Approximately 2,000 PIUs remain available for grant under the plan as of June 30, 2021. No PIUs were granted in the six months ended June 30, 2021 or 2020.

The Company recorded unit-based compensation expense of $172,000 and $163,000 for the six months ended June 30, 2021 and 2020, respectively, in selling, general and administrative expenses on the condensed consolidated statements of operations. Forfeitures are recognized as incurred.

NOTE 7—MEMBER'S EQUITY

On October 2, 2018, the Company transferred all of its limited liability company interests to the Parent, in exchange for all capital contributions made from the Parent. The Parent has approximately 124,785 Class A units outstanding at both June 30, 2021 and December 31, 2020.

The rights of all such units are governed by the amended and restated limited liability agreements of the Company and the Parent both dated October 2, 2018.

The Parent also has PIUs (the "Class B units") that represent non-voting interest in the Parent and that may only be issued in return for services provided to the Parent or its subsidiaries. As of June 30, 2021, the Parent has a maximum grant pool of approximately 14,000 PIUs under the Parent's 2018 incentive unit plan.

The Company paid distributions to the Parent of approximately $63.8 million and $4.3 million for the six months ended June 30, 2021 and 2020, respectively.

NOTE 8—RELATED PARTY TRANSACTIONS

The Company entered into a professional services agreements, effective October 2, 2018, with Vesey Street Capital Partners, L.L.C., JCBI II, LLC, and Dr. Aaron Rollins (collectively the "Advisors"), where the Advisors provide certain managerial and advisory services to the Company. Each of the Advisors has an ownership interest in the Parent. Under the professional services agreements, the Company agreed to pay the Advisors an aggregate annual fee of the greater of $500,000 or 2% of consolidated earnings before interest, tax, depreciation and amortization, payable in advance quarterly installments, and the fee is allocated between the Advisors based on the outstanding Parent Class A Units held. Under the agreements, the Company also reimburses the Advisors for any out-of-pocket expenses incurred related to providing their services. During the six months ended June 30, 2021 and 2020, the Company incurred management fees of approximately $250,000 and $250,000, respectively.

NOTE 9—COMMITMENTS AND CONTINGENCIES

Professional Liability

In the ordinary course of business, the Company becomes involved in pending and threatened legal actions and proceedings, most of which involve claims of medical malpractice related to medical services provided by the PAs employed and affiliated physicians. The Company may also become subject to other lawsuits which could involve large claims and significant costs. The Company believes, based upon a review of pending actions and proceedings, that the outcome of such legal actions and proceedings will not have a material adverse effect on its business, financial condition, results of operations, and cash flows. The outcome of such actions and proceedings, however, cannot be predicted with certainty and an unfavorable resolution of one or more of them could have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

Although the Company currently maintains liability insurance coverage intended to cover professional liability and certain other claims, the Company cannot assure that its insurance coverage will be adequate to cover liabilities arising out of claims asserted against it in the future where the outcomes of such claims are unfavorable. Liabilities in excess of the Company's insurance coverage, including coverage for professional liability and certain other claims, could have a material adverse effect on the Company's business, financial condition, results of operations, and cash flows.

NOTE 10—SEGMENT INFORMATION

The Company has one reportable segment: direct medical procedure services. This segment is made up of facilities and medical staff that provide the Company's patented AirSculpt® procedures to patients. Segment information is presented in the same manner that the Company's chief operating decision maker ("CODM") reviews the operating results in assessing performance and allocating resources. The Company's CODM is the Company's chief executive and chief operating officers. This committee reviews financial information presented on a consolidated basis for purposes of making operating decisions, assessing financial performance and allocating resources. The Company's CODM reviews revenue, gross profit and EBITDA. Gross profit is defined as revenues less cost of service incurred and EBITDA as net income excluding other income (net), interest expense, sponsor management fee, depreciation and amortization, unit-based compensation, pre-opening de novo costs and other non-ordinary course items.

NOTE 11—SUBSEQUENT EVENTS

The Company evaluated subsequent events through the financial statement issuance date of September 10, 2021. No subsequent events requiring accrual or disclosure were identified.

Through and including , 2021 (the 25th day after the commencement of our initial public offering), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

10,000,000 Shares

AirSculpt® TECHNOLOGIES

Common Stock

PROSPECTUS

Morgan Stanley ***Piper Sandler*** ***SVB Leerink***

Raymond James

, 2021

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the estimated expenses payable by us in connection with the sale and distribution of the securities registered hereby, other than underwriting discounts or commissions. All amounts are estimates except for the SEC registration fee and the Financial Industry Regulatory Authority filing fee.

SEC registration fee	$ 18,122.85
FINRA filing fee	$ 29,825.00
Stock exchange listing fees	$ 25,000.00
Printing and engraving expenses	$ 85,000.00
Accounting fees and expenses	$ 230,850.00
Legal fees and expenses	$2,750,000.00
Transfer agent and registrar fees	$ 4,500.00
Miscellaneous fees and expenses	$ 6,702.15
TOTAL	$3,150,000.00

Item 14. Indemnification of Directors and Officers.

Section 145 of the General Corporation Law of the State of Delaware provides as follows:

A corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interest of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

A corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

As permitted by the Delaware General Corporation Law, we have included in our amended and restated certificate of incorporation a provision to eliminate the personal liability of our directors for monetary

damages for breach of their fiduciary duties as directors, subject to certain exceptions. In addition, our amended and restated bylaws provide that we are required to indemnify our officers and directors under certain circumstances, including those circumstances in which indemnification would otherwise be discretionary, and we are required to advance expenses to our officers and directors as incurred in connection with proceedings against them for which they may be indemnified.

We intend to enter into indemnification agreements with our directors and officers. These agreements will provide broader indemnity rights than those provided under the Delaware General Corporation Law and our amended and restated certificate of incorporation. The indemnification agreements are not intended to deny or otherwise limit third-party or derivative suits against us or our directors or officers, but to the extent a director or officer were entitled to indemnity or contribution under the indemnification agreement, the financial burden of a third-party suit would be borne by us, and we would not benefit from derivative recoveries against the director or officer. Such recoveries would accrue to our benefit but would be offset by our obligations to the director or officer under the indemnification agreement.

The underwriting agreement provides that the underwriters are obligated, under certain circumstances, to indemnify our directors, officers and controlling persons against certain liabilities, including liabilities under the Securities Act. Reference is made to the form of underwriting agreement filed as Exhibit 1.1 hereto.

We maintain directors' and officers' liability insurance for the benefit of our directors and officers.

Item 15. Recent Sales of Unregistered Securities.

Since three years before the date of the initial filing of this registration statement, the registrant has sold the following securities without registration under the Securities Act:

In connection with the transactions described under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Corporate Structure and the Reorganization" in the accompanying prospectus, the registrant will issue an aggregate of 53,796,677 shares of its common stock to EBS Parent LLC and the Existing Owners. The offers, sales and issuances of the securities described above were exempt from registration under the Securities Act of 1933 in reliance upon Section 4(a)(2) of the Securities Act as transactions by an issuer not involving any public offering. No underwriters will be involved in the transaction.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits

Exhibit Number	Description of Exhibit
1.1	Form of Underwriting Agreement
3.1*	Certificate of Incorporation of the Registrant, as currently in effect
3.2*	Form of Amended and Restated Certificate of Incorporation of the Registrant, to be in effect immediately prior to the completion of the offering
3.3*	By-Laws of the Registrant, as currently in effect
3.4*	Form of Amended and Restated By-Laws of the Registrant, to be in effect immediately prior to the completion of the offering
4.1	Specimen Common Stock Certificate evidencing the shares of Common Stock
5.1	Opinion of McDermott Will & Emery LLP
10.1*	Form of Indemnification Agreement by and between the Registrant and each of its directors and executive officers.
10.2	Fifth Amendment to Credit Agreement by and among the Registrant, EBS Enterprises LLC, the Guarantors party thereto, the Lenders party thereto and First Eagle Alternative Capital Agents, Inc. (formerly known as THL Corporate Finance), as Agent
10.3*	Form of Management Services Agreement
10.4*	Form of Continuity Agreement

Exhibit Number	Description of Exhibit
10.5+*	Amended and Restated Employment Agreement between EBS Enterprises, LLC and Dr. Aaron Rollins
10.6+*	2021 Equity Incentive Plan
10.7+*	Form of AirSculpt Technologies, Inc. RSU Award Grant Notice and Award Agreement (2021 Equity Incentive Plan) (IPO Grants)
10.8+*	Form of AirSculpt Technologies, Inc. PSU Award Grant Notice and Award Agreement (2021 Equity Incentive Plan) (IPO Grants)
10.9*	Form of Registration Rights Agreement, by and between the Registrant and the Sponsor to be in effect immediately after the closing of the offering
10.10+*	Amended and Restated Employment Agreement between EBS Enterprises, LLC and Ronald Zelhof
10.11*	Form of Stockholders Agreement, by and between the Registrant,VSCP EBS Aggregator, LP, Dr. Aaron Rollins, and JCBI II LLC to be in effect immediately after the closing of the offering
10.12+*	Amended and Restated Employment Agreement between EBS Enterprises, LLC and Dennis Dean
10.13+	Form of Restricted Stock Agreement between AirSculpt Technologies, Inc., EBS Parent LLC and Ronald Zelhof
10.14+	Form of AirSculpt Technologies, Inc. RSU Award Grant Notice and Award Agreement (2021 Equity Incentive Plan)
10.15+	Employee Covenants Agreement, dated as of October 2, 2018, by and between EBS Enterprises, LLC and Dr. Aaron Rollins
10.16+	First Amendment to Employee Covenants Agreement, dated as of October 5, 2021, by and between EBS Enterprises,LLC and Dr. Aaron Rollins
21.1*	List of Subsidiaries of the Registrant
23.1	Consent of Independent Registered Public Accounting Firm for AirSculpt Technologies, Inc.
23.2	Consent of Independent Registered Public Accounting Firm for EBS Intermediate Parent LLC
23.3	Consent of McDermott Will & Emery LLP (included in Exhibit 5.1)
24.1*	Power of Attorney (included on signature page)
99.1*	Consent of Caroline Chu to be Named as Director Nominee
99.2*	Consent of Thomas Aaron to be Named as Director Nominee
99.3*	Consent of Kenneth Higgins to be Named as Director Nominee
99.4*	Consent of Pamela Netzky to be Named as Director Nominee

* Previously filed

** To be filed by amendment

\+ Indicates a management contract or any compensatory plan, contract or arrangement.

(a) Financial Statement Schedules

(b) All schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

Item 17. Undertakings.

The undersigned Registrant hereby undertakes:

(1) That for purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) That for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) For the purpose of determining liability under the Securities Act of 1933 to any purchaser, if the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(4) The undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(5) To provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(6) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Miami Beach on the 27th day of October, 2021.

AirSculpt Technologies, Inc.

By: /s/ Dr. Aaron Rollins
Name: Dr. Aaron Rollins
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the 27th day of October, 2021.

Signature	Title
/s/ Dr. Aaron Rollins Dr. Aaron Rollins	Chief Executive Officer, Director (Principal Executive Officer)
/s/ Dennis Dean Dennis Dean	Chief Financial Officer (Principal Accounting and Financial Officer)
* Adam Feinstein	Non-Executive Chairman of the Board of Directors
* Daniel Sollof	Director

*By: /s/ Dr. Aaron Rollins
Dr. Aaron Rollins
Attorney-in-Fact

Exhibit 1.1

[ ] Shares

AIRSCULPT TECHNOLOGIES, INC.

COMMON STOCK, PAR VALUE $0.001 PER SHARE

UNDERWRITING AGREEMENT

October [ ], 2021

October [ ], 2021

Morgan Stanley & Co. LLC
Piper Sandler & Co.
SVB Leerink LLC

c/o Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

c/o Piper Sandler & Co.
1251 Avenue of the Americas, Sixth Floor
New York, NY 10020

c/o SVB Leerink LLC
1301 Avenue of the Americas, 12th Floor
New York, New York 10019

Ladies and Gentlemen:

AirSculpt Technologies, Inc., a Delaware corporation (the "**Company**"), proposes to issue and sell to the several Underwriters named in Schedule II hereto (the "**Underwriters**"), and certain shareholders of the Company (the "**Selling Shareholders**") named in Schedule I hereto severally propose to sell to the several Underwriters, an aggregate of [ ] shares of the common stock of the Company, par value $0.001 per share (the "**Firm Shares**"), of which [ ] shares are to be issued and sold by the Company and [ ] shares are to be sold by the Selling Shareholders, each Selling Shareholder selling the amount set forth opposite such Selling Shareholder's name in Schedule I hereto. Certain of the Selling Shareholders also propose to sell to the several Underwriters not more than an additional [ ] shares of the common stock of the Company, par value $0.001 per share (the "**Additional Shares**"), if and to the extent that Morgan Stanley & Co. LLC ("**Morgan Stanley**"), Piper Sandler & Co., and SVB Leerink LLC as representatives of the several Underwriters (the "**Representatives**"), shall have determined to exercise, on behalf of the Underwriters, the right to purchase such shares of common stock granted to the Underwriters in Section 3 hereof. The Firm Shares and the Additional Shares are hereinafter collectively referred to as the "**Shares.**" The shares of common stock, par value $0.001 per share, of the Company to be outstanding after giving effect to the sales contemplated hereby are hereinafter referred to as the "**Common Stock**." The Company and the Selling Shareholders are hereinafter sometimes collectively referred to as the "**Sellers**."

The Company has filed with the Securities and Exchange Commission (the "**Commission**") a registration statement on Form S-1 (File No. 333-260067), including a preliminary prospectus, relating to the Shares. The registration statement as amended at the time it becomes effective, including the information (if any) deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430A under the Securities Act of 1933, as amended (the "**Securities Act**"), is hereinafter referred to as the "**Registration Statement**"; the prospectus in the form first used to confirm sales of Shares (or in the form first made available to the Underwriters by the Company to meet requests of purchasers pursuant to Rule 173 under the Securities Act) is hereinafter referred to as the "**Prospectus**." If the Company has filed an abbreviated registration statement to register additional shares of Common Stock pursuant to Rule 462(b) under the Securities Act (a "**Rule 462 Registration Statement**"), then any reference herein to the term "**Registration Statement**" shall be deemed to include such Rule 462 Registration Statement.

For purposes of this Agreement, "**free writing prospectus**" has the meaning set forth in Rule 405 under the Securities Act, "**preliminary prospectus**" shall mean each prospectus used prior to the effectiveness of the Registration Statement and each prospectus that omitted information pursuant to Rule 430A under the Securities Act that was used after such effectiveness and prior to the execution and delivery of this Agreement, "**Time of Sale Prospectus**" means the preliminary prospectus contained in the Registration Statement at the time of its effectiveness together with the documents and pricing information set forth in Schedule III hereto, and "**broadly available road show**" means a "bona fide electronic road show" as defined in Rule 433(h)(5) under the Securities Act that has been made available without restriction to any person. As used herein, the terms "Registration Statement," "preliminary prospectus," "Time of Sale Prospectus" and "Prospectus" shall include the documents, if any, incorporated by reference therein as of the date hereof.

For the purposes of this Agreement, "**subsidiary(ies)**" shall include the Professional Associations (as defined in the Prospectus) and any other variable interest entities of the Company.

Morgan Stanley has agreed to reserve a portion of the Shares to be purchased by it under this Agreement for sale to the Company's directors, officers, employees and business associates and other parties related to the Company (collectively, "**Participants**"), as set forth in each of the Time of Sale Prospectus and the Prospectus under the heading "Underwriters" (the "**Directed Share Program**"). The Shares to be sold by Morgan Stanley and its affiliates pursuant to the Directed Share Program, at the direction of the Company, are referred to hereinafter as the "**Directed Shares**". Any Directed Shares not orally confirmed for purchase by any Participant by the end of the business day on which this Agreement is executed will be offered to the public by the Underwriters as set forth in the Prospectus.

1. *Representations and Warranties of the Company*. The Company represents and warrants to and agrees with each of the Underwriters that:

(a) The Registration Statement has become effective; no stop order suspending the effectiveness of the Registration Statement is in effect, and no proceedings for such purpose or pursuant to Section 8A under the Securities Act are pending before or threatened by the Commission.

(b) (i) The Registration Statement, when it became effective, did not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) the Registration Statement and the Prospectus comply and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder, (iii) the Time of Sale Prospectus does not, and at the time of each sale of the Shares in connection with the offering when the Prospectus is not yet available to prospective purchasers and at the Closing Date (as defined in Section 5), the Time of Sale Prospectus, as then amended or supplemented by the Company, if applicable, will not contain any 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, (iv) each broadly available road show, if any, does not contain any information that conflicts with the information contained in the Registration Statement, the Time of Sale Prospectus or the Prospectus, and when considered together with the Time of Sale Prospectus, does not contain any 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 and (v) the Prospectus does not contain and, as amended or supplemented, if applicable, will not contain any 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, except that the representations and warranties set forth in this paragraph do not apply to statements or omissions in the Registration Statement, the Time of Sale Prospectus or the Prospectus based upon information relating to any Underwriter furnished to the Company in writing by or on behalf of such Underwriter through the Representatives expressly for use therein, it being understood and agreed upon that the only such information furnished by any Underwriter consists of the Underwriter Information, as defined below.

(c) The Company is not an “ineligible issuer” in connection with the offering pursuant to Rules 164, 405 and 433 under the Securities Act. Any free writing prospectus that the Company is required to file pursuant to Rule 433(d) under the Securities Act has been, or will be, filed with the Commission in accordance with the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder. Each free writing prospectus that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act or that was prepared by or on behalf of or used or referred to by the Company complies or will comply in all material respects with the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder. Except for the free writing prospectuses, if any, identified in Schedule III hereto, and electronic road shows, if any, each furnished to the Representatives before first use, the Company has not prepared, used or referred to, and will not, without the Representatives’ prior consent, prepare, use or refer to, any free writing prospectus.

(d) The Company has been duly incorporated, is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has the corporate power and authority to own or lease its property and to conduct its business as described in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole

(e) Each subsidiary of the Company has been duly incorporated, organized or formed, is validly existing as a corporation or other business entity in good standing under the laws of the jurisdiction of its incorporation, organization or formation, has the corporate or other business entity power and authority to own or lease its property and to conduct its business as described in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole; all of the issued shares of capital stock or other equity interests of each subsidiary of the Company have been duly and validly authorized and 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.

(f) This Agreement has been duly authorized, executed and delivered by the Company.

(g) The authorized capital stock of the Company conforms as to legal matters to the description thereof contained in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(h) The shares of Common Stock (including the Shares to be sold by the Selling Shareholders) outstanding prior to the issuance of the Shares to be sold by the Company have been duly authorized and are validly issued, fully paid and non-assessable.

(i) The Shares to be sold by the Company have been duly authorized and, when issued, delivered and paid for in accordance with the terms of this Agreement, will be validly issued, fully paid and non-assessable, and the issuance of the Shares will not be subject to any preemptive or similar rights.

(j) The execution and delivery by the Company of, and the performance by the Company of its obligations under, this Agreement will not contravene any provision of applicable law or the certificate of incorporation or by-laws of the Company or any agreement or other instrument binding upon the Company or any of its subsidiaries that is material to the Company and its subsidiaries, taken as a whole, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company or any subsidiary, and no consent, approval, authorization or order of, or qualification with, any governmental body, agency or court is required for the performance by the Company of its obligations under this Agreement, except such as may be required by the securities or Blue Sky laws of the various states or foreign jurisdictions or the rules and regulations of the Financial Industry Regulatory Authority ("**FINRA**") in connection with the offer and sale of the Shares.

(k) There has not occurred any material adverse change, or any development involving a prospective material adverse change, in the condition, financial or otherwise, or in the earnings, business or operations of the Company and its subsidiaries, taken as a whole, from that set forth in the Time of Sale Prospectus.

(l) There are no legal or governmental proceedings pending or threatened to which the Company or any of its subsidiaries is a party or to which any of the properties of the Company or any of its subsidiaries is subject (i) other than proceedings accurately described in all material respects in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus and proceedings that would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole, or on the power or ability of the Company to perform its obligations under this Agreement or to consummate the transactions contemplated by each of the Registration Statement, the Time of Sale Prospectus and the Prospectus or (ii) that are required to be described in each of the Registration Statement, the Time of Sale Prospectus or the Prospectus and are not so described; and there are no statutes, regulations, contracts or other documents that are required to be described in each of the Registration Statement, the Time of Sale Prospectus or the Prospectus or to be filed as exhibits to the Registration Statement that are not described or filed as required.

(m) Each preliminary prospectus filed as part of the Registration Statement as originally filed or as part of any amendment thereto, or filed pursuant to Rule 424 under the Securities Act, complied when so filed in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder.

(n) The Company is not, and after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

(o) The Company and each of its subsidiaries (i) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("**Environmental Laws**"), (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) are in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(p) There are no costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties) which would, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(q) There are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company or to require the Company to include such securities with the Shares registered pursuant to the Registration Statement.

(r) (i) None of the Company or any of its subsidiaries or affiliates, or any director, officer, or employee thereof, or, to the Company's knowledge, any agent or representative of the Company or of any of its subsidiaries or affiliates, has taken or will take any action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment, giving or receipt of money, property, gifts or anything else of value, directly or indirectly, to any government official (including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office) (a "**Government Official**") in order to obtain, retain, or direct business or influence official action, or to any person in violation of any applicable anti-corruption laws; (ii) the Company and each of its subsidiaries and affiliates have conducted their businesses in compliance with applicable anti-corruption laws and have instituted and maintained and will continue to maintain policies and procedures reasonably designed to promote and achieve compliance with such laws and with the representations and warranties contained herein; and (iii) neither the Company nor any of its subsidiaries will use, directly or indirectly, the proceeds of the offering in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of any applicable anti-corruption laws.

(s) The operations of the Company and each of its subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the applicable anti-money laundering statutes of jurisdictions where the Company and each of its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental or regulatory agency (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.

(t) (i) None of the Company, any of its subsidiaries, or any director, officer, or employee thereof, or, to the Company's knowledge, any agent, affiliate or representative of the Company or any of its subsidiaries, is an individual or entity ("**Person**") that is, or is owned or controlled by one or more Persons that are:

(A) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority (collectively, "**Sanctions**"); or

(B) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Crimea, Cuba, Iran, North Korea and Syria).

(ii) 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:

(A) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(B) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(iii) The Company and each of its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(u) Subsequent to the respective dates as of which information is given in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus, (i) the Company and its subsidiaries, taken as a whole, have not incurred any material liability or obligation, direct or contingent, nor entered into any material transaction; (ii) the Company has not purchased any of its outstanding capital stock, nor declared, paid or otherwise made any dividend or distribution of any kind on its capital stock other than ordinary and customary dividends; and (iii) there has not been any material change in the capital stock, short-term debt or long-term debt of the Company and its subsidiaries, taken as a whole.

(v) The Company and each of its subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them which is material to the business of the Company and its subsidiaries, in each case free and clear of all liens, encumbrances and defects except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company and its subsidiaries; and any real property and buildings held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company and its subsidiaries.

(w) (i) The Company and its subsidiaries own or have a valid right to use all patents, inventions, copyrights, know how, trade secrets and other unpatented and/or unpatentable proprietary or confidential information, methods, procedures, trademarks, service marks, trade names, domain names, social media identifiers and accounts, software, systems, technology, databases, photographs and all other worldwide intellectual property and proprietary rights (including all registrations and applications for registration of, and all goodwill associated with, any of the forgoing) (collectively, "**Intellectual Property Rights**") used in or reasonably necessary to the conduct of their businesses as currently conducted or as currently proposed to be conducted; (ii) the Intellectual Property Rights owned or puported to be owned by the Company and its subsidiaries and, to the Company's knowledge, the Intellectual Property Rights licensed to the Company and its subsidiaries, are valid, subsisting and enforceable, and there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity, scope, registrability or enforceability of any Intellectual Property Rights owned or purported to be owned by the Company or any of its subsidiaries; (iii) neither the Company nor any of its subsidiaries has received any notice alleging any infringement, misappropriation or other violation of Intellectual Property Rights which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a material adverse effect on the Company and its subsidiaries, taken as a whole; (iv) to the Company's knowledge, no third party is infringing, misappropriating or otherwise violating, or has infringed, misappropriated or otherwise violated, any Intellectual Property Rights owned or purported to be owned by the Company or any of its subsidiaries; (v) neither the Company nor any of its subsidiaries infringes, misappropriates or otherwise violates, or has infringed, misappropriated or otherwise violated, any Intellectual Property Rights of any third party, and the conduct of each of the respective businesses of the Company and its subsidiaries as described in each of the Registration Statement, the Time of Sale Prospectus or the Prospectus will not infringe, misappropriate, or otherwise violate any Intellectual Property Rights of any third party; (vi) each Person who has contributed to or participated in the conception or development of any [material] Intellectual Property Rights on behalf of the Company or any subsidiary of the Company has executed a valid and binding written agreement whereby such Person presently assigns to the Company or the applicable subsidiary all right, title and interest of such Person in and to such Intellectual Property Rights except where ownership thereof would vest in the Company or the applicable subsidiary by operation of law, and to the Company's knowledge, no such agreement has been breached or violated; and (vii) the Company and its subsidiaries use, and have used, commercially reasonable efforts to maintain, protect and police all Intellectual Property Rights material to the businesss of the Company and its subsidiaries, taken as a whole, including to appropriately maintain as a trade secret all information intended to be maintained as a trade secret.

(x) (i) The Company and its subsidiaries use and have used any and all software and other materials distributed under a "free," "open source," or similar licensing model (including but not limited to the MIT License, Apache License, GNU General Public License, GNU Lesser General Public License and GNU Affero General Public License) ("**Open Source Software**") in compliance with all license terms applicable to such Open Source Software; and (ii) neither the Company nor any of its subsidiaries uses or distributes or has used or distributed any Open Source Software in any manner that requires or has required (A) the Company or any of its subsidiaries to permit reverse engineering of any software code or other technology owned or purported to be owned by the Company or any of its subsidiaries or (B) any software code or other technology owned or purported to be owned by the Company or any of its subsidiaries to be (1) disclosed or distributed in source code form, (2) licensed for the purpose of making derivative works or (3) redistributed at no charge.

(y) (i) The Company and each of its subsidiaries have complied and are presently in compliance with all internal and external privacy policies, contractual obligations, industry standards, applicable laws, statutes, judgments, orders, rules and regulations of any court or arbitrator or other governmental or regulatory authority and any other legal obligations, in each case, relating to the collection, use, transfer, import, export, storage, protection, disposal and disclosure by the Company or any of its subsidiaries of personal, personally identifiable, household, sensitive, confidential or regulated data ("**Data Security Obligations**", and such data, "**Data**"); (ii) the Company has not received any notification of or complaint regarding and is unaware of any other facts that, individually or in the aggregate, would reasonably indicate non-compliance with any Data Security Obligation; and (iii) of there is no action, suit or proceeding by or before any court or governmental agency, authority or body pending or threatened alleging non-compliance with any Data Security Obligation.

(z) The Company and each of its subsidiaries have taken all technical and organizational measures necessary to protect the information technology systems and Data used in connection with the operation of the Company's and its subsidiaries' businesses. Without limiting the foregoing, the Company and its subsidiaries have used reasonable efforts to establish and maintain, and have established, maintained, implemented and complied with, reasonable information technology, information security, cyber security and data protection controls, policies and procedures, including oversight, access controls, encryption, technological and physical safeguards and business continuity/disaster recovery and security plans that are designed to protect against and prevent breach, destruction, loss, unauthorized distribution, use, access, disablement, misappropriation or modification, or other compromise or misuse of or relating to any information technology system or Data used in connection with the operation of the Company's and its subsidiaries' businesses ("**Breach**"). There has been no such Breach, and the Company and its subsidiaries have not been notified of and have no knowledge of any event or condition that would reasonably be expected to result in, any such Breach.

(aa) No material labor dispute with the employees of the Company or any of its subsidiaries exists, or, to the knowledge of the Company, is imminent; and the Company is not aware of any existing, threatened or imminent labor disturbance by the employees of any of its principal suppliers, manufacturers or contractors that could, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(bb) The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; neither the Company nor any of its subsidiaries has been refused any insurance coverage sought or applied for; and neither the Company nor any of its subsidiaries 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 at a cost that would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(cc) The Company and each of its subsidiaries possess, and are operating in compliance with, all licenses, clearances, registrations, certificates, authorizations, permits and exemptions issued by the appropriate federal, state or foreign regulatory authorities necessary to conduct their respective businesses, and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such licenses, clearances, registrations, certificates, authorizations, permits and exemptions which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(dd) The financial statements included in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus, together with the related schedules and notes thereto, comply as to form in all material respects with the applicable accounting requirements of the Securities Act and present fairly the consolidated financial position of the Company and its subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and such financial statements have been prepared in conformity with generally accepted accounting principles in the United States ("**U.S. GAAP**") applied on a consistent basis throughout the periods covered thereby. The other financial information included in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries and presents fairly in all material respects the information shown thereby. The statistical, industry-related and market-related data included in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus are based on or derived from sources which the Company reasonably and in good faith believes are reliable and accurate and such data is consistent with the sources from which they are derived, in each case in all material respects.

(ee) Grant Thornton LLP, who have certified certain financial statements of the Company and its subsidiaries and delivered its report with respect to the audited consolidated financial statements and schedules filed with the Commission as part of the Registration Statement and included in each of the Registration Statement, the Time of Sale Prospectus and the Prospectus, is an independent registered public accounting firm with respect to the Company within the meaning of the Securities Act and the applicable rules and regulations thereunder adopted by the Commission and the Public Company Accounting Oversight Board (United States).

(ff) The Company and each of its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. GAAP and to maintain asset accountability; (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 the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Since the end of the Company's most recent audited fiscal year, there has been (i) no material weakness in the Company's internal control over financial reporting (whether or not remediated) and (ii) no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(gg) The Company has not sold, issued or distributed any shares of Common Stock during the six-month period preceding the date hereof, including any sales pursuant to Rule 144A under, or Regulation D or S of, the Securities Act, other than shares issued pursuant to employee benefit plans, qualified stock option plans or other employee compensation plans or pursuant to outstanding options, rights or warrants.

(hh) The Registration Statement, the Prospectus, the Time of Sale Prospectus and any preliminary prospectus comply, and any amendments or supplements thereto will comply, with any applicable laws or regulations of foreign jurisdictions in which the Prospectus, the Time of Sale Prospectus or any preliminary prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program.

(ii) No consent, approval, authorization or order of, or qualification with, any governmental body or agency, other than those obtained, is required in connection with the offering of the Directed Shares in any jurisdiction where the Directed Shares are being offered.

(jj) The Company has not offered, or caused Morgan Stanley or any Morgan Stanley Entity as defined in Section 12 to offer, Shares to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer's or supplier's level or type of business with the Company, or (ii) a trade journalist or publication to write or publish favorable information about the Company or its products.

(kk) The Company and each of its subsidiaries have timely filed all federal, state, local and foreign tax returns required to be filed through the date of this Agreement and have paid all taxes required to be paid thereon or which are otherwise assessed and are due and payable (except for cases in which the failure to file or pay would not, singly or in the aggregate, have a material adverse effect on the Company and its subsidiaries, taken as a whole, or, except as currently being contested in good faith by appropriate proceedings and for which reserves required by U.S. GAAP have been created in the financial statements of the Company), and no tax deficiency has been determined adversely to the Company or any of its subsidiaries which, singly or in the aggregate, has had (nor does the Company nor any of its subsidiaries have any notice or knowledge of any tax deficiency which could reasonably be expected to be determined adversely to the Company or its subsidiaries and which could reasonably be expected to have) a material adverse effect on the Company and its subsidiaries, taken as a whole.

(ll) From the time of initial confidential submission of the Registration Statement to the Commission through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "**Emerging Growth Company**").

(mm) The Company (i) has not engaged in any Testing-the-Waters Communication with any person other than Testing-the-Waters Communications with the consent of the Representatives with entities that are reasonably believed to be qualified institutional buyers within the meaning of Rule 144A under the Securities Act or institutions that are reasonably believed to be accredited investors within the meaning of Rule 501 under the Securities Act and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications. The Company has not distributed any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act other than those listed in Schedule IV hereto. "**Testing-the-Waters Communication**" means any communication with potential investors undertaken in reliance on Section 5(d) or Rule 163B of the Securities Act.

(nn) As of the time of each sale of the Shares in connection with the offering when the Prospectus is not yet available to prospective purchasers, none of (A) the Time of Sale Prospectus, (B) any free writing prospectus, when considered together with the Time of Sale Prospectus, and (C) any individual Testing-the-Waters Communication, when considered together with the Time of Sale Prospectus, included, includes or will include an untrue statement of a material fact or omitted, omits or will 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.

(oo) Neither the Company nor any of its subsidiaries has any securities rated by any "nationally recognized statistical rating organization," as such term is defined in Section 3(a)(62) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

(pp) The Company has taken all necessary actions to ensure that, upon the effectiveness of the Registration Statement, it will be in compliance with all provisions of the Sarbanes-Oxley Act of 2002, as amended (the "**Sarbanes-Oxley Act**"), and all rules and regulations promulgated thereunder applicable to the Company at such time, and is taking steps designed to ensure that it will be in compliance, at all times, with the other provisions of the Sarbanes-Oxley Act when they become applicable to the Company after the effectiveness of the Registration Statement.

(qq) The Company will not take and has not taken, directly or indirectly, any action designed to, or that would reasonably be expected to, cause or result in any stabilization or manipulation of the price of the Shares.

(rr) With respect to the stock options granted pursuant to the stock-based compensation plans of the Company and its subsidiaries (the "**Company Stock Plans**"), (i) each grant of a stock option was duly authorized no later than the date on which the grant of such stock option was by its terms to be effective by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, and (ii) each such grant was made in accordance with the terms of the Company Stock Plans and all applicable laws and regulatory rules or requirements, including any applicable federal securities laws.

(ss) The Company and its subsidiaries are and have operated in material compliance with all applicable health care laws, including, (i) the Federal Food, Drug, and Cosmetic Act (21 U.S.C. §§ 301 et seq.); (ii) applicable federal, state, local and foreign health care related fraud and abuse laws, including, the U.S. Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)), the U.S. Physician Payments Sunshine Act (42 U.S.C. § 1320a-7h), the U.S. Civil False Claims Act (31 U.S.C. §§ 3729 et seq.), the criminal False Claims Law (42 U.S.C. § 1320a-7b(a)), all criminal laws relating to health care fraud and abuse and the health care fraud criminal provisions under the U.S. Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**") (42 U.S.C. § 1320d et seq.), the exclusion law (42 U.S.C. § 1320a-7), the civil monetary penalties law (42 U.S.C. § 1320a-7a); (iii) HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (42 U.S.C. §§ 1320d et seq., 42 U.S.C. §§ 17921 et seq.); (iv) quality, safety and accreditation requirements under applicable federal, state, local or foreign laws or regulatory bodies; (v) the regulations promulgated pursuant to all such laws; and (vi) other similar local, state, federal, or foreign laws and regulations, each as amended and together with their implementing regulations. (collectively, the "**Health Care Laws**").

(tt) The Company and its subsidiaries: (i) have not received any FDA Form 483, written notice of adverse finding, warning letter, untitled letter or other written correspondence or notice from the U.S. Food and Drug Administration (the "**FDA**") or any other similar court or arbitrator or federal, state, local or foreign governmental or regulatory authority alleging or asserting material noncompliance with any Health Care Laws or the terms of any licenses, certificates, approvals, clearances, authorizations, exemptions, registrations, listings, permits and supplements or amendments thereto required by any such Health Care Laws to conduct the Company's business as described in the Time of Sale Prospectus ("**Authorizations**"); (ii) possess all Authorizations and such Authorizations are valid and in full force and effect and neither the Company nor its subsidiaries is in violation of any such Authorizations; (iii) have not received written notice of any pending or completed claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from the FDA or any other similar court or arbitrator or federal, state, local or foreign governmental or regulatory authority or third party alleging that any product or activity is in violation of any Health Care Laws or Authorizations and have no knowledge that the FDA or any other similar court or arbitrator or federal, state, local or foreign governmental or regulatory authority or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding; (iv) have not received written notice that the FDA or any other similar court or arbitrator or federal, state, local or foreign governmental or regulatory authority has taken, is taking or intends to take action to limit, suspend, modify or revoke any Authorizations and has no knowledge that the FDA or any other similar court or arbitrator or federal, state, local or foreign governmental or regulatory authority is considering such action, and have no knowledge of any events which allow, or after notice or lapse of time, would allow, revocation or termination thereof or result in any other impairment of the rights of the holder of any Authorization; (v) are not a party to any material corporate integrity agreements, deferred prosecution agreements, monitoring agreements, consent decrees, settlement orders or similar agreements with or imposed by the FDA or any other similar court or arbitrator or federal, state, local or foreign governmental or regulatory authority, and has no reporting obligations, plan of correction or other remedial measures entered into pursuant to any such agreement entered into with, or such decree or order issued by, any such governmental or regulatory authority; (vi) are not, and none of their respective employees, officers or directors are, listed as excluded, suspended or debarred from participation in any U.S. federal health care program, or subject to a governmental inquiry, investigation, proceeding, or other similar action that could reasonably be expected to result in debarment, suspension, or exclusion; (vii) (a) have filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Health Care Laws or Authorizations, (b) all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were true, complete and correct on the date filed (or were corrected or supplemented by a subsequent submission), and (c) are not aware of any basis for any liability with respect to such filings; (viii) have not, either voluntarily or involuntarily, initiated, conducted, or issued or caused to be initiated, conducted or issued, any recall, field notifications, field corrections, market withdrawal or replacement, safety alert, post-sale warning, "dear doctor" letter, investigator notices, or other notice or action relating to the alleged lack of safety, efficacy or regulatory compliance of any product or any alleged product defect or violation and, are not aware (a) that any third party has initiated, conducted or intends to initiate any such notice or action and (b) that there are any facts that would be reasonably likely to result in such notice or action; and (ix) have not, and have no knowledge that any officers, employees and agents have, made any untrue statement of a fact or fraudulent statement to the FDA or any other similar court or arbitrator or federal, state, local or foreign governmental or regulatory authority or failed to disclose a material fact required to be disclosed to the FDA or any other similar court or arbitrator or federal, state, local or foreign governmental or regulatory authority.

(uu) There has been no storage, generation, transportation, use, handling, treatment, Release or threat of Release of Hazardous Materials by, relating to or caused by the Company or any of its subsidiaries (or, to the knowledge of the Company and its subsidiaries, any predecessor for whose acts or omissions the Company or any of its subsidiaries is or could reasonably be expected to be liable) at, on, under or from any property or facility now or previously owned, operated or leased by the Company or any of its subsidiaries, or at, on, under or from any other property or facility, in violation of any Environmental Laws or in a manner or amount or to a location that could reasonably be expected to result in any liability under any Environmental Law. "Hazardous Materials" means any material, chemical, substance, waste, pollutant, contaminant, compound, mixture, or constituent thereof, in any form or amount, including petroleum (including crude oil or any fraction thereof) and petroleum products, natural gas liquids, asbestos and asbestos containing materials, naturally occurring radioactive materials, brine, and drilling mud, regulated or which can give rise to liability under any Environmental Law. "Release" means any spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing, dispersing, or migrating in, into or through the environment, or in, into, from or through any building or structure.

(vv) (i) Any "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder (collectively, "**ERISA**")) established or maintained by the Company, its subsidiaries or their respective ERISA Affiliates (as defined below) or as to which the Company and any of its subsidiaries have any liability (an "**Employee Benefit Plan**") is and has been operated in compliance with its terms and all applicable laws, including ERISA and the Internal Revenue Code of 1986, as amended (the "**Code**"); (ii) no "reportable event" (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any Employee Benefit Plan; (iii) no failure to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA), whether or not waived, has occurred or is reasonably expected to occur with respect to any Employee Benefit Plan; (iv) the fair market value of the assets under each Employee Benefit Plan (excluding, for these purposes, accrued but unpaid contributions) exceeds the present value of all benefits accrued under such Employee Benefit Plan (determined based on those assumptions most recently used to fund such Employee Benefit Plan); (v) neither the Company, its subsidiaries nor any of their ERISA Affiliates has incurred or reasonably expects to incur any liability under (x) Title IV of ERISA with respect to termination of, or withdrawal from, any Employee Benefit Plan, (y) Sections 412, 430, 4971, 4975 or 4980B of the Code or (z) Sections 302, 303, 406, 4063 or 4064 of ERISA; (f) each Employee Benefit Plan that is intended to be qualified under Section 401(a) of the Code is so qualified and, to the knowledge of the Company, nothing has occurred, whether by action or failure to act, which would reasonably be expected to cause the loss of such qualification; (vi) there is no pending audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other governmental or other regulatory entity or agency with respect to any Employee Benefit Plan; and (vii) neither the Company nor any of its subsidiaries have any "accumulated post-retirement benefit obligations" (within the meaning of Statement of Financial Accounting Standards 106). For the purposes of this Section, "**ERISA Affiliate**" means, with respect to the Company or any of its subsidiaries, any Person or trade or business treated together with the Company or any of its subsidiaries as a single employer under Sections 414(b), (c), (m) or (o) of the Code or under common control for purposes of Title IV of ERISA.

(ww) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, customers or suppliers of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in the Registration Statement and the Prospectus and that is not so described in such documents and in the Time of Sale Prospectus.

(xx) None of the Company or any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against the Company or any of its subsidiaries or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

2. *Representations and Warranties of the Selling Shareholders*. Each Selling Shareholder represents and warrants to and agrees with each of the Underwriters that:

(a) This Agreement has been duly authorized, executed and delivered by or on behalf of such Selling Shareholder.

(b) The execution and delivery by such Selling Shareholder of, and the performance by such Selling Shareholder of its obligations under, this Agreement, the Custody Agreement signed by such Selling Shareholder and [●], as Custodian, relating to the deposit of the Shares to be sold by such Selling Shareholder (the "**Custody Agreement**") and the Power of Attorney appointing certain individuals as such Selling Shareholder's attorneys-in-fact to the extent set forth therein, relating to the transactions contemplated hereby and by the Registration Statement (the "**Power of Attorney**") will not contravene any provision of applicable law, or the certificate of incorporation or by-laws of such Selling Shareholder (if such Selling Shareholder is a corporation), or any agreement or other instrument binding upon such Selling Shareholder or any judgment, order or decree of any governmental body, agency or court having jurisdiction over such Selling Shareholder, and no consent, approval, authorization or order of, or qualification with, any governmental body, agency or court is required for the performance by such Selling Shareholder of its obligations under this Agreement or the Custody Agreement or Power of Attorney of such Selling Shareholder, except such as may be required by the securities or Blue Sky laws of the various states or FINRA in connection with the offer and sale of the Shares.

(c) Such Selling Shareholder has, and on the Closing Date will have, valid title to, or a valid "security entitlement" within the meaning of Section 8-501 of the New York Uniform Commercial Code in respect of, the Shares to be sold by such Selling Shareholder free and clear of all security interests, claims, liens, equities or other encumbrances and the legal right and power, and all authorization and approval required by law, to enter into this Agreement, the Custody Agreement and the Power of Attorney and to sell, transfer and deliver the Shares to be sold by such Selling Shareholder or a security entitlement in respect of such Shares.

(d) The Custody Agreement and the Power of Attorney have been duly authorized, executed and delivered by such Selling Shareholder and are valid and binding agreements of such Selling Shareholder.

(e) [Delivery of the Shares to be sold by such Selling Shareholder and payment therefor pursuant to this Agreement will pass valid title to such Shares, free and clear of any adverse claim within the meaning of Section 8-102 of the New York Uniform Commercial Code, to each Underwriter who has purchased such Shares without notice of an adverse claim.] [***OR***] [Upon payment for the Shares to be sold by such Selling Shareholder pursuant to this Agreement, delivery of such Shares, as directed by the Underwriters, to Cede & Co. ("**Cede**") or such other nominee as may be designated by the Depository Trust Company ("**DTC**"), registration of such Shares in the name of Cede or such other nominee and the crediting of such Shares on the books of DTC to securities accounts of the Underwriters (assuming that neither DTC nor any such Underwriter has notice of any adverse claim (within the meaning of Section 8-105 of the New York Uniform Commercial Code (the "**UCC**")) to such Shares), (A) DTC shall be a "protected purchaser" of such Shares within the meaning of Section 8-303 of the UCC, (B) under Section 8-501 of the UCC, the Underwriters will acquire a valid security entitlement in respect of such Shares and (C) no action based on any "adverse claim", within the meaning of Section 8-102 of the UCC, to such Shares may be asserted against the Underwriters with respect to such security entitlement; for purposes of this representation, such Selling Shareholder may assume that when such payment, delivery and crediting occur, (x) such Shares will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with its certificate of incorporation, bylaws and applicable law, (y) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the UCC and (z) appropriate entries to the accounts of the several Underwriters on the records of DTC will have been made pursuant to the UCC.]

(f) Such Selling Shareholder has delivered to the Representatives an executed lock-up agreement in substantially the form attached hereto as Exhibit A (the "**Lock-up Agreement**").

(g) Such Selling Shareholder has no reason to believe that the representations and warranties of the Company contained in Section 1 are not true and correct, is familiar with the Registration Statement, the Time of Sale Prospectus and the Prospectus and has no knowledge of any material fact, condition or information not disclosed in the Registration Statement, the Time of Sale Prospectus or the Prospectus that has had, or may have, a material adverse effect on the Company and its subsidiaries, taken as a whole. Such Selling Shareholder is not prompted by any information concerning the Company or its subsidiaries which is not set forth in the Registration Statement, the Time of Sale Prospectus or the Prospectus to sell its Shares pursuant to this Agreement.

(h) (i) The Registration Statement, when it became effective, did not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) the Registration Statement and the Prospectus comply and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder, (iii) the Time of Sale Prospectus does not, and at the time of each sale of the Shares in connection with the offering when the Prospectus is not yet available to prospective purchasers and at the Closing Date (as defined in Section 5), the Time of Sale Prospectus, as then amended or supplemented by the Company, if applicable, will not, contain any 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, (iv) each broadly available road show, if any, does not contain any information that conflicts with the information contained in the Registration Statement, the Time of Sale Prospectus or the Prospectus, and when considered together with the Time of Sale Prospectus, does not contain any 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 and (v) the Prospectus does not contain and, as amended or supplemented, if applicable, will not contain any 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, except that the representations and warranties set forth in this paragraph do not apply to statements or omissions in the Registration Statement, the Time of Sale Prospectus or the Prospectus based upon information relating to any Underwriter furnished to the Company in writing by or on behalf of such Underwriter through the Representatives expressly for use therein, it being understood and agreed upon that the only information furnished by any Underwriter consists of the Underwriter Information, as defined below.

(i) (i) None of such Selling Shareholder or any of its subsidiaries, or any director, officer, or employee thereof, or, to the knowledge of such Selling Shareholder, any agent, representative, or affiliate thereof, is a Person that is, or is owned or controlled by one or more Persons that are:

(A) the subject of any Sanctions, or

(B) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Crimea, Cuba, Iran, North Korea and Syria).

(ii) Such Selling Shareholder 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:

(A) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or

(B) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(iii) Such Selling Shareholder has not knowingly engaged in, is not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions.

(j) (i) None of such Selling Shareholder or any of its subsidiaries, or any director, officer, or employee thereof, or, to the knowledge of such Selling Shareholder, any agent, representative, or affiliate thereof has taken or will take any action in furtherance of an offer, payment, promise to pay, or authorization or approval of the payment giving or receipt of money, property, gifts or anything else of value, directly or indirectly, to any Government Official in order to obtain, retain or direct business or influence official action, or to any person in violation of any applicable anti-corruption laws; (ii) such Selling Shareholder and each of its subsidiaries have conducted their businesses in compliance with applicable anti-corruption laws and have instituted and maintained and will continue to maintain policies and procedures reasonably designed to promote and achieve compliance with such laws and with the representations and warranties contained herein; and (iii) neither the Selling Shareholder nor any of its subsidiaries will use, directly or indirectly, the proceeds of the offering in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of any applicable anti-corruption laws.

(k) The operations of such Selling Shareholder and each of its subsidiaries are and have been conducted at all times in material compliance with all applicable Anti-Money Laundering Laws, and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving such Selling Shareholder or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Selling Shareholder, threatened.

(l) Such Selling Shareholder represents and warrants that it is not (i) an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (ii) a plan or account subject to Section 4975 of the Internal Revenue Code of 1986, as amended or (iii) an entity deemed to hold "plan assets" of any such plan or account under Section 3(42) of ERISA, 29 C.F.R. 2510.3-101, or otherwise.

3. *Agreements to Sell and Purchase.* Each Seller, severally and not jointly, hereby agrees to sell to the several Underwriters, and each Underwriter, upon the basis of the representations and warranties herein contained, but subject to the terms and conditions hereinafter stated, agrees, severally and not jointly, to purchase from such Seller at $[●] a share (the "**Purchase Price**") the number of Firm Shares (subject to such adjustments to eliminate fractional shares as the Representatives may determine) that bears the same proportion to the number of Firm Shares to be sold by such Seller as the number of Firm Shares set forth in Schedule II hereto opposite the name of such Underwriter bears to the total number of Firm Shares.

On the basis of the representations and warranties contained in this Agreement, and subject to its terms and conditions, certain Selling Shareholders (as set out in Schedule I) agree to sell to the Underwriters the Additional Shares, and the Underwriters shall have the right to purchase, severally and not jointly, up to [ ] Additional Shares at the Purchase Price, provided, however, that the amount paid by the Underwriters for any Additional Shares shall be reduced by an amount per share equal to any dividends declared by the Company and payable on the Firm Shares but not payable on such Additional Shares. The Representatives may exercise this right on behalf of the Underwriters in whole or from time to time in part by giving written notice not later than 30 days after the date of this Agreement. Any exercise notice shall specify the number of Additional Shares to be purchased by the Underwriters and the date on which such shares are to be purchased. Each purchase date must be at least one business day after the written notice is given and may not be earlier than the closing date for the Firm Shares or later than ten business days after the date of such notice. Additional Shares may be purchased as provided in Section 5 hereof solely for the purpose of covering over-allotments made in connection with the offering of the Firm Shares. On each day, if any, that Additional Shares are to be purchased (an "**Option Closing Date**"), each Underwriter agrees, severally and not jointly, to purchase the number of Additional Shares (subject to such adjustments to eliminate fractional shares as the Representatives may determine) that bears the same proportion to the total number of Additional Shares to be purchased on such Option Closing Date as the number of Firm Shares set forth in Schedule II hereto opposite the name of such Underwriter bears to the total number of Firm Shares.

4. *Terms of Public Offering.* The Sellers are advised by the Representatives that the Underwriters propose to make a public offering of their respective portions of the Shares as soon after the Registration Statement and this Agreement have become effective as in the Representatives' judgment is advisable. The Sellers are further advised by the Representatives that the Shares are to be offered to the public initially at $[●] a share (the "**Public Offering Price**") and to certain dealers selected by the Representatives at a price that represents a concession not in excess of $[●] a share under the Public Offering Price, and that any Underwriter may allow, and such dealers may reallow, a concession, not in excess of $[●] a share, to any Underwriter or to certain other dealers.

5. *Payment and Delivery.* Payment for the Firm Shares to be sold by each Seller shall be made to such Seller in Federal or other funds immediately available in New York City against delivery of such Firm Shares for the respective accounts of the several Underwriters at 10:00 a.m., New York City time,[ ], as shall be designated in writing by the Representatives. The time and date of such payment are hereinafter referred to as the "**Closing Date**."

Payment for any Additional Shares shall be made to the Company in Federal or other funds immediately available in New York City against delivery of such Additional Shares for the respective accounts of the several Underwriters at 10:00 a.m., New York City time, on the date specified in the corresponding notice described in Section 3 or at such other time on the same or on such other date, in any event not later than [ ], 2021, as shall be designated in writing by the Representatives.

The Firm Shares and Additional Shares shall be registered in such names and in such denominations as the Representatives shall request not later than one full business day prior to the Closing Date or the applicable Option Closing Date, as the case may be. The Firm Shares and Additional Shares shall be delivered to the Representatives on the Closing Date or an Option Closing Date, as the case may be, for the respective accounts of the several Underwriters. The Purchase Price actually payable by the Underwriters shall be reduced (but treated as paid hereunder to the person(s) which would otherwise be entitled to be paid any such reduced amount) by (i) any transfer taxes paid by, or on behalf of, the Underwriters in connection with the transfer of the Shares to the Underwriters duly paid and (ii) any withholding required by law.

6. *Conditions to the Underwriters' Obligations*. The obligations of the Sellers to sell the Shares to the Underwriters and the several obligations of the Underwriters to purchase and pay for the Shares on the Closing Date are subject to the condition that the Registration Statement shall have become effective not later than [4:00 p.m.] (New York City time) on the date hereof.

The several obligations of the Underwriters are subject to the following further conditions:

(a) Subsequent to the execution and delivery of this Agreement and prior to the Closing Date:

(i) no order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; and

(ii) there shall not have occurred any change, or any development involving a prospective change, in the condition, financial or otherwise, or in the earnings, business or operations of the Company and its subsidiaries, taken as a whole, from that set forth in the Time of Sale Prospectus that, in the Representatives' judgment, is material and adverse and that makes it, in the Representatives' judgment, impracticable to market the Shares on the terms and in the manner contemplated in the Time of Sale Prospectus.

(b) The Underwriters shall have received on the Closing Date a certificate, dated the Closing Date and signed by an executive officer of the Company, to the effect set forth in Sections 6(a)(i) and 6(a)(ii) above and to the effect that the representations and warranties of the Company contained in this Agreement are true and correct as of the Closing Date and that the Company has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date.

The officer signing and delivering such certificate may rely upon the best of his or her knowledge as to proceedings threatened.

(c) The Underwriters shall have received on the Closing Date an opinion and negative assurance letter of McDermott Will & Emery LLP, counsel for the Company, dated the Closing Date, in form and substance reasonably satisfactory to the Representatives.

(d) The Underwriters shall have received on the Closing Date an opinion and negative assurance letter of [●], counsel for the Selling Shareholders, dated the Closing Date, in form and substance reasonably satisfactory to the Representatives.

(e) The Underwriters shall have received on the Closing Date an opinion and negative assurance letter of Latham & Watkins LLP, counsel for the Underwriters, dated the Closing Date, in form and substance reasonably satisfactory to the Representatives.

With respect to Sections 6(c), 6(d) and 6(e) above, McDermott Will & Emery LLP, [●] and Latham & Watkins LLP may state that their opinions and beliefs are based upon their participation in the preparation of the Registration Statement, the Time of Sale Prospectus and the Prospectus and any amendments or supplements thereto and review and discussion of the contents thereof, but are without independent check or verification, except as specified.

The opinions of McDermott Will & Emery LLP and [●] described in Section 6(c) and 6(d) above (and any opinions of counsel for any Selling Shareholder referred to in the immediately preceding paragraph) shall be rendered to the Underwriters at the request of the Company or one or more of the Selling Shareholders, as the case may be, and shall so state therein.

(f) The Underwriters shall have received, on each of the date hereof and the Closing Date, a letter dated the date hereof or the Closing Date, as the case may be, in form and substance satisfactory to the Representatives, from Grant Thornton LLP, independent public accountants, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, the Time of Sale Prospectus and the Prospectus; *provided* that the letter delivered on the Closing Date shall use a "cut-off date" not earlier than the date hereof.

(g) The Underwriters shall have received, on each of the date hereof and the Closing Date, a certificate dated the date hereof or the Closing Date, as the case may be, in form and substance satisfactory to the Representatives, from the chief financial officer of the Company, with respect to certain financial information contained in the Registration Statement, the Time of Sale Prospectus and the Prospectus.

(h) The "lock-up" agreements, each substantially in the form of Exhibit A hereto, between the Representatives and all shareholders, officers and directors of the Company relating to restrictions on sales and certain other dispositions of shares of Common Stock or certain other securities, delivered to the Representatives on or before the date hereof (the "**Lock-up Agreements**"), shall be in full force and effect on the Closing Date.

(i) The Shares shall have been approved for listing on the Nasdaq Global Market.

(j) The several obligations of the Underwriters to purchase Additional Shares hereunder are subject to the delivery to the Representatives on the applicable Option Closing Date of the following:

(i) a certificate, dated the Option Closing Date and signed by an executive officer of the Company, confirming that the certificate delivered on the Closing Date pursuant to Section 6(b) hereof remains true and correct as of such Option Closing Date;

(ii) an opinion and negative assurance letter of McDermott Will & Emery LLP, counsel for the Company, dated the Option Closing Date, relating to the Additional Shares to be purchased on such Option Closing Date and otherwise to the same effect as the opinion required by Section 6(c) hereof;

(iii) an opinion and negative assurance letter of [●], counsel for the Selling Shareholders, dated the Option Closing Date, relating to the Additional Shares to be purchased on such Option Closing Date and otherwise to the same effect as the opinion required by Section 6(d) hereof;

(iv) an opinion and negative assurance letter of Latham & Watkins LLP, counsel for the Underwriters, dated the Option Closing Date, relating to the Additional Shares to be purchased on such Option Closing Date and otherwise to the same effect as the opinion required by Section 6(e) hereof;

(v) a letter dated the Option Closing Date, in form and substance satisfactory to the Representatives, from Grant Thornton LLP, independent public accountants, substantially in the same form and substance as the letter furnished to the Underwriters pursuant to Section 6(f) hereof; *provided* that the letter delivered on the Option Closing Date shall use a "cut-off date" not earlier than two business days prior to such Option Closing Date;

(vi) a certificate dated the Option Closing Date and signed by the chief financial officer of the Company, substantially in the same form and substance as the certificate furnished to the Underwriters pursuant to Section 6(g) hereof; and

(vii) such other documents as the Representatives may reasonably request with respect to the good standing of the Company and its subsidiaries, the due authorization and issuance of the Additional Shares to be sold on such Option Closing Date and other matters related to the issuance of such Additional Shares.

7. *Covenants of the Company*. The Company covenants with each Underwriter as follows:

(a) To furnish to the Representatives, without charge, [six] signed copies of the Registration Statement (including exhibits thereto) and for delivery to each other Underwriter a conformed copy of the Registration Statement (without exhibits thereto) and to furnish to the Representatives in New York City, without charge, prior to 10:00 a.m. New York City time on the business day next succeeding the date of this Agreement and during the period mentioned in Section 7(e) or 7(f) below, as many copies of the Time of Sale Prospectus, the Prospectus and any supplements and amendments thereto or to the Registration Statement as the Representatives may reasonably request.

(b) Before amending or supplementing the Registration Statement, the Time of Sale Prospectus or the Prospectus, to furnish to the Representatives a copy of each such proposed amendment or supplement and not to file any such proposed amendment or supplement to which the Representatives reasonably objects, and to file with the Commission within the applicable period specified in Rule 424(b) under the Securities Act any prospectus required to be filed pursuant to such Rule.

(c) To furnish to the Representatives a copy of each proposed free writing prospectus to be prepared by or on behalf of, used by, or referred to by the Company and not to use or refer to any proposed free writing prospectus to which the Representatives reasonably objects.

(d) Not to take any action that would result in an Underwriter or the Company being required to file with the Commission pursuant to Rule 433(d) under the Securities Act a free writing prospectus prepared by or on behalf of the Underwriter that the Underwriter otherwise would not have been required to file thereunder.

(e) If the Time of Sale Prospectus is being used to solicit offers to buy the Shares at a time when the Prospectus is not yet available to prospective purchasers and any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Time of Sale Prospectus in order to make the statements therein, in the light of the circumstances, not misleading, or if any event shall occur or condition exist as a result of which the Time of Sale Prospectus conflicts with the information contained in the Registration Statement then on file, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Time of Sale Prospectus to comply with applicable law, forthwith to prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to any dealer upon request, either amendments or supplements to the Time of Sale Prospectus so that the statements in the Time of Sale Prospectus as so amended or supplemented will not, in the light of the circumstances when the Time of Sale Prospectus is delivered to a prospective purchaser, be misleading or so that the Time of Sale Prospectus, as amended or supplemented, will no longer conflict with the Registration Statement, or so that the Time of Sale Prospectus, as amended or supplemented, will comply with applicable law.

(f) If, during such period after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters the Prospectus (or in lieu thereof the notice referred to in Rule 173(a) of the Securities Act) is required by law to be delivered in connection with sales by an Underwriter or dealer, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Prospectus in order to make the statements therein, in the light of the circumstances when the Prospectus (or in lieu thereof the notice referred to in Rule 173(a) of the Securities Act) is delivered to a purchaser, not misleading, or if, in the opinion of counsel for the Underwriters, it is necessary to amend or supplement the Prospectus to comply with applicable law, forthwith to prepare, file with the Commission and furnish, at its own expense, to the Underwriters and to the dealers (whose names and addresses the Representatives will furnish to the Company) to which Shares may have been sold by the Representatives on behalf of the Underwriters and to any other dealers upon request, either amendments or supplements to the Prospectus so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances when the Prospectus (or in lieu thereof the notice referred to in Rule 173(a) of the Securities Act) is delivered to a purchaser, be misleading or so that the Prospectus, as amended or supplemented, will comply with applicable law.

(g) To endeavor to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request.

(h) To make generally available to the Company's security holders and to the Representatives as soon as practicable an earnings statement covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the date of this Agreement which shall satisfy the provisions of Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder.

(i) To comply with all applicable securities and other laws, rules and regulations in each jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program.

(j) If any Seller is not a U.S. person for U.S. federal income tax purposes, the Company will deliver to each Underwriter (or its agent), on or before the Closing Date, (i) a certificate with respect to the Company's status as a "United States real property holding corporation," dated not more than thirty (30) days prior to the Closing Date, as described in Treasury Regulations Sections 1.897-2(h) and 1.1445-2(c)(3), and (ii) proof of delivery to the IRS of the required notice, as described in Treasury Regulations 1.897-2(h)(2).

(k) The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of the Shares within the meaning of the Securities Act and (ii) completion of the Restricted Period referred to in Section 7.

(l) If at any time following the distribution of any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act there occurred or occurs an event or development as a result of which such Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

The Company also covenants with each Underwriter that, without the prior written consent of Morgan Stanley on behalf of the Underwriters, it will not, and will not publicly disclose an intention to, during the period ending 180 days after the date of the Prospectus (the "**Restricted Period**"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise or (3) confidentially submit any draft registration statement or file any registration statement with the Commission relating to the offering of any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock.

The restrictions contained in the preceding paragraph shall not apply to (A) the Shares to be sold hereunder, (B) the issuance by the Company of shares of Common Stock upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof as described in each of the Time of Sale Prospectus and Prospectus, (C) facilitating the establishment of a trading plan on behalf of a shareholder, officer or director of the Company pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Common Stock, *provided* that (i) such plan does not provide for the transfer of Common Stock during the Restricted Period and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by the Company regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of Common Stock may be made under such plan during the Restricted Period, (D) grants of options, restricted stock or other equity awards and the issuance of Common Stock or securities convertible into or exercisable for Common Stock (whether upon the exercise of stock options or otherwise) to employees, officers, directors, advisors or consultants of the Company pursuant to the terms of a plan in effect on the date hereof and as described in each of the Time of Sale Prospectus and Prospectus, provided that the Company shall cause each recipient of such grant to execute and deliver to the Representatives a signed lock-up undertaking substantially in the form of Exhibit A hereto if such recipient has not already delivered one, or (E) the filing of a registration statement on Form S-8 to register Common Stock issuable pursuant to any employee benefit plans, qualified stock option plans or other employee compensation plans, described in the Time of Sale Prospectus.

If Morgan Stanley, in its sole discretion, agrees to release or waive the restrictions on the transfer of Shares set forth in a Lock-up Agreement for an officer or director of the Company and provides the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit B hereto through a major news service at least two business days before the effective date of the release or waiver.

8. *Covenants of the Sellers*. Each Seller, severally and not jointly, covenants with each Underwriter as follows:

(a) Each Seller will deliver to each Underwriter (or its agent), prior to or at the Closing Date, a properly completed and executed Internal Revenue Service ("**IRS**") Form W-9 or an IRS Form W-8, as appropriate, together with all required attachments to such form.

(b) Each Seller will deliver to each Underwriter (or its agent), on the date of execution of this Agreement, a properly completed and executed Certification Regarding Beneficial Owners of Legal Entity Customers, together with copies of identifying documentation, and each Seller undertakes to provide such additional supporting documentation as each Underwriter may reasonably request in connection with the verification of the foregoing Certification.

9. *Expenses*. Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, the Sellers agree to pay or cause to be paid all expenses incident to the performance of their obligations under this Agreement, including: (i) the fees, disbursements and expenses of the Company's counsel, the Company's accountants and counsel for the Selling Shareholders in connection with the registration and delivery of the Shares under the Securities Act and all other fees or expenses in connection with the preparation and filing of the Registration Statement, any preliminary prospectus, the Time of Sale Prospectus, the Prospectus, any free writing prospectus prepared by or on behalf of, used by, or referred to by the Company and amendments and supplements to any of the foregoing, including all printing costs associated therewith, and the mailing and delivering of copies thereof to the Underwriters and dealers, in the quantities hereinabove specified; (ii) all costs and expenses related to the authorization, issuance, sale, preparation, transfer and delivery of the Shares to the Underwriters, including any transfer or other taxes payable thereon; (iii) the cost of printing or producing any Blue Sky or Legal Investment memorandum in connection with the offer and sale of the Shares under state securities laws and all expenses in connection with the qualification of the Shares for offer and sale under state securities laws as provided in Section 7(g) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky or Legal Investment memorandum; (iv) all filing fees and the reasonable fees and disbursements of counsel to the Underwriters incurred in connection with the review and qualification of the offering of the Shares by the FINRA; (v) all fees and expenses in connection with the preparation and filing of the registration statement on Form 8-A relating to the Common Stock and all costs and expenses incident to listing the Shares on the NASDAQ Global Market; (vi) the cost of printing certificates representing the Shares; (vii) the costs and charges of any transfer agent, registrar or depositary; (viii) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Shares, including, without limitation, expenses associated with the preparation or dissemination of any electronic road show, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the cost of any aircraft chartered in connection with the road show; (ix) the document production charges and expenses associated with printing this Agreement; (x) all fees and disbursements of counsel incurred by the Underwriters in connection with the Directed Share Program and stamp duties, similar taxes or duties or any other taxes, if any, incurred by the Underwriters in connection with the Directed Share Program; and (xi) all other costs and expenses incident to the performance of the obligations of the Company hereunder for which provision is not otherwise made in this Section. It is understood, however, that except as provided in this Section, Section 11 entitled "Indemnity and Contribution", Section 12 entitled "Directed Share Program Indemnification" and the last paragraph of Section 14 below, the Underwriters will pay all of their costs and expenses, including fees and disbursements of their counsel, stock transfer taxes payable on resale of any of the Shares owned by them and any advertising expenses connected with any offers they may make and all travel and other expenses of the Underwriters or any of their employees incurred by them in connection with participation in investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Shares.

The provisions of this Section shall not supersede or otherwise affect any agreement that the Sellers may otherwise have for the allocation of such expenses among themselves.

10. *Covenants of the Underwriters*. Each Underwriter, severally and not jointly, covenants with the Company not to take any action that would result in the Company being required to file with the Commission under Rule 433(d) a free writing prospectus prepared by or on behalf of such Underwriter that otherwise would not be required to be filed by the Company thereunder, but for the action of the Underwriter.

11. *Indemnity and Contribution.* (a) The Sellers, jointly and severally, agree to indemnify and hold harmless each Underwriter, the directors, officers, employees and agents of each Underwriter and each person, if any, who controls any Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, and each affiliate of any Underwriter within the meaning of Rule 405 under the Securities Act from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) that arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, any preliminary prospectus, the Time of Sale Prospectus or any amendment or supplement thereto, any issuer free writing prospectus as defined in Rule 433(h) under the Securities Act, any Company information that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, any road show as defined in Rule 433(h) under the Securities Act (a "road show"), the Prospectus or any amendment or supplement thereto, or any Testing-the-Waters Communication, or arise out of, or are based upon, any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any such untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by the Underwriters through the Representatives consists of the information described as such in paragraph (b) below.

(b) Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, the Selling Shareholders, the directors of the Company, the officers of the Company who sign the Registration Statement and each person, if any, who controls the Company or any Selling Shareholder within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) that arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, any preliminary prospectus, the Time of Sale Prospectus or any amendment or supplement thereto, any issuer free writing prospectus as defined in Rule 433(h) under the Securities Act, any Company information that the Company has filed, or is required to file, pursuant to Rule 433(d) under the Securities Act, any road show, the Prospectus or any amendment or supplement thereto, or any Testing-the-Waters Communication, or arise out of, or are based upon, any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, but only with reference to information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, any preliminary prospectus, the Time of Sale Prospectus, any issuer free writing prospectus, road show or the Prospectus or any amendment or supplement thereto; provided that the only such information furnished by any Underwriter consists of the following information in the Prospectus: the third paragraph under the caption “Underwriters” in the Prospectus concerning the terms of the offering by the Underwriters, the seventh paragraph under the caption “Underwriters” in the Prospectus concerning sales to discretionary accounts and the first sentence of the thirteenth paragraph under the caption “Underwriters” in the Prospectus concerning stabilization and overallotments by the Underwriters (the “**Underwriter Information**”).

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to Section 11(a) or 11(b), such person (the "**indemnified party**") shall promptly notify the person against whom such indemnity may be sought (the "**indemnifying party**") in writing and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for (i) the fees and expenses of more than one separate firm (in addition to any local counsel) for all Underwriters and all persons, if any, who control any Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act or who are affiliates of any Underwriter within the meaning of Rule 405 under the Securities Act, (ii) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Company, its directors, its officers who sign the Registration Statement and each person, if any, who controls the Company within the meaning of either such Section and (iii) the fees and expenses of more than one separate firm (in addition to any local counsel) for all Selling Shareholders and all persons, if any, who control any Selling Shareholder within the meaning of either such Section, and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate firm for the Underwriters and such control persons and affiliates of any Underwriters, such firm shall be designated in writing by Morgan Stanley. In the case of any such separate firm for the Company, and such directors, officers and control persons of the Company, such firm shall be designated in writing by the Company. In the case of any such separate firm for the Selling Shareholders and such control persons of any Selling Shareholders, such firm shall be designated in writing by the persons named as attorneys-in-fact for the Selling Shareholders under the Powers of Attorney. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement (i) includes an unconditional release of such indemnified party, in form and substance reasonably satisfactory to such indemnified party, from all liability on claims that are the subject matter of such 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 any indemnified party.

(d) To the extent the indemnification provided for in Section 11(a) or 11(b) is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party or parties on the one hand and the indemnified party or parties on the other hand from the offering of the Shares or (ii) if the allocation provided by clause 11(e)(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 11(e)(i) above but also the relative fault of the indemnifying party or parties on the one hand and of the indemnified party or parties on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Sellers on the one hand and the Underwriters on the other hand in connection with the offering of the Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Shares (before deducting expenses) received by each Seller and the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate Public Offering Price of the Shares. The relative fault of the Sellers on the one hand and the Underwriters 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 the omission or alleged omission to state a material fact relates to information supplied by the Sellers or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Underwriters' respective obligations to contribute pursuant to this Section 11 are several in proportion to the respective number of Shares they have purchased hereunder, and not joint.

(e) The Sellers and the Underwriters agree that it would not be just or equitable if contribution pursuant to this Section 11 were determined by *pro rata* allocation (even if the Underwriters 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 Section 11(e). The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in Section 11(e) 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 such action or claim. Notwithstanding the provisions of this Section 11, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such 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 remedies provided for in this Section 11 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(f) The indemnity and contribution provisions contained in this Section 11 and the representations, warranties and other statements of the Company and the Selling Shareholders contained in this Agreement shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Underwriter, any person controlling any Underwriter or any affiliate of any Underwriter, by or on behalf of any Selling Shareholder or any person controlling any Selling Shareholder, or by or on behalf of the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Shares.

12. *Directed Share Program Indemnification.* (a) The Company agrees to indemnify and hold harmless Morgan Stanley, each person, if any, who controls Morgan Stanley within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act and each affiliate of Morgan Stanley within the meaning of Rule 405 of the Securities Act ("**Morgan Stanley Entities**") from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) (i) that arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program or arise out of, or are based upon, any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) that arise out of, or are based upon, the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase; or (iii) related to, arising out of, or in connection with the Directed Share Program, other than losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the bad faith or gross negligence of Morgan Stanley Entities.

(b) In case any proceeding (including any governmental investigation) shall be instituted involving any Morgan Stanley Entity in respect of which indemnity may be sought pursuant to Section 12(a), the Morgan Stanley Entity seeking indemnity shall promptly notify the Company in writing and the Company, upon request of the Morgan Stanley Entity, shall retain counsel reasonably satisfactory to the Morgan Stanley Entity to represent the Morgan Stanley Entity and any others the Company may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any Morgan Stanley Entity shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Morgan Stanley Entity unless (i) the Company shall have agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the Company and the Morgan Stanley Entity and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The Company shall not, in respect of the legal expenses of the Morgan Stanley Entities in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Morgan Stanley Entities. Any such separate firm for the Morgan Stanley Entities shall be designated in writing by Morgan Stanley. The Company shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Company agrees to indemnify the Morgan Stanley Entities from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time a Morgan Stanley Entity shall have requested the Company to reimburse it for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the Company agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Company of the aforesaid request and (ii) the Company shall not have reimbursed the Morgan Stanley Entity in accordance with such request prior to the date of such settlement. The Company shall not, without the prior written consent of Morgan Stanley, effect any settlement of any pending or threatened proceeding in respect of which any Morgan Stanley Entity is or could have been a party and indemnity could have been sought hereunder by such Morgan Stanley Entity, unless such settlement includes an unconditional release of the Morgan Stanley Entities from all liability on claims that are the subject matter of such proceeding.

(c) To the extent the indemnification provided for in Section 12(a) is unavailable to a Morgan Stanley Entity or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then the Company in lieu of indemnifying the Morgan Stanley Entity thereunder, shall contribute to the amount paid or payable by the Morgan Stanley Entity as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Morgan Stanley Entities on the other hand from the offering of the Directed Shares or (ii) if the allocation provided by clause 12(c)(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 12(c)(i) above but also the relative fault of the Company on the one hand and of the Morgan Stanley Entities on the other hand in connection with any statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Morgan Stanley Entities on the other hand in connection with the offering of the Directed Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Directed Shares (before deducting expenses) and the total underwriting discounts and commissions received by the Morgan Stanley Entities for the Directed Shares, bear to the aggregate Public Offering Price of the Directed Shares. If the loss, claim, damage or liability is caused by an untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact, the relative fault of the Company on the one hand and the Morgan Stanley Entities on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement or the omission or alleged omission relates to information supplied by the Company or by the Morgan Stanley Entities and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(d) The Company and the Morgan Stanley Entities agree that it would not be just or equitable if contribution pursuant to this Section 12 were determined by pro rata allocation (even if the Morgan Stanley Entities 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 Section 12(c). The amount paid or payable by the Morgan Stanley Entities as a result of the losses, claims, damages and liabilities 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 the Morgan Stanley Entities in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 12, no Morgan Stanley Entity shall be required to contribute any amount in excess of the amount by which the total price at which the Directed Shares distributed to the public were offered to the public exceeds the amount of any damages that such Morgan Stanley Entity has otherwise been required to pay. The remedies provided for in this Section 12 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(e) The indemnity and contribution provisions contained in this Section 12 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Morgan Stanley Entity or the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Directed Shares.

13. *Termination*. The Underwriters may terminate this Agreement by notice given by the Representatives to the Company, if after the execution and delivery of this Agreement and prior to or on the Closing Date or any Option Closing Date, as the case may be, (i) trading generally shall have been suspended or materially limited on, or by, as the case may be, any of the New York Stock Exchange, the NYSE American, the NASDAQ Global Market, the Chicago Board of Options Exchange, the Chicago Mercantile Exchange or the Chicago Board of Trade or other relevant exchanges, (ii) trading of any securities of the Company shall have been suspended on any exchange or in any over-the-counter market, (iii) a material disruption in securities settlement, payment or clearance services in the United States or other relevant jurisdiction shall have occurred, (iv) any moratorium on commercial banking activities shall have been declared by Federal or New York State authorities or (v) there shall have occurred any outbreak or escalation of hostilities, or any change in financial markets or any calamity or crisis that, in the Representatives' judgment, is material and adverse and which, singly or together with any other event specified in this clause (v), makes it, in the Representatives' judgment, impracticable or inadvisable to proceed with the offer, sale or delivery of the Shares on the terms and in the manner contemplated in the Time of Sale Prospectus or the Prospectus.

14. *Effectiveness; Defaulting Underwriters*. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

If, on the Closing Date or an Option Closing Date, as the case may be, any one or more of the Underwriters shall fail or refuse to purchase Shares that it has or they have agreed to purchase hereunder on such date, and the aggregate number of Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is not more than one-tenth of the aggregate number of the Shares to be purchased on such date, the other Underwriters shall be obligated severally in the proportions that the number of Firm Shares set forth opposite their respective names in Schedule II bears to the aggregate number of Firm Shares set forth opposite the names of all such non-defaulting Underwriters, or in such other proportions as the Representatives may specify, to purchase the Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase on such date; *provided* that in no event shall the number of Shares that any Underwriter has agreed to purchase pursuant to this Agreement be increased pursuant to this Section 14 by an amount in excess of one-ninth of such number of Shares without the written consent of such Underwriter. If, on the Closing Date, any Underwriter or Underwriters shall fail or refuse to purchase Firm Shares and the aggregate number of Firm Shares with respect to which such default occurs is more than one-tenth of the aggregate number of Firm Shares to be purchased on such date, and arrangements satisfactory to the Representatives, the Company and the Selling Shareholders for the purchase of such Firm Shares are not made within 36 hours after such default, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter, the Company or the Selling Shareholders. In any such case either the Representatives or the relevant Sellers shall have the right to postpone the Closing Date, but in no event for longer than seven days, in order that the required changes, if any, in the Registration Statement, in the Time of Sale Prospectus, in the Prospectus or in any other documents or arrangements may be effected. If, on an Option Closing Date, any Underwriter or Underwriters shall fail or refuse to purchase Additional Shares and the aggregate number of Additional Shares with respect to which such default occurs is more than one-tenth of the aggregate number of Additional Shares to be purchased on such Option Closing Date, the non-defaulting Underwriters shall have the option to (i) terminate their obligation hereunder to purchase the Additional Shares to be sold on such Option Closing Date or (ii) purchase not less than the number of Additional Shares that such non-defaulting Underwriters would have been obligated to purchase in the absence of such default. Any action taken under this paragraph shall not relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

If this Agreement shall be terminated by the Underwriters, or any of them, because of any failure or refusal on the part of any Seller to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason any Seller shall be unable to perform its obligations under this Agreement, the Seller will reimburse the Underwriters or such Underwriters as have so terminated this Agreement with respect to themselves, severally, for all out-of-pocket expenses (including the fees and disbursements of their counsel) reasonably incurred by such Underwriters in connection with this Agreement or the offering contemplated hereunder.

15. *Entire Agreement*. (a) This Agreement, together with any contemporaneous written agreements and any prior written agreements (to the extent not superseded by this Agreement) that relate to the offering of the Shares, represents the entire agreement between the Company and the Selling Shareholders, on the one hand, and the Underwriters, on the other, with respect to the preparation of any preliminary prospectus, the Time of Sale Prospectus, the Prospectus, the conduct of the offering, and the purchase and sale of the Shares.

(b) The Company and each Selling Shareholder acknowledge that in connection with the offering of the Shares: (i) the Underwriters have acted at arm's length, are not agents of, and owe no fiduciary duties to, the Company, any of the Selling Shareholders or any other person, (ii) the Underwriters owe the Company and each Selling Shareholders only those duties and obligations set forth in this Agreement, any contemporaneous written agreements and prior written agreements (to the extent not superseded by this Agreement), if any, (iii) the Underwriters may have interests that differ from those of the Company and each Selling Shareholder, and (iv) none of the activities of the Underwriters in connection with the transactions contemplated herein constitutes a recommendation, investment advice, or solicitation of any action by the Underwriters with respect to any entity or natural person. The Company and each Selling Shareholder waive to the full extent permitted by applicable law any claims it may have against the Underwriters arising from an alleged breach of fiduciary duty in connection with the offering of the Shares.

(c) Each Selling Shareholder further acknowledges and agrees that, although the Underwriters may provide certain Selling Shareholders with certain Regulation Best Interest and Form CRS disclosures or other related documentation in connection with the offering, the Underwriters are not making a recommendation to any Selling Shareholder to participate in the offering or sell any Shares at the Purchase Price, and nothing set forth in such disclosures or documentation is intended to suggest that any Underwriter is making such a recommendation.

16. *Recognition of the U.S. Special Resolution Regimes*. (a) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For purposes of this Section a "**BHC Act Affiliate**" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k). "**Covered Entity**" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b). "**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable. "**U.S. Special Resolution Regime**" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

17. *Counterparts*. This Agreement may be signed in two or more counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

18. *Applicable Law*. This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

19. *Headings*. The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

20. *Notices*. All communications hereunder shall be in writing and effective only upon receipt and if to the Underwriters shall be delivered, mailed or sent to Morgan Stanley at 1585 Broadway, New York, New York 10036, Attention: Equity Syndicate Desk, with a copy to the Legal Department; Piper Sandler & Co. at [800 Nicollet Mall, J12S03, Minneapolis, Minnesota 55402, Attention: Equity Capital Markets, with a copy to the General Counsel]; SVB Leerink LLC at 1301 Avenue of the Americas, 12th Floor, New York, NY 10019, Attention: Stuart R. Nayman, Esq.;if to the Company shall be delivered, mailed or sent to [400 Alton Road, Unit TH-103M, Miami Beach, Florida 33139], and if to the Selling Shareholders shall be delivered, mailed or sent to [address].

[*Signature pages to follow*]

Very truly yours,

AirSculpt Technologies, Inc.

By: _____
Name:
Title:

The Selling Shareholders named in Schedule I hereto, acting severally

By: _____
Attorney-in Fact

Accepted as of the date hereof

Morgan Stanley & Co. LLC
Piper Sandler & Co.
SVB Leerink LLC

Acting severally on behalf of themselves and the several Underwriters named in Schedule II hereto.

By: Morgan Stanley & Co. LLC

By: _____
Name:
Title:

By: Piper Sandler & Co.

By: _____
Name:
Title:

By: SVB Leerink LLC

By: _____
Name:
Title:

SCHEDULE I

Selling Shareholder	Number of Firm Shares To Be Sold	Number of Additional Shares To Be Sold
VSCP EBS Aggregator, L.P.		
Vesey Street Capital Partners Healthcare Fund-A, LP		
EBS Aggregator Blocker Holdings, LLC		
JCBI II LLC		
Dr. Aaron Rollins		
Total:		

SCHEDULE II

Underwriter	Number of Firm Shares To Be Purchased
Morgan Stanley & Co. LLC	
Piper Sandler & Co.	
SVB Leerink LLC	
Raymond James & Associates, Inc.	
Total:	

SCHEDULE III

Time of Sale Prospectus

1. Preliminary Prospectus issued [ ]

2. Free writing prospectuses filed by the Company under Rule 433(d) of the Securities Act: [None]

3. Schedule of other information included in the Time of Sale Prospectus:

   Number of Firm Shares: [ ]

   Number of Additional Shares: [ ]

   Public offering price per Share: $[●]

SCHEDULE IV

Testing-the-Waters Communications

1. AirSculpt Technologies, Inc. Testing-the-Waters Presentation

2. AirSculpt Technologies, Inc. Testing-the-Waters Introduction Vicdeo

EXHIBIT A

[FORM OF LOCK-UP AGREEMENT]

_____, 2021

Morgan Stanley & Co. LLC
Piper Sandler & Co.
SVB Leerink LLC

c/o Morgan Stanley & Co. LLC
1585 Broadway
New York, NY 10036

c/o Piper Sandler & Co.
1251 Avenue of the Americas, Sixth Floor
New York, NY 10020

c/o SVB Leerink LLC
1301 Avenue of the Americas, 12th Floor
New York, New York 10019

Ladies and Gentlemen:

The undersigned understands that Morgan Stanley & Co. LLC ("**Morgan Stanley**"), Piper Sandler & Co., and SVB Leerink LLC (together, the "**Representatives**") proposes to enter into an Underwriting Agreement (the "**Underwriting Agreement**") with AirSculpt Technologies, Inc., a Delaware corporation (the "**Company**"), providing for the public offering (the "**Public Offering**") by the several Underwriters, including the Representatives (the "**Underwriters**"), of [●] shares (the "**Shares**") of the common stock, par value $0.001 per share of the Company (the "**Common Stock**").

To induce the Underwriters that may participate in the Public Offering to continue their efforts in connection with the Public Offering, the undersigned hereby agrees that, without the prior written consent of Morgan Stanley on behalf of the Underwriters, it will not, and will not publicly disclose an intention to, during the period commencing on the date hereof and ending 180 days after the date of the final prospectus (the "**Restricted Period**") relating to the Public Offering (the "**Prospectus**"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock beneficially owned (as such term is used in Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")), by the undersigned or any other securities so owned convertible into or exercisable or exchangeable for Common Stock or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to:

(a) transactions relating to shares of Common Stock or other securities acquired in open market transactions after the completion of the Public Offering, *provided* that no filing under Section 16(a) of the Exchange Act shall be required or shall be voluntarily made in connection with subsequent sales of Common Stock or other securities acquired in such open market transactions;

(b) transfers of shares of Common Stock or any security convertible into Common Stock as a bona fide gift;

(c) distributions of shares of Common Stock or any security convertible into Common Stock to limited partners or stockholders of the undersigned; or

provided that in the case of any transfer or distribution pursuant to clause (b) or (c), (i) each donee or distributee shall sign and deliver a lock-up agreement substantially in the form of this agreement and (ii) no filing under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership of shares of Common Stock, shall be required or shall be voluntarily made during the Restricted Period;

(d) facilitating the establishment of a trading plan on behalf of a shareholder, officer, or director of the Company pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Common Stock;

provided that (i) such plan does not provide for the transfer of Common Stock during the Restricted Period and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by or on behalf of the undersigned or the Company regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of Common Stock may be made under such plan during the Restricted Period.

In addition, the undersigned agrees that, without the prior written consent of Morgan Stanley on behalf of the Underwriters, it will not, during the Restricted Period, make any demand for or exercise any right with respect to, the registration of any shares of Common Stock or any security convertible into or exercisable or exchangeable for Common Stock. The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the undersigned's shares of Common Stock except in compliance with the foregoing restrictions.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing restrictions shall be equally applicable to any issuer-directed Shares the undersigned may purchase in the offering.

If the undersigned is an officer or director of the Company, (i) Morgan Stanley agrees that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Common Stock, Morgan Stanley will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by Morgan Stanley hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration or to an immediate family member as defined in FINRA Rule 5130(i)(5) and (b) the transferee has agreed in writing to be bound by the same terms described in this agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

The undersigned understands that the Company and the Underwriters are relying upon this agreement in proceeding toward consummation of the Public Offering. The undersigned further understands that this agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors and assigns.

The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transaction designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition of any shares of Common Stock, or any securities convertible into or exercisable or exchangeable for Common Stock, even if any such sale or disposition transaction or transactions would be made or executed by or on behalf of someone other than the undersigned.

The undersigned acknowledges and agrees that the Underwriters have not provided any recommendation or investment advice nor have the Underwriters solicited any action from the undersigned with respect to the Public Offering of the Shares and the undersigned has consulted their own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate. The undersigned further acknowledges and agrees that, although the Underwriters may provide certain Regulation Best Interest and Form CRS disclosures or other related documentation to you in connection with the Public Offering and the entry into this agreement, the Underwriters are not making a recommendation to you to participate in the Public Offering, to enter into this agreement or sell any Shares at the price determined in the Public Offering, and nothing set forth in such disclosures or documentation is intended to suggest that any Underwriter is making such a recommendation.

Whether or not the Public Offering actually occurs depends on a number of factors, including market conditions. Any Public Offering will only be made pursuant to an Underwriting Agreement, the terms of which are subject to negotiation between the Company and the Underwriters.

This agreement shall be governed by and construed in accordance with the laws of the State of New York.

[*Signature pages to follow*]

Very truly yours,

(Name of Stockholder)

(Signature)

If not signing in an individual capacity:

(Name of Authorized Signatory)

(Title of Authorized Signatory)

EXHIBIT B

FORM OF WAIVER OF LOCK-UP

_____, 20__

[Name and Address of
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by AirSculpt Technologies Inc. (the "**Company**") of [●] shares of common stock, $0.001 par value (the "**Common Stock**"), of the Company and the lock-up letter agreement dated [·] (the "**Lock-up Agreement**"), executed by you in connection with such offering, and your request for a [waiver] [release] dated ____, 20__, with respect to ____ shares of Common Stock (the "**Shares**").

Morgan Stanley & Co. LLC hereby agrees to [waive] [release] the transfer restrictions set forth in the Lock-up Agreement, but only with respect to the Shares, effective _____, 20__; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Agreement shall remain in full force and effect.

Very truly yours,

Morgan Stanley & Co. LLC
Acting severally on behalf of themselves and the several Underwriters named in Schedule II hereto

By: _____
Name:
Title:

cc: Company

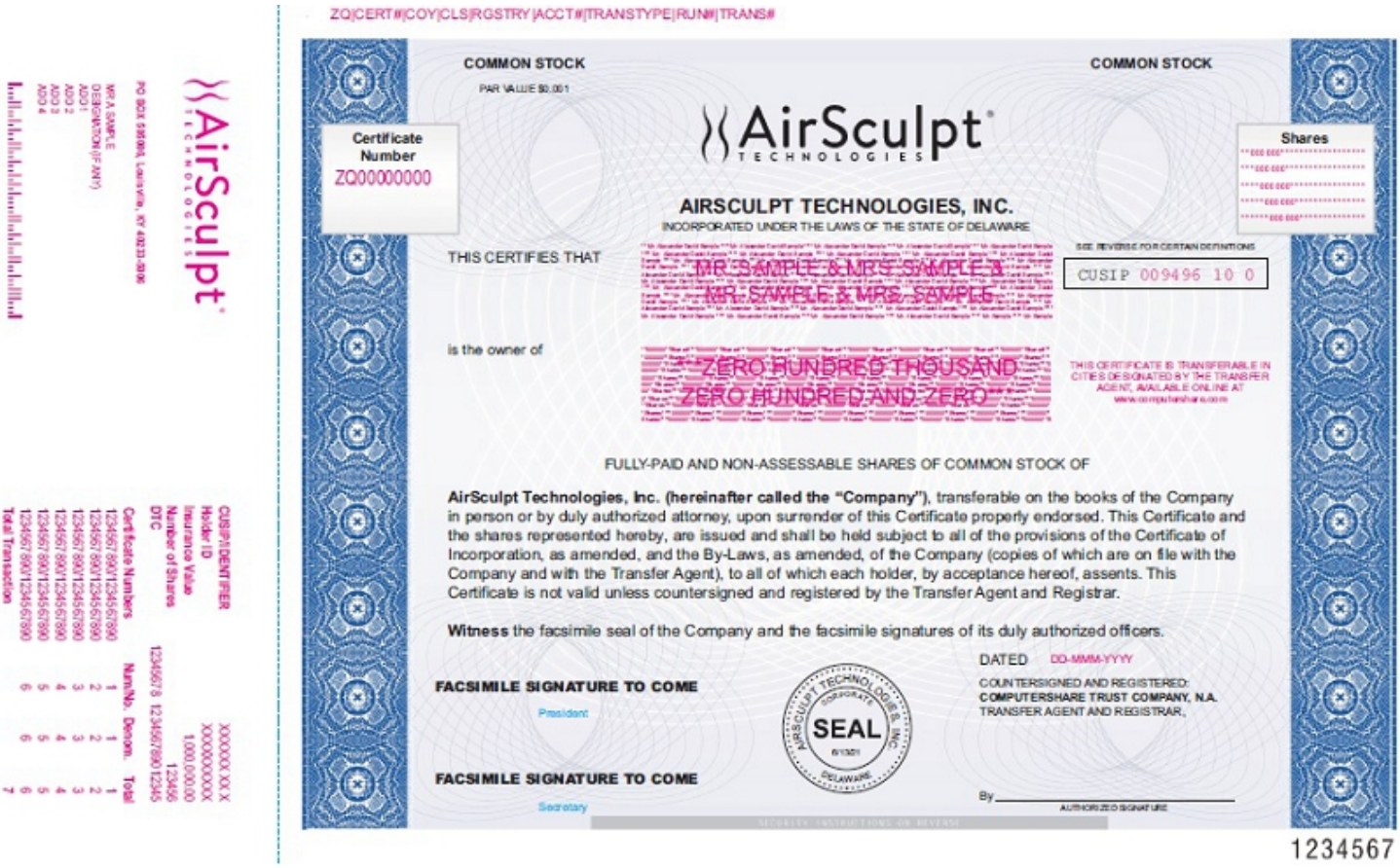
FORM OF PRESS RELEASE

AirSculpt Technologies Inc.
[Date]

AirSculpt Technologies, Inc. (the "**Company**") announced today that Morgan Stanley & Co. LLC, the lead book-running manager in the Company's recent public sale of [●] shares of its common stock is [waiving][releasing] a lock-up restriction with respect to ____ shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver][release] will take effect on ____, 20__ , and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit 4.1



ZQ|CERT#|COY|CLS|RGSTRY|ACCT#|TRANSTYPE|RUN#|TRANS#

COMMON STOCK

PAR VALUE $0.001

COMMON STOCK

Certificate Number

ZQ00000000

AirSculpt TECHNOLOGIES

Shares

AIRSCULPT TECHNOLOGIES, INC.

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

THIS CERTIFIES THAT

MR SAMPLE & MRS SAMPLE &
MR SAMPLE & MRS SAMPLE

SEE REVERSE FOR CERTAIN DEFINITIONS

CUSIP 009496 10 0

is the owner of

ZERO HUNDRED THOUSAND
ZERO HUNDRED AND ZERO

THIS CERTIFICATE IS TRANSFERABLE IN CITIES DESIGNATED BY THE TRANSFER AGENT, AVAILABLE ONLINE AT www.computershare.com

FULLY-PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF

AirSculpt Technologies, Inc. (hereinafter called the "Company"), transferable on the books of the Company in person or by duly authorized attorney, upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby, are issued and shall be held subject to all of the provisions of the Certificate of Incorporation, as amended, and the By-Laws, as amended, of the Company (copies of which are on file with the Company and with the Transfer Agent), to all of which each holder, by acceptance hereof, assents. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

DATED DD-MMM-YYYY

FACSIMILE SIGNATURE TO COME

President

FACSIMILE SIGNATURE TO COME

Secretary

AIRSCULPT TECHNOLOGIES, INC. CORPORATE SEAL 8/1301 DELAWARE

COUNTERSIGNED AND REGISTERED:
COMPUTERSHARE TRUST COMPANY, N.A.
TRANSFER AGENT AND REGISTRAR,

By _____
AUTHORIZED SIGNATURE

SECURITY INSTRUCTIONS ON REVERSE

1234567

AirSculpt TECHNOLOGIES

PO BOX 592809, Louisville, KY 40233-3806

MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4

CUSIP/IDENTIFIER XXXXXXXXX
Holder ID XXXXXXXXXX
Insurance Value 1,000,000.00
Number of Shares 123456
DTC 12345678 1234567890123456

Cert#	Cert#	Num/No.	Denom.	Total
1234567890123456789	1	1	1	1
1234567890123456789	2	2	2	2
1234567890123456789	3	3	3	3
1234567890123456789	4	4	4	4
1234567890123456789	5	5	5	5
1234567890123456789	6	6	6	6
1234567890123456789				7

Total Transaction

AIRSCULPT TECHNOLOGIES, INC.

THE COMPANY WILL FURNISH WITHOUT CHARGE TO EACH SHAREHOLDER WHO SO REQUESTS, A SUMMARY OF THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OF THE COMPANY AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND RIGHTS, AND THE VARIATIONS IN RIGHTS, PREFERENCES AND LIMITATIONS DETERMINED FOR EACH SERIES, WHICH ARE FIXED BY THE CERTIFICATE OF INCORPORATION OF THE COMPANY, AS AMENDED, AND THE RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY, AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO DETERMINE VARIATIONS FOR FUTURE SERIES. SUCH REQUEST MAY BE MADE TO THE OFFICE OF THE SECRETARY OF THE COMPANY OR TO THE TRANSFER AGENT. THE BOARD OF DIRECTORS MAY REQUIRE THE OWNER OF A LOST OR DESTROYED STOCK CERTIFICATE, OR HIS LEGAL REPRESENTATIVES, TO GIVE THE COMPANY A BOND TO INDEMNIFY IT AND ITS TRANSFER AGENTS AND REGISTRARS AGAINST ANY CLAIM THAT MAY BE MADE AGAINST THEM ON ACCOUNT OF THE ALLEGED LOSS OR DESTRUCTION OF ANY SUCH CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT	- ..... (Cust) Custodian ..... (Minor) under Uniform Gifts to Minors Act ..... (State)
TEN ENT	- as tenants by the entireties		
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT	- ..... (Cust) Custodian (until age .....) ..... (Minor) under Uniform Transfers to Minors Act ..... (State)

Additional abbreviations may also be used though not in the above list.

For value received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL ZIP CODE, OF ASSIGNEE)

_____

_____

_____ Shares

of the common stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney

to transfer the said stock on the books of the within-named Company with full power of substitution in the premises.

Dated: _____ 20__

Signature: _____

Signature: _____

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate, in every particular, without alteration or enlargement, or any change whatever.

Signature(s) Guaranteed: Medallion Guarantee Stamp

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions) WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15.

SECURITY INSTRUCTIONS

THIS IS WATERMARKED PAPER - DO NOT ACCEPT WITHOUT NOTING WATERMARK - HOLD TO LIGHT TO VERIFY WATERMARK

The IRS requires that the named transfer agent ("we") report the cost basis of certain shares or units acquired after January 1, 2011. If your shares or units are covered by the legislation, and you requested to sell or transfer the shares or units using a specific cost basis calculation method, then we have processed as you requested. If you did not specify a cost basis calculation method, then we have defaulted to the first in, first out (FIFO) method. Please consult your tax advisor if you need additional information about cost basis.

If you do not keep in contact with the issuer or do not have any activity in your account for the time period specified by state law, your property may become subject to state unclaimed property laws and transferred to the appropriate state.

7a24st

Exhibit 5.1

October 27, 2021

AirSculpt Technologies, Inc.
400 Alton Road, Unit TH-103M
Miami Beach, Florida 33139

Re: Registration Statement on Form S-1

Ladies and Gentlemen:

We have acted as counsel to AirSculpt Technologies, Inc., a Delaware corporation (the "Company"), in connection with the preparation of the Company's registration statement on Form S-1, Registration No. 333- 260067, under the Securities Act of 1933, as amended (the "Securities Act"), initially confidentially submitted by the Company with the Securities and Exchange Commission (the "Commission") on July 6, 2021, publicly filed with the Commission on October 5, 2021 and amended on October 20, 2021 and October 27, 2021, as thereafter amended or supplemented (the "Registration Statement"). The Registration Statement relates to the registration of the proposed offer and sale of a proposed maximum aggregate offering price of $195,500,000 of common stock, par value $0.001 per share (the "Common Stock"), including shares of Common Stock to cover the Underwriters' (as defined below) option to purchase additional shares, if any (the "Option Shares"). The shares of Common Stock to be sold by the Company identified in the Registration Statement are referred to herein as the "Company Shares," the shares of Common Stock to be sold by the selling stockholders identified in the Registration Statement are referred to herein as the "Secondary Shares," the Company Shares and the Secondary Shares together are referred to herein as the "Shares."

In rendering the opinion set forth herein, we have examined the originals, or photostatic or certified copies, of (i) the Company's Certificate of Incorporation and Bylaws, each as currently in effect, (ii) the forms of the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, filed as Exhibits 3.2 and 3.4 to the Registration Statement, respectively, each of which is to be in effect prior to the closing of the offering contemplated by the Registration Statement (iii) certain resolutions of the Board of Directors of the Company related to the filing of the Registration Statement, the authorization and issuance of the Shares and related matters, (iv) the Registration Statement and all exhibits thereto, (v) the form of underwriting agreement to be entered into by and between the Company and Morgan Stanley & Co. LLC, Piper Sandler & Co., and SVB Leerink LLC (the "Underwriters"), substantially in the form of which to be filed as Exhibit 1.1 to the Registration Statement (the "Underwriting Agreement") and (vi) such other records, documents and instruments as we deemed relevant and necessary for purposes of the opinion stated herein.

In making the foregoing examination we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as photostatic or certified copies, and the authenticity of the originals of such copies. As to all questions of fact material to this opinion, where such facts have not been independently established, we have relied, to the extent we have deemed reasonably appropriate, upon representations or certificates of officers of the Company or governmental officials.

We have assumed that (i) the Company's Amended and Restated Certificate of Incorporation will be filed with the Secretary of State for the State of Delaware under Delaware law before the issuance of the Shares, (ii) the Company's Amended and Restated Bylaws will be adopted by the Board of Directors of the Company before the issuance of the Shares, and (iii) the specific terms of the sale of Shares will be duly authorized by the Board of Directors of the Company, a duly authorized committee thereof or a person or body pursuant to an authorization granted in accordance with Section 152 of the General Corporation Law of the State of Delaware.

We do not express any opinion herein concerning any law other than the General Corporation Law of the State of Delaware.

Based upon the foregoing, and subject to the qualifications, assumptions, limitations and exceptions stated herein, we are of the opinion that:

1. The Company Shares have been duly authorized by the Company and when issued by the Company against payment therefor in accordance with the Underwriting Agreement and in a manner described in the Registration Statement, the Shares will be validly issued, fully paid and nonassessable.
2. The Secondary Shares (including any Option Shares) have been duly authorized by the Company and will be validly issued, fully paid and nonassessable.

This opinion speaks only as of the date hereof. We expressly disclaim any responsibility to advise you of any development or circumstance of any kind, including any change of law or fact, that may occur after the date of this opinion that might affect the opinions expressed therein.

We hereby consent to the submission of this opinion to the Commission as an exhibit to the Registration Statement. We hereby also consent to the reference to our firm under the caption "Legal Matters" in the Registration Statement. We do not admit in providing such consent that we are included within the category of persons whose consent is required under Section 7 of the Securities Act and the rules and regulations of the Commission thereunder.

Sincerely,

/s/ McDermott Will & Emery LLP

Exhibit 10.2

FIFTH AMENDMENT TO CREDIT AGREEMENT

THIS FIFTH AMENDMENT TO CREDIT AGREEMENT (this "***Amendment***") is entered into as of October 25, 2021, by and among **EBS INTERMEDIATE PARENT LLC**, a Delaware limited liability company ("***Holdings***"), **EBS ENTERPRISES, LLC**, a Delaware limited liability company (the "***Borrower***"), the Guarantors party hereto, the Lenders party hereto which constitute the Required Lenders and **FIRST EAGLE ALTERNATIVE CAPITAL AGENT, INC.** (formerly known as **THL CORPORATE FINANCE, INC.)**, a Delaware corporation ("***First Eagle***"), as administrative agent and collateral agent for the Lenders (in such capacities, together with its successors and assigns in such capacities, the "***Agent***").

W I T N E S S E T H:

WHEREAS, Holdings, the Borrower, the other Credit Parties party thereto from time to time, Agent, and the Lenders party thereto from time to time are parties to that certain Credit Agreement dated as of October 2, 2018 (as amended by that certain First Amendment to Credit Agreement, dated as of February 10, 2020, as further amended by that certain Second Amendment and Limited Waiver to Credit Agreement, dated as of April 3, 2020, as further amended by that certain Third Amendment to Credit Agreement, dated as of February 19, 2021, as further amended by that certain Fourth Amendment and Limited Waiver to Credit Agreement, dated as of the May 5, 2021, and as further amended, restated, supplemented or otherwise modified from time to time, the "***Credit Agreement***");

WHEREAS, the Borrower has requested that Agent and the Lenders amend certain provisions of the Credit Agreement, and, subject to the satisfaction of the conditions set forth herein, Agent and the Lenders are willing to do so, on the terms set forth herein.

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

SECTION 1. **Defined Terms; Other Interpretive Provisions.** Unless otherwise defined herein, capitalized terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement (after giving effect to this Amendment). The provisions of Section 1.02 of the Credit Agreement are hereby incorporated herein *mutatis mutandis*.

SECTION 2. **Amendments and Limited Waiver.** Effective as of the Fifth Amendment Effective Date (as defined below), and subject to the terms and conditions set forth in Section 3 and in reliance upon the representations and warranties made by the Credit Parties in Section 4, the Agent and the Required Lenders hereby agree as follows:

(a) The Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the Credit Agreement attached as Annex I hereto.

(b) Schedule 1.01(a) of the Credit Agreement is hereby deleted in its entirety.

(c) Exhibit C-1 of the Credit Agreement is hereby amended by deleting such exhibit in its entirety and substituting the replacement exhibit attached hereto as Annex II.

Except as expressly provided herein, all schedules and exhibits to the Credit Agreement, in the forms thereof in effect immediately prior to the Fifth Amendment Effective Date, will be continued as the schedules and exhibits attached to the Credit Agreement on and after the Fifth Amendment Effective Date, and the text of the Credit Agreement and the other Credit Documents shall remain unchanged and in full force and effect.

SECTION 3. Conditions. The effectiveness of this Amendment is subject to the prior or concurrent satisfaction of the following conditions precedent (such date, the "***Fifth Amendment Effective Date***"):

(a) Credit Documents. The Agent shall have received the following documents, duly executed by an Authorized Officer of each Credit Party and each other relevant party and, in each case, in form and substance reasonably satisfactory to the Agent:

(i) this Amendment;

(ii) the Fifth Amendment Fee Letter; and

(iii) each other Credit Document required by Agent to be entered into as of the Fifth Amendment Effective Date.

(b) Fees and Expenses. Each of First Eagle, the Agent and each Lender shall have received, for its own respective account, (i) all fees and expenses due and payable to such Person under the Fifth Amendment Fee Letter, and (ii) the reasonable fees, costs and expenses due and payable to such Person pursuant to Section 12.05 of the Credit Agreement (including the reasonable fees, disbursements and other charges of counsel) for which invoices have been presented prior to the Fifth Amendment Effective Date.

(c) No Default. Immediately after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing.

(d) Representations and Warranties. All representations and warranties made by each Credit Party contained in the Credit Agreement, in this Amendment or in the other Credit Documents shall be true and correct in all material respects, in each case, with the same effect as though such representations and warranties had been made on and as of the Fifth Amendment Effective Date (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date); provided, that any representation or warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects on such respective dates.

(e) No Adverse Actions. No injunction, writ, restraining order, or other order of any nature restricting or prohibiting, directly or indirectly, this Amendment or any other Credit Document shall have been issued and remain in force by any Governmental Authority against Borrower, Agent, any Lender or the Letter of Credit Issuer.

SECTION 4. Representations and Warranties. Each Credit Party party hereto hereby jointly and severally represents and warrants to Agent and each Lender as follows as of the Fifth Amendment Effective Date:

(a) Corporate Status. Each Credit Party and each Subsidiary of each Credit Party (a) is a duly organized or formed and validly existing corporation or other registered entity in good standing under the laws of the jurisdiction of its organization and has the corporate or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing in all jurisdictions where the conduct of its business or its ownership, lease or operation of its properties require such qualification, authorization or license under Applicable Law, except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect;

(b) Corporate Power and Authority. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of this Amendment and each of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of this Amendment and each of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered this Amendment and each other Credit Document to which it is a party and this Amendment and such Credit Documents constitute the legal, valid and binding obligation of such Credit Party enforceable in accordance with its respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, moratorium, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law);

(c) No Violation. None of the execution, delivery and performance by any Credit Party of this Amendment or the Credit Documents to which it is a party and compliance with the terms and provisions thereof or the consummation of the other transactions contemplated hereby or thereby on the relevant dates therefor will (a) contravene any applicable provision of any Applicable Law of any Governmental Authority, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of any Credit Party (other than Liens created under the Credit Documents) pursuant to, (i) the terms of any material indenture, loan agreement, lease agreement, mortgage or deed of trust, or (ii) any other material Contractual Obligation, in the case of either clause (i) and (ii) to which any Credit Party is a party or by which it or any of its property or assets is bound or (c) violate any provision of the Organization Documents of any Credit Party, except with respect to any conflict, breach or contravention or default (but not creation of Liens) referred to in clauses (b)(i) or (b)(ii), to the extent that such conflict, breach, contravention or default could not reasonably be expected to have a Material Adverse Effect;

(d) No Default. Immediately after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing;

(e) Representations and Warranties. Immediately after giving effect to this Amendment, all representations and warranties made by each Credit Party contained in the Credit Agreement, in this Amendment or in the other Credit Documents are true and correct in all material respects, in each case, with the same effect as though such representations and warranties had been made on and as of the Fifth Amendment Effective Date (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date); provided, that any representation or warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language is true and correct in all respects on such respective dates; and

(f) No Adverse Actions. No injunction, writ, restraining order, or other order of any nature restricting or prohibiting, directly or indirectly, this Amendment or any other Credit Document has been issued and remains in force by any Governmental Authority against Borrower, Agent, any Lender or the Letter of Credit Issuer.

SECTION 5. **Release.** Each of the Credit Parties may have certain Claims (as defined below) against the Released Parties (as defined below) regarding or relating to the Credit Agreement or the other Credit Documents. Agent, Lenders and the Credit Parties desire to resolve each and every one of such Claims in conjunction with the execution of this Amendment and thus each of the Credit Parties makes the releases contained in this Section 5. In consideration of Agent and Lenders entering into this Amendment, each of the Credit Parties hereby fully and unconditionally releases and forever discharges Agent, the Lenders, the other Secured Parties and their respective directors, officers, employees, subsidiaries, branches, affiliates, attorneys, agents, representatives, successors and permitted assigns and all persons, firms, corporations and organizations acting on any of their behalves (collectively, the "***Released Parties***"), of and from any and all claims, allegations, causes of action, costs or demands and liabilities, of whatever kind or nature, existing or occurring prior to the Fifth Amendment Effective Date whether known or unknown, liquidated or unliquidated, fixed or contingent, asserted or unasserted, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, anticipated or unanticipated, which any Credit Party has or had, claims to have had or hereafter claims to have against the Released Parties by reason of any act or omission on the part of the Released Parties, or any of them, occurring prior to the Fifth Amendment Effective Date, in each case regarding or relating to the Credit Agreement, this Amendment or the other Credit Documents, including all such loss or damage of any kind heretofore sustained or that may arise as a consequence of the dealings among the parties up to and including the Fifth Amendment Effective Date, including the administration or enforcement of the Credit Extensions, the Obligations, the Credit Agreement, this Amendment or any of the Credit Documents (collectively, all of the foregoing, the "***Claims***"). Each of the Credit Parties represents and warrants that it has no knowledge of any Claim by it against the Released Parties or of any facts or acts of omissions of the Released Parties which on the date hereof would be the basis of a Claim by the Credit Parties against the Released Parties which is not released hereby. Each of the Credit Parties represents and warrants that the foregoing constitutes a full and complete release of all Claims existing or occurring prior to the Fifth Amendment Effective Date.

SECTION 6. **Counterparts.** This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

SECTION 7. **Effectiveness of Facsimile Documents and Signatures**. This Amendment may be transmitted and/or signed by facsimile or other electronic communication. The effectiveness of any this Amendment and such signatures shall have the same force and effect as manually signed originals and shall be binding on all Credit Parties, the Agent and the Lenders.

SECTION 8. **Severability.** Any provision of this Amendment 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. Without limiting the foregoing provisions of this Section 8, if and to the extent that the enforceability of any provisions in this Amendment relating to Defaulting Lenders shall be limited by bankruptcy, insolvency, fraudulent conveyance, moratorium, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law), as determined in good faith by the Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

SECTION 9. **Integration.** This Amendment, the Credit Agreement as amended hereby and the other Credit Documents represent the agreement of the Credit Parties, the Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by any party hereto or thereto relative to the subject matter hereof not expressly set forth or referred to herein, in the Credit Agreement as amended hereby or in the other Credit Documents.

SECTION 10. **Successors; Assigns**. This Amendment shall be binding upon the Borrower, the other Credit Parties party hereto, the Lenders and Agent and their respective successors and permitted assigns, and shall inure to the benefit of Borrower, the other Credit Parties party hereto, the Lenders and Agent and the successors and permitted assigns of the Lenders and Agent. Except as expressly permitted in the Credit Agreement, no other Person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with, this Amendment or any of the other Credit Documents. Except as expressly permitted in the Credit Agreement, the Borrower and the other Credit Parties party hereto may not assign or transfer any of their respective rights or Obligations under this Amendment without the prior written consent of Agent and each Lender.

SECTION 11. **GOVERNING LAW.** THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO CONFLICTS OF LAW PROVISIONS.

SECTION 12. **WAIVERS OF JURY TRIAL**. THE CREDIT PARTIES, THE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AMENDMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

SECTION 13. **Survival of Representations and Warranties; Payment of Expenses and Taxes; Indemnification; Submission to Jurisdiction; Waivers; Acknowledgments; No Fiduciary Duty; Authorized Officers**. The provisions of Sections 12.04, 12.05, 12.14, 12.15, 12.21 and 12.22 of the Credit Agreement are hereby incorporated herein, *mutatis mutandis*.

SECTION 14. **Reaffirmation.** Each Credit Party party hereto as debtor, grantor, pledgor, guarantor, assignor, or in any other similar capacity in which such Person grants Liens in its property or otherwise acts as accommodation party or guarantor, as the case may be pursuant to the Credit Documents, hereby (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under the Credit Agreement and each other Credit Document to which it is a party (after giving effect hereto) and (ii) to the extent such Person granted Liens in any of its property pursuant to any Credit Documents as security for or otherwise guaranteed the Obligations under or with respect to the Credit Documents, ratifies and reaffirms such guarantee and grant of Liens and confirms and agrees that such Liens hereafter secure all of the Obligations as amended hereby. Each Credit Party party hereto hereby consents to this Amendment and acknowledges that the Credit Agreement and each other Credit Document remains in full force and effect and is hereby ratified and reaffirmed. The execution of this Amendment shall not operate as a waiver of any right, power or remedy of Agent or the Lenders, constitute a waiver of any provision of the Credit Agreement or any other Credit Document or serve to effect a novation of the Obligations except as expressly set forth herein.

[Signature Pages Follow]

Each of the undersigned has caused this Amendment to be duly executed and delivered as of the date first above written.

HOLDINGS:

EBS INTERMEDIATE PARENT LLC,
a Delaware limited liability company

By: /s/ Dennis Dean
Name: Dennis Dean
Title: Chief Financial Officer

BORROWER:

EBS ENTERPRISES, LLC,
a Delaware limited liability company

By: /s/ Dennis Dean
Name: Dennis Dean
Title: Chief Financial Officer

Accepted and agreed to as of the date first above written:

EBS INTERMEDIATE PARENT LLC

By: /s/ Dennis Dean
Name: Dennis Dean
Title: Chief Financial Officer

EBS ENTERPRISES LLC

By: /s/ Dennis Dean
Name: Dennis Dean
Title: Chief Financial Officer

AGENT:

FIRST EAGLE ALTERNATIVE CAPITAL AGENT, INC.,
as Agent

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

LENDERS:

FIRST EAGLE ALTERNATIVE CAPITAL BDC, INC.

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING FUND III, LLC

By: First Eagle Direct Lending Manager III, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING FUND III (A), LLC

By: First Eagle Direct Lending Manager III, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING CO-INVEST III, LLC

By: First Eagle Direct Lending Manager III, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING CO-INVEST III (E), LLC

By: First Eagle Direct Lending Manager III, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING FUND IV, LLC

By: First Eagle Alternative Credit, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING IV CO-INVEST, LLC

By: First Eagle Alternative Credit, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING LEVERED FUND IV, LLC

By: First Eagle Alternative Credit, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING LEVERED FUND IV SPV, LLC

By: First Eagle Direct Lending Levered Fund IV, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING V-A, LLC

By: First Eagle Alternative Credit, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING V-B, LLC

By: First Eagle Alternative Credit, LLC
Its: Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING V-C SCSP

By: First Eagle Alternative Credit, LLC
Its: Portfolio Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE STRATEGIC FUNDING, LLC

By: First Eagle Alternative Credit, LLC
Its: Member

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

LAKE SHORE MM CLO III LLC

By: First Eagle Alternative Credit, LLC
Its: Investment Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE COMMERCIAL LOAN FUNDING 2016-1 LLC

By: First Eagle Alternative Credit, LLC
Its: Designated Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

NEWSTAR ARLINGTON SENIOR LOAN PROGRAM LLC

By: First Eagle Alternative Credit, LLC
Its: Designated Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

NEWSTAR FAIRFIELD FUND CLO LTD.

By: First Eagle Alternative Credit, LLC
Its: Collateral Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

SC FEAC PRIVATE DEBT FUND L.P.

By: First Eagle Alternative Credit, LLC
Its: Investment Advisor

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

SOUTH SHORE V LLC

By: First Eagle Alternative Credit, LLC
Its: Collateral Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

LAKE SHORE MM CLO I LTD.

By: First Eagle Alternative Credit, LLC
Its: Investment Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

LAKE SHORE MM CLO II LTD.

By: First Eagle Alternative Credit EU, LLC
Its: Investment Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

FIRST EAGLE DIRECT LENDING V-B SPV, LLC

By: First Eagle Direct Lending V-B, LLC
Its: Designated Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

SOUTH SHORE IV SUBSIDIARY, LLC

By: First Eagle Alternative Credit, LLC
Its: Collateral Manager

By: /s/ Michelle Handy
Name: Michelle Handy
Title: Managing Director

North Haven Senior Loan Fund (Alma) DAC

By: MS CAPITAL PARTNERS ADVISER INC., its Manager

By: /s/ John Spivak
Name: Jon Spivak
Title: Executive Director

North Haven Senior Loan Fund Unleveraged Offshore L.P.

By: MS Capital Partners Adviser Inc., its Manager

By: /s/ John Spivak
Name: Jon Spivak
Title: Executive Director

North Haven Unleveraged Senior Loan Fund (Yen) L.P.

By: MS Capital Partners Adviser Inc., its Manager

By: /s/ John Spivak
Name: Jon Spivak
Title: Executive Director

NH Senior Loan Fund Onshore Holdings LLC

By: North Haven Senior Loan Fund L.P. its managing member
By: MS Senior Loan Partners GP L.P., its general partner
By: MS Senior Loan Partners GP Inc., its general partner

By: /s/ John Spivak
Name: Jon Spivak
Title: Executive Director

NH Senior Loan Fund Offshore Holdings L.P.

By: North Haven Senior Loan Fund Offshore L.P. its equity holder
By: MS Capital Partners Adviser Inc., Duly Authorized

By: /s/ John Spivak
Name: Jon Spivak
Title: Executive Director

ANNEX I

Credit Agreement

(See attached)

ANNEX II

Exhibit C-1

Form of Compliance Certificate

(See attached)

CREDIT AGREEMENT

by and among

EBS INTERMEDIATE PARENT LLC,

as Holdings,

EBS ENTERPRISES LLC,

as Borrower

the other Subsidiaries of Holdings hereafter

designated as Guarantors,

THE LENDERS

from Time to Time Party Hereto,

And

FIRST EAGLE ALTERNATIVE CAPITAL AGENT, INC.

(formerly known as **THL CORPORATE FINANCE, INC.),**

as Agent

Dated as of October 2, 2018

As amended by the First Amendment to Credit Agreement, dated as of February 10, 2020

As amended by the Second Amendment and Limited Waiver to Credit Agreement, dated as of April 3, 2020

As amended by the Third Amendment to Credit Agreement, dated as of February 19, 2021

As amended by the Fourth Amendment to Credit Agreement, dated as of May 5, 2021

As amended by the Fifth Amendment to Credit Agreement, dated as of **October 25**, 2021

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CREDIT AGREEMENT

THIS CREDIT AGREEMENT, dated as of October 2, 2018, is among **EBS INTERMEDIATE PARENT LLC**, a Delaware limited liability company ("***Holdings***"), **EBS ENTERPRISES, LLC**, a Delaware limited liability company ("***EBS Enterprises***"), the other Subsidiaries hereafter designated as Guarantors pursuant to Section 8.11, (together with Holdings), collectively, the "***Guarantors***" and each a "***Guarantor***"), the lenders from time to time party hereto (each a "***Lender***" and, collectively, the "***Lenders***") and **FIRST EAGLE ALTERNATIVE CAPITAL AGENT, INC.** (formerly known as **THL CORPORATE FINANCE, INC.**, a Delaware corporation ("***First Eagle***" or "***THL***")), as administrative agent and collateral agent for the Lenders (in such capacities, together with its successors and assigns in such capacities, the "***Agent***").

RECITALS

WHEREAS, in connection with the Closing Date Acquisition (as defined below), Vesey Street Capital Partners, L.L.C., a Delaware limited liability company ("***Sponsor***") has established Holdings;

WHEREAS, pursuant to that certain Unit Purchase Agreement (the "***Closing Date Acquisition Agreement***"), dated as of the Closing Date, by and among Intermediate Holdings, EBS Enterprises and Aaron Rollins, M.D. (the "***Seller***"), Intermediate Holdings will acquire all of the issued and outstanding Capital Stock of EBS Enterprises (such transaction, the "***Closing Date Acquisition***");

WHEREAS, the Sponsor, certain affiliated funds thereof and certain other co-investors (including management of the Borrower) will make direct and indirect equity contributions (including cash and rollover equity) to Holdings which will be further contributed to the Borrower (the "***Equity Investment***") in an aggregate amount of not less than seventy percent (70%) of the cash consideration for the Closing Date Acquisition; provided that an aggregate amount of not less than sixty-five percent (65%) of the Equity Investment shall consist of an equity contribution by the Sponsor, it being understood that the terms and amounts of all rollover equity and all investments in preferred equity securities must be on terms and conditions reasonably satisfactory to Agent;

WHEREAS, in connection with the foregoing, the Initial Borrower has requested that the Lenders extend credit to the Borrower in the form of (a) a senior secured term loan facility in the aggregate principal amount of $34,000,000, to be fully drawn on the Closing Date (the "***Initial Term Loan Facility***"), (b) a senior secured term loan facility in the aggregate principal amount of $52,000,000, to be fully drawn on the Fourth Amendment Effective Date (the "***Fourth Amendment Term Loan Facility***" and, together with the Initial Term Loan Facility, the "***Term Loan Facility***") and (c) a senior secured revolving credit facility consisting of Revolving Loan Commitments in the aggregate principal amount of $5,000,000, to be drawn from time to time after the Closing Date in accordance with the terms hereof (the "***Revolving Credit Facility***");

WHEREAS, (a) the proceeds of the Initial Term Loan Facility will be used together with the proceeds of the Equity Investment on the Closing Date solely (i) to fund a portion of the consideration payable in order to consummate the Closing Date Acquisition and to repay Indebtedness in respect of the Existing Target Debt Agreements, and (ii) to pay a portion of the related fees and expenses incurred in connection with the foregoing and the entry into this Agreement and the other Transaction Documents, (b) Revolving Loans drawn under the Revolving Credit Facility shall be used solely for working capital requirements and general corporate purposes of the Borrower and its Subsidiaries to the extent not prohibited by this Agreement, including for Permitted Acquisitions, capital expenditures and other Investments permitted hereunder, and (c) the Letters of Credit issued under the Revolving Credit Facility shall be used solely for working capital requirements and general corporate purposes of the Borrower and its Subsidiaries to the extent not prohibited by this Agreement; and

WHEREAS, effective automatically and immediately upon consummation of the Closing Date Acquisition, EBS Enterprises shall become a Borrower, EBS Intermediate LLC, a Delaware limited liability company ("***Intermediate Holdings***") shall assign its obligations as the Initial Borrower of Indebtedness evidenced by the Loans and all of its other Obligations as the Initial Borrower hereunder and under the other Credit Documents to EBS Enterprises and EBS Enterprises shall assume all Indebtedness evidenced by the Credit Documents and all other rights and Obligations of the Initial Borrower as Borrower under the Credit Documents (it being understood that such assignment and assumption of Indebtedness shall not constitute a novation of such Indebtedness) and agrees to pay and otherwise perform when due all Obligations hereunder as a Borrower (the "***Debt Push Down***"), and, after giving effect to the Debt Push Down for all purposes under the Credit Agreement, Intermediate Holdings shall cease to be a Borrower and, pursuant to a merger of Intermediate Holdings with and into EBS Enterprises, with EBS Enterprises being the surviving entity and becoming a wholly-owned subsidiary of Holdings, shall cease to exist.

AGREEMENT

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. As used herein, the following terms shall have the meanings specified in this Section 1.01 unless the context otherwise requires:

"***Accounts Receivable***" shall mean all rights of any Credit Party to payment for goods sold, leased or otherwise disposed of in the ordinary course of business and all rights of any Credit Party to payment for services rendered in the ordinary course of business and all sums of money or other proceeds due thereon pursuant to transactions with account debtors, except for that portion of the sum of money or other proceeds due thereon that relate to sales, use or property taxes in conjunction with such transactions, recorded on books of account in accordance with GAAP.

"***Adjustment Date***" means the first Business Day of the calendar month immediately following the date on which financial statements for any fiscal quarter and the related Compliance Certificate are required to be delivered pursuant to Section 8.01(b) and Section 8.01(d).

"***Administrative Questionnaire***" shall mean a questionnaire completed by each Lender, in a form approved by Agent, in which such Lender, among other things, (a) 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 such Lender's compliance procedures and Applicable Laws, including federal and state securities laws and (b) designates an address, facsimile number, electronic mail address and/or telephone number for notices and communications with such Lender.

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

"***Affiliate***" shall mean, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified; provided, that, no Secured Party or Affiliate thereof shall be an Affiliate of any Credit Party solely by reason of the provisions of the Credit Documents. Solely for purposes of Section 9.09, any director, officer or holder of the Capital Stock of Holdings, any direct or indirect parent entity of Holdings or any Subsidiary thereof, together with their family members and Affiliates. The term "***Control***" means either (a) the power to vote, or the beneficial ownership of, ten percent (10%) or more of the voting Capital Stock of such Person or (b) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms "***Controlling***" and "***Controlled***" have meanings correlative thereto.

"***Agent***" shall have the meaning set forth in the preamble to this Agreement.

"***Agreement***" shall mean this Credit Agreement, as the same may be amended, amended and restated, supplemented, or otherwise modified from time to time.

"***Anti-Terrorism Law***" shall have the meaning set forth in Section 7.25(b).

"***Applicable Laws***" shall mean, as to any Person, any law (including common law), statute, regulation, ordinance, rule, order, decree, judgment, consent decree, writ, injunction, settlement agreement or governmental requirement enacted, promulgated or imposed or entered into or agreed by any Governmental Authority, in each case applicable to or binding on such Person or any of its property or assets or to which such Person or any of its property or assets is subject.

"***Applicable Margin***" shall mean (a) with respect to any LIBOR Loan, initially, five and one half percent (5.50%) per annum, and thereafter, as of each Adjustment Date, the applicable percent per annum set forth in the Pricing Table corresponding to the Total Leverage Ratio as of the last day of the most recently completed fiscal quarter prior to the applicable Adjustment Date, (b) and in the case of any Base Rate Loan, initially, four and one half percent (4.50%) per annum, and thereafter, as of each Adjustment Date, the applicable percent per annum set forth in the Pricing Table corresponding to the Total Leverage Ratio as of the last day of the most recently completed fiscal quarter prior to the applicable Adjustment Date, and (c) with respect to any Incremental Term Loans, the "Applicable Margin" set forth in the Incremental Facility amendment or joinder agreement establishing the terms thereof. For the avoidance of doubt, the Applicable Margin for (i) each LIBOR Loan outstanding as of the Fourth Amendment Effective Date shall be five and one half percent (5.50%) per annum and (ii) each Base Rate Loan outstanding as of the Fourth Amendment Effective Date shall be four and one half percent (4.50%) per annum, in each case, until any adjustment that may occur as of each Adjustment Date following the Fourth Amendment Effective Date.

"***Approved Fund***" shall mean any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in commercial loans and similar extensions of credit in the ordinary course and that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

"***Assigned Life Insurance Policies***" means, collectively, the "key man" insurance policies on the lives of, Aaron Rollins, M.D or any other owner of a PC Entity or other key person obtained from time to time by the Credit Parties or by the PC Entities for the benefit of the Credit Parties pursuant to which the Agent requests that such policy be collaterally assigned for the benefit of the Agent and the Lenders (it being understood that any such collateral assignment shall be (x) entered into in the time periods specified in Section 8.03 and (y) in form and substance reasonably satisfactory to the Agent).

"***Assignment and Acceptance***" shall mean an assignment and acceptance substantially in the form of Exhibit A-1.

"***Attributable Indebtedness***" shall mean, on any date, in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP.

"***Assumed Tax Rate***" shall have the meaning set forth in the definition of Permitted Tax Distributions.

"***Authorized Officer***" shall mean, with respect to any Credit Party, the Chairman of the Board, the President, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Treasurer or any other senior financial officer (to the extent that such senior financial officer is designated as such in writing to the Agent by such Credit Party) of such Credit Party.

"Available Amount" shall mean, as of any date of determination, an amount equal to, without duplication, the sum of (in each case, to the extent not otherwise applied):

(i) an amount equal to the Retained Excess Cash Flow Amount for such fiscal period; *minus*

(ii) any amounts expended pursuant to Section 9.05(n) or 9.06(i).

"***Available Revolving Loan Amount***" shall mean, at any time, the Total Revolving Loan Commitment at such time less the sum of (x) the principal amount of all outstanding Revolving Loans and (y) Letters of Credit Outstanding at such time.

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

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

"***Balance Sheet***" shall have the meaning set forth in the definition of Historical Financial Statements.

"***Bankruptcy Code***" shall mean the Federal Bankruptcy Reform Act of 1978, as the same now exists or may from time to time hereafter be amended, modified, recodified or supplemented.

"***Base Rate***" shall mean, for any day, a fluctuating rate of interest per annum (rounded upward, if necessary, to the next highest one sixteenth of one percent (1/16 of 1.00%) equal to the highest of: (a) the Prime Rate in effect on such day; (b) the Federal Funds Rate in effect on such day plus one-half of one percent (0.50%); and (c) the sum of (i) the LIBOR Rate calculated for each such day based on an Interest Period of one (1) month (but for the avoidance of doubt, not less than one percent (1.00%) per annum), plus (ii) one percent (1.00%). Changes in the rate of interest on that portion of any Loans maintained as Base Rate Loans will take effect simultaneously with each change in the Base Rate.

"***Base Rate Loan***" shall mean any Loan calculated based on the Base Rate.

"***Blocked Person***" shall have the meaning set forth in Section 7.25(b).

"***Board***" shall mean the Board of Governors of the Federal Reserve System of the United States (or any successor).

"***Board of Directors***" shall mean, as to any person, the board of directors, board of managers or other governing body of such Person, or if such Person is owned or managed by a single entity, the board of directors, board of managers or other governing body of such entity.

"***Borrower***" shall mean (i) Intermediate Holdings (prior to giving effect to the Closing Date Acquisition) and (ii) EBS Enterprises (upon giving effect to the Closing Date Acquisition and Debt Push Down).

"***Borrowing***" shall mean and include (a) the incurrence of one Type of Initial Term Loan on the Closing Date or, as the context may require, a Fourth Amendment Term Loan on the Fourth Amendment Effective Date or an Incremental Term Loan from time to time after the Fourth Amendment Effective Date (or resulting from conversions on a given date after the Closing Date) having, in the case of LIBOR Term Loans, the same Interest Period (provided that, Base Rate Loans incurred pursuant to Section 2.10 shall be considered part of any related Borrowing of LIBOR Term Loans), and (b) the incurrence of one Type of any Revolving Loan on a given date (or resulting from conversions on a given date) having, in the case of LIBOR Revolving Loans, the same Interest Period (provided, that Base Rate Loans incurred pursuant to Section 2.10 shall be considered part of any related Borrowing of LIBOR Revolving Loans).

"***Budget***" shall have the meaning set forth in Section 8.01(e).

"***Business Associate Agreement***" shall mean each business associate agreement between a Credit Party and a PC Entity, in form and substance reasonably acceptable to Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time to the extent not prohibited by this Agreement

"***Business Day***" shall mean (a) any day excluding Saturday, Sunday and any day that shall be in the City of New York or Los Angeles a legal holiday or a day on which banking institutions are authorized by law or other governmental actions to close, and (b) in the case of any LIBOR Loans, any day that is also a day for trading by and between banks in Dollar deposits in the London interbank market.

"***Capital Stock***" shall mean any and all shares, interests, participations, units or other equivalents (however designated) of capital stock of a corporation, membership interests in a limited liability company, partnership interests of a limited partnership, any and all equivalent ownership interests in a Person and any and all warrants, rights or options to purchase any of the foregoing.

"***Capitalized Lease Obligations***" shall mean, as applied to any Person, all obligations under Capitalized Leases of such Person or any of its Subsidiaries, in each case taken at the amount thereof accounted for as liabilities on the balance sheet (excluding the footnotes thereto) of such Person in accordance with GAAP.

"***Capitalized Leases***" shall mean, as applied to any Person, all leases of property that have been or should be, in accordance with GAAP, recorded as capitalized leases on the balance sheet of such Person or any of its Subsidiaries, on a consolidated basis; provided, that for all purposes hereunder the amount of obligations under any Capitalized Lease shall be the amount thereof accounted for as a liability on the balance sheet (excluding the footnotes thereto) of such Person in accordance with GAAP.

"***Carry-Over Amount***" shall have the meaning set forth in Section 9.13(c).

"***Cash Collateralize***" shall mean, with respect to a Letter of Credit, the pledge and deposit of immediately available funds (or, if the Letter of Credit Issuer benefitting from such collateral shall agree in its sole discretion, other credit support) into a cash collateral account maintained with (or on behalf of) the Agent in an amount equal to one hundred and five percent (105%) of the Stated Amount of such Letter of Credit as collateral pursuant to documentation in form and substance satisfactory to the Agent and the Letter of Credit Issuer. "***Cash Collateral***" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"***Cash Equivalents***" shall mean:

(a) any direct obligation of (or unconditional guarantee by) the United States (or any agency or political subdivision thereof, to the extent such obligations are supported by the full faith and credit of the United States) maturing not more than one year after the date of acquisition thereof;

(b) commercial paper and other highly liquid short-term money market securities maturing not more than one hundred eighty (180) days from the date of issue and issued by (i) a corporation (other than an Affiliate of any Credit Party) organized under the laws of any state of the United States or of the District of Columbia and, at the time of acquisition thereof, rated A 2 or higher by S&P or P 2 or higher by Moody's, or (ii) any Lender (or its holding company);

(c) any certificate of deposit, time deposit or bankers acceptance, maturing not more than one hundred eighty (180) days after its date of issuance, which is issued by either: (i) a bank organized under the laws of the United States (or any state thereof) which has, at the time of acquisition thereof, (A) a credit rating of P2 or higher from Moody's or A or higher from S&P and (B) a combined capital and surplus greater than $500,000,000, or (ii) a Lender;

(d) any repurchase agreement having a term of not more than thirty (30) days entered into by any Person with a commercial banking institution, a bank or trust company (including any of the Lenders) or recognized securities dealer, in each case, having capital and surplus in excess of $500,000,000 or its equivalent for direct obligations issued by or fully guaranteed or insured by the government or any agency or instrumentality of the United States, in which such Person shall have a perfected first priority security interest (subject to no other Liens) or title to which shall have been transferred to such Person and having, on the date of purchase thereof, a fair market value of at least one hundred percent (100%) of the amount of the repurchase obligations;

(e) readily marketable securities with maturities of twelve (12) months or less from the date of acquisition that are direct Obligations issued or fully guaranteed by any state, commonwealth or territory of the United States or by any political subdivision or taxing authority of any such state, member, commonwealth or territory having one of the two highest investment grades rating from S&P or Moody's (or the equivalent thereof);

(f) demand deposit accounts maintained in the ordinary course of business with any commercial banking institution that is either: (i) a bank organized under the laws of the United States (or any state thereof) which has, at the time of acquisition thereof, (A) a credit rating of P2 or higher from Moody's or A or higher from S&P and (B) a combined capital and surplus greater than $500,000,000, or (ii) a Lender; and

(g) investment in money market or mutual funds investing at least ninety-five percent (95%) of their assets in securities of the types described in clauses (a) through (f) above.

"***Cash Management Obligations***" means obligations of Holdings, the Borrower or any of its Subsidiaries in respect of any overdraft and related liabilities arising from treasury, depository, cash pooling arrangements and cash management services or any automated clearing house transfers of funds, (but excluding any line of credit or other obligation for borrowed money), in each case, entered into in the ordinary course of business.

"***Casualty Event***" shall mean the damage, destruction or condemnation, as the case may be, of property of any Person or any of its Subsidiaries, including any taking of all or any part of any real property of any Person in or by condemnation or other eminent domain proceedings pursuant to any Applicable Laws, or by reason of the temporary requisition of the use or occupancy of all or any part of any real property of any Person by any Governmental Authority, civil or military, or any settlement in lieu thereof.

"***CERCLA***" shall mean the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

"***Change in Law***" means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"***Change of Control***" shall mean any event, transaction, occurrence or series of events resulting in any of the following: (a) prior to the date of consummating a Qualified IPO, either (i) the Permitted Holders ceasing to beneficially and of record own and control, directly or indirectly, at least fifty-one percent (51%) on a fully diluted basis of the aggregate outstanding voting or economic rights of the outstanding Capital Stock of Holdings, free and clear of all Liens (other than Permitted Liens), (~~b~~ii) the Sponsor and its Controlled Investment Affiliates ceasing to beneficially and of record own and control, directly or indirectly, at least twenty-five percent (25%) on a fully diluted basis of the aggregate outstanding voting or economic rights of the outstanding Capital Stock of Holdings, free and clear of all Liens (other than Permitted Liens), or (~~c~~iii) the Sponsor and its Controlled Investment Affiliates ceasing to possess the right to elect (through contract, ownership of voting securities or otherwise) at least two-thirds of the Governing Body of Holdings and its Subsidiaries and to direct the management, policies and decisions of Holdings and its Subsidiaries, (~~d~~b) on or after the date of consummating a Qualified IPO, either (i) any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on October 25, 2021) beneficially and of record owning and controlling, directly or indirectly, forty percent (40%) or more on a fully diluted basis of the aggregate outstanding voting or economic rights of the outstanding Capital Stock of New Parent (other than such ownership by the Permitted Holders), (ii) New Parent ceasing to directly own and control one hundred percent (100%) of the voting and economic rights associated with all classes of Capital Stock of Holdings, free and clear of all Liens (other than Permitted Liens), or (iii) a majority of the members of the board of directors or other equivalent governing body of New Parent cease to be composed of Continuing Directors, (c) Holdings ceasing to directly own and control one hundred percent (100%) of the voting and economic rights associated with all classes of Capital Stock of EBS Enterprises, (~~e~~free and clear of all Liens (other than Permitted Liens), (d) EBS Enterprises ceasing to own and control one hundred percent (100%) of the voting and economic rights associated with all classes of Capital Stock of each of its Subsidiaries which are Credit Parties, free and clear of all Liens (other than Permitted Liens), (~~f~~e) the sale, transfer or other disposition of all or substantially all of the assets of any Credit Party (other than pursuant to a transaction expressly permitted under this Agreement) or, on or after the date of consummating a Qualified IPO, New Parent, (~~g~~f) Aaron Rollins, M.D. ceases to serve as the senior officer, member or manager of any Credit Party or is no longer directly or indirectly responsible for, and in control of, day to day management and the business operations of such Credit Party, unless within one-hundred and eighty (180) days thereafter a replacement reasonably acceptable to both the Borrower and the Agent is appointed and such replacement accepts such appointment within such period; or (~~h~~g) a "Change of Control" (as defined in any Subordinated Loan Agreement shall occur).

"***Claims***" shall have the meaning set forth in the definition of Environmental Claims.

"***Class***", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Term Loans, Incremental Term Loans or Revolving Loans, and, when used in reference to any Commitment, refers to whether such Commitment is an Incremental Term Loan Commitment (to the extent any such amounts are so committed) or a Revolving Loan Commitment.

"***Closing Date***" shall mean October 2, 2018.

"***Closing Date Acquisition***" shall have the meaning set forth in the recitals to this Agreement.

"***Closing Date Acquisition Agreement***" shall have the meaning set forth in the recitals to this Agreement.

"***Closing Date Acquisition Documents***" shall mean, collectively, the Closing Date Acquisition Agreement, and all other documents, agreements and instruments executed or delivered in connection with the Closing Date Acquisition.

"***Closing Date EBITDA***" shall mean earnings before interest, taxes, depreciation and amortization of EBS Enterprises and its Subsidiaries on a consolidated basis, determined using the financial information contained in the Historical Financial Statements for the period ending on June 30, 2018 and for the period of twelve consecutive fiscal months ending on such date.

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

"***Collateral***" shall mean any assets of any Credit Party or other collateral upon which Agent has been granted a Lien in connection with the Credit Documents.

"***Collateral Assignment of PC Documents***" means a collateral assignment of the PC Documents in respect of the PC Documents of a given PC Entity, in form and substance reasonably satisfactory to the Agent, which Collateral Assignment of PC Documents shall be made by a Credit Party in favor of the Agent, and acknowledged by the applicable PC Entity.

"***Collateral Assignment of R&W Insurance***" means a collateral assignment of the representation and warranty insurance policy obtained by the Borrower in connection with the Closing Date Acquisition, in form and substance reasonably satisfactory to Agent.

"***Collateral Sale***" shall have the meaning set forth in Section 11.14.

"***Collections***" shall mean all cash, checks, credit card slips or receipts, notes, instruments, and other items of payment (including insurance proceeds, proceeds of cash sales, rental proceeds, and tax refunds) of the Credit Parties.

"***Commitment***" shall mean, with respect to each Lender, such Lender's Term Loan Commitment or Revolving Loan Commitment.

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

"***Communication***" shall have the meaning set forth in Section 12.24.

"***Compliance Certificate***" shall mean a certificate duly completed and executed by an Authorized Officer of the Borrower substantially in the form of Exhibit C-1, together with such changes thereto or departures therefrom as Agent may from time to time reasonably request or approve for the purpose of monitoring the Credit Parties' compliance with the Financial Covenants, certain other calculations or as otherwise agreed to by Agent.

"***Confidential Information***" shall have the meaning set forth in Section 12.17.

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

"***Consolidated Capital Expenditures***" shall mean, for any specified period, the sum of, without duplication, all expenditures made, directly or indirectly, by Holdings and its Subsidiaries during such period, determined on a consolidated basis in accordance with GAAP, that are capital expenditures in accordance with GAAP, including expenditures that are or should be reflected as additions to property, plant or equipment or similar items reflected in the consolidated statement of cash flows of Holdings and its Subsidiaries, or have a useful life of more than one year and including any deposits reported as current assets that constitute capital expenditures in accordance with GAAP.

"***Consolidated EBITDA***" shall mean, for a specified period, an amount determined for Holdings and its Subsidiaries on a consolidated basis equal to the sum of:

(a) Consolidated Net Income,

plus

(b) to the extent (and in the same amount) deducted in calculating Consolidated Net Income for such period, the sum of, without duplication, amounts for:

(i) Consolidated Interest Expense (net of interest income),

(ii) (x) provision for Taxes based on income, profits or capital and sales taxes, including federal, foreign, state, franchise, excise and similar Taxes paid or accrued during such period (including in respect of repatriated funds) including penalties and interest related to such Taxes or arising from any Tax examinations and (y) Permitted Tax Distributions with respect to such period, in each case, without duplication, net of any Tax refunds received,

(iii) total depreciation expense,

(iv) total amortization expense,

(v) other non-cash charges or adjustments reducing Consolidated Net Income (excluding any such non-cash item (x) to the extent that it represents an accrual or reserve for potential cash items in any future period or amortization of a prepaid cash item that was paid in a prior period or (y) relating to a write-down, write off or reserve with respect to Accounts Receivable or inventory),

(vi) losses on asset sales, disposals or abandonments (other than (i) of current assets and (ii) asset sales, disposals or abandonments in the ordinary course of business),

(vii) reported operating losses or expenses incurred with respect to de novo treatment facilities during the six (6) month period immediately prior to the opening thereof; provided, that (x) the amount added back to Consolidated Net Income pursuant to this clause (vii) shall not exceed, in the case of any individual de novo treatment facility, an amount in excess of $250,000 in the aggregate during the term of this Agreement, and (y) the aggregate amount added back to Consolidated Net Income pursuant to this clause (vii) for any period of twelve (12) consecutive fiscal months shall not exceed ten percent (10%) of Consolidated EBITDA (as calculated without giving effect to any addbacks under clause (vii) – (xv) hereof) for such period;

(viii) Permitted Management Payments,

(ix) reasonable, documented out-of-pocket fees, costs and expenses incurred in connection with the consummation of the Transactions (x) in an aggregate amount not to exceed $2,915,548.72 on the Closing Date, and (y) to the extent incurred within ninety (90) days after the Closing Date, such additional amounts approved by Agent in its reasonable discretion,

(x) reasonable, documented out-of-pocket fees, costs and expenses incurred in connection with amendments, restatements, replacements, extensions, supplements, waivers or other modifications with respect to the Credit Documents, in each case to the extent paid within ninety (90) days after the date of such amendment, restatement, replacement, extension, supplement, waiver or other modification,

(xi) to the limited extent set forth in Section 10.03, the amount of a Specified Equity Contribution made in respect of such period and applied in accordance with Section 10.03,

(xii) the amount of (A) any net-after tax unusual or non-recurring costs, expenses or charges actually and directly incurred in cash by the Credit Parties and (B) any pro forma "run rate" cost savings, operating expense reductions, synergies and other adjustments (including the amount of any synergies, business optimization expenses, restructuring charges or integration charges directly attributable to the undertaking or implementation of any strategic initiatives, severance, retention, other employee related costs, recruiting, relocation, one-time compensation or bonus charges, closing and consolidation of facilities, reserves, consulting, cost-savings initiatives and contract termination costs), in each case, that are projected by the Credit Parties in good faith to be realized within nine (9) months after the consummation of the Closing Date Acquisition, a Permitted Acquisition, a permitted Disposition or any other non-ordinary course Specified Transaction permitted under the Credit Documents giving rise to such adjustments from actions taken or committed to be taken within such period (calculated on a Pro Forma Basis as though such cost savings, operational expense reductions, synergies and other adjustments were realized on the first day of such period for which the Consolidated EBITDA is being determined as if such cost savings, operational expense reductions, synergies and other adjustments were realized during the entirety of the period), net of the amount of actual benefits realized during such period from such actions; provided that any such amounts added back under this clause (xii) are identifiable, factually supportable, reasonably expected to have a continuing impact and directly related to such transaction; provided further that each compliance certificate delivered by an appropriate Authorized Officer of Borrower shall provide reasonable detail (and attach back-up documentation and calculations) evidencing the amounts to be added back under this clause (xii); provided further that (x) the aggregate amount added back pursuant to this clause (xii) for any period of twelve (12) consecutive fiscal months (i) ending on the Closing Date until the last day of the fourth Fiscal Quarter ending after the Closing Date shall not exceed twenty-five percent (25%) of Consolidated EBITDA (as calculated without giving effect to any addbacks under clause (vii) – (xiii) hereof) for such period and (ii) ending after the last day of the fourth Fiscal Quarter ending after the Closing Date shall not exceed twenty percent (20%) of Consolidated EBITDA (as calculated without giving effect to any addbacks under clause (vii) – (xiii) hereof) and (y) such cost savings and operational expense reductions must also be permitted to be included in financial statements prepared in accordance with Regulation S-X,

(xiii) the documented and out-of-pocket fees, costs and expenses incurred in connection with a Qualified IPO, all as described in the Form 10-Q filed by Parent with respect to such period, and

(xiv) ~~(xiii)~~ other add-backs or adjustments from time to time approved in writing by the Agent in its sole discretion,

minus

(c) to the extent (and in the same amount) included in calculating Consolidated Net Income for such period, the sum of, without duplication, amounts for:

(i) (A) other non-cash income or gains or adjustments increasing Consolidated Net Income for such period (excluding any such non cash item to the extent it represents the reversal of an accrual of a reserve for a potential cash item in any prior period), and (B) cash and non-cash gains from adjustments of earnout and deferred purchase price amounts in connection with a Permitted Acquisition and described in clause (d) of the definition of "Indebtedness."

(ii) gains on asset sales, disposals or abandonments (other than (A) of current assets and (B) asset sales, disposals or abandonments in the ordinary course of business),

(iii) extraordinary, unusual or non-recurring gains and income,

(iv) income of any Person that is not a Credit Party.

Notwithstanding anything to the contrary contained herein, for each of the calendar months ending on the dates set forth below, "Consolidated EBITDA" shall be deemed to be the amount set forth below opposite such date (and if any period of determination includes additional calendar months not set forth below, then Consolidated EBITDA shall be determined by taking the sum of the portion of the period that may be determined by reference to the table below plus the remaining portion determined in accordance with the definition above):

Calendar Month	Consolidated EBITDA
April 30, 2020	-$ 86,000
May 31, 2020	$ 505,000
June 30, 2020	$ 1,121,000
July 31, 2020	$ 2,072,000
August 31, 2020	$ 2,325,000
September 30, 2020	$ 2,379,000
October 31, 2020	$ 2,531,000
November 30, 2020	$ 2,887,000
December 31, 2020	$ 2,505,000
January 31, 2021	$ 3,227,000
February 28, 2021	$ 3,422,000
March 31, 2021	$ 4,165,000

"***Consolidated Excess Cash Flow***" shall mean, for a specified period, the excess (if any), of: (a) the sum of (i) Consolidated EBITDA for such period (which, for the avoidance of doubt, shall not be calculated on a Pro Forma Basis for such period) plus (ii) the amount of tax refund payments received by Holdings and its Subsidiaries in cash during such period, less (b) the sum for such period (without duplication and to the extent that the following amounts have not already been deducted in determining Consolidated EBITDA for such period) of (i) Consolidated Interest Expense paid in cash, (ii) scheduled principal payments made in cash during such period, (iii) Permitted Tax Distributions and Taxes based on income paid in cash by Holdings and its Subsidiaries, (iv) Consolidated Capital Expenditures made in cash during such period (and not financed, other than with the proceeds of Revolving Loans), (v) Permitted Management Payments to the extent paid in cash and added back to Consolidated EBITDA during such period, (vi) any other costs, expenses and/or charges described in clause (b) of the definition of Consolidated EBITDA to the extent paid in cash during such period, (vii) increases (or minus decreases) in Consolidated Working Capital for such period, (viii) the amount of cash consideration paid during such period by Holdings and its Subsidiaries in connection with Permitted Acquisitions and other Investments permitted under the Credit Documents to the extent that such Permitted Acquisitions and other permitted Investments were not financed with the proceeds of long-term Indebtedness (other than any Revolving Loans) of Holdings or its Subsidiaries, (ix) any pro forma adjustments, pro forma cost savings, operating expense reductions and cost synergies included in the definition of Consolidated EBITDA in each case, related to Permitted Acquisitions, Dispositions or other transactions (including in respect of pro forma adjustments set forth in clause (b)(xii) of the definition of Consolidated EBITDA) consummated by the Credit Parties and (x) Restricted Payments paid in cash pursuant to Section 9.06(m) during such period (and not financed) (which amount under this clause (x), for the avoidance of doubt, shall be $8,316,401.12 in the fiscal year ending December 31, 2021).

"***Consolidated Interest Expense***" shall mean, for any specified period, for Holdings and its Subsidiaries, determined on a consolidated basis in accordance with GAAP, the sum of: (a) all interest in respect of Indebtedness (including, without limitation, the interest component of any payments in respect of Capitalized Lease Obligations) accrued or capitalized during such period (whether or not actually paid during such period), plus (b) commitment fees and other scheduled, recurring fees paid or payable to Agent or any Lender under the Credit Documents, to the extent treated as interest under GAAP, plus (c) the net amount payable (or minus the net amount receivable) in respect of Hedging Obligations relating to interest during such period (whether or not actually paid or received during such period).

"***Consolidated Net Income***" shall mean, for any specified period, the consolidated net income (or loss) of Holdings and its Subsidiaries, after deduction of all expenses, taxes, and other proper charges, determined in accordance with GAAP; provided that there shall be excluded from such consolidated net income (or loss) (to the extent otherwise included therein), without duplication: (i) the income (or loss) of any Person (other than any consolidated wholly-owned Subsidiary of Holdings) in which any Person (other than Holdings or any of its consolidated wholly-owned Subsidiaries) has an ownership interest, except to the extent of the amount of any dividends or other distributions actually paid in cash to Holdings or any of its consolidated Subsidiaries by such Person during such specified period, (ii) the income (or loss) of any Person accrued prior to the date on which it becomes a consolidated Subsidiary of Holdings or is merged into or consolidated with Holdings or any of its consolidated Subsidiaries or such Person's assets are acquired by Holdings or any of its consolidated Subsidiaries, (iii) the income of any consolidated Subsidiary of Holdings to the extent that the declaration or payment of dividends or similar distributions by that consolidated Subsidiary of that income is not at the time permitted by operation of the terms of its Organization Documents or by any Applicable Laws or any agreement, (iv) the cumulative effect of a change in accounting principles during such period, (v) the net after Tax income (loss) for such period attributable to the early extinguishment of Indebtedness and the termination of associated Hedging Agreements and other derivative instruments and (vi) the revenue of any PC Entity that is not a Qualified PC Entity.

"***Consolidated Total Debt***" shall mean, as of any date of determination, the outstanding principal amount of all Funded Debt (which, in the case of the Revolving Loans, shall be deemed to equal the average daily amount of the Revolving Loans outstanding for the period of the then-current fiscal quarter of Holdings and its Subsidiaries elapsed to such date of determination, and which, in the case of Letter of Credit Outstandings, shall be deemed to equal the average daily amount of Letter of Credit Outstandings for the period of the then-current fiscal quarter of Holdings elapsed to such date of determination).

"***Consolidated Working Capital***" shall mean, as of any date of determination, the excess of (a) the sum of all amounts permitted hereunder (other than Qualified Cash) that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of Holdings and its Subsidiaries at such date over (b) the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of Holdings and its Subsidiaries on such date, including deferred revenue but excluding, without duplication, (i) the current portion of any Funded Debt, (ii) all Indebtedness consisting of the Loans and Obligations in respect of Letters of Credit to the extent otherwise included therein, (iii) the current portion of interest and (iv) the current portion of current and deferred income Taxes.

"***Consulting Agreements***" shall mean each consulting agreement (or similar agreement) between a Credit Party and the consultant party thereto, in form and substance reasonably acceptable to Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time to the extent not prohibited by this Agreement.

"***Contingent Liability***" shall mean, for any Person, any agreement, undertaking or arrangement by which such Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the Indebtedness of any other Person (other than by endorsements of instruments in the course of collection), or guarantees the payment of dividends or other distributions upon the Capital Stock of any other Person. The amount of any Person's obligation under any Contingent Liability shall (subject to any limitation set forth therein) be deemed to be the outstanding principal amount of the debt, obligation or other liability guaranteed thereby.

"***Continuing Directors***" means the directors of New Parent immediately following the consummation or a Qualified IPO, whether or not such directors have been elected by the stockholders of New Parent on the date of such consummation, and each other director of New Parent, if such other director's nomination for election to the board of directors of New Parent is recommended by a majority of the then Continuing Directors of New Parent.

"***Continuity Agreements***" shall mean each continuity agreement, membership interest transfer restriction agreement, stock transfer restriction agreement or other similar agreement between the applicable Credit Party, the applicable PC Entity and the applicable equity holder(s) of such PC Entity, in form and substance reasonably satisfactory to Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time to the extent not prohibited by this Agreement.

"***Contractual Obligation***" shall mean, as to any Person, any obligation of such Person under any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound, in each case, other than the Obligations.

"***Control Agreement***" shall mean a control agreement, in form and substance reasonably satisfactory to Agent, executed and delivered by the applicable Credit Party, Agent, and the applicable securities intermediary or bank, which agreement is sufficient to give Agent "control" over the applicable securities accounts, deposit accounts or investment property, as the case may be.

"***Controlled Affiliate***" shall mean, as to any Person, any other Person which directly or indirectly is in Control of, is Controlled by, or is under common Control with, such person and is organized by such Person (or any person Controlling such Person) primarily for making equity or debt investments in portfolio companies.

"***Controlled Investment Affiliate***" shall mean (1) funds or investment vehicles managed and controlled by the Sponsor or (2) as to any Person, any other Person that (a) directly or indirectly, is in control of, is controlled by, or is under common control with, such Person and (b) is organized by such Person primarily for the purpose of making equity or debt investments in one or more companies. For purposes of this definition, "control" of a Person means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"***Credit Documents***" shall mean this Agreement, the Security Documents, any Note, the Fee Letter, the Fourth Amendment Fee Letter, the Collateral Assignment of PC Documents, the Collateral Assignment of R&W Insurance, the Management Subordination Agreement, and any agreement creating or perfecting rights in Cash Collateral pursuant to this Agreement, any intercreditor or subordination agreements in favor of Agent with respect to this Agreement or any other agreement, document or instrument entered into now, or in the future, by any Credit Party or any Affiliate thereof, on one hand, and Agent, any Lender and/or any other Secured Party, on the other hand, in connection with any of the foregoing.

"***Credit Extension***" shall mean and include the making (but not the conversion or continuation) of a Loan or the issuance of a Letter of Credit.

"***Credit Facility***" shall mean any of the Initial Term Loan Facility, the Fourth Amendment Term Loan Facility or the Revolving Credit Facility, as applicable, and collectively, the Initial Term Loan Facility, the Fourth Amendment Term Loan Facility and the Revolving Credit Facility.

"***Credit Party***" shall mean the Borrower, each of the Guarantors and each other Person that becomes a Credit Party hereafter pursuant to the execution of joinder documents.

"***Cure Amount***" shall have the meaning set forth in Section 10.03.

"***Cure Right***" shall have the meaning set forth in Section 10.03.

"***Debtor Relief Law***" shall mean title 11 of the United States Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, fraudulent transfer, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"***Debt Push Down***" shall have the meaning set forth in the recitals to this Agreement.

"***Declined Amounts***" shall have the meaning set forth in Section 5.02(c).

"***Default***" shall mean any event, act or condition that with notice or lapse of time, or both, would constitute an Event of Default.

"***Defaulting Lender***" shall mean, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund any portion of the Term Loans, Revolving Loans or Letter of Credit Participations required to be funded by it hereunder within one (1) Business Day of the date required to be funded by it hereunder unless such Lender notifies the Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Agent, Letter of Credit Issuer or any other Lender any other amount required to be paid by it hereunder (including in respect of its Letter of Credit Participation) within one (1) Business Day of the date when due, (b) has notified the Borrower, the Agent or the Letter of Credit Issuer in writing that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder or under other agreements in which it has committed to extend credit (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within one (1) Business Day after written request by the Agent or the Borrower, to confirm in writing in a manner satisfactory to the Agent or the Borrower, as applicable, that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Agent or the Borrower, as applicable), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a bankruptcy or insolvency proceeding or any other proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such capacity, (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment or (iv) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Capital Stock in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error.

"***Deficit Funding Agreement***" shall mean each deficit funding loan agreement (or similar agreement) between a Credit Party and a PC Entity, in form and substance reasonably acceptable to Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time to the extent not prohibited by this Agreement, pursuant to which security agreement such PC Entity shall grant a security interest in favor of such Credit Party to secure the payment and performance of such PC Entity's obligations to such Credit Party.

"***Disposition***" shall mean, with respect to any Person, any sale, transfer, lease, sub-lease, contribution, assignment, disposition or other conveyance (including by way of merger, consolidation, division, liquidation or distribution) of, or the granting of options, warrants or other rights to, any of such Person's or their respective Subsidiaries' assets (including Accounts Receivable and Capital Stock of Subsidiaries) to any other Person in a single transaction or series of transactions.

"***Disqualified Capital Stock***" shall mean any Capital Stock that, by its terms (or by the terms of any security or other Capital Stock into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than solely for Qualified Capital Stock), pursuant to a sinking fund obligation or otherwise (except as a result of a Change of Control or asset sale so long as any rights of the holders thereof upon the occurrence of a Change of Control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Total Commitments), (b) is redeemable at the option of the holder thereof (other than solely for Qualified Capital Stock) (except as a result of a Change of Control or asset sale so long as any rights of the holders thereof upon the occurrence of a Change of Control or asset sale event shall be subject to the prior repayment in full in cash of the Loans and all other Obligations that are accrued and payable and the termination of the Total Commitments), in whole or in part, (c) provides for the scheduled payment of dividends in cash or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Capital Stock that would constitute Disqualified Capital Stock, in each case, prior to the date that is ninety-one (91) days after the Maturity Date.

"***Dollars***" and "***$***" shall mean dollars in lawful currency of the United States of America.

"***Domestic Subsidiary***" shall mean each Subsidiary other than a Foreign Subsidiary.

"***Drawing***" shall have the meaning set forth in Section 3.04(b).

"***EBS Parent***" shall mean EBS Parent LLC, a Delaware limited liability company.

"***EEA Financial Institution***" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"***EEA Member Country***" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"***EEA Resolution Authority***" shall mean any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"***Electronic Copy***" shall have the meaning set forth in Section 12.24.

"***Electronic Record***" shall have the meaning set forth in Section 12.24.

"***Electronic Signature***" shall have the meaning set forth in Section 12.24.

"***Eligible Assignee***" shall mean any Person other than a Defaulting Lender, Borrower, any other Credit Party, any of their respective Subsidiaries or Affiliates (including the Sponsor or any Affiliate thereof), or any natural person.

"***Employee Benefit Plan***" shall mean any "employee benefit plan" (as defined in Section 3(3) of ERISA, whether or not subject to ERISA), program or arrangement that is sponsored, maintained or contributed to (or to which there is an obligation to contribute or to make payments) by any Credit Party or any Subsidiary of a Credit Party, or in respect of which any Credit Party or any Subsidiary of a Credit Party incurs or otherwise has any obligation or liability, contingent or otherwise, in each case, other than any Pension Plan and any Multiemployer Plan.

"***Environmental Claims***" shall mean any and all administrative, regulatory, adjudicatory or judicial actions, suits, demands, demand letters, claims, liens, fines, penalties, requests for information, inquiries, notices of noncompliance or violation, investigations (other than internal reports prepared by the Credit Parties in the ordinary course of such Person's business) or proceedings ("***Claims***") relating in any way to any Environmental Law, any Hazardous Material, or any permit issued, or any approval given, under any such Environmental Law, including (i) any and all Claims by Governmental Authorities for enforcement, cleanup, removal, response, remedial, investigation, monitoring or other actions or damages pursuant to any Environmental Law and (ii) any and all Claims by any Person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from the presence, Release of, threat of Release of, or exposure to Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment.

"***Environmental Law***" shall mean any federal, state, foreign, regional, county or local statute, law, rule, regulation, directive, ordinance, code and rule of common law now or hereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, decree or judgment, relating to the protection of human health, safety or the environment or natural resources, including laws relating to the Release, threat of Release, manufacture, processing, distribution, use, presence, production, treatment, storage, disposal, transport, labeling or handling of, or exposure to, Hazardous Materials, including the Federal Water Pollution Control Act, the Resource Conservation and Recovery Act, the Safe Drinking Water Act, the Toxic Substances Control Act, the Clean Air Act and CERCLA, and other similar state and local statutes, and any regulations promulgated thereto.

"***Equity Documents***" shall mean the documents executed and/or delivered in connection with the Equity Investment.

"***Equity Investment***" shall have the meaning set forth in the recitals to this Agreement.

"***Equity Percentage***" shall mean the percentage of the purchase price paid with cash of the Credit Parties (other than from the cash proceeds of Indebtedness) for the acquisition consummated by any Credit Party under (x) the Closing Date Purchase Agreement or (y) with respect to any other acquisition permitted hereunder consummated after the Closing Date, under the relevant purchase agreement (it being understood that the purchase price of any acquisition will be deemed paid with the cash proceeds of any Indebtedness incurred at the time of (or substantially concurrently with) the consummation of such acquisition).

"***ERISA***" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated thereunder. Section references to ERISA are to ERISA as in effect at the Closing Date and any subsequent provisions of ERISA amendatory thereof, supplemental thereto or substituted therefor.

"***ERISA Affiliate***" shall mean each person (as defined in Section 3(9) of ERISA) that, together with any Credit Party or a Subsidiary thereof is treated as a "single employer" within the meaning of Section 414(b), (c), (m) or (o) of the Code or Section 4001 of ERISA.

"***Erroneous Payment***" has the meaning assigned to it in Section 11.17(a).

"***Erroneous Payment Deficiency Assignment***" has the meaning assigned to it in Section 11.17(d).

"***Erroneous Payment Impacted Class***" has the meaning assigned to it in Section 11.17(d).

"***Erroneous Payment Return Deficiency***" has the meaning assigned to it in Section 11.17(d).

"***Erroneous Payment Subrogation Rights***" has the meaning assigned to it in Section 11.17(d).

"***EU Bail-In Legislation Schedule***" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"***Event of Default***" shall have the meaning set forth in Article X.

"***Excess Amount***" shall have the meaning set forth in Section 9.13(c).

"***Excluded Accounts***" shall have the meaning set forth in Section 8.12(b).

"***Excluded Equity Issuance***" shall mean (a) any issuance of Capital Stock of Holdings to management or employees of a Credit Party under any employee stock option or stock purchase plan or other employee benefits plan in existence from time to time which are permitted under this Agreement, (b) any issuance of Capital Stock or receipt of a capital contribution by a wholly-owned Subsidiary of a Credit Party to a Credit Party or to another wholly-owned Subsidiary of a Credit Party constituting an Investment permitted hereunder, (c) so long as no Default or Event of Default has occurred and is continuing or would result therefrom (including the occurrence of a Change of Control), any issuance of Capital Stock or receipt of a capital contribution by Holdings to Sponsor or any other equityholder of Holdings as of the Closing Date and (d) the receipt of a capital contribution by Holdings of the Net Equity Proceeds of a Qualified IPO; provided that notwithstanding the foregoing, Specified Equity Contributions shall not constitute Excluded Equity Issuances.

"***Excluded Taxes***" shall mean any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 12.07) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 5.04, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 5.04(f) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"***Existing Target Debt Agreements***" shall mean any Indebtedness of the Credit Parties and their Subsidiaries for borrowed money immediately prior to the consummation of the Closing Date Acquisition and related Transactions on the Closing Date.

"***Extraordinary Receipts***" shall mean any cash or other receipts received by any Credit Party or any Subsidiary thereof not in the ordinary course of business (other than tax refunds and the proceeds of any Excluded Equity Issuance), including (a) proceeds of judgments, proceeds of settlements or other consideration of any kind in connection with any cause of action, (b) indemnification payments received by any Credit Party or Subsidiary in respect of or on account of (x) the Closing Date Acquisition or (y) any Permitted Acquisition, other Investment or Disposition, in the case of this clause (y), financed in whole or in part by the proceeds of any Loan, (c) any (x) purchase price adjustment or (y) working capital adjustment in excess of $250,000 received by any Credit Party or Subsidiary pursuant to the Closing Date Acquisition Agreement or any purchase agreement or related documentation (less, with respect to each of the foregoing clauses (c)(x) and (y) above, an amount equal to the product of (x) the amount of such purchase price adjustment or working capital adjustment in excess of $250,000 multiplied by (y) the Equity Percentage), (d) any pension plan reversions received by any Credit Party or Subsidiary or (e) the proceeds of any Assigned Life Insurance Policies received the Credit Parties after the Closing Date.

"***FATCA***" shall mean Sections 1471 through 1474 of the Code, as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal, tax or regulatory legislation, rules or official practices adopted pursuant to any intergovernmental agreement entered into among Governmental Authorities in connection with the implementation of such sections of the Code.

"***Federal Flood Insurance***" shall mean federally backed Flood Insurance available under the National Flood Insurance Program to owners of real property improvements located in Special Flood Hazard Areas in a community participating in the National Flood Insurance Program.

"***Federal Funds Rate***" shall mean, for any day, a fluctuating interest rate per annum equal to: (a) the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next succeeding Business Day) by the Federal Reserve Bank of New York; or (b) if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Agent from three federal funds brokers of recognized standing selected by it.

"***Fee Letter***" shall mean the Fee Letter dated as of the Closing Date by and among Holdings, Intermediate Holdings, EBS Enterprises and First Eagle.

"***Fees***" shall mean all amounts payable pursuant to, or referred to in, Section 4.01, the Fee Letter or the Fourth Amendment Fee Letter.

"***FEMA***" shall mean the Federal Emergency Management Agency, a component of the U.S. Department of Homeland Security that administers the National Flood Insurance Program.

"***Financial Covenant Amendment***" shall have the meaning set forth in Section 12.05.

"***Financial Covenants***" shall mean the covenants set forth in Section 9.13; provided that, other than for the purpose of delivering a Compliance Certificate and evidencing compliance with 9.13(a) in relation to a quarterly or annual test date as required pursuant to Section 8.01(d), all references to and compliance with the Total Leverage Ratio shall mean and be references to the Total Leverage Ratio as calculated in accordance with clause (b) of the definition of "Total Leverage Ratio", applying the applicable Total Leverage Ratio levels set forth in Section 9.13(a).

"***FIRREA***" shall mean the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as amended.

"***First Eagle***" shall have the meaning set forth in the preamble to this Agreement.

"***Fixed Charge Coverage Ratio***" shall mean, as of the last day of any specified Test Period, the ratio of: (a) (i) Consolidated EBITDA for the Test Period ending on such date minus (ii) Consolidated Capital Expenditures made for such Test Period in cash (and not financed, other than with proceeds of the Revolving Loans), to (b) the sum (for such period) of (i) Consolidated Interest Expense paid in cash for such Test Period plus (ii) principal payments of Indebtedness scheduled to have been made during such Test Period plus (iii) Taxes based on income paid in cash for such Test Period and Permitted Tax Distributions with respect to such period plus (iv) any management fees paid in cash pursuant to the Management Agreement during such Test Period plus (v) any earnouts paid in cash during such Test Period plus (vi) any Restricted Payments paid in cash during such Test Period (other than any Restricted Payments paid pursuant to Section 9.06(m)); provided, that, for purposes of calculating the Fixed Charge Coverage Ratio as of any date on and after the Fourth Amendment Effective Date and on or prior to March 31, 2022, the amounts in clauses (b)(i) and (ii) shall be calculated on an Annualized Basis. For the purposes of this definition, "Annualized Basis" shall mean with respect to calculating an amount (i) for the period ending June 30, 2021, such amount from the Fourth Amendment Effective Date until the fiscal quarter ending June 30, 2021 divided by the number of calendar days in such period from and after the Fourth Amendment Effective times 365, (ii) for the period ending September 30, 2021, such amount for the fiscal quarter ending September 30, 2021 times four (4), (iii) for the period ending December 31, 2021, such amount for the two (2) fiscal quarter period ending December 31, 2021 times two (2) and (iv) for the period ending March 31, 2022, such amount for the three (3) fiscal quarter period ending March 31, 2022 times four-thirds (4/3).

"***Flood Insurance***" shall mean, for any Real Property located in a Special Flood Hazard Area, Federal Flood Insurance or private insurance that meets the requirements set forth by FEMA in its Mandatory Purchase of Flood Insurance Guidelines. Flood Insurance shall be in an amount equal to the full, unpaid balance of the Loan and any prior liens on the Real Property up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by the Agent.

"***Foreign Lender***" means a Lender that is not a U.S. Person.

"***Foreign Plan***" shall mean any employee benefit plan (within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA) primarily for the benefit of individuals who reside outside of the United States that is maintained, contributed to, or required to be contributed to, by any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate or in respect of which any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate incurs or otherwise has any obligation or liability, contingent or otherwise.

"***Foreign Subsidiary***" shall mean a "controlled foreign corporation" within the meaning of Section 957(a) of the Code.

"***Fourth Amendment***" shall mean the Fourth Amendment to Credit Agreement, dated as of the Fourth Amendment Effective Date, by and among Holdings, the Borrower, the other Credit Parties party thereto, the Lenders party thereto and the Agent.

"***Fourth Amendment Effective Date***" shall mean May 5, 2021

"***Fourth Amendment Fee Letter***" shall mean the Fourth Amendment Fee Letter dated as of the Fourth Amendment Effective Date by and among Holdings, the Borrower and First Eagle.

"***Fourth Amendment Term Loan***" shall have the meaning set forth in Section 2.01(b).

"***Fourth Amendment Term Loan Commitment***" shall mean, with respect to each Lender that is a Lender on the Fourth Amendment Effective Date, such Lender's obligation to make the Fourth Amendment Term Loan on the Fourth Amendment Effective Date pursuant to Section 2.01(b) in the amount set forth opposite such Lender's name on Schedule 1.01 as such Lender's "Fourth Amendment Term Loan Commitment".

"***Fourth Amendment Term Loan Facility***" shall have the meaning set forth in the recitals to this Agreement.

"***Fourth Amendment Transaction Documents***" shall mean the Fourth Amendment and each of the documents executed and/or delivered in connection with the Fourth Amendment Transactions, including without limitation, the Credit Documents entered into on the Fourth Amendment Effective Date.

"***Fourth Amendment Transactions***" shall mean, collectively, the transactions to occur on the Fourth Amendment Effective Date pursuant to the Fourth Amendment Transaction Documents, including (a) the execution and delivery of the Credit Documents and the Credit Extensions hereunder by the Borrower on the Fourth Amendment Effective Date, (b) the making of Restricted Payments permitted under Section 9.06(m) and (c) the payment of all fees, costs and expenses incurred or paid by Holdings, the Borrower or any of their Subsidiaries in connection with the foregoing.

"***Freely Assignable***" means, with respect to any PC Document, such contract or agreement if (i) it does not contain express restrictions or conditions (including, without limitation, the payment of any fee) on the assignment, sale, disposition or other transfer by the applicable Credit Party party thereto (and any of its successors and assigns) of, or the granting of any Lien by the applicable Credit Party (and its successors and assigns) in, its rights, title and interest thereunder, to any other Person (including any such transfer as a result of the exercise of any such Lien therein, whether by foreclosure or otherwise), (ii) under which, without obtaining the consent of any Person, no default will occur, no penalty will accrue and no violation of breach of any terms thereof will result or arise due to (x) any such granting of a Lien in such rights, title and interest of the applicable Credit Party (or any of its successors or assigns) or upon any such assignment, sale, disposition or other transfer, or (y) any Change of Control or change in ownership of the applicable Credit Party, and (iii) otherwise, under Applicable Law, it is freely assignable to third parties (or Affiliates) by the applicable Credit Party (and its successors or assigns).

"***Fronting Exposure***" shall mean, at any time there is a Defaulting Lender, with respect to the Letter of Credit Issuer, such Defaulting Lender's Letter of Credit Exposure other than Letter of Credit Exposure that has been Cash Collateralized in accordance with the terms hereof.

"***Fronting Fee***" shall have the meaning set forth in Section 4.01(a)(i).

"***Funded Debt***" shall mean, as of any date of determination, all then outstanding Indebtedness of Holdings and its Subsidiaries, on a consolidated basis, of the type described in clauses (a), (b), (d), (e), (g) and (j) of the defined term "Indebtedness".

"***GAAP***" shall mean generally accepted accounting principles in the United States of America, as in effect from time to time; provided, that if Borrower notifies the Agent that Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Closing Date in GAAP or in the application thereof on the operation of such provision (or if the Agent notifies Holdings that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then the Agent, the Lenders and the Credit Parties shall negotiate in good faith to effect such amendment and such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

"***Governing Body***" shall mean, with respect to any Person, (a) in the case of any corporation, the board of directors of such Person, (b) in the case of any limited liability company, the board of managers, managing member, sole member or other governing members or board of such Person, (c) in the case of any partnership, the general partner or the board of directors of the general partner of such Person or (d) in any other case, the functional equivalent of the foregoing.

"***Governmental Authority***" shall mean the government of the United States, any foreign country or any multinational authority, or any state, commonwealth, protectorate or political subdivision thereof, and any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including the PBGC and other quasi-governmental entities established to perform such functions.

"***Guarantee Obligations***" shall mean, as to any Person, any Contingent Liability of such Person or other obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any other Person (the "***primary obligor***") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such Indebtedness or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness or (d) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; provided, that the term "Guarantee Obligations" shall not include endorsements of instruments for deposit or collection in the ordinary course of business or customary and reasonable indemnity obligations in effect on the Closing Date, entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than with respect to Indebtedness). The amount of any Guarantee Obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such Guarantee Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

"***Guarantor***" and "***Guarantors***" shall have the meanings set forth in the preamble to this Agreement.

"***Hazardous Materials***" shall mean (a) any petroleum or petroleum products, radioactive materials, friable asbestos, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing regulated levels of polychlorinated biphenyls, and radon gas; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous waste", "hazardous materials", "extremely hazardous waste", "restricted hazardous waste", "toxic substances", "toxic pollutants", "contaminants", or "pollutants", or words of similar import, under any Environmental Law; and (c) any other chemical, material or substance, which is classified, prohibited, limited or regulated by, or forming the basis of liability under any Environmental Law.

"***Health Care Laws***" shall mean (i) all applicable federal and state fraud and abuse laws, including but not limited to the federal Anti-Kickback Statute (42 U.S.C. §1320a-7b(b) and any similar state laws), any state physician self-referral prohibitions, and the regulations promulgated pursuant to such statues; (ii) the Health Insurance Portability and Accountability Act of 1996 (Pub. L. No. 104-191) and the regulations promulgated under such acts; (iii) the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301 et seq., as amended, and all applicable rules and regulations issued by the Federal Food and Drug Administration; (iv) the Controlled Substances Act, as amended, and all applicable rules and regulations issued thereunder by the U.S. Drug Enforcement Administration; (v) all applicable state health care laws or regulations, including those related to the corporate practice of medicine and fee-splitting; (vi) all applicable health care licensure, permitting or certification laws and regulations; (vii) all applicable health care laws or regulations regulating billing for physician services and (viii) all applicable health care licensure, permitting or certification laws, including those related to medical professional licensing; each of (i) through (viii) as may be amended from time to time.

"***Hedging Agreement***" shall mean (a) any and all agreements or documents that provide for an interest rate, credit, commodity or equity swap, cap, floor, collar, forward foreign exchange transaction, currency swap, cross currency rate swap, currency option, or any combination of, or option with respect to, these or similar transactions, for the purpose of hedging exposure to fluctuations in interest or exchange rates, loan, credit exchange, security, or currency valuations or commodity prices, and (b) any and all agreements and documents (and the related confirmations) entered into in connection with any transactions of any kind, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement or any other master agreement (any such master agreement, together with any related schedules, a "***Master Agreement***"), including any such obligations or liabilities under any Master Agreement.

"***Hedging Obligations***" shall mean, with respect to any Person, the obligations of such Person under Hedging Agreements.

"***HIPAA***" means all laws governing or regulating the privacy or security of patient, medical or individual healthcare information, including the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder, all as amended from time to time, including the standards for the privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, Subparts A and E (the "Privacy Rule"), the standards for the protection of Electronic Protected Health Information set forth at 45 C.F.R. Part 160 and 45 C.F.R. Part 164, Subpart A and Subpart C (the "Security Rule"), the standards for transactions and code sets used in electronic transactions at 45 C.F.R. Part 160, Subpart A and Part 162 (the "Standard Transaction Rule"), and the standards for Breach Notification for Unsecured Protected Health Information at 45 C.F.R. Part 164, Subpart D (the "Breach Notification Rule"), all as amended from time to time.

"***Historical Financial Statements***" shall mean (a) the unaudited balance sheets of EBS Enterprises as of December 31, 2016 and December 31, 2017 (for 2017, the "***Balance Sheet***") and the related statements of operations, statements of members' equity and statements of cash flows for the fiscal years then ended; and (b) the unaudited balance sheet of EBS Enterprises as of June 30, 2018 and the related statement of operations, statement of members' equity and statement of cash flows for the six (6) months then ended, in each case prepared consistently in accordance with EBS Enterprises' past practice (except as set forth in Section 1.1 of the disclosure schedules to the Closing Date Acquisition Agreement), applied on a consistent basis subject to normal year-end adjustments, consistently applied throughout the periods presented (which are consistent with the Balance Sheet and none of which would, in the aggregate, be materially adverse to EBS Enterprises).

"***Holdings***" shall have the meaning set forth in the preamble to this Agreement.

"***Holdings Parent***" shall mean any direct or indirect parent company of Holdings.

"***Incremental Effective Date***" shall have the meaning set forth in Section 2.01(e).

"***Incremental Facility***" shall have the meaning set forth in Section 2.01(e).

"***Incremental Facility Request***" shall have the meaning set forth in Section 2.01(e).

"***Incremental Term Loan***" shall have the meaning set forth in Section 2.01(e).

"***Incremental Term Loan Commitment***" shall have the meaning set forth in Section 2.01(e).

"***Indebtedness***" shall mean, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all indebtedness of such Person for borrowed money and all indebtedness of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount (after giving effect to any prior drawings or reductions which may have been reimbursed) of all letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds, performance bonds and similar instruments issued or created by or for the account of such Person;

(c) net Hedging Obligations of such Person;

(d) all obligations of such Person to pay the deferred purchase price of property or services, including earnout obligations solely to the extent such obligations are required to be accounted for as a liability on the consolidated balance sheet of Holdings in accordance with GAAP (other than trade accounts payable in the ordinary course of business not more than ninety (90) days past the due date set forth in the original invoice therefor);

(e) all Capitalized Lease Obligations;

(f) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements and mortgage, industrial revenue bond, industrial development bond and similar financings), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(g) all Attributable Indebtedness;

(h) all obligations of such Person in respect of Disqualified Capital Stock;

(i) all obligations of such Person under or in respect of a synthetic lease, tax retention operating lease, off-balance sheet loan or other off-balance sheet financing product; and

(j) all Guarantee Obligations of such Person in respect of any of the foregoing,

provided, that Indebtedness shall not include (i) prepaid or deferred revenue arising in the ordinary course of business, (ii) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy warranties or other unperformed obligations of the seller of such asset, (iii) endorsements of checks or drafts arising in the ordinary course of business and (iv) preferred Capital Stock to the extent not constituting Disqualified Capital Stock.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, except to the extent such Person's liability for such Indebtedness is otherwise limited and only to the extent such Indebtedness would be included in the calculation of Consolidated Total Debt. The amount of any net Hedging Obligations on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of Indebtedness of any Person for purposes of clause (f) above shall be deemed to be equal to the lesser of (x) the aggregate unpaid amount of such Indebtedness and (y) the fair market value of the property encumbered thereby as determined by such Person in good faith.

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

"***Initial Borrower***" shall mean EBS Intermediate LLC, a Delaware limited liability company.

"***Initial Term Loan***" shall have the meaning set forth in Section 2.01(a).

"***Initial Term Loan Commitment***" shall mean, with respect to each Lender that is a Lender on the Closing Date, such Lender's obligation to make the Initial Term Loan on the Closing Date pursuant to Section 2.01(a) in the amount set forth opposite such Lender's name on Schedule 1.01 as such Lender's "Initial Term Loan Commitment".

"***Initial Term Loan Facility***" shall have the meaning set forth in the recitals to this Agreement.

"***Interest Period***" shall mean, with respect to any LIBOR Loan, the interest period applicable thereto, as determined pursuant to Section 2.09.

"***Intermediate Holdings***" shall have the meaning set forth in the recitals to this Agreement.

"***Investment***" shall mean, relative to any Person, (a) any loan, advance or extension of credit made by such Person to any other Person, including the purchase by such first Person of any bonds, notes, debentures or other debt securities of any such other Person; (b) Contingent Liabilities in favor of any other Person; (c) the ownership by such Person of any Capital Stock or other investment in such other Person, including the purchase by such Person of any Capital Stock of such other Person, the issuance by such other Person of any Capital Stock to such Person or the making of a capital contribution or other equity investment by such Person in such other Person; (d) the purchase or other acquisition (in one transaction or a series of transactions) of all or substantially all assets of a Person that constitute a business unit or all or a substantial part of the business of such Person; (e) the opening of any de novo treatment facility; (f) the creation or formation of a Subsidiary or (g) the opening or acquisition of any PC Entity. The amount of any Investment at any time shall be the original principal or capital amount thereof and shall, if made by the transfer or exchange of property other than cash, be deemed to have been made in an original principal or capital amount equal to the fair market value of such property at the time of such Investment. For purposes of covenant compliance, the amount of any Investment at any time shall be the amount actually invested (measured at the time made), without adjustment for subsequent changes in the value of such Investment, but reduced by the amount of any dividends, distributions, return of capital and other amounts received in cash by the Credit Parties in respect of such Investment, up to the original amount of such Investment.

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

"***Lender***" shall have the meaning set forth in the preamble to this Agreement.

"***Letter of Credit Exposure***" shall mean, with respect to any Lender, at any time, the sum of (a) the amount of any Unpaid Drawings in respect of which such Lender has not made Revolving Loans pursuant to Section 3.04(a) at such time and (b) such Lender's Revolving Loan Commitment Percentage of the Letters of Credit Outstanding at such time (excluding the portion thereof consisting of Unpaid Drawings in respect of which the Lenders have made Revolving Loans pursuant to Section 3.04(a)).

"***Letter of Credit Fee***" shall have the meaning set forth in Section 4.01(a)(i).

"***Letter of Credit Issuer***" shall mean a Lender or Affiliate thereof or other financial institution designated by the Agent to issue one or more Letters of Credit hereunder for the Borrower or its Subsidiaries' account.

"***Letter of Credit Maturity Date***" shall mean the date that is five (5) Business Days prior to the Maturity Date.

"***Letter of Credit Participant***" shall have the meaning set forth in Section 3.03(a).

"***Letter of Credit Participation***" shall have the meaning set forth in Section 3.03(a).

"***Letter of Credit Request***" shall have the meaning set forth in Section 3.02(a).

"***Letter of Credit Sub-Commitment***" shall mean $0.

"***Letters of Credit***" shall mean any letter of credit issued pursuant to Article III hereof.

"***Letters of Credit Outstanding***" shall mean, at any time, the sum of, without duplication, (a) the aggregate Stated Amount of all outstanding Letters of Credit and (b) the aggregate amount of all Unpaid Drawings in respect of all Letters of Credit with respect to which Revolving Loans have not been made in repayment thereof.

"***LIBOR Loan***" shall mean any LIBOR Term Loan or LIBOR Revolving Loan.

"***LIBOR Rate***" shall mean, with respect to any LIBOR Loan for any Interest Period, a rate per annum (rounded upwards, if necessary, to the nearest one hundredth of one percent (0.01%) equal to the greater of (x) (i) one percent (1.00%) or (ii) the rate of interest per annum determined by the Agent in good faith on the basis of the rate published by Bloomberg Professional Service Page LIBOR01 (or such successor page) as the offered rate for loans in Dollars for the applicable Interest Period administered by ICE Benchmark Administration (or its successor) as of 11:00 a.m. (London time) on the second full Business Day next preceding the first day of such Interest Period (unless such date is not a Business Day, in which event the next succeeding Business Day will be used) if not so appearing, then as published in the "Money Rates" section of *The Wall Street Journal* or another national publication selected by the Agent (or a LIBOR Replacement Rate agreed between Borrower and Agent in accordance with Section 2.10(c)). Each change in LIBOR shall become effective each Business Day that the Agent determines such rate of interest has changed in accordance with Section 2.08. The establishment of LIBOR Rate by the Agent shall be final and binding, absent manifest error.

"***LIBOR Replacement Rate***" shall have the meaning set forth in Section 2.10(c).

"***LIBOR Revolving Loan***" shall mean any Revolving Loan calculated based on LIBOR.

"***LIBOR Term Loan***" shall mean any Term Loan calculated based on LIBOR.

"***LIBOR Scheduled Unavailability Date***" shall have the meaning set forth in Section 2.10(c).

License Agreement" shall mean each license agreement (or similar agreement) between a Credit Party and a PC Entity, in form and substance reasonably acceptable to Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time to the extent not prohibited by this Agreement.

"***Lien***" shall mean any mortgage, pledge, security interest, hypothecation, assignment for collateral purposes, lien (statutory or other) or similar encumbrance, and any easement, right-of-way, license, restriction (including zoning restrictions), defect, exception or irregularity in title or similar charge or encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof); provided, that in no event shall an operating lease entered into in the ordinary course of business or any precautionary UCC filings made pursuant thereto by an applicable lessor or lessee be deemed to be a Lien.

"***Loan***" shall mean, individually, any Revolving Loan or Term Loan made by any Lender hereunder, and collectively, the Revolving Loans and the Term Loans made by the Lenders hereunder.

"***Management Agreement***" shall mean that certain Management Agreement, by and among the Credit Parties and the Sponsor.

"***Management Services***" shall mean any and all non-clinical management and administrative services including, without limitation, billing and collection services, space, equipment or staffing provided by a Credit Party to a PC Entity.

"***Management Services Agreements***" shall mean each management agreement (or similar agreement) between a Credit Party and a PC Entity pursuant to which the applicable Credit Party provides Management Services and such Credit Party is paid for such Management Services, in each case, in form and substance reasonably satisfactory to Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time to the extent not prohibited by this Agreement.

"***Management Subordination Agreement***" shall mean the Management Subordination Agreement, dated as of the Closing Date, entered into by the Sponsor and Agent for the benefit of the Secured Parties, in form and substance reasonably satisfactory to Agent.

"***Master Agreement***" shall have the meaning set forth in the definition of the term "Hedging Agreement".

"***Material Adverse Effect***" shall mean a material adverse effect on (a) the business, assets, liabilities (actual or contingent), operations, properties, condition (financial or otherwise), or results of operations of Holdings and its Subsidiaries taken as a whole, (b) the validity or enforceability of this Agreement or any of the other Credit Documents, (c) the rights or remedies of the Secured Parties or the Lenders hereunder or thereunder, or (d) the priority of any Liens granted to Agent by any Credit Party under the Credit Documents.

"***Material Contracts***" shall mean, with respect to any Credit Party, ~~(a)~~ each of the PC Documents~~, (b) each of the contracts listed on Schedule 1.01(a) and (c) each other contract with which the failure to maintain or comply could reasonably be expected to have a Material Adverse Effect~~.

"***Material Leased Property***" shall have the meaning set forth in Section 8.11(f).

"***Maturity Date***" shall mean October 2, 2023.

"***Maximum Lawful Rate***" shall have the meaning set forth in Section 2.08(g).

"***Maximum Reserve Amount***" shall have the meaning set forth in Section 8.12(a).

"***Minimum Borrowing Amount***" shall mean $100,000.

"***Moody's***" shall mean Moody's Investors Service, Inc. or any successor by merger or consolidation to its business.

"***Mortgage***" shall mean a mortgage, deed of trust, deed to secure debt, trust deed or other security document entered into by any applicable Credit Party and the Agent for the benefit of the Secured Parties in respect of any owned interest in Real Property of such Credit Party, in form and substance reasonably satisfactory to the Agent.

"***Mortgage Documents***" shall have the meaning set forth in Section 8.11(d).

"***Mortgaged Property***" shall mean each parcel of Real Property and improvements thereto with respect to which a Mortgage is granted pursuant to the Credit Documents.

"***Multiemployer Plan***" shall mean a "multiemployer plan" within the meaning of Section 3(37) of ERISA to which any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate makes, is making, is obligated, or within the last six (6) years has been obligated, to make contributions, or with respect to which any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate has any liability, actual or contingent.

"***National Flood Insurance Program***" shall mean the program created by the U.S. Congress pursuant to the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973, as revised by the National Flood Insurance Reform Act of 1994, that mandates the purchase of flood insurance to cover real property improvements located in Special Flood Hazard Areas in participating communities and provides protection to property owners through a Federal insurance program.

"***Net Casualty Proceeds***" shall mean, with respect to any Casualty Event, the amount of any insurance proceeds or condemnation awards received by any Credit Party or any of its Subsidiaries in connection with such Casualty Event (net of all reasonable and customary collection fees and expenses thereof (including, without limitation, any legal or other professional fees), to the extent paid to Persons that are not Affiliates of any Credit Party or any of its Subsidiaries), but excluding any proceeds or awards required to be paid to a creditor (other than the Lenders) which holds a Lien permitted by Section 9.02(c) on the property which is the subject of such Casualty Event, and less any Taxes payable by a Credit Party or Subsidiary of Credit Party on account of, and any Permitted Tax Distributions attributable to, such insurance proceeds or condemnation award, actually paid, assessed or estimated by such Person (in good faith) to be payable within the next twelve (12) months in cash in connection with such Casualty Event; provided, that if, after the expiration of such twelve (12) month period, the amount of such estimated or assessed Taxes, if any, exceeded the Taxes and Permitted Tax Distributions actually paid in cash in respect of proceeds from such Casualty Event, the aggregate amount of such excess shall constitute Net Casualty Proceeds under Section 5.02(a)(iv) and be immediately applied to the prepayment of the Obligations pursuant to Section 5.02(b).

"***Net Disposition Proceeds***" shall mean, with respect to any Disposition by any Credit Party or any of its Subsidiaries, the excess of: (a) the gross cash proceeds received by such Person from such Disposition, over (b) the sum of: (i) all reasonable and customary legal, investment banking, underwriting, brokerage and accounting and other professional fees, sales commissions and disbursements and all other reasonable fees, expenses and charges, in each case actually incurred in connection with such Disposition which have not been paid and are not payable to Affiliates of such Person, and (ii) all Taxes payable by a Credit Party or Subsidiary of a Credit Party on account of, and any Permitted Tax Distributions attributable to, proceeds from such Disposition, actually paid, assessed or estimated by such Person (in good faith) to be payable in cash within the next twelve (12) months in connection with such proceeds, (iii) the amount of such cash or Cash Equivalents required to repay any Indebtedness (other than the Obligations), so long as such Indebtedness is permitted under this Agreement and is permitted to be senior to or *pari passu* with the Obligations in right of payment) and no Event of Default shall have occurred and be continuing at the time of payment of such Indebtedness or would arise after giving effect to such payment and (iv) all amounts that are set aside as a reserve (A) for adjustments in respect of the purchase price of such assets, (B) for any liabilities associated with such sale, to the extent such reserve is required by GAAP, and (C) for the payment of unassumed liabilities relating to the assets sold or otherwise disposed of at the time of, or within ninety (90) days after, the date of such sale or other disposition, to the extent that in each case the funds described above in this clause (v) are (1) deposited into escrow with a third party escrow agent or set aside in a separate Deposit Account that is subject to a Control Agreement in favor of Agent and (2) paid to Agent and to be applied as Net Disposition Proceeds in prepayment of the applicable Obligations in accordance with Section 5.02(a)(iii) of the Agreement at such time when such amounts are no longer required to be set aside as such a reserve; provided, that if, after the expiration of the twelve (12) month period referred to in clause (b)(ii) and (iv) above, the amount of estimated or assessed Taxes, if any, pursuant to clause (b)(ii) and (iv) above exceeded the Taxes and Permitted Tax Distributions actually paid in cash in respect of proceeds from such Disposition, the aggregate amount of such excess shall constitute Net Disposition Proceeds under Section 5.02(a)(iii) and be immediately applied to the prepayment of the Obligations pursuant to Section 5.02(b).

"***Net Equity Proceeds***" shall mean, with respect to the sale, issuance or exercise after the Closing Date by any Credit Party or any of its Subsidiaries (or by New Parent in connection with a Qualified IPO) of any Capital Stock or any capital contribution by any Person to any such Credit Party or Subsidiary, the excess of: (a) the gross cash proceeds received by such Credit Party ~~or~~, Subsidiary or New Parent from such sale, issuance or exercise, over (b) all reasonable and customary underwriting commissions and legal, investment banking, brokerage, accounting and other professional fees, sales commissions and disbursements actually incurred in connection with such sale or issuance which have not been paid and are not payable to Affiliates of such Credit Party ~~or~~, Subsidiary or New Parent in connection therewith.

"***Net Extraordinary Proceeds***" shall mean, with respect to any Extraordinary Receipt by any Credit Party or any of its Subsidiaries, the excess of: (a) any cash amount (and any cash proceeds of any non-cash amount) received by or paid to any Credit Party or any Subsidiary on account thereof, over (b) the sum of: (i) all reasonable and customary legal and other professional fees and all other reasonable fees, expenses and charges, in each case actually incurred in connection with such Extraordinary Receipt which have not been paid and are not payable to Affiliates of such Person, and (ii) all Taxes payable by a Credit Party or Subsidiary of a Credit Party on account of, and any Permitted Tax Distributions attributable to, proceeds from such Disposition, actually paid, assessed or estimated by such Person (in good faith) to be payable in cash within the next twelve (12) months in connection with such proceeds (after taking into account any available tax credits or deductions) (provided, that if, after the expiration of the twelve (12) month period referred to in clause (b)(ii) above, the amount of estimated or assessed Taxes, if any, pursuant to clause (b)(ii) above exceeded the Taxes and Permitted Tax Distributions actually paid in cash in respect of proceeds from such Extraordinary Receipt, the aggregate amount of such excess shall constitute Net Extraordinary Proceeds under Section 5.02(a)(v) and be immediately applied to the prepayment of the Obligations pursuant to Section 5.02(b)(v)); provided however, that Net Extraordinary Proceeds shall not include cash receipts to the extent such proceeds have been previously used to repair or replace the assets giving rise to such proceeds or that such indemnity payments or other payments in respect of judgments or settlement of claims, litigation or proceeds to the extent that such payments are received by any Person in respect of any unaffiliated third party claim against or loss by such Person and promptly paid or applied to pay (or to reimburse such person for its prior payment of) such claim or loss and the costs and expenses of such Person with respect thereto.

"***New Parent***" means AirSculpt Technologies, Inc., a Delaware corporation.

"***Non-Consenting Lender***" shall have the meaning set forth in Section 12.07(b).

"***Note***" shall mean, as the context may require, a Term Loan Note or a Revolving Loan Note.

"***Notice of Borrowing***" shall have the meaning set forth in Section 2.03.

"***Notice of Conversion or Continuation***" shall have the meaning set forth in Section 2.06.

"***Obligations***" shall mean all Loans, advances, debts, liabilities, obligations, covenants and duties (including any Erroneous Payment Subrogation Rights) owing by any Credit Party to any Lender, Agent, Letter of Credit Issuer or any other Person required to be indemnified hereunder, that arise under any Credit Document, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, guaranty, indemnification or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired, including all fees, expenses and other amounts accruing during the pendency of any proceeding of the type described in Section 10.01(h), whether or not allowed in such proceeding.

"***OFAC***" shall have the meaning set forth in Section 7.25(b).

"***Organization Documents***" shall mean, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and, if applicable, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

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

"***Other Taxes***" shall mean any and all present or future stamp, court, documentary, intangible, recording, filing or similar Taxes or any other excise or property Taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement, except that any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 12.07).

"***Parent***" means (i) prior to the date of consummating a Qualified IPO, EBS Parent ~~LLC, a Delaware limited liability company~~and (ii) on and after the date of consummating a Qualified IPO, New Parent.

"***Parent Company***" means Holdings, Parent and any other Person of which the Borrower is an indirect wholly-owned Subsidiary.

"***Participant***" shall have the meaning set forth in Section 12.06(c)(i).

"***Participant Register***" shall have the meaning set forth in Section 12.06(c)(ii).

"***Patriot Act***" shall have the meaning set forth in Section 12.20.

"***Payment Recipient***" has the meaning assigned to it in Section 11.17(a).

"***PBGC***" shall mean the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA, or any successor thereto.

"***PC Affiliate***" shall mean any PC Entity and any director, officer or beneficial owner of Capital Stock of any PC Entity.

"***PC Documents***" means the Management Services Agreements, the Deficit Funding Agreements, the Continuity Agreements, the License Agreements, the Consulting Agreements and, as applicable, the Business Associate Agreements.

"***PC Entity***" shall mean any Person (other than a natural person) providing professional medical services if and to the extent Applicable Law provides that the direct or indirect ownership of such Person shall be limited to appropriately licensed professionals (natural persons) who are duly licensed or otherwise legally authorized to render the specific professional services for which the Person was organized and which Person is party to a Management Services Agreement that is in full force and effect.

"***Pension Plan***" shall mean an "employee benefit plan" as defined in Section 3 of ERISA (other than a Multiemployer Plan), and subject to Title IV of ERISA, Section 412 of the Code or Sections 302 or 303 of ERISA, that is sponsored, maintained or contributed to (or to which there is or was an obligation to contribute or to make payments) by any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate, or in respect of which any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate incurs or otherwise has any obligation or liability, contingent or otherwise.

"***Perfection Certificate***" shall mean, individually and collectively, the certificates, substantially in the form of Exhibit P-1 or otherwise in form and substance satisfactory to the Agent, delivered by the Credit Parties to the Agent.

"***Permitted Acquisition***" shall mean any acquisition by a Credit Party (other than Holdings) of (i) all or substantially all of the assets of a target, which assets are located in the United States or (ii) one hundred percent (100%) of the Capital Stock of a target organized under the laws of any State in the United States or the District of Columbia, in each case, to the extent that each of the following conditions shall have been satisfied:

(a) to the extent the proposed acquisition will be financed in whole or in part with the proceeds of any Loan, the conditions set forth in Section 6.02 shall have been satisfied;

(b) the Borrower shall have notified the Agent of such proposed acquisition at least fifteen (15) days prior to the consummation thereof and furnished to the Agent and the Lenders at least ten (10) days prior to the consummation thereof: (i) an executed term sheet and/or letter of intent (setting forth in reasonable detail the terms and conditions of such acquisition) and, at the request of the Agent or Required Lenders, such other information and documents that the Agent or Required Lenders may reasonably request, including, without limitation, executed counterparts of the respective agreements, documents or instruments pursuant to which such acquisition is to be consummated (including, without limitation, any related management, non-compete, employment, option or other material agreements), any schedules to such agreements, documents or instruments and all other material ancillary agreements, instruments and documents to be executed or delivered in connection therewith), (ii) pro forma financial statements of Holdings and its Subsidiaries after giving effect to the consummation of such proposed acquisition, (iii) a quality of earnings report as to the target and its subsidiaries, to the extent the Consolidated EBITDA (calculated with reference to the target and its subsidiaries instead of Holdings and its Subsidiaries) is greater than $4,000,000 or unless otherwise obtained by a Credit Party, from a nationally recognized accounting or financial advisory firm, (iv) a certificate of an Authorized Officer of the Borrower demonstrating that, on a Pro Forma Basis immediately after giving effect to the consummation of such acquisition, (A) the Credit Parties and their Subsidiaries shall be in compliance with the Financial Covenants (in each case recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01), and (B) the Total Leverage Ratio, recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01, shall not exceed 4.00 to 1.00 and (v) copies of such other agreements, instruments and other documents as the Agent reasonably shall request;

(c) the Credit Parties and their Subsidiaries (including any new Subsidiary acquired in connection therewith) shall execute and deliver the agreements, instruments and other documents to the extent required by Section 8.11 and, to the extent requested by Agent, the Agent shall have received, for the benefit of the Secured Parties, a collateral assignment of (x) the seller's representations, warranties and indemnities to the Credit Parties or any of their Subsidiaries under the acquisition documents, or (y) any representation and warranty insurance policy obtained by the Borrower or any Affiliate thereof in connection therewith;

(d) such acquisition shall not be hostile and shall have been approved by the board of directors (or other similar body) and/or the stockholders or other equityholders of the target;

(e) no Default or Event of Default shall then exist or would exist after giving effect thereto;

(f) immediately after giving effect to such acquisition, the Available Revolving Loan Amount shall be not less than $2,000,000;

(g) the total consideration paid or payable (including without limitation, all transaction costs, assumed Indebtedness and liabilities incurred, assumed or reflected on a consolidated balance sheet of the Credit Parties and their Subsidiaries after giving effect to such acquisition, and the maximum amount of all deferred payments, including earnouts) (x) in connection with any individual Permitted Acquisition (or series of related Permitted Acquisitions) shall not exceed $9,000,000, and (y) in connection with all Permitted Acquisitions during the term of this Agreement shall not exceed $35,000,000 in the aggregate; and

(h) the target or assets to be acquired shall be engaged in a business of the type permitted by Section 9.12; and

(i) the target has earnings before interest, taxes, depreciation and amortization for the most recently ended twelve (12) month period prior to the acquisition date for which financial statements are available (after giving effect to any pro forma adjustments acceptable to the Agent) of greater than zero.

"***Permitted Earnouts***" means unsecured obligations of the Borrower or any Subsidiary arising from a Permitted Acquisition which (a) are payable based on the achievement of specified financial results over time and (b) are subject to subordination terms (or a subordination agreement in favor of the Agent and Lenders) reasonably satisfactory to the Agent.

"***Permitted Holders***" means (a) the Sponsor and its Controlled Investment Affiliates and (b) Hauser Private Equity, Ft. Washington Capital, SEDCO Capital, Commonfund, Vinik Family Office, Thrivent Financial and Morgan Stanley AIP.

"***Permitted Liens***" shall have the meaning set forth in Section 9.02.

"***Permitted Management Payments***" shall mean payments paid to Sponsor in accordance with Section 9.06(e)(i).

"***Permitted Refinancing Indebtedness***" shall mean Indebtedness issued or incurred (including by means of the extension or renewal of existing Indebtedness) to refinance, refund, extend, renew or replace existing Indebtedness of any Credit Party or any of its Subsidiaries permitted hereunder (the "***Refinanced Indebtedness***"); provided that (i) the principal amount of such refinancing, refunding, extending, renewing or replacing Indebtedness shall not exceed the principal amount of such Refinanced Indebtedness plus the amount of any interest, premiums or penalties required to be paid thereon plus fees and expenses associated therewith, in each case, in an amount not to exceed ten percent (10%) of the principal amount of such Refinanced Indebtedness, (ii) such refinancing, refunding, extending, renewing or replacing Indebtedness shall have the same or a later final maturity and longer weighted average life to maturity than the final maturity and remaining weighted average life to maturity of the Refinanced Indebtedness and (iii) the terms of any such refinancing, refunding, extending, renewing or replacing Indebtedness shall not be, taken as a whole, materially more onerous to the Credit Parties than the Refinanced Indebtedness and shall not have defaults, rights or remedies that are, taken as a whole, materially more burdensome to the Credit Parties than the Refinanced Indebtedness, (iv) the sole obligors on such refinancing, refunding, extending, renewing or replacing Indebtedness shall be the original obligors on such Refinanced Indebtedness, and (v) if such Refinanced Indebtedness is Subordinated Indebtedness, such refinancing, refunding, extending, renewing or replacing Indebtedness shall be subordinated to the Obligations to at least the same extent as such Refinanced Indebtedness is so subordinated and shall be subject to subordination terms that are no less favorable to the Lenders than the subordination terms that are applicable to such Refinanced Indebtedness.

"***Permitted Tax Distributions***" shall mean, with respect to each Tax year, (i) distributions by any Credit Party to Holdings to permit Holdings to make the distributions described in clause (ii) below and (ii) (A) with respect to any taxable year (or portion thereof) with respect to which Parent is a partnership or disregarded entity for U.S. federal income tax purposes, distributions by Holdings to ~~EBS~~ Parent in an amount equal to the sum, for each member of ~~EBS~~ Parent, of the excess, if any of (x) (1) the aggregate taxable income of the Borrower allocable (through ~~EBS~~ Parent) to such member with respect to a current or just-completed fiscal year minus any taxable loss of ~~EBS~~ Parent allocated to the member by ~~EBS~~ Parent in respect of any prior fiscal year and not previously taken into account in determining tax distributions by ~~EBS~~ Parent to such member to the extent that such loss would be available under the Code to offset income of the member (or, as appropriate, the direct or indirect partners, members or shareholders of the member) in such fiscal year and all prior fiscal years (determined as if income or loss of ~~EBS~~ Parent attributable to Borrower and its direct or indirect Subsidiaries was then only income or loss of such members), in each case determined under U.S. federal income tax principles and determined without taking into account adjustments pursuant to Section 704(c) of the Code, multiplied by (2) the highest combined marginal U.S. federal, state and local income tax rates applicable to an individual or corporate resident in New York City or California, whichever is greater, taking into account any surtax, any reduced rate on long-term capital gains (to the extent that the allocated income would be so taxed) for such current or just-completed fiscal year and, in the reasonable discretion of Holdings based upon the reasonable and good faith determinations of the board of managers of ~~EBS~~ Parent, Section 199A of the Code (such rate, the "***Assumed Tax Rate***") (and, for the avoidance of doubt, the Assumed Tax Rate shall be the same for all members of ~~EBS~~ Parent for each fiscal year) over (y) the aggregate distributions, other than tax distributions, previously made by ~~EBS~~ Parent to such member with respect to such current or just-completed fiscal year; provided, however, that allocations from ~~EBS~~ Parent in respect of items not attributable to Borrower or its direct or indirect Subsidiaries shall be disregarded in determining Permitted Tax Distributions. Permitted Tax Distributions may be made on a quarterly basis not earlier than five (5) days prior to the original due date for quarterly U.S. federal estimated tax payments based upon estimates made in good faith by Holdings or Borrower; provided that the total of such estimated quarterly distributions along with any distribution made with respect to the due date of Holdings' or its (direct or indirect) members', as applicable, U.S. federal, state, and local income tax return for such Tax year do not exceed the what the Permitted Tax Distributions with respect to such tax year would have been had they been based upon actual allocation, except to the extent any excess is applied to an estimated tax distribution for the following Tax year, and (B) with respect to any taxable year (or portion thereof) with respect to which Parent is a corporation for U.S. federal income tax purposes, distributions by Holdings to Parent in an amount equal to (x) the aggregate net taxable income (if any) of the Borrower with respect to a current or just-completed fiscal year, minus any taxable loss of the Borrower in respect of any prior fiscal year and not previously taken into account in determining tax distributions by Borrower to the extent that such loss would be available under the Code to offset income of the Parent in such fiscal year and all prior fiscal years, in each case determined under U.S. federal income tax principles, multiplied by (y) the highest combined marginal U.S. federal, state and local income tax rates applicable to a corporate resident in New York City or California, whichever is greater, taking into account any surtax, for such current or just-completed fiscal year and, in the reasonable discretion of Holdings based upon the reasonable and good faith determinations of the board of managers of Parent. Permitted Tax Distributions shall be reduced by any prior distributions (other than Permitted Tax Distributions) from Holdings to such member with respect to such current or just-completed tax period. Where the amount of Permitted Tax Distributions is referred to elsewhere in this Agreement, such amount shall, to avoid double-counting, be determined solely by reference to amounts described in clause (ii) above.

"***Person***" shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, association, trust or other enterprise or any Governmental Authority.

"***Plan***" shall mean a Pension Plan or a Multiemployer Plan.

"***Pledged Stock***" shall have the meaning given to such term in the Security Agreement.

"***Prepayment Premium***" shall have the meaning set forth in Section 5.01(g).

"***Pricing Table***" means the following table:

		Revolving Loans, Term Loans and all other Obligations (other than Incremental Term Loans)	
Tier Level	Total Leverage Ratio	Base Rate Margin	LIBOR Margin
1	Greater than or equal to 4.25 to 1.00	5.00%	6.00%
2	Less than 4.25 to 1.00, but greater than or equal to 2.50 to 1.00	4.50%	5.50%
3	Less than 2.50 to 1.00	4.00%	5.00%

For purposes of the Pricing Table, if the Borrower shall at any time fail to deliver financial statements for any fiscal quarter when due pursuant to Section 8.01(b) or the related Compliance Certificate for such fiscal quarter pursuant to Section 8.01(d), then from and after the immediately following Adjustment Date, each applicable Base Rate Margin and each applicable LIBOR Margin shall be conclusively presumed to equal the highest applicable Base Rate Margin and the highest applicable LIBOR Margin specified in the Pricing Table until the first day of the calendar month immediately following the date of delivery of such financial statements and Compliance Certificate.

In the event either the Borrower or Agent determines in good faith that the calculation of the Total Leverage Ratio on which the applicable interest rate for any particular period was determined is inaccurate, and as a consequence thereof, the applicable interest rate was lower that it would have been, (i) the Borrower shall promptly deliver to Agent a corrected Compliance Certificate for such period upon discovery by Borrower or notice to Borrower by Agent thereof, (ii) Agent shall notify the Borrower in writing of the amount of interest that would have been due in respect of any outstanding Obligations during such period had the applicable rate been calculated based on the correct Total Leverage Ratio during such period and (iii) Borrower shall promptly pay to Agent the difference, if any, between the amount that would have been due and the amount actually paid in respect of such period. Notwithstanding anything in this definition to the contrary, the highest applicable Base Rate Margin and the highest applicable LIBOR Margin specified in the Pricing Table shall apply at all times after the occurrence and during the continuance of an Event of Default under Section 10.01, Section 10.01(c) (with respect to any violation of Section 9.13) or Section 10.01(h).

"***Prime Rate***" shall mean a variable per annum rate, as of any date of determination, equal to the rate as of such date published in *The Wall Street Journal* as being the "Prime Rate" (or, if more than one rate is published as the Prime Rate, then the highest of such rates). The Prime Rate will change as of the date of publication in *The Wall Street Journal* of a Prime Rate that is different from that published on the preceding Business Day. In the event that *The Wall Street Journal* shall, for any reason, fail or cease to publish the Prime Rate, the Agent shall choose a reasonably comparable index or source to use as the basis for the Prime Rate.

"***Pro Forma Basis***" shall mean, for purposes of calculating the Total Leverage Ratio and the Fixed Charge Coverage Ratio:

(a) Investments, acquisitions (including the Closing Date Acquisition and other Permitted Acquisitions), mergers, consolidations and dispositions of any Subsidiary, line of business or division, or other Specified Transaction that have been made by the specified Person or any of its Subsidiaries, or any Person or any of its Subsidiaries acquired by, merged or consolidated with the specified Person or any of its Subsidiaries, and including any related financing transactions and incurrences of Indebtedness, and including increases in ownership of Subsidiaries, during the applicable reference period or subsequent to such reference period and on or prior to the date of determination will be given pro forma effect, as if they had occurred on the first day of the applicable reference period;

(b) any Person that is a Subsidiary on the date of determination will be deemed to have been a Subsidiary at all times during such reference period;

(c) any Person that is not a Subsidiary on the date of determination will be deemed not to have been a Subsidiary at any time during such reference period; and

(d) all of the charges described in clause (b) of the definition of Fixed Charge Coverage Ratio shall be annualized for the applicable reference period by multiplying the product of (i)(A) the applicable components of such charges made from and after the closing date of the applicable transaction through the last day of such reference period divided by (B) the number of calendar days in such post-closing period, times (ii) 365.

For purposes of this definition, whenever pro forma effect is given to a transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Borrower and shall be reasonably satisfactory to the Agent. Any such pro forma calculation may include adjustments appropriate, in the good faith determination of the Borrower as set forth in an officers' certificate, to reflect operating expense reductions (but not revenue increases) expected to result from the applicable pro forma event if such adjustments are reasonably satisfactory to the Agent.

"***Qualified Capital Stock***" shall mean any Capital Stock that is not Disqualified Capital Stock.

"***Qualified Cash***" shall mean, as of any date of determination, the amount of unrestricted cash and Cash Equivalents of the Borrower that is in deposit accounts or in securities accounts, or any combination thereof, which deposit accounts and securities accounts are the subject of Control Agreements and are maintained by a branch office of the applicable bank or securities intermediary located within the United States of America.

"***Qualified IPO***" means the issuance and sale by New Parent of its common Capital Stock in an initial underwritten primary public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act, and pursuant to which one hundred percent (100%) of the Net Equity Proceeds received by New Parent from such issuance and sale are contributed to Holdings, and thereafter by Holdings to Borrower, within two Business Days of receipt by New Parent and in which such contributed Net Equity Proceeds are no less than $5,000,000.

"***Qualified PC Entity***" shall mean a PC Entity (a) which pursuant to the PC Documents between such PC Entity and the applicable Credit Party, all of the collected revenue of such PC Entity is deposited in a deposit account of a Credit Party subject to a Control Agreement or a deposit account of such PC Entity and such collected revenue is swept and deposited into a deposit account of a Credit Party which is subject to a Control Agreement within one (1) Business Day of the date on which such revenue is deposited in an account of such PC Entity, free and clear of all Liens other than Permitted Liens and Liens arising under any Deficit Funding Agreement), (b) with respect to which (i) no material breach or default shall have occurred and be continuing under the PC Documents to which such PC Entity is a party which such breach or default has not been cured within thirty (30) days of the Borrower obtaining knowledge of such breach or default, and (ii) no Credit Party shall have waived any provision of the Continuity Agreement (if applicable) to which such PC Entity is a party in a manner adverse to the Lenders, (c) with respect to which the Management Services Agreement to which such PC Entity is a party has not been terminated, (d) which does not have any Lien on any of its assets or property (other than any Lien imposed by law consisting of a landlord's lien or banker's lien in the ordinary course of business, any Lien arising under the Deficit Funding Agreement to which such PC Entity is a party and any other Liens securing obligations which do not exceed (x) $100,000 for any individual PC Entity and (y) $250,000 in the aggregate for all PC Entities), and (e) which, to the extent permitted under Applicable Law, is party to a Continuity Agreement (unless, based on the written advice of experienced healthcare counsel, the applicable Credit Party determines after consultation with the Agent that such Continuity Agreement is not legally advisable) and a Deficit Funding Agreement with a Credit Party, in each case, that is in full force and effect.

"***Real Property***" shall mean, with respect to any Person, all right, title and interest of such Person (including, without limitation, any leasehold estate) in and to a parcel of real property owned, leased or operated by such Person together with, in each case, all improvements and appurtenant fixtures, equipment, personal property, easements and other property and rights incidental to the ownership, lease or operation thereof.

"***Recipient***" shall mean Agent, any Lender, any Letter of Credit Issuer or any other recipient of any payment to be made by or on account of any Obligation of the Borrower.

"***Refinanced Indebtedness***" shall have the meaning set forth in the definition of "Permitted Refinancing Indebtedness."

"***Register***" shall have the meaning set forth in Section 12.06(b)(iv).

"***Regulation D***" shall mean Regulation D of the Board as from time to time in effect and any successor to all or a portion thereof establishing reserve requirements.

"***Regulation T***" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing reserve requirements.

"***Regulation U***" shall mean Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"***Regulation X***" shall mean Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"***Reimbursement Date***" shall have the meaning set forth in Section 3.04(a).

"***Related Parties***" shall mean, with respect to any specified Person, such Person's Affiliates and the directors, officers, employees, agents, trustees, advisors of such Person and any Person that possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise.

"***Release***" shall mean any spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing, dispersing, emanating or migrating of Hazardous Materials in, into, onto or through the indoor or outdoor environment.

"***Reportable Event***" shall mean an event described in Section 4043 of ERISA and the regulations thereunder (excluding any such event for which the notice requirement has been waived by the PBGC).

"***Required Lenders***" shall mean, at any date, Lenders having or holding a majority of the sum of (a) the outstanding principal amount of the Term Loans and (b) (i) the Total Revolving Loan Commitment or (ii) if the Total Revolving Loan Commitment has been terminated, the aggregate outstanding principal amount of the Revolving Loans and Letter of Credit Exposures; provided that (x) if at any time of determination, more than one Lender (it being understood that for purposes of this proviso, Lenders that are Affiliates or Approved Funds of a Lender shall constitute a single Lender) holds at least twenty-five percent (25%) of the sum of (a) the outstanding principal amount of the Term Loans and (b) (i) the Total Revolving Loan Commitment or (ii) if the Total Revolving Loan Commitment has been terminated, the aggregate outstanding principal amount of the Revolving Loans and Letter of Credit Exposures, then Required Lenders shall include at least two (2) such Lenders; and (y) the Revolving Loan Commitment of, and the portion of the outstanding principal amount of the Revolving Loans and Term Loans and the Letters of Credit Outstanding held or deemed held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"***Required Revolving Lenders***" shall mean, at any date, Lenders having or holding a majority of the sum of (i) the Total Revolving Loan Commitment or (ii) if the Total Revolving Loan Commitment has been terminated, the aggregate outstanding principal amount of the Revolving Loans and Letter of Credit Exposures; provided that the Revolving Loan Commitment of, and the portion of the outstanding principal amount of the Revolving Loans and the Letters of Credit Outstanding held or deemed held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Revolving Lenders.

"***Resolution Authority***" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"***Restricted Payment***" means (a) the declaration or payment of any dividend or other distribution (whether in cash, securities or other property) by any Credit Party or any Subsidiary with respect to any Capital Stock of such Credit Party or such Subsidiary, (b) any payment by any Credit Party or any Subsidiary (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, defeasance, acquisition, cancellation or termination of any such Capital Stock, or on account of any return of capital to such Credit Party or Subsidiary's stockholders, partners or members (or the equivalent of any thereof), (c) any option, warrant or other right to acquire any such dividend or other distribution or payment, (d) any management fee, advisory fee, consulting fee, transaction fee and similar fees and arrangements and any costs and expenses due and owing in connection therewith that are paid by any Credit Party or Subsidiary to any holder of its Capital Stock or any Affiliate thereof, or (e) the payment, prepayment or redemption of principal of, or premium or interest or any other amount in respect of, any earnout or Indebtedness subordinated to the Obligations.

"Retained Excess Cash Flow Amount" shall mean, as of any date of determination, an amount, not less than zero in the aggregate, determined on a cumulative basis equal to the amount of Consolidated Excess Cash Flow for the prior fiscal years ending after the Closing Date (beginning with the fiscal year ended December 31, 2021) that is not (and, in each case of any such fiscal year where the respective date of required prepayment has not yet occurred pursuant to Section 5.02(a)(i), will not on such date of required prepayment be) required to be applied in accordance with Section 5.02(a)(i).

"***Revolving Credit Exposure***" shall mean, with respect to any Lender at any time, the sum of (a) the aggregate principal amount of the Revolving Loans of such Lender outstanding at such time and (b) such Lender's Letter of Credit Exposure at such time.

"***Revolving Credit Facility***" shall have the meaning set forth in the recitals to this Agreement.

"***Revolving Loan***" shall have the meaning set forth in Section 2.01(c).

"***Revolving Loan Commitment***" shall mean, (a) with respect to each Lender that is a Lender on the Closing Date, the amount set forth opposite such Lender's name on and after the Closing Date, on Schedule 1.01 as such Lender's "***Revolving Loan Commitment***" and (b) in the case of any Lender that becomes a Lender after the Closing Date, the amount specified as such Lender's "***Revolving Loan Commitment***" in the Assignment and Acceptance pursuant to which such Lender assumed a portion of the Total Revolving Loan Commitment, in each case as the same may be increased or decreased from time to time pursuant to terms hereof. For the avoidance of doubt, with respect to each Lender that is a Lender on the Fourth Amendment Effective Date, Schedule 1.01 sets forth the Revolving Loan Commitment of such Lender opposite such Lender's name as of the Fourth Amendment Effective Date.

"***Revolving Loan Commitment Percentage***" shall mean at any time, for each Lender, the percentage obtained by dividing (a) such Lender's Revolving Loan Commitment by (b) the Total Revolving Loan Commitment as in effect at such time; provided, that at any time when the Total Revolving Loan Commitment shall have been terminated, each Lender's Revolving Loan Commitment Percentage shall be its Revolving Loan Commitment Percentage as in effect immediately prior to such termination.

"***Revolving Loan Note***" shall mean a promissory note substantially in the form of Exhibit R-1.

"***S&P***" shall mean Standard & Poor's Ratings Services or any successor by merger or consolidation to its business.

"***SEC***" shall mean the Securities and Exchange Commission or any successor thereto.

"***Secured Parties***" shall mean, collectively, (a) the Lenders, (b) the Agent, (c) the Letter of Credit Issuer, (d) the beneficiaries of each indemnification obligation undertaken by any Credit Party under the Credit Documents and (e) any successors, indorsees, transferees and assigns of each of the foregoing.

"***Securities Act***" means the Securities Act of 1933, as amended from time to time, and the rules and regulations of the SEC promulgated thereunder from time to time in effect.

"***Security Agreement***" shall mean that certain Security Agreement, by and among each Credit Party and the Agent for the benefit of the Secured Parties, in form and substance reasonably satisfactory to Agent.

"***Security Documents***" shall mean, collectively, the Security Agreement, any Control Agreement, any intellectual property security agreements, any Collateral Assignment of PC Documents, any Mortgage, any landlord waiver or collateral access agreement, and each other security agreement or other instrument or document executed and delivered pursuant to Section 8.11 or pursuant to any of the Credit Documents to secure any of the Obligations.

"***Seller***" shall have the meaning set forth in the recitals to this Agreement.

"***Solvency Certificate***" shall mean a solvency certificate, duly executed and delivered by the chief financial officer of Holdings to Agent, in form and substance satisfactory to Agent.

"***Solvent***" shall mean, with respect to any Person, at any date, that (a) the sum of such Person's debt (including Contingent Liabilities) does not exceed the present fair saleable value of such Person's present assets, (b) such Person's capital is not unreasonably small in relation to its business as contemplated on such date, (c) such Person has not incurred and does not intend to incur debts including current obligations beyond its ability to pay such debts as they become due (whether at maturity or otherwise), and (d) such Person is "solvent" within the meaning given that term and similar terms under Applicable Laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any Contingent Liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"***Special Flood Hazard Area***" shall mean an area that FEMA's current flood maps indicate has at least a one percent (1%) chance of a flood equal to or exceeding the base flood elevation (a 100-year flood) in any given year.

"***Specified Equity Contribution***" shall have the meaning set forth in Section 10.03.

"***Specified Transaction***" means (a) the Transactions, the Fourth Amendment Transactions, any acquisition, any Disposition, any sale, transfer or other Disposition that results in a Person ceasing to be a Subsidiary, and any Investment that results in a Person becoming a Subsidiary, or any incurrence or repayment of Indebtedness or (b) any other event that by the terms of the Credit Documents requires pro forma compliance with a test or covenant or requires such test or covenant to be calculated on a Pro Forma Basis.

"***Sponsor***" shall have the meaning set forth in the recitals to this Agreement.

"***Stated Amount***" of any Letter of Credit shall mean the maximum amount from time to time available to be drawn thereunder, determined without regard to whether any conditions to Drawing could then be met.

"***Stated Rate***" shall have the meaning set forth in Section 2.08(g).

"***Subordinated Indebtedness***" shall mean any Indebtedness that is subordinated in right of payment to the Obligations or that is secured by a Lien that is subordinated in priority to the Lien securing the Obligations.

"***Subordination Agreement***" shall mean the Management Subordination Agreement and any agreement by and between the Agent and the holder or holders of any Subordinated Indebtedness or other obligation or liability of any Credit Party entered into from time to time which provides for the subordination of such Subordinated Indebtedness, obligation or liability to the Obligations (or the subordination of the Lien securing such Subordinated Indebtedness, obligation or liability to the Lien securing the Obligations) and contains subordination and other provisions with respect to such Subordinated Indebtedness, obligation or liability that are reasonably satisfactory to the Agent in all respects.

"***Subsidiary***" shall mean, with respect to any Person, (a) any corporation more than fifty percent (50%) of whose Voting Stock having by the terms thereof power to elect a majority of the directors of such corporation (irrespective of whether or not at the time stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries and (b) any partnership, limited liability company, association, joint venture or other entity of which such Person directly or indirectly through Subsidiaries owns more than fifty percent (50%) of the Capital Stock at the time. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of a Holdings.

"***Succeeding Fiscal Year***" shall have the meaning set forth in Section 9.13(c).

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

"***Tax Affiliate***" shall mean (a) Holdings and its Subsidiaries and (b) any Affiliate of Holdings with which Holdings files or is required to file income tax returns on a consolidated, combined, unitary or similar group basis. For the avoidance of doubt, no PC Entity shall be treated as a Tax Affiliate of Holdings.

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

"***Term Loan***" means the Initial Term Loan, the Fourth Amendment Term Loan and any Incremental Term Loan.

"***Term Loan Commitment***" shall mean the Initial Term Loan Commitment, the Fourth Amendment Term Loan Commitment and/or a Lender's commitment to make Incremental Term Loans pursuant to Section 2.01(e), as the context may require.

"***Term Loan Facility***" shall have the meaning set forth in the recitals to this Agreement; provided that following the establishment of any Incremental Term Loans, such Incremental Term Loans shall be considered a separate Term Loan Facility hereunder.

"***Term Loan Note***" shall mean a promissory note substantially in the form of Exhibit T-1.

"***Term Loan Repayment Amount***" shall have the meaning set forth in Section 2.05(b).

"***Term Loan Repayment Date***" shall have the meaning set forth in Section 2.05(b).

"***Test Period***" shall mean, for any date of determination under this Agreement, the four (4) consecutive fiscal quarters of Holdings most recently ended as of such date of determination.

"***Third Party Payor***" means Medicare, Medicaid, TRICARE, state government insurers, private insurers (including Blue Cross and/or Blue Shield) and any other person or entity which presently or in the future maintains Third Party Payor Programs.

"***Third Party Payor Programs***" means all third party payor programs in which any Credit Party or any PC Entity participates or is enrolled (including, without limitation, Medicare, Medicaid, TRICARE, CHAMPUS, CHAMPVA or any other federal or state health care programs, as well as private insurers (including Blue Cross and/or Blue Shield), managed care plans, or any other Third Party Payor that reimburses for health care items or services).

"***THL***" shall have the meaning set forth in the preamble to this Agreement.

"***Total Commitment***" shall mean the sum of the Total Initial Term Loan Commitment, the Total Fourth Amendment Term Loan Commitment and the Total Revolving Loan Commitment.

"***Total Credit Exposure***" shall mean, as of any date of determination (a) with respect to each Lender, (i) prior to the termination of the Commitments, the sum of such Lender's Total Commitment plus such Lender's Term Loans or (ii) upon the termination of the Commitments, the sum of such Lender's Term Loans and Revolving Credit Exposure and (b) with respect to all Lenders, (i) prior to the termination of the Commitments, the sum of all of the Lenders' Total Commitments plus all Term Loans and (ii) upon the termination of the Commitments, the sum of all Lenders' Term Loans and Revolving Credit Exposures.

"***Total Fourth Amendment Term Loan Commitment***" shall mean the sum of the Fourth Amendment Term Loan Commitments. On the Fourth Amendment Effective Date, the Total Fourth Amendment Term Loan Commitment shall be $52,000,000 as set forth on Schedule 1.01.

"***Total Initial Term Loan Commitment***" shall mean the sum of the Initial Term Loan Commitments. On the Closing Date, the Total Initial Term Loan Commitment shall be $34,000,000 as set forth on Schedule 1.01.

"***Total Leverage Ratio***" shall mean, as of the last day of any Test Period:

(a) solely for purposes of determining compliance with Section 9.13(a), the ratio of (x) the amount equal to (i) Consolidated Total Debt as of such date minus (ii) the amount of Qualified Cash in an aggregate amount not to exceed $7,500,000 to (y) Consolidated EBITDA for such Test Period and

(b) for all other purposes under this Agreement (including, for the avoidance of doubt, the calculation of the Applicable Margin and any incurrence or similar tests based on leverage that refer to the Financial Covenants, the Total Leverage Ratio and/or to Section 9.13(a)), the ratio of (x) Consolidated Total Debt as of such date to (y) Consolidated EBITDA for such Test Period.

"***Total Revolving Loan Commitment***" shall mean the sum of the Revolving Loan Commitments. On the Closing Date, the Total Revolving Loan Commitment shall be $5,000,000, as set forth on Schedule 1.01.

"***Transaction Documents***" shall mean each of the documents executed and/or delivered in connection with the Transactions, including without limitation, the Credit Documents entered into on the Closing Date, the Equity Documents and the Closing Date Acquisition Documents.

"***Transactions***" shall mean, collectively, the transactions to occur on the Closing Date pursuant to the Transaction Documents, including (a) the execution and delivery of the Credit Documents on the Closing Date, the creation of the Liens pursuant to the Security Documents on the Closing Date, the initial Credit Extensions hereunder by the Initial Borrower, and the Debt Push Down and accession of EBS Enterprises as the Borrower and the merger of Intermediate Holdings with and into EBS Enterprises, with EBS Enterprises being the surviving entity and becoming a wholly-owned subsidiary of Holdings, (b) the consummation of the Closing Date Acquisition in accordance with the Closing Date Acquisition Documents and (c) the payment of all fees, costs and expenses incurred or paid by Holdings, Intermediate Holdings, the Borrower or any of their Subsidiaries in connection with the foregoing.

"***Type***" shall mean, as to any Loan, its nature as a Base Rate Loan or a LIBOR Loan.

"***UCC***" shall mean the Uniform Commercial Code as from time to time in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "***UCC***" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"***UK Financial Institution***" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain Affiliates of such credit institutions or investment firms.

"***UK Resolution Authority***" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"***Unasserted Contingent Obligations***" shall have the meaning given to such term in the Security Agreement.

"***Unfunded Current Liability***" shall mean, with respect to any Pension Plan, the amount, if any, by which the present value of all accumulated benefit obligations under such Pension Plan as of the close of its most recent plan year, determined in accordance with FASB Accounting Standards Codification 715: Compensation - Retirement Benefits, as in effect on the Closing Date, exceeds the fair market value of the assets of such Pension Plan allocable to such accrued benefits.

"***Unpaid Drawing***" shall have the meaning set forth in Section 3.04(a).

"***Unused Commitment Fee***" shall have the meaning set forth in Section 4.01(a)(i).

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

"***U.S. Person***" shall mean any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"***U.S. Tax Compliance Certificate***" has the meaning assigned to such term in paragraph (f) of Section 5.04.

"***Voting Stock***" shall mean, with respect to any Person, shares of such Person's Capital Stock having the right to vote for the election of directors (or Persons acting in a comparable capacity) of such Person under ordinary circumstances.

"***Write-Down and Conversion Powers***" shall mean, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under or suspend any obligation in respect of that liability or any of the powers under the Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02 Other Interpretive Provisions. With reference to this Agreement and each other Credit Document, unless otherwise specified herein or in such other Credit Document:

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words "herein", "hereto", "hereof" and "hereunder" and words of similar import when used in any Credit Document shall refer to such Credit Document as a whole and not to any particular provision thereof.

(c) Article, Section, Exhibit and Schedule references are to the Credit Document in which such reference appears.

(d) The term "including" is by way of example and not limitation.

(e) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

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

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

SECTION 1.03 Accounting Terms.

All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with GAAP, except as otherwise specifically prescribed herein. For purposes of determining compliance with any incurrence or expenditure tests set forth in Article VIII and Article IX, any amounts so incurred or expended (to the extent incurred or expended in a currency other than Dollars) shall be converted into Dollars on the basis of the exchange rates (as shown on the Bloomberg currency page for such currency or, if the same does not provide such exchange rate, by reference to such other publicly available service for displaying exchange rates as may be reasonably selected by the Agent or, in the event no such service is selected, on such other basis as is reasonably satisfactory to the Agent) as in effect on the date of such incurrence or expenditure under any provision of any such Section that has an aggregate Dollar limitation provided for therein (and to the extent the respective incurrence or expenditure test regulates the aggregate amount outstanding at any time and it is expressed in terms of Dollars, all outstanding amounts originally incurred or spent in currencies other than Dollars shall be converted into Dollars on the basis of the exchange rates (as shown on the Bloomberg currency page for such currency or, if the same does not provide such exchange rate, by reference to such other publicly available service for displaying exchange rates as may be reasonably selected by the Agent or, in the event no such service is selected, on such other basis as is reasonably satisfactory to the Agent) as in effect on the date of any new incurrence or expenditures made under any provision of any such Section that regulates the Dollar amount outstanding at any time). No change in the accounting principles used in the preparation of any financial statement hereafter adopted by Holdings shall be given effect for purposes of measuring compliance with any provisions of Article IX unless the Borrower, the Agent and the Required Lenders agree to modify such provisions to reflect such changes in GAAP and, unless such provisions are modified, all financial statements, Compliance Certificates and similar documents provided hereunder shall be provided together with a reconciliation between the calculations and amounts set forth therein before and after giving effect to such change in GAAP. Notwithstanding the foregoing, (i) with respect to the accounting for leases as either operating leases or capital leases and the impact of such accounting in accordance with FASB ASC 840 on the definitions and covenants herein, GAAP as in effect on the Effective Date shall be applied (ii) with respect to accounting for revenue recognition from contracts with customers and the impact of such accounting in accordance with FASB ASC 606 on the definitions and covenants herein, GAAP as in effect on the Effective Date shall be applied and (iii) for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of Holdings and its Subsidiaries shall be deemed to be carried at one hundred percent (100%) of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded, other than, in each case, as it applies to the delivery of financial statements in accordance with the provisions of Sections 8.01(b) or (c). A breach of any Financial Covenant shall be deemed to have occurred as of the last day of any specified measurement period, regardless of when the financial statements reflecting such breach are delivered to Agent.

SECTION 1.04 Rounding. Any financial ratios required to be maintained or complied with by the Borrower pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

SECTION 1.05 References to Agreements, Applicable Laws, etc. Unless otherwise expressly provided herein, (a) references to Organization Documents, agreements (including the Credit Documents) and other Contractual Obligations shall be deemed to include all subsequent amendments, restatements, amendment and restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, amendment and restatements, extensions, supplements and other modifications are not prohibited by any Credit Document; and (b) references to any Applicable Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Applicable Law.

SECTION 1.06 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

SECTION 1.07 Timing of Payment or Performance. When the payment of any obligation is stated to be due on a day which is not a Business Day, the date of such payment shall be the immediately preceding Business Day. When the performance of any covenant, duty or obligation (other than a payment obligation) is required on a day which is not a Business Day, the date of such performance shall extend to the immediately succeeding Business Day.

SECTION 1.08 Corporate Terminology. Any reference to officers, shareholders, stock, shares, directors, boards of directors, corporate authority, articles of incorporation, bylaws or any other such references to matters relating to a corporation made herein or in any other Credit Document with respect to a Person that is not a corporation shall mean and be references to the comparable terms used with respect to such Person.

SECTION 1.09 Pro Forma Calculations. Notwithstanding anything to the contrary contained herein, all calculations of the Total Leverage Ratio and the Fixed Charge Coverage Ratio or component definition thereof shall be made on a Pro Forma Basis with respect to all Specified Transactions occurring during the applicable four quarter period to which such calculation relates, and/or subsequent to the end of such four quarter period but not later than the date of such calculation; provided, that, notwithstanding the foregoing, when calculating the Total Leverage Ratio and the Fixed Charge Coverage Ratio or component definition thereof for purposes of determining whether any Specified Transaction is permitted under this Agreement, the numerator of such ratio shall be calculated as of the date of such Specified Transaction (after giving effect to all transactions occurring on such date and any related pro forma calculations shall be made giving effect to any adjustments on a Pro Forma Basis to be made in good faith by a responsible financial or accounting officer of the Borrower and reasonably satisfactory to the Agent, subject to the final sentence of the definition of "Pro Forma Basis"); provided, further, that when calculating the Total Leverage Ratio and the Fixed Charge Coverage Ratio or component definition thereof for purposes of determining (x) compliance with Section 9.13 and/or (y) the applicable percentage of Consolidated Excess Cash Flow for purposes of Section 5.02(a)(i), the permissibility of any Specified Transaction and any related adjustment contemplated in the definition of Pro Forma Basis that occurred subsequent to the end of the applicable four quarter period shall not be given pro forma effect. When determining pro forma compliance with Section 9.13 for any purpose hereunder during any period ending prior to the first testing date under Section 9.13, the required Total Leverage Ratio and Fixed Charge Coverage Ratio or component definition thereof shall be the applicable ratio for the first testing date thereunder.

SECTION 1.10 Uniform Commercial Code. All terms used in this Agreement which are defined in Article 8 or Article 9 of the UCC and which are not otherwise defined herein shall have the same meanings herein as set forth therein, provided that terms used herein which are defined in the UCC on the Closing Date shall continue to have the same meaning notwithstanding any replacement or amendment of such statute except as the Agent may otherwise determine.

ARTICLE II

AMOUNT AND TERMS OF CREDIT FACILITIES

SECTION 2.01 Loans.

(a) Initial Term Loans. Subject to and upon the terms and conditions herein set forth, each Lender having an Initial Term Loan Commitment severally agrees to make a loan (each such term loan are referred to individually as an "***Initial Term Loan***" and collectively as the "***Initial Term Loans***") to the Borrower, which Initial Term Loans (i) shall not exceed, for any such Lender, the Initial Term Loan Commitment of such Lender, (ii) shall not exceed, in the aggregate, the Total Initial Term Loan Commitment, (iii) shall be made on the Closing Date, (iv) may, at the option of the Borrower, be incurred and maintained as, and/or converted into, Base Rate Loans or LIBOR Term Loans; provided, that all such Initial Term Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Initial Term Loans of the same Type, and (v) may be repaid or prepaid in accordance with the provisions hereof, but once repaid or prepaid may not be reborrowed.

(b) Fourth Amendment Term Loans. Subject to and upon the terms and conditions herein set forth, each Lender having a Fourth Amendment Term Loan Commitment severally agrees to make a loan (each such term loan are referred to individually as a "***Fourth Amendment Term Loan***" and collectively as the "***Fourth Amendment Term Loans***") to the Borrower, which Fourth Amendment Term Loans (i) shall not exceed, for any such Lender, the Fourth Amendment Term Loan Commitment of such Lender, (ii) shall not exceed, in the aggregate, the Total Fourth Amendment Term Loan Commitment, (iii) shall be made on the Fourth Amendment Effective Date, (iv) may, at the option of the Borrower, be incurred and maintained as, and/or converted into, Base Rate Loans or LIBOR Term Loans; provided, that all such Fourth Amendment Term Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Fourth Amendment Term Loans of the same Type and with the same Interest Period as the outstanding Initial Term Loans and (v) may be repaid or prepaid in accordance with the provisions hereof, but once repaid or prepaid may not be reborrowed.

(c) Revolving Loans. Subject to and upon the terms and conditions herein set forth, each Lender having a Revolving Loan Commitment severally agrees to make a loan or loans (each such loan, a "***Revolving Loan***") to the Borrower, which Revolving Loans (i) shall not exceed, for any such Lender, the Revolving Loan Commitment of such Lender, (ii) shall not, after giving effect thereto and to the application of the proceeds thereof, result in such Lender's Revolving Credit Exposure at such time exceeding such Lender's Revolving Loan Commitment at such time, (iii) shall not, after giving effect thereto and to the application of the proceeds thereof, at any time result in the aggregate amount of all Lenders' Revolving Credit Exposures exceeding the Total Revolving Loan Commitment then in effect, (iv) shall be made at any time and from time to time after the Closing Date and prior to the Maturity Date (other than on the Fourth Amendment Effective Date), (v) may, at the option of the Borrower, be incurred and maintained as, and/or converted into, Base Rate Loans or LIBOR Revolving Loans; provided, that all Revolving Loans made by each of the Lenders pursuant to the same Borrowing shall, unless otherwise specifically provided herein, consist entirely of Revolving Loans of the same Type, and (vi) may be repaid and reborrowed in accordance with the provisions hereof. No Revolving Loans shall be borrowed on the Closing Date or the Fourth Amendment Effective Date.

(d) LIBOR Loans. Each Lender may, at its option, make any LIBOR Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such LIBOR Loan; provided, that (i) any exercise of such option shall not affect the obligation of the Borrower to repay such LIBOR Loan and (ii) in exercising such option, such Lender shall use its reasonable efforts to minimize any increased costs to such Borrower resulting therefrom (which obligation of the Lender shall not require it to take, or refrain from taking, actions that it determines would result in increased costs for which it will not be compensated hereunder or that it determines would be otherwise disadvantageous to it, and in the event of such request for costs for which compensation is provided under this Agreement, the provisions of Section 2.10 shall apply).

(e) Incremental Facilities.

(i) Requests. The Borrower, may, by written notice to the Agent (each, an "***Incremental Facility Request***"), request increases in the Term Loan Commitments (each, an "***Incremental Term Loan Commitment***" and the term loans thereunder, an "***Incremental Term Loan***"); each Incremental Term Loan Commitment are each sometimes referred to herein individually as an "***Incremental Facility***" and collectively as the "***Incremental Facilities***") in Dollars in an aggregate amount not to exceed $7,500,000; provided that no commitment of any Lender shall be increased without the consent of such Lender; provided further that, for the avoidance of doubt, the Fourth Amendment Term Loan Facility shall not constitute an Incremental Facility and the Fourth Amendment Term Loans shall not constitute Incremental Term Loans. Such notice shall set forth (A) the amount of the Incremental Term Loan Commitment (which shall be in a minimum amount of $1,000,000 and multiples of $100,000 in excess thereof) being requested, (B) the date (an "***Incremental Effective Date***") on which such Incremental Facility is requested to become effective (which, unless otherwise agreed by the Agent, shall not be less than ten (10) Business Days (or such shorter period agreed to by Agent in its sole discretion) nor more than sixty (60) days after the date of such notice), and (C) whether the Incremental Term Loans shall initially consist of Base Rate Loans and/or LIBOR Loans and, if the Loans are to include LIBOR Loans, the Interest Period to be initially applicable thereto.

(ii) Lenders. Upon delivery of the applicable Incremental Facility Request, such Incremental Facility shall be offered to all Lenders *pro* rata according to the respective outstanding principal amounts of the Term Loans held by each Lender. If any Lenders do not accept the offered Incremental Facility in its entirety on a *pro* rata basis within five (5) Business Days of such offer, then, subject to the prior written approval of the Agent, that portion of the Incremental Facility not accepted by such Lenders shall be offered to the other Lenders who hold Term Loans on a *non pro rata* basis.

(iii) Conditions. No Incremental Facility shall become effective under this Section 2.01(e) unless, (a) immediately before and immediately after giving effect to such Incremental Facility, the Loans to be made thereunder, and the application of the proceeds therefrom, no Default or Event of Default shall have occurred and be continuing, (b) on a Pro Forma Basis immediately after giving effect to such Incremental Facility, the Loans to be made thereunder, and the application of the proceeds therefrom, (A) the Credit Parties and their Subsidiaries shall be in compliance with the Financial Covenants (in each case recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01), and (B) the Total Leverage Ratio, recomputed as of, and for the four fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01, shall not exceed the lesser of (x) 4.00 to 1.00 and (y) the maximum Total Leverage Ratio permitted under Section 9.13 as of the end of such fiscal quarter (or, in the case of any date of determination occurring prior to the end of the first fiscal quarter for which the Total Leverage Ratio has not yet been tested under Section 9.13, the maximum Total Leverage Ratio permitted thereunder as of such first test date), less 0.25, (c) the proceeds of such Incremental Facility shall be used solely to finance or refinance the purchase price of a Permitted Acquisition consummated substantially concurrently with the incurrence thereof or within thirty (30) days prior to or after the date of incurrence, and (d) the Agent shall have received a certificate of an Authorized Officer of the Borrower certifying as to the foregoing.

(iv) Terms. The final maturity date of any Incremental Term Loan shall be no earlier than the maturity date of the initial Term Loans and the weighted average life to maturity of any such Incremental Term Loan shall not be shorter than the remaining weighted average life to maturity of the initial Term Loans (except to the extent of nominal amortization for periods where amortization has been eliminated as a result of prepayment of Term Loans prior to such date of determination). The all-in yield (including interest rate margins, any interest rate floors, original issue discount and upfront fees (based on the lesser of a four year average life to maturity or the remaining life to maturity), but excluding reasonable and customary arrangement, structuring and underwriting fees paid or payable to First Eagle or any of its Affiliates with respect to such Incremental Term Loan) applicable to any Incremental Term Loan shall not be more than one half of one percent (0.50%) per annum higher than the corresponding all-in yield (determined on the same basis) applicable to the then outstanding initial Term Loans, or any outstanding prior Incremental Term Loan unless the interest rate margin (and the interest rate floor, if applicable) with respect to the Revolving Loans, the then-outstanding initial Term Loans, and each outstanding prior Incremental Term Loan, as the case may be, is increased by an amount equal to the difference between the all in-yield with respect to the Incremental Term Loan and the all-in yield on the then outstanding initial Term Loans and any outstanding prior Incremental Term Loan minus one half of one percent (0.50%) per annum. Except with respect to amortization, pricing and final maturity as set forth in this clause (iv), any Incremental Term Loan shall be on the same terms as the initial Term Loans.

(f) Required Amendments. Each of the parties hereto hereby agrees that, upon the effectiveness of any Incremental Facility, this Agreement may be amended to the extent (but only to the extent) necessary to reflect the existence of such Incremental Facility and the Loans evidenced thereby, and any joinder agreement or amendment may without the consent of the other Lenders effect such amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the reasonable opinion of the Agent and the Borrower, to effectuate the provisions of this Section 2.01(f), and, for the avoidance of doubt, this Section 2.01(f) shall supersede any provisions in Section 12.01. From and after each Incremental Effective Date, the Loans and Commitments established pursuant to this Section 2.01(f) shall constitute Loans and Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Credit Documents, and shall, without limiting the foregoing, benefit equally and ratably from the guarantees and security interests created by the applicable Security Documents. The Credit Parties shall take any actions reasonably required by the Agent to ensure and/or demonstrate that the Liens and security interests granted by the applicable Security Documents continue to be perfected under the UCC or otherwise after giving effect to the establishment of any such new Loans and Commitments, including, without limitation, compliance with Section 8.01(c).

SECTION 2.02 Minimum Amount of Each Borrowing; Maximum Number of Borrowings. The aggregate principal amount of each Borrowing of Revolving Credit Loans shall be in multiples of $100,000 and, in each case, shall not be less than the Minimum Borrowing Amount with respect thereto. More than one Borrowing may be incurred on any date; provided, that at no time shall there be outstanding more than four (4) Borrowings of LIBOR Loans under this Agreement. Not more than four (4) Borrowings of Revolving Loans shall be made in any fiscal quarter.

SECTION 2.03 Notice of Borrowing. (a) The Borrower shall give the Agent prior written notice (or telephonic notice promptly confirmed in writing) (i) prior to 1:00 p.m. (New York time) at least three (3) Business Days prior to each Borrowing of Term Loans which are to be initially LIBOR Loans (or such shorter period agreed to by the Required Lenders in their sole discretion), and (ii) prior to 12:00 noon (New York time) on the date of each Borrowing of Term Loans which are to be Base Rate Loans. Such notice in the form of Exhibit N-1 (together with each notice of a Borrowing of Revolving Credit Loans pursuant to Section 2.03(b), a "***Notice of Borrowing***"), shall be irrevocable and shall specify (A) the aggregate principal amount of the Term Loans to be made, (B) the date of the Borrowing (which shall be, in the case of (x) Initial Term Loans, the Closing Date and (y) Fourth Amendment Term Loans, the Fourth Amendment Effective Date) and (C) whether the Term Loans shall consist of Base Rate Loans and/or LIBOR Term Loans and, if the Term Loans are to include LIBOR Term Loans, the Interest Period to be initially applicable thereto (which Type and Interest Period shall, in the case of any Fourth Amendment Term Loans, be the same as any outstanding Initial Term Loans). The Agent shall promptly give each Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Term Loans, of such Lender's proportionate share thereof and of the other matters covered by the related Notice of Borrowing.

(b) Whenever the Borrower desires to incur Revolving Loans hereunder (other than Borrowings to repay Unpaid Drawings under Letters of Credit), the Borrower shall give the Agent a Notice of Borrowing (or telephonic notice thereof promptly confirmed by delivery of a Notice of Borrowing) prior to 1:00 p.m. (New York time) at least five (5) Business Days prior to each Borrowing of Revolving Loans. Each such Notice of Borrowing, shall be irrevocable and shall specify (A) the aggregate principal amount of the Revolving Loans to be made pursuant to such Borrowing, (B) the date of Borrowing (which shall be a Business Day) and (C) whether the respective Borrowing shall consist of Base Rate Loans or LIBOR Revolving Loans and, if LIBOR Revolving Loans, the Interest Period to be initially applicable thereto. The Agent shall promptly give each applicable Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Revolving Loans, of such Lender's proportionate share thereof and of the other matters covered by the related Notice of Borrowing.

(c) Borrowings of Revolving Loans to reimburse Unpaid Drawings under Letters of Credit shall be made upon the notice specified in Section 3.04(a).

(d) Without in any way limiting the obligation of the Borrower to confirm in writing any notice it may give hereunder by telephone, the Agent may act prior to receipt of written confirmation without liability upon the basis of such telephonic notice believed by the Agent in good faith to be from an Authorized Officer of the Borrower. In each such case, the Borrower hereby waives the right to dispute the Agent's record of the terms of any such telephonic notice.

SECTION 2.04 Disbursement of Funds. (a) No later than (i) 2:00 p.m. in the case of each Borrowing of Revolving Loans for which a Notice of Borrowing has been delivered in accordance with Section 2.03, each Lender will make available its *pro rata* portion, if any, of each Borrowing (calculated in accordance with Section 2.07) requested to be made on such date in the manner provided in clause (b) of this Section 2.04, (ii) 4:00 p.m., in the case of the making of the Initial Term Loans on the Closing Date, if the conditions set forth in Article VI to the effectiveness of this Agreement are met prior to 3:00 p.m. on the Closing Date, each Lender will make available its *pro rata* portion, if any (calculated in accordance with Section 2.07), of the Initial Term Loan in the manner provided in clause (b) of this Section 2.04 and (iii) 4:00 p.m., in the case of the making of the Fourth Amendment Term Loans on the Fourth Amendment Effective Date, if the conditions set forth in Section 2 of the Fourth Amendment to the effectiveness of the Fourth Amendment are met prior to 3:00 p.m. on the Fourth Amendment Effective Date, each Lender will make available its *pro rata* portion, if any (calculated in accordance with Section 2.07), of the Fourth Amendment Term Loan in the manner provided in clause (b) of this Section 2.04.

(b) Each Lender shall make available all amounts it is to fund to the Borrower, in immediately available funds to the Agent, and the Agent will (except in the case of Borrowings to repay Unpaid Drawings under Letters of Credit) make available to the Borrower, by depositing in an account designated by the Borrower to the Agent in writing, the aggregate of the amounts so made available in Dollars. Unless the Agent shall have been notified by any Lender prior to the date of any Borrowing that such Lender does not intend to make available to the Agent its portion of the Borrowing or Borrowings to be made on such date, the Agent may assume that such Lender has made such amount available to the Agent on such date of Borrowing, and the Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Agent by such Lender and the Agent has made available the same to the Borrower, the Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Agent's demand therefor, the Agent shall promptly notify the Borrower in writing and the Borrower shall promptly pay such corresponding amount to the Agent. The Agent shall also be entitled to recover from such Lender or the Borrower, as the case may be, interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Agent to the Borrower, to the date such corresponding amount is recovered by the Agent, at a rate per annum equal to (i) if paid by such Lender, the Federal Funds Rate or (ii) if paid by the Borrower, the rate of interest then applicable to Base Rate Loans pursuant to Section 2.08. If the Borrower or such Lender shall pay interest to the Agent for the same (or a portion of the same) period, the Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period.

(c) Nothing in this Section 2.04 shall be deemed to relieve any Lender from its obligation to fulfill its commitments hereunder or to prejudice any rights that the Borrower may have against any Lender as a result of any default by such Lender hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to fulfill its commitments hereunder).

SECTION 2.05 Payment of Loans; Evidence of Debt. (a) The Borrower agrees to repay to the Lenders, on the Maturity Date, all then outstanding Term Loans, Incremental Term Loans and Revolving Loans.

(b) The Borrower agrees to pay to the Agent, for the benefit of the Lenders of the Term Loans, quarterly on the last day of each calendar quarter ending prior to the Maturity Date (each, a "***Term Loan Repayment Date***"), the principal of the Term Loans in an amount equal to (i) for each Term Loan Repayment Date on or prior to June 30, 2021 (x) $100,000 in the case of any Term Loan Repayment Date on which the Total Leverage Ratio as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01, was less than 4.25 to 1.00, and (y) $250,000 in the case of any Term Loan Repayment Date on which the Total Leverage Ratio as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01, was greater than or equal to 4.25 to 1.00 and (ii) for each Term Loan Repayment Date on or after June 30, 2021 (x) $212,500 in the case of any Term Loan Repayment Date on which the Total Leverage Ratio as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01, was less than 4.25 to 1.00, and (y) $531,250 in the case of any Term Loan Repayment Date on which the Total Leverage Ratio as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01, was greater than or equal to 4.25 to 1.00 (the amount of each payment under the foregoing clauses (i) and (ii), each a "***Term Loan Repayment Amount***") (in each case, which Term Loan Repayment Amount may be reduced as a result of, and after giving effect to, the application of prepayments in accordance with the order of priority set forth in Section 5.01 and Section 5.02(b)):

For the avoidance of doubt, the Borrower agrees to pay to the Agent, for the benefit of the applicable Lenders, on the Maturity Date, all then outstanding Term Loans. Scheduled installments for Incremental Term Loans shall be as specified in the applicable Incremental Facility amendment or joinder agreement establishing the terms thereof.

(c) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrower to the appropriate lending office of such Lender resulting from each Loan made by such lending office of such Lender from time to time, including the amounts of principal and interest payable and paid to such lending office of such Lender from time to time under this Agreement.

(d) Borrower agrees that from time to time on and after the Closing Date, upon the request to Agent by any Lender, at the Borrower's own expense, the Borrower will execute and deliver to such Lender a Note, evidencing the Loans made by, and payable to such Lender or registered assigns in a maximum principal amount equal to such Lender's applicable Term Loan, Incremental Term Loans, or Revolving Loan Commitment, as the case may be. The Borrower hereby irrevocably authorizes each Lender to make (or cause to be made) appropriate notations on the grid attached to such Lender's Note (or on any continuation of such grid), which notations, if made, shall evidence, inter alia, the date of, the outstanding principal amount of, and the interest rate and Interest Period applicable to, the Loans evidenced thereby. Such notations shall, to the extent not inconsistent with notations made by the Agent in the Register, be conclusive and binding on each Credit Party absent manifest error; provided, that the failure of any Lender to make any such notations shall not limit or otherwise affect any Obligations of any Credit Party. The Agent shall maintain the Register pursuant to Section 12.06(b)(iv), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each Loan made hereunder, whether such Loan is a Term Loan, an Incremental Term Loan or a Revolving Loan, the Type of each Loan made and the Interest Period 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 Agent from the Borrower and each Lender's share thereof.

(e) The entries made in the Register and accounts and subaccounts maintained pursuant to paragraphs (c) and (d) of this Section 2.05 shall, to the extent permitted by Applicable Law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided, that the failure of any Lender or Agent to maintain such account, such Register or such subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans made to the Borrower by such Lender in accordance with the terms of this Agreement.

SECTION 2.06 Conversions and Continuations. (a) The Borrower shall have the option on any Business Day to convert all or a portion equal to not less than the Minimum Borrowing Amount of the outstanding principal amount of Term Loans or Revolving Loans of one Type into a Borrowing or Borrowings of another Type and the Borrower shall have the option on any Business Day to continue the outstanding principal amount of any LIBOR Term Loans or LIBOR Revolving Loans as LIBOR Term Loans or LIBOR Revolving Loans, as the case may be, for an additional Interest Period; provided, that (i) no partial conversion of LIBOR Term Loans or LIBOR Revolving Loans shall reduce the outstanding principal amount of LIBOR Term Loans or LIBOR Revolving Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) Base Rate Loans may not be converted into LIBOR Loans if an Event of Default is in existence on the date of the proposed conversion and the Agent has, or the Required Lenders in respect of the Credit Facility that is the subject of such conversion have, determined in its or their sole discretion not to permit such conversion, (iii) LIBOR Loans may not be continued as LIBOR Loans if an Event of Default is in existence on the date of the proposed continuation and the Agent has, or the Required Lenders in respect of the Credit Facility that is the subject of such conversion have, determined in its or their sole discretion not to permit such continuation and (iv) Borrowings resulting from conversions pursuant to this Section 2.06 shall be limited in number as provided in Section 2.02. Each such conversion or continuation shall be effected by the Borrower by giving the Agent written notice (or telephonic notice promptly confirmed in writing) prior to 1:00 p.m. (New York time) at least five (5) Business Days (or one (1) Business Day in the case of a conversion into Base rate Loans) (and in either case on not more than ten (10) Business Days) prior to such proposed conversion or continuation, in the form of Exhibit N-2 (each, a "***Notice of Conversion or Continuation***") specifying the Loans to be so converted or continued, the Type of Loans to be converted or continued into and, if such Loans are to be converted into or continued as LIBOR Loans, the Interest Period to be initially applicable thereto. The Agent shall give each Lender notice as promptly as practicable of any such proposed conversion or continuation affecting any of its Loans.

(b) If any Event of Default has occurred and is continuing at the time of any proposed continuation of any LIBOR Loans and the Agent has, or the Required Lenders in respect of the Credit Facility that is the subject of such conversion have, determined in its or their sole discretion not to permit such continuation, such LIBOR Loans shall be automatically continued on the last day of the current Interest Period into Base Rate Loans. If, upon the expiration of any Interest Period in respect of LIBOR Loans, the Borrower has failed to elect a new Interest Period to be applicable thereto as provided in Section 2.06(a), the Borrower shall be deemed to have elected to convert such Borrowing of LIBOR Loans into a Borrowing of Base Rate Loans effective as of the expiration date of such current Interest Period.

SECTION 2.07 Pro Rata Borrowings. Each Borrowing of Initial Term Loan under this Agreement shall be granted by the Lenders *pro rata* on the basis of their then-applicable Initial Term Loan Commitments. Each Borrowing of Fourth Amendment Term Loan under this Agreement shall be granted by the Lenders *pro rata* on the basis of their then-applicable Fourth Amendment Term Loan Commitments. Each Borrowing of Revolving Loans under this Agreement shall be granted by the Lenders *pro rata* on the basis of their then applicable Revolving Loan Commitments. Each Borrowing of Incremental Term Loans under this Agreement shall be granted by the Lenders *pro rata* on the basis of their then-applicable Incremental Term Loan Commitments. It is understood that no Lender shall be responsible for any default by any other Lender in its obligation to make Loans hereunder and that each Lender shall be obligated to make the Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfill its commitments hereunder.

SECTION 2.08 Interest. (a) The unpaid principal amount of each Base Rate Loan shall bear interest from the date of the Borrowing thereof at a rate per annum that shall at all times (subject to Section 2.08(c)) be the Applicable Margin plus the Base Rate in effect from time to time.

(b) The unpaid principal amount of each LIBOR Loan shall bear interest from the date of the Borrowing thereof at a rate per annum that shall at all times (subject to Section 2.08(c)) be the Applicable Margin in effect from time to time plus the relevant LIBOR Rate.

(c) From and after the occurrence and during the continuance of any Event of Default, upon written notice by the Agent or the Required Lenders to the Borrower (or automatically while any Event of Default under Section 10.01(h) exists), the Borrower shall pay interest on the principal amount of all Loans and all other due and unpaid Obligations, to the extent permitted by Applicable Law, at the rate described in Section 2.08(a) or Section 2.08(b), as applicable, plus two percentage points (2.00%) per annum. All such interest shall be payable on demand of the Agent or the Required Lenders and in cash.

(d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof and shall be payable monthly in arrears on the last day of each calendar month, with the first such payment due on October 31, 2018, and in respect of each Loan, on any prepayment (on the amount prepaid), at maturity (whether by acceleration or otherwise) and, after such maturity, on demand.

(e) All computations of interest hereunder shall be made in accordance with Section 5.05.

(f) The Agent, upon determining the interest rate for any Borrowing, shall promptly notify in writing the Borrower and the relevant Lenders thereof. Each such determination shall, absent clearly demonstrable error, be final and conclusive and binding on all parties hereto.

(g) In no event shall the interest charged with respect to any Loan or any other Obligation exceed the maximum amount permitted under the laws of the State of New York or of any other applicable jurisdiction. Notwithstanding anything to the contrary herein or elsewhere, if at any time the rate of interest payable hereunder or under any other Credit Document (the "***Stated Rate***") would exceed the highest rate of interest permitted under any Applicable Law to be charged (the "***Maximum Lawful Rate***"), then for so long as the Maximum Lawful Rate would be so exceeded, the rate of interest payable shall be equal to the Maximum Lawful Rate; provided, that if at any time thereafter the Stated Rate is less than the Maximum Lawful Rate, Borrower shall, to the extent permitted by Applicable Law, continue to pay interest at the Maximum Lawful Rate until such time as the total interest received is equal to the total interest which would have been received had the Stated Rate been (but for the operation of this provision) the interest rate payable. Thereafter, the interest rate payable shall be the Stated Rate unless and until the Stated Rate again would exceed the Maximum Lawful Rate, in which event this provision shall again apply. In no event shall the total interest received by any Lender exceed the amount which it could lawfully have received had the interest been calculated for the full term hereof at the Maximum Lawful Rate. If, notwithstanding the prior sentence, any Lender has received interest hereunder in excess of the Maximum Lawful Rate, such excess amount shall be applied to the reduction of the principal balance of the Loans or to other amounts (other than interest) payable hereunder, and if no such principal or other amounts are then outstanding, such excess or part thereof remaining shall be paid to Borrower. In computing interest payable with reference to the Maximum Lawful Rate applicable to any Lender, such interest shall be calculated at a daily rate equal to the Maximum Lawful Rate divided by the number of days in the year in which such calculation is made.

SECTION 2.09 Interest Periods.

(a) At the time the Borrower gives a Notice of Borrowing or a Notice of Conversion or Continuation in respect of the making of, or conversion into or continuation as, a Borrowing of LIBOR Loans (in the case of the initial Interest Period applicable thereto) or prior to 1:00 p.m. (New York time) on the fifth Business Day (and in any event, on not more than ten (10) Business Days' notice) prior to the expiration of an Interest Period applicable to a Borrowing of LIBOR Loans, the Borrower shall have, by giving the Agent written notice (or telephonic notice promptly confirmed in writing) the right to elect the Interest Period applicable to such Borrowing, which Interest Period shall, at the option of the Borrower, be a one, two, three or six month period.

(b) The initial Interest Period for any Borrowing of LIBOR Loans shall commence on the date of such Borrowing (including the date of any conversion from a Borrowing of Base Rate Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the immediately preceding Interest Period expires.

(c) If any Interest Period relating to a Borrowing of LIBOR Loans begins on the last Business Day of a calendar month or begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of the calendar month at the end of such Interest Period.

(d) If any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, that if any Interest Period in respect of a LIBOR Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day.

(e) The Borrower shall not be entitled to elect any Interest Period in respect of any LIBOR Loan if such Interest Period would extend beyond the applicable Maturity Date of such Loan.

SECTION 2.10 Increased Costs, Illegality, etc.

(a) In the event that:

(i) Agent shall have reasonably determined (which determination shall be conclusive and binding upon Borrower absent manifest error) that by reason of circumstances affecting the interbank eurodollar market, adequate and reasonable means do not exist for ascertaining the LIBOR Rate with respect to a proposed Loan does not adequately and fairly reflect the cost of funding such Loan, then Agent shall give written notice of such determination to Borrower. If such notice is given, any portion of the Loans which were accruing interest with reference to the LIBOR Rate shall bear interest with reference to the Base Rate beginning on the date such notice is provided to Borrower; or

(ii) any Lender reasonably determines that any laws or any change therein or in the interpretation or application thereof, shall hereafter make it unlawful for any Lender in good faith to make or maintain the portion of the Loans bearing interest by reference to the LIBOR Rate, the Loan shall automatically bear interest with reference to the Base Rate on the next succeeding interest payment date or within such earlier period as required by Applicable Laws. Borrower hereby agrees promptly to pay each Lender (within ten (10) days of such Lender's written demand therefor), any additional amounts necessary to compensate such Lender for any reasonable costs incurred by such Lender in making any conversion in accordance with this Agreement, including, without limitation, any interest or fees payable by such Lender to lenders of funds obtained by it in order to make or maintain the Loans hereunder;

(iii) any Lender reasonably determines that any Change in Law regarding liquidity or capital requirements with which such Lender is required to comply, in each case after the Closing Date, would have the effect of reducing the rate of return on the capital of such Lender or any corporation controlling such Lender to a level below that which such Lender or the corporation controlling such Lender could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of any corporation controlling such Lender with respect to capital adequacy) as a consequence of such Lender's obligations hereunder, the Borrower shall pay to such Lender such additional amounts as will compensate such Lender for such reduction; or

(iv) any Change in Law shall subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, and the result of any of the foregoing shall be to increase the cost to such Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan, or to reduce the amount of any sum received or receivable by such Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Recipient, the Borrower will pay to such Recipient such additional amount or amounts as will compensate such Recipient for such additional costs incurred or reduction suffered.

(b) Upon (A) any failure by the Borrower in making any Borrowing of any Loan bearing interest by reference to the LIBOR Rate following the Borrower's delivery to the Agent of any applicable Notice of Borrowing or (B) any payment of a Loan bearing interest by reference to LIBOR Rate on any day that is not the last day of the interest period applicable thereto (regardless of the source of such prepayment and whether voluntary, by acceleration or otherwise), the Borrower agrees that within ten (10) days of receipt of a statement setting forth the basis for such demand and a calculation of the amount thereof in reasonable detail (a copy of which shall be furnished to the Agent by the applicable Lender), the Borrower will pay and indemnify such Lender against any losses, expenses and liabilities (including, without limitation, any loss (including interest paid) in connection with the re-employment of such funds) that any Lender may sustain as a result of such failure or such payment. For purposes of calculating amounts payable to a Lender under this paragraph, each Lender shall be deemed to have actually funded its relevant LIBOR Loan through the purchase of a deposit bearing interest at the LIBOR Rate in an amount equal to the amount of that Loan and having a maturity and repricing characteristics comparable to the relevant interest period; provided, however, that each Lender may fund each of its Loans in any manner it sees fit, and the foregoing assumption shall be utilized only for the calculation of amounts payable under this Section 2.10(b).

(c) Notwithstanding anything to the contrary contained in this Agreement or any other Credit Document, but without limiting Section 2.10(a) and (b) above, if the Agent shall have determined (which determination shall, in the absence of manifest error, be final and conclusive and binding upon all parties hereto), or the Required Lenders notify the Agent (with in the case of the Required Lenders, a copy to the Borrower) that the Required Lenders shall have reasonably determined (which determination likewise shall, in the absence of manifest error, be final and conclusive and binding upon all parties hereto), that (i) the circumstances described in Section 2.10(a) have arisen and that such circumstances are unlikely to be temporary, (ii) the relevant administrator of the London Interbank Offered Rate or a Governmental Authority having or purporting to have jurisdiction over the Agent has made a public statement identifying a specific date after which the London Interbank Offered Rate shall no longer be made available, or used for determining interest rates for loans in the applicable currency (such specific date, the "***LIBOR Scheduled Unavailability Date***"), or (iii) syndicated credit facilities among national and/or regional banks active in leading and participating in such facilities currently being executed, or that include language similar to that contained in this Section 2.10(c), are being executed or amended (as applicable) to incorporate or adopt a new interest rate to replace the London Interbank Offered Rate for determining interest rates for loans in the applicable currency, then, reasonably promptly after such determination by the Agent or receipt by the Agent of such notice, as applicable, the Agent and the Borrower may amend this Agreement to replace the London Interbank Offered Rate with an alternate rate of interest, giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated syndicated credit facilities for such alternative rates of interest (any such proposed rate, a "***LIBOR Replacement Rate***"), and make such other related changes to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the Agent, to effect the provisions of this Section 2.10(c) (provided, that any definition of the LIBOR Replacement Rate shall specify that in no event shall such LIBOR Replacement Rate be less than one percent (1.00%) for purposes of this Agreement) and any such amendment shall become effective at 5:00 p.m. (New York time) on the fifth Business Day after the Agent shall have provided written notice of such proposed amendment to all Lenders and the Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Agent written notice that such Required Lenders do not accept such amendment. The LIBOR Replacement Rate shall be applied in a manner consistent with market practice; provided that, in each case, to the extent such market practice is not administratively feasible for the Agent, such LIBOR Replacement Rate shall be applied as otherwise reasonably determined by the Agent in consultation with the Borrower. For the avoidance of doubt, the parties hereto agree that unless and until a LIBOR Replacement Rate is determined and an amendment to this Agreement is entered into to effect the provisions of this Section 2.10(c), if the circumstances under clauses (i) and (ii) of this Section 2.10(c) exist, the provisions of Section 2.10(a) and (b) shall apply.

SECTION 2.11 Compensation for Losses. If (a) any payment of principal of a LIBOR Loan is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such LIBOR Loan as a result of a payment or conversion pursuant to Section 2.05, Section 2.06, Section 2.10, Section 5.01 or Section 5.02, as a result of acceleration of the maturity of the Loans pursuant to Article X or for any other reason, (b) any Borrowing of LIBOR Loans is not made as a result of a withdrawn Notice of Borrowing, (c) any Base Rate Loan is not converted into a LIBOR Loan as a result of a withdrawn Notice of Conversion or Continuation, (d) any LIBOR Loan is not continued as a LIBOR Loan as a result of a withdrawn Notice of Conversion or Continuation or (e) any prepayment of principal of a LIBOR Loan is not made as a result of a withdrawn notice of prepayment pursuant to Section 5.01 or Section 5.02, the Borrower shall, after receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount), pay to the Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to convert, failure to continue, failure to prepay, reduction or failure to reduce, including any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund or maintain such LIBOR Loan.

SECTION 2.12 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.10 or Section 5.04 with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event; provided, that such designation is made on such terms that such Lender and its lending office suffer no economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrower or the right of any Lender provided in Section 2.10 or Section 5.04.

SECTION 2.13 Notice of Certain Costs. Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Section 2.10, Section 2.11 or Section 5.04 is given by any Lender more than one hundred eighty (180) days after such Lender has knowledge of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss, tax or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Section 2.10, Section 2.11 or Section 5.04, as the case may be, for any such amounts incurred or accruing prior to the giving of such notice to the Borrower.

SECTION 2.14 Cash Collateral.

(a) Certain Credit Support Events. Upon the request of the Agent or the Letter of Credit Issuer if, as of the Letter of Credit Maturity Date, any Letter of Credit Exposure for any reason remains outstanding, the Borrower shall, in each case, immediately Cash Collateralize the then outstanding amount of Letter of Credit Exposure. At any time that there shall exist a Defaulting Lender, immediately upon the request of the Agent or the Letter of Credit Issuer, the Borrower shall deliver to the Agent Cash Collateral in an amount sufficient to cover all Fronting Exposure (after giving effect to Section 2.15(a)(iv)) and any Cash Collateral provided by the Defaulting Lender.

(b) Grant of Security Interest. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at an institution reasonably acceptable to Agent. The Borrower, and to the extent provided by any Lender, such Lender, hereby grants to (and subjects to the control of) the Agent, for the benefit of the Agent, the Letter of Credit Issuer and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.14(c). If at any time the Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Agent as herein provided, or that the total amount of such Cash Collateral is less than the applicable Fronting Exposure and other obligations secured thereby, the Borrower or the relevant Defaulting Lender will, promptly upon demand by the Agent, pay or provide to the Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of Section 2.14, Section 2.15, Article III, Section 5.02 or Section 10.02 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific Letter of Credit Exposure, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 12.06)) or (ii) the Agent's and the Letter of Credit Issuer's determination, in their sole discretion, that there exists excess Cash Collateral; provided, however, (x) that Cash Collateral furnished by or on behalf of a Credit Party shall not be released during the continuance of a Default or Event of Default (and following application as provided in this Section 2.14 may be otherwise applied in accordance with Section 5.02(g)), and (y) the Person providing Cash Collateral and the Letter of Credit Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

SECTION 2.15 Defaulting Lenders.

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

(i) Waivers and Amendments. That Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 12.01.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 5.02(g) or Article X or otherwise, and including any amounts made available to the Agent by that Defaulting Lender pursuant to Section 12.09), shall be applied at such time or times as may be determined by the Agent as follows: ***first***, to the payment of any amounts owing by that Defaulting Lender to the Agent hereunder; ***second***, to the payment on a *pro rata* basis of any amounts owing by that Defaulting Lender to the Letter of Credit Issuer hereunder; ***third***, if so determined by the Agent or requested by the Letter of Credit Issuer, to be held as Cash Collateral for future funding obligations of that Defaulting Lender of Letter of Credit Participations; ***fourth***, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; ***fifth***, if so determined by the Agent and the Borrower, to be held in a non-interest bearing deposit account and released in order to satisfy such Defaulting Lender's potential future funding with respect to Loans under this Agreement; ***sixth***, to the payment of any amounts owing to the Lenders or the Letter of Credit Issuer as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the Letter of Credit Issuer against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; ***seventh***, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and ***eighth***, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or Letter of Credit Exposure in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Loans or a Revolving Loan to reimburse a Drawing were made at a time when the conditions set forth in Section 6.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and Revolving Loans to reimburse a Drawing owed to, all non-Defaulting Lenders on a *pro rata* basis prior to being applied to the payment of any Loans of, or Revolving Loans to reimburse a Drawing owed to, that Defaulting Lender until such time as all Loans and funded and unfunded participations in Letter of Credit Exposure are held by the Lenders *pro rata* in accordance with the Commitments without giving effect to Section 2.15(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. A Lender that is a Defaulting Lender pursuant to clause (a) of the definition of Defaulting Lender shall not be entitled to receive any Unused Commitment Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender). In the event that a reallocation of Revolving Loan Commitment Percentages occurs pursuant to clause (iv) below, during the period of time that such reallocation remains in effect, the Letter of Credit Fee payable with respect to such reallocated portion shall be payable to (A) all non-Defaulting Lenders with Revolving Loan Commitments based on their *pro rata* share of such reallocation or (B) to the Letter of Credit Issuer for any remaining portion not reallocated to other Lenders pursuant to the immediately preceding clause (A).

(iv) Reallocation of Revolving Credit Commitment Percentages to Reduce Fronting Exposure. During any period in which there is a Defaulting Lender, for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund Letter of Credit Participations hereunder, the Revolving Loan Commitment Percentage of each non-Defaulting Lender shall, at the Agent's election, be computed without giving effect to the Revolving Loan Commitment of that Defaulting Lender; provided, that (i) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Default or Event of Default exists, and (ii) the aggregate obligation of each non-Defaulting Lender to acquire, refinance or fund Letter of Credit Participations shall not exceed the positive difference, if any, of (1) the Revolving Loan Commitment of that non-Defaulting Lender minus (2) the aggregate outstanding amount of the Revolving Loans of that Lender.

(v) Cash Collateral. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under law, Cash Collateralize the Letter of Credit Issuer's Fronting Exposure in accordance with the procedures set forth in Section 2.14.

(b) Defaulting Lender Cure. If the Borrower, the Agent and the Letter of Credit Issuer agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to Cash Collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Loans and funded and unfunded Letter of Credit Participations to be held on a *pro rata* basis by the Lenders in accordance with their Revolving Loan Commitment Percentages (without giving effect to Section 2.15(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to a Lender that is not a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

ARTICLE III

LETTERS OF CREDIT

SECTION 3.01 Issuance of Letters of Credit. (a) Subject to and upon the terms and conditions herein set forth, at any time from time to time from and including the Closing Date and prior to the Maturity Date, Agent agrees to cause a Letter of Credit Issuer to issue, upon the request of the Borrower, and for the account of the Borrower or any of its Subsidiaries, a Letter of Credit in such form as may be approved by the Letter of Credit Issuer in its reasonable discretion; provided, that the Borrower shall be a co-applicant, and be jointly and severally liable, with respect to each Letter of Credit issued for the account of any Subsidiary. Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letters of Credit Outstanding at such time, would exceed the Letter of Credit Sub-Commitment then in effect, (ii) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letters of Credit Outstanding and the Revolving Loans outstanding at such time, would exceed the Total Revolving Loan Commitment then in effect, (iii) the Agent shall not have any liability hereunder in the event that the Agent is unable to cause any Letter of Credit Issuer to issue Letters of Credit hereunder, and (iv) each Letter of Credit shall have an expiration date occurring no later than the earlier of (A) one year after the date of issuance thereof, unless otherwise agreed upon by the Agent and the Letter of Credit Issuer, and (B) the date that is five (5) Business Days prior to the Maturity Date; provided, that a Letter of Credit may, upon the request of the Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of one year or less (but not beyond the date that is five (5) Business Days prior to the Maturity Date). The Letter of Credit Issuer shall not be under any obligation to issue a Letter of Credit if any Lender is at that time a Defaulting Lender, unless the Letter of Credit Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to the Letter of Credit Issuer (in its sole discretion) with the Borrower or such Lender to eliminate the Letter of Credit Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other Letter of Credit Exposure as to which the Letter of Credit Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion.

(b) (i) Each Letter of Credit shall be denominated in Dollars, (ii) no Letter of Credit shall be issued if it would be illegal under any Applicable Law for the beneficiary of the Letter of Credit to have a Letter of Credit issued in its favor, and (iii) the Agent shall not cause the Letter of Credit Issuer to issue any Letters of Credit after the Agent has received a written notice from the Borrower, the Agent or any Lender stating that a Default or an Event of Default has occurred and is continuing until such time as the Agent shall have received a written notice of (A) rescission of such notice from the party or parties originally delivering such notice or (B) the waiver of such Default or Event of Default in accordance with the provisions of Section 12.01 or that such Default or Event of Default is no longer continuing.

SECTION 3.02 Letter of Credit Requests. (a) Whenever the Borrower desires that a Letter of Credit be issued, the Borrower shall give the Agent at least three (3) Business Days' (or such lesser number as may be agreed upon by the Agent and the Letter of Credit Issuer) written notice thereof. Each notice shall be executed by the Borrower and shall be substantially in the form of Exhibit L-1 (each, a "***Letter of Credit Request***") or such other form as may be agreed by the Borrower, the Letter of Credit Issuer and the Agent. The Agent shall promptly transmit copies of each Letter of Credit Request to each Lender that has a Revolving Loan Commitment and to the Letter of Credit Issuer.

(b) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the Borrower that the Letter of Credit may be issued in accordance with, and will not violate the requirements of, Section 3.01.

SECTION 3.03 Letter of Credit Participations. (a) Each Lender that has a Revolving Loan Commitment (other than the Letter of Credit Issuer) (each such other Lender, in its capacity under this Section 3.03(a), a "***Letter of Credit Participant***") irrevocably agrees to accept and purchase and hereby accepts and purchases, on the terms and conditions set forth below, for such Letter of Credit Participant's own account and risk an undivided interest and participation (each, a "***Letter of Credit Participation***"), to the extent of such Letter of Credit Participant's Revolving Loan Commitment Percentage, in such Letter of Credit and the amount of each draft paid by the applicable Letter of Credit Issuer thereunder (which shall include the Lender's obligation to reimburse such applicable Letter of Credit Issuer for the amount of such Drawing), each substitute letter of credit, each Drawing made thereunder and the obligations of the Borrower under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto (although Letter of Credit Fees will be paid directly to Agent for the ratable account of the Letter of Credit Participants as provided in Section 4.01(a)(i) and the Letter of Credit Participants shall have no right to receive any portion of any Fronting Fees).

(b) In determining whether to pay under any Letter of Credit, Letter of Credit Issuer shall have no obligation relative to the Letter of Credit Participants other than to confirm that any documents required to be delivered under such Letter of Credit have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by Letter of Credit Issuer under or in connection with any Letter of Credit issued by it, if taken or omitted in the absence of gross negligence or willful misconduct, shall not create for Letter of Credit Issuer any resulting liability.

(c) Whenever Letter of Credit Issuer receives a payment in respect of an unpaid reimbursement obligation as to which the Agent has received for the account of the Letter of Credit Issuer any payments from the Letter of Credit Participants, Letter of Credit Issuer shall pay to the Agent and the Agent shall promptly pay to each Letter of Credit Participant that has paid its Revolving Loan Commitment Percentage of such reimbursement obligation, in Dollars and in immediately available funds, an amount equal to such Letter of Credit Participant's share (based upon the proportionate aggregate amount originally funded or deposited by such Letter of Credit Participant to the aggregate amount funded or deposited by all Letter of Credit Participants) of the principal amount of such reimbursement obligation and interest thereon accruing after the purchase of the respective Letter of Credit Participations.

(d) The obligations of the Letter of Credit Participants to make payments to the Agent for the account of the Letter of Credit Issuer with respect to Letters of Credit shall be irrevocable and not subject to counterclaim, set-off or other defense or any other qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement under all circumstances, including under any of the following circumstances: (i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents; (ii) the existence of any claim, set-off, defense or other right that the Borrower may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Agent, any Lender or other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between Borrower and the beneficiary named in any such Letter of Credit); (iii) any draft, certificate or any other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (iv) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Credit Documents; or (v) the occurrence of any Default or Event of Default; provided, that no Letter of Credit Participant shall be obligated to pay to the Agent for the account of the Letter of Credit Issuer its Revolving Loan Commitment Percentage of any unreimbursed amount arising from any wrongful payment made by Letter of Credit Issuer under a Letter of Credit as a result of acts or omissions constituting willful misconduct or gross negligence on the part of Letter of Credit Issuer.

SECTION 3.04 Agreement to Repay Letter of Credit Drawings. (a) The Borrower hereby agrees to reimburse Letter of Credit Issuer, by making payment to the Agent for the account of Letter of Credit Issuer, in immediately available funds for any payment or disbursement made by the Letter of Credit Issuer under any Letter of Credit issued by it (each such amount so paid until reimbursed, an "***Unpaid Drawing***") no later than the date that is one (1) Business Day after the date on which the Borrower receives notice of such payment or disbursement (the "***Reimbursement Date***"), with interest on the amount so paid or disbursed by the Letter of Credit Issuer, to the extent not reimbursed prior to 2:00 p.m. on the Reimbursement Date, from and including the Reimbursement Date to but excluding the date Letter of Credit Issuer is reimbursed therefor at a rate per annum that shall at all times be the rate then applicable to Revolving Loans under Section 2.08(c); provided, that (i) unless the Borrower shall have notified the Agent prior to 10:00 a.m. on the Reimbursement Date that Borrower intends to reimburse the Lenders for the amount of such drawing with funds other than the proceeds of Revolving Loans, the Borrower shall be deemed to have given a Notice of Borrowing requesting that the Lenders with Revolving Loan Commitments make Revolving Loans (which shall be Base Rate Loans) on the Reimbursement Date in an amount equal to the amount of such drawing, and (ii) the Agent shall promptly notify each Letter of Credit Participant of such drawing and the amount of its Revolving Loan to be made in respect thereof, and each Letter of Credit Participant shall be irrevocably obligated to make a Revolving Loan to the Borrower in the manner deemed to have been requested in the amount of its Revolving Loan Commitment Percentage of the applicable Unpaid Drawing by 12:00 noon on the Reimbursement Date by making the amount of such Revolving Loan available to the Agent. Such Revolving Loans shall be made without regard to the Minimum Borrowing Amount. The Agent shall use the proceeds of such Revolving Loans solely for purpose of reimbursing the applicable Lenders for the related Unpaid Drawing.

(b) The obligations of the Borrower under this Section 3.04 to reimburse the Letter of Credit Issuer with respect to Unpaid Drawings (including, in each case, interest thereon) shall be absolute and unconditional under any and all circumstances and irrespective of any set-off, counterclaim or defense to payment that the Borrower or any other Person may have or have had against the Letter of Credit Issuer, the Agent or any Lender (including in its capacity as a Letter of Credit Participant), including any defense based upon the failure of any drawing under a Letter of Credit (each a "***Drawing***") to conform to the terms of the Letter of Credit or any non-application or misapplication by the beneficiary of the proceeds of such Drawing; provided, that the Borrower shall not be obligated to reimburse the Lenders for any wrongful payment made by the Lenders under the Letter of Credit issued by it as a result of acts or omissions constituting willful misconduct or gross negligence on the part of such Lender.

SECTION 3.05 Indemnity. Without limiting any other provision hereof, the Borrower hereby agrees to protect, indemnify, pay and save harmless the Agent, each Lender, the Letter of Credit Issuer and each Letter of Credit Participant from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable fees, expenses and disbursements of counsel and allocated costs of internal counsel) which such Person may incur or be subject to as a consequence, direct or indirect, of (a) the issuance of any Letter of Credit, other than as a result of the gross negligence, bad faith or willful misconduct of such Person or (b) the failure of the Letter of Credit Issuer to honor a Drawing under any such 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.

ARTICLE IV

FEES AND COMMITMENT TERMINATIONS

SECTION 4.01 Fees. (a)

(i) Letter of Credit Fees.

(A) The Borrower agrees to pay the Agent for the account of each Lender having a Revolving Loan Commitment, *pro rata* according to the Revolving Credit Exposure of such Lender, a fee in respect of each Letter of Credit (the "***Letter of Credit Fee***"), for the period from and including the date of issuance of such Letter of Credit to but excluding the termination or expiration date of such Letter of Credit, computed at the per annum rate for each day equal to (A) the Applicable Margin for LIBOR Revolving Loans then in effect *times* (B) the average daily Stated Amount of such Letter of Credit; provided, however, any Letter of Credit Fee otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided Cash Collateral satisfactory to the Letter of Credit Issuer pursuant to Section 3.01 shall be payable, to the maximum extent permitted by Applicable Law, to the other Lenders in accordance with the upward adjustments in their respective Revolving Loan Commitment Percentages allocable to such Letter of Credit pursuant to Section 2.14(a)(iv), with the balance of such fee, if any, payable to the Letter of Credit Issuer for its own account. The Letter of Credit Fee will be payable in arrears on the last day of each calendar month (with the first such payment being due on October 31, 2018).

(B) The Borrower agrees to pay the Agent for the account of the Letter of Credit Issuer a fee in respect of each applicable Letter of Credit Issued hereunder (the "***Fronting Fee***"), for the period from and including the date of issuance of such Letter of Credit to but excluding the termination or expiration date of such Letter of Credit, computed at the per annum rate agreed in writing between the Borrower and the Letter of Credit Issuer. The Fronting Fee shall be due and payable monthly in arrears on the last day of each calendar month (with the first such payment being due on October 31, 2018) and on the Letter of Credit Maturity Date. In addition to the foregoing fee, the Borrower shall pay or reimburse the Letter of Credit Issuer for such normal and customary costs and expenses as are incurred or charged by the Letter of Credit Issuer in issuing, negotiating, effecting payment under, amending or otherwise administering any Letter of Credit.

(C) The Borrower agrees to pay directly to the Letter of Credit Issuer upon each issuance of, drawing under and/or amendment of a Letter of Credit issued by it such amount as the Letter of Credit Issuer and the Borrower shall have agreed upon for issuances of, drawings under or amendments of, letters of credit issued by it.

(ii) Unused Commitment Fee. The Borrower agrees to pay to the Agent for the account of each Lender having a Revolving Loan Commitment in accordance with their respective Revolving Loan Commitment Percentages, as applicable, a commitment fee (the "***Unused Commitment Fee***") calculated at the rate of one half of one percent (0.50%) on the average daily Available Revolving Loan Amount during each fiscal quarter or portion thereof from the Closing Date to the Maturity Date. The Unused Commitment Fee shall be payable monthly in arrears on the last day of each calendar month (with the first such payment being due on October 31, 2018) and on the Maturity Date or any earlier date on which the Revolving Loan Commitments shall terminate.

(b) The Borrower agrees to pay all the Fees set forth in the Fee Letter and the Fourth Amendment Fee Letter.

SECTION 4.02 Mandatory Termination of Commitments. (a) The Total Initial Term Loan Commitment shall terminate on the Closing Date immediately after giving effect to the consummation of the Transactions.

(b) The Total Fourth Amendment Term Loan Commitment shall terminate on the Fourth Amendment Effective Date immediately after giving effect to the consummation of the Fourth Amendment Transactions.

(c) The Total Revolving Loan Commitment shall terminate at 12:01 a.m. on the Maturity Date.

ARTICLE V

PAYMENTS

SECTION 5.01 Voluntary Prepayments and Optional Commitment Reductions. (a) The Borrower shall have the right to prepay (i) Revolving Loans without premium or penalty, in whole or in part from time to time and (ii) Term Loan or Incremental Term Loan, in whole or in part, together with payment of the applicable Prepayment Premium, if any, in accordance with Section 5.01(g), plus accrued and unpaid interest on the principal amount being prepaid to the prepayment date.

(b) The Borrower shall give the Agent written notice (or telephonic notice promptly confirmed in writing) of (i) its intent to make such prepayment, (ii) the amount of such prepayment and (iii) no later than 1:00 p.m. two (2) Business Days prior to the date of such prepayment and such prepayment shall promptly be transmitted by the Borrower to each of the relevant Lenders, as the case may be. Any such notice of prepayment with respect to the Term Loans shall be irrevocable; *provided* that any such notice may be conditioned upon the happening or occurrence of a specified event, and thereafter revoked in the event that such specified event does not occur.

(c) Each partial prepayment of (i) any Term Loan shall be in a multiple of $250,000 and in an aggregate principal amount of at least $250,000, and (ii) any Revolving Loans shall be in a multiple of $100,000 and in aggregate principal amount of at least $100,000; provided, that no partial prepayment of LIBOR Loans outstanding under a single Borrowing shall reduce the outstanding LIBOR Loans outstanding under such Borrowing to an amount less than the Minimum Borrowing Amount for LIBOR Loans.

(d) With respect to each prepayment of Term Loans pursuant to this Section 5.01, the Borrower may designate the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made; provided, that the Borrower pays any amounts, if any, required to be paid pursuant to Section 2.11 with respect to prepayments of LIBOR Loans made on any date other than the last day of the applicable Interest Period. In the absence of a designation by the Borrower as described in the preceding sentence, the Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11.

(e) Each prepayment in respect of any Term Loans pursuant to this Section 5.01 shall be applied as directed by the Borrower or, in the absence of such direction, first, to the remaining Term Loan Repayment Amounts (including the scheduled installment to be made on the Maturity Date) in inverse order of maturity, and thereafter to outstanding Revolving Loans (without a corresponding permanent reduction of the Total Revolving Loan Commitment). Each such prepayment shall be accompanied by all accrued interest on the Loans so prepaid, through the date of such prepayment.

(f) The Borrower may at any time upon at least two (2) Business Days' (or such shorter period as is acceptable to the Agent) prior written notice to the Agent, which notice shall be irrevocable (*provided* that any such notice may be conditioned upon the happening or occurrence of a specified event, and thereafter revoked in the event that such specified event does not occur), permanently reduce the Total Revolving Loan Commitment; provided, that such reductions shall be in an amount greater than or equal to $250,000, subject to Section 5.02(d). All reductions of the Total Revolving Loan Commitment shall be allocated *pro rata* among all Lenders with a Revolving Loan Commitment. A permanent reduction of the Total Revolving Loan Commitment shall require a corresponding *pro rata* reduction in the Letter of Credit Sub-Commitment.

(g) Notwithstanding any provision of this Agreement to the contrary, in connection with (i) any voluntary prepayment of Term Loans pursuant to Section 5.01 (excluding voluntary prepayments in an aggregate principal amount, for all such prepayments, not in excess of $6,000,000), (ii) all permanent reductions of Revolving Loan Commitments pursuant to Section 5.01, (iii) any mandatory prepayment of Term Loans pursuant to clauses (ii), (iii), (vi) and (vii) of Section 5.02(a), or (iv) any payment of Term Loans after the occurrence of an Event of Default or after acceleration of the Obligations hereunder, the Borrower shall pay to the Agent, for the ratable benefit of the Lenders, the prepayment premium set forth in the table below (expressed as a percentage of the principal amount of the Term Loans being prepaid or Revolving Loan Commitments being reduced, the "***Prepayment Premium***"), plus accrued and unpaid interest on the principal amount of the Loans being prepaid to the date of such prepayment, if such Term Loans are prepaid or Revolving Loan Commitments are reduced during the six (6) month period ending on the applicable monthly anniversary of the Fourth Amendment Effective Date set forth in the table below:

Monthly Anniversary of Fourth Amendment Effective Date	Prepayment Premium
Sixth	103.0%
Twelfth	102.0%
Eighteenth	101.0%
Thereafter	100.0%

SECTION 5.02 Mandatory Prepayments and Commitment Reductions; Application of Payments.

(a) Mandatory Prepayments of Term Loans.

(i) On or prior to the fifth (5^{th}) Business Day after the date on which annual audited financial statements for a fiscal year are required to be delivered in accordance with Section 8.01(c), commencing with the fiscal year ending December 31, 2019 but excluding the fiscal year ending December 31, 2020, the Borrower shall prepay the Loans in an amount equal to (x) seventy-five percent (75%) of Consolidated Excess Cash Flow (if any) for such fiscal year, less (y) all voluntary prepayments of Term Loans made during such fiscal year (or period thereof) pursuant to Section 5.01, to be applied as set forth in Section 5.02(b); provided, that (A) if, with respect to any fiscal year in which a mandatory prepayment pursuant to this Section 5.02(a)(i) is otherwise due, the Total Leverage Ratio as of the end of such fiscal year is less than 4.25 to 1.00 but greater than or equal to 2.50 to 1.00, then the Borrower shall prepay the Loans in an amount equal to (x) fifty percent (50%) of Consolidated Excess Cash Flow (if any) for such fiscal year, less (y) all voluntary prepayments of Term Loans made during such fiscal year pursuant to Section 5.01, to be applied as set forth in Section 5.02(b), and (B) if, with respect to any fiscal year in which a mandatory prepayment pursuant to this Section 5.02(a)(i) is otherwise due, the Total Leverage Ratio as of the end of such fiscal year is less than 2.50 to 1.00, then the Borrower shall prepay the Loans in an amount equal to (x) twenty-five percent (25%) of Consolidated Excess Cash Flow (if any) for such fiscal year, less (y) all voluntary prepayments of Term Loans made during such fiscal year pursuant to Section 5.01, to be applied as set forth in Section 5.02(b).

(ii) Concurrently with the incurrence of any Indebtedness by any Credit Party or any of its Subsidiaries (other than Indebtedness permitted under Section 9.01), the Borrower shall (A) notify the Agent of such incurrence (which notice shall include a reasonably detailed calculation of the amount of the proceeds of such Indebtedness to be received by such Credit Party or Subsidiary) and (B) prepay the Loans in an amount equal to one hundred percent (100%) of such proceeds, together with the applicable Prepayment Premium, to be applied as set forth in Section 5.02(b). Nothing in this Section 5.02(a)(ii) shall be construed to permit or waive any Default or Event of Default arising from any incurrence of Indebtedness not permitted under the terms of this Agreement.

(iii) Concurrently with the receipt by any Credit Party or any of its Subsidiaries of any proceeds from any Disposition (other than any Dispositions permitted under Section 9.04(c), (d), (e) or (f)) in excess of $500,000 in any fiscal year (individually or in the aggregate with all other Dispositions over the course of a fiscal year), the Borrower shall (A) notify the Agent of such Disposition (which notice shall include a reasonably detailed calculation of the amount of Net Disposition Proceeds received or to be received by such Credit Party or Subsidiary) and (B) prepay the Loans in an amount equal to one hundred percent (100%) of the Net Disposition Proceeds from such Disposition, together with the applicable Prepayment Premium, to be applied as set forth in Section 5.02(b); provided, that the Borrower may, at its option by notice in writing to the Agent on or prior to the Disposition giving rise to such Net Disposition Proceeds, within one hundred eighty (180) days after such event (or, in the event such reinvestment is subject to a binding commitment to reinvest during such one hundred eighty (180) day period, one hundred eighty (180) days after such binding commitment is entered into), reinvest such Net Disposition Proceeds in assets to be used in the business of the Credit Parties so long as (x) no Default or Event of Default shall have occurred and be continuing at the time of such Disposition and at the time of such reinvestment, in each case as certified by the Borrower in writing to the Agent, and (y) such Net Disposition Proceeds are held in an account of the Borrower that is subject to a Control Agreement pending such reinvestment. In the event that the reinvestment period described in the immediately preceding sentence expires prior to the completion of any intended reinvestment by the Credit Parties, the Borrower shall promptly notify the Agent and prepay the Loans in an amount equal to one hundred percent (100%) of such Net Disposition Proceeds (or, if less, the aggregate amount of Net Disposition Proceeds that has not been reinvested as of such date). Nothing in this Section 5.02(a)(iii) shall be construed to permit or waive any Default or Event of Default arising from any Disposition not permitted under the terms of this Agreement.

(iv) Concurrently with the receipt by any Credit Party or any of its Subsidiaries of any proceeds from any Casualty Event in excess of $500,000 in any fiscal year (individually or in the aggregate with all other Casualty Events over the course of a fiscal year), the Borrower shall (A) notify the Agent of such Casualty Event (which notice shall include a reasonably detailed calculation of the amount of Net Casualty Proceeds to be received by such Credit Party or such Subsidiary) and (B) prepay the Loans in an amount equal to one hundred percent (100%) of such Net Casualty Proceeds, to be applied as set forth in Section 5.02(b); provided, that the Borrower may, at its option by notice in writing to the Agent no later than thirty (30) days following the occurrence of the Casualty Event resulting in such Net Casualty Proceeds, apply such Net Casualty Proceeds to the rebuilding or replacement with similar assets of such damaged, destroyed or condemned assets or property so long as (x) such Net Casualty Proceeds are in fact used to rebuild or replace the damaged, destroyed or condemned assets or property within one hundred eighty (180) days following the receipt of such Net Casualty Proceeds (or, in the event such reinvestment is subject to a binding commitment to reinvest during such one hundred eighty (180) day period, one hundred eighty (180) days after such binding commitment is entered into), (y) no Default or Event of Default shall have occurred and be continuing at the time of such Casualty Event and at the time of such application, in each case, as certified by the Borrower in writing to the Agent and (z) such Net Casualty Proceeds are held in an account of the Borrower that is subject to a Control Agreement pending such application. In the event that the reinvestment period described in the immediately preceding sentence expires prior to the completion of any intended rebuilding or replacement by the Credit Parties, the Borrower shall promptly notify the Agent and prepay the Loans in an amount equal to one hundred percent (100%) of such Net Casualty Proceeds (or, if less, the aggregate amount of Net Casualty Proceeds that has not been reinvested as of such date).

(v) Within five (5) Business Days after the receipt by any Credit Party of any proceeds from any Extraordinary Receipt, the Borrower shall (A) notify the Agent of such Extraordinary Receipt (which notice shall include a reasonably detailed calculation of the amount of proceeds received or to be received by such Credit Party or Subsidiary) and (B) prepay the Loans in an amount equal to one hundred percent (100%) of the Net Extraordinary Proceeds received in respect of such Extraordinary Receipt, to be applied as set forth in Section 5.02(b).

(vi) Concurrently with the receipt by any Credit Party or any of its Subsidiaries of any Net Equity Proceeds ~~from the issuance of any Capital Stock (~~(other than proceeds from an Excluded Equity Issuance), the Borrower shall (A) notify the Agent of such issuance of Capital Stock (which notice shall include a reasonably detailed calculation of the amount of proceeds received or to be received by such Credit Party or Subsidiary) and (B) prepay the Loans in an amount equal to one hundred percent (100%) of such Net Equity Proceeds, together with the applicable Prepayment Premium, to be applied as set forth in Section 5.02(b). Nothing in this Section 5.02(a)(vi) shall be construed to permit or waive any Default or Event of Default arising, directly or indirectly, ~~from any such issuance of Capital Stock~~in connection with the receipt of such Net Equity Proceeds.

(vii) Immediately upon a Change of Control, Borrower shall repay the Loans in full in cash together with the applicable Prepayment Premium. Nothing in this Section 5.02(a)(vii) shall be construed to permit or waive any Default or Event of Default arising, directly or indirectly, from any such Change of Control.

(b) Amounts to be applied in connection with prepayments made pursuant to Section 5.02(a) shall be applied first, to the remaining Term Loan Repayment Amounts (including the scheduled installment to be made on the Maturity Date) in inverse order of maturity, second, to outstanding Revolving Loans (without a corresponding permanent reduction of the Total Revolving Loan Commitment), and thereafter, to the repayment of any other outstanding Obligations. Each prepayment of the Loans under Section 5.02 shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid.

(c) Notwithstanding the foregoing, any payment in respect of a mandatory prepayment may be declined by any Lender without prejudice to such Lender's rights hereunder to accept or decline any future payments in respect of a mandatory prepayment. If a Lender chooses to decline payment in respect of a mandatory prepayment, such Lender shall provide written notice thereof to the Agent and the Borrower and the other Lenders that accept such mandatory prepayment shall have the right (at their election) to share such proceeds on a pro rata basis. In the event all Lenders decline such mandatory prepayment, the Borrower shall be entitled to retain such proceeds (the "***Declined Amounts***") and shall not be required to use the Declined Amounts to make a mandatory prepayment under this Section 5.02.

(d) Repayment of Revolving Loans. If on any date the aggregate amount of the Lenders' Revolving Credit Exposures exceeds the Total Revolving Loan Commitment as then in effect, the Borrower shall forthwith repay within one (1) Business Day the principal amount of Revolving Loans in an amount equal to such excess. If, after giving effect to the prepayment of all outstanding Revolving Loans, the aggregate amount of the Lenders' Revolving Credit Exposures exceed the Total Revolving Loan Commitment, the Borrower shall pay to the Agent an amount in cash equal to such excess and the Agent shall hold such payment for the benefit of the Lenders as security for the Obligations of the Borrower hereunder (including obligations in respect of Letters of Credit Outstanding) pursuant to a cash collateral agreement to be entered into in form and substance satisfactory to the Agent (which shall permit certain investments in accordance with Section 9.05, satisfactory to the Agent, until the proceeds are applied to the secured obligations).

(e) Application to Term Loans. With respect to each prepayment of Term Loans required by Section 5.02, the Borrower may designate the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made; provided, that the Borrower pays the amounts, if any, required to be paid pursuant to Section 2.11 with respect to prepayments of LIBOR Loans made on any date other than the last day of the applicable Interest Period. In the absence of a designation by the Borrower as described in the preceding sentence, the Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11.

(f) Application to Revolving Loans. With respect to each prepayment of Revolving Credit Loans elected by the Borrower pursuant to Section 5.01 or required by Section 5.02, the Borrower may designate (i) the Types of Loans that are to be prepaid and the specific Borrowing(s) pursuant to which made and (ii) the Revolving Loans to be prepaid; provided, that (A) LIBOR Revolving Loans may be designated for prepayment pursuant to this Section 5.02 only on the last day of an Interest Period applicable thereto unless all LIBOR Loans with Interest Periods ending on such date of required prepayment and all Base Rate Loans have been paid in full; and (B) each prepayment of any Loans made pursuant to a Borrowing shall be applied *pro rata* among such Loans. In the absence of a designation by the Borrower as described in the preceding sentence, the Agent shall, subject to the above, make such designation in its reasonable discretion with a view, but no obligation, to minimize breakage costs owing under Section 2.11.

(g) Application of Collateral Proceeds. Notwithstanding anything to the contrary in Section 5.01 or this Section 5.02, all proceeds of Collateral received by Agent pursuant to the exercise of remedies against the Collateral, and all payments received upon and after the acceleration of any of the Obligations shall be, subject to the provisions of Section 2.14 and Section 2.15, applied as set forth in this clause (e), as follows:

(i) first, to pay any costs and expenses of the Agent under the Credit Documents, including any indemnities then due to Agent under the Credit Documents, until paid in full,

(ii) second, to pay and fees or premiums then due to the Agent or any of the Lenders under the Credit Documents until paid in full,

(iii) third, ratably to pay any costs or expense reimbursements of Lenders and indemnities then due to any of the Lenders under the Credit Documents until paid in full,

(iv) fourth, ratably to pay interest due in respect of the outstanding Revolving Loans and the Term Loans until paid in full,

(v) fifth, (i) ratably to pay the principal of all outstanding Revolving Loans until paid in full, (ii) to Agent, to be held by Agent for the ratable benefit of the Letter of Credit Issuer and those Lenders having a Revolving Loan Commitment to Cash Collateralize all issued and outstanding Letters of Credit to the extent not otherwise Cash Collateralized by the Borrower pursuant to Section 3.01 and Section 2.14, and (iii) ratably to pay the outstanding principal balance of the Term Loan until the Term Loan is paid in full,

(vi) sixth, to pay any other Obligations, and

(vii) seventh, to Borrower or such other Person entitled thereto under Applicable Law.

Subject to Section 3.03, Section 3.04 and Section 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause fifth above shall be applied to satisfy Drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

SECTION 5.03 Payment of Obligations; Method and Place of Payment. (a) The obligations of Borrower hereunder and under each other Credit Document are not subject to counterclaim, set-off, rights of rescission, or any other defense. Subject to Section 5.04, and except as otherwise specifically provided herein, all payments under this Agreement shall be made by the Borrower, without set-off, rights of rescission, counterclaim or deduction of any kind, to the Agent for the ratable account of the Secured Parties entitled thereto, not later than 2:00 p.m. on the date when due and shall be made in immediately available funds in Dollars to the Agent. The Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Agent prior to 2:00 p.m. on such day) like funds relating to the payment of principal or interest or Fees ratably to the Secured Parties entitled thereto.

(b) For purposes of computing interest or fees, any payments under this Agreement that are made later than 2:00 p.m. shall be deemed to have been made on the next succeeding Business Day. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall continue to accrue during such extension at the applicable rate in effect immediately prior to such extension.

SECTION 5.04 Net Payments. (a) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Credit Party under any Credit Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Credit Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by Borrower. The Credit Parties shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification by the Credit Parties. The Credit Parties shall jointly and severally indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to Borrower by a Lender (with a copy to the Agent), or by the Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of the Credit Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.06 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Agent to the Lender from any other source against any amount due to the Agent under this paragraph (d).

(e) Evidence of Payments. As soon as practicable after any payment of Taxes by any Credit Party to a Governmental Authority pursuant to this Section 5.04, such Credit Party shall deliver to the Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(f) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.04(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

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

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable,

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

(II) executed copies of IRS Form W-8ECI,

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

(IV) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit U-2 or U-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit U-4 on behalf of each such direct and indirect partner,

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Borrower or the Agent to determine the withholding or deduction required to be made,

(D) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the Closing Date, and

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

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 5.04 (including by the payment of additional amounts pursuant to this Section 5.04), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Survival. Each party's obligations under this Section 5.04 shall survive the resignation or replacement of the Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Credit Document.

(i) Defined Terms. For purposes of this Section 5.04, the term "Applicable Law" includes FATCA.

SECTION 5.05 Computations of Interest and Fees. All interest and fees shall be computed on the basis of the actual number of days (including the first day but excluding the last day) occurring during the period for which such interest or fee is payable over a year comprised of three hundred and sixty (360) days. Payments due on a day that is not a Business Day shall be made on the next succeeding Business Day and such extension of time shall be included in computing interest and fees in connection with that payment.

ARTICLE VI

CONDITIONS PRECEDENT

SECTION 6.01 Conditions Precedent to Initial Credit Extension. The obligation of the Lenders to fund the initial Credit Extension on the Closing Date is subject to the prior or concurrent satisfaction of the following conditions precedent:

(a) Credit Documents. The Agent shall have received the following documents, duly executed by an Authorized Officer of each Credit Party and each other relevant party and, in each case, in form and substance reasonably satisfactory to the Agent:

(i) this Agreement;

(ii) the Fee Letter;

(iii) the Security Agreement;

(iv) the Collateral Assignment of PC Documents;

(v) the Collateral Assignment of R&W Insurance;

(vi) [reserved;]

(vii) the Management Subordination Agreement;

(viii) a Notice of Borrowing with respect to the Term Loan to be made on the Closing Date;

(ix) the Perfection Certificate; and

(x) each other Credit Document required by Agent to be entered into as of the Closing Date.

(b) Collateral. (i) All Capital Stock owned by each Credit Party shall have been pledged to the Agent to the extent required by the Security Agreement and the Agent shall have received all original certificates representing such securities pledged under the Security Agreement, accompanied by executed instruments of transfer or stock powers, undated and endorsed in blank.

(ii) All Indebtedness owed to any of the Credit Parties that is evidenced by one or more promissory notes shall have been pledged to the Agent to the extent required by the Security Agreement, and the Agent shall have received all such original promissory notes, together with executed instruments of transfer or note allonges with respect thereto, undated and endorsed in blank.

(iii) The Agent shall have received the results of a search of the UCC filings (or equivalent filings), in addition to tax Lien, judgment Lien, bankruptcy and litigation searches made with respect to each Credit Party, together with copies of the financing statements and other filings (or similar documents) disclosed by such searches, and accompanied by evidence satisfactory to the Agent that the Liens indicated in any such financing statement and other filings (or similar document) are Permitted Liens or have been released or will be released substantially simultaneously with the initial Credit Extensions hereunder.

(iv) The Agent shall have received UCC financing statements with respect to each Credit Party, in appropriate form for filing under the UCC in each applicable jurisdiction, and such other documents under Applicable Law in each jurisdiction as may be necessary or appropriate or, in the discretion of the Agent, desirable to perfect the Liens created, or purported to be created, in favor of the Agent pursuant to the Security Documents.

(c) Legal Opinions. The Agent shall have received an executed legal opinion of Lowenstein Sandler LLP, counsel to the Credit Parties, which opinion shall be addressed to the Agent and the Lenders and shall be in form and substance reasonably satisfactory to the Agent.

(d) Structure and Terms of the Transactions. (i) The Agent shall have received duly executed copies of the Closing Date Acquisition Agreement and each of the other material Closing Date Acquisition Documents, which shall, in each case, be in form and substance reasonably satisfactory to Agent, and the Agent shall have received evidence, in form and substance reasonably satisfactory to the Agent that, substantially simultaneously with the initial Credit Extension hereunder, the Closing Date Acquisition shall have been consummated in accordance with the Closing Date Acquisition Agreement, and no provision of the Closing Date Acquisition Agreement shall have been waived, amended, supplemented or otherwise modified in a manner material and adverse to the Lenders, and no consent or approval therefor shall have been given on terms that are materially adverse to the Lenders, without the prior written consent of the Agent and in accordance with all applicable requirements of Applicable Laws.

(ii) The representations and warranties contained in the Closing Date Acquisition Agreement shall be true and correct in all material respects on and as of the Closing Date (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date).

(iii) The Agent shall have received evidence, in form and substance reasonably satisfactory to the Agent, that the Equity Investment shall have been made and the Borrower shall have received proceeds from the Equity Investment (including cash and rollover equity) in an aggregate amount of not less than seventy percent (70%) of the cash consideration for the Closing Date Acquisition; provided that an aggregate amount of not less than sixty-five percent (65%) of the Equity Investment shall consist of an equity contribution by the Sponsor and its Controlled Investment Affiliates, it being understood that the terms and amounts of all rollover equity and all investments in preferred equity securities must be on terms and conditions reasonably satisfactory to Agent.

(iv) The Agent and the Lenders shall be reasonably satisfied with all aspects with the Transactions, including without limitation (i) the capital and corporate structure of the Credit Parties and their respective Subsidiaries after giving effect to the Transactions, and (ii) the terms and provisions of each of the Transaction Documents.

(e) Credit Party Certificates. The Agent shall have received a certificate for each Credit Party, dated the Closing Date, duly executed and delivered by such Credit Party's secretary, managing member or general partner, as applicable, which certificates shall be in form and substance reasonably satisfactory to the Agent, attaching (as applicable) and certifying as to:

(i) resolutions of each such Person's Governing Body, then in full force and effect, expressly and specifically authorizing, to the extent relevant, all aspects of the Credit Documents applicable to such Person and the execution, delivery and performance of each Credit Document to be executed by such Person;

(ii) the incumbency and signatures of its Authorized Officers and any other of its officers, managing member or general partner, as applicable, authorized to act for such Person with respect to each Credit Document to be executed by such Person;

(iii) each such Person's Organization Documents, as amended, restated, supplemented or otherwise modified as of Closing Date, and then in full force and effect, certified, as applicable, by the appropriate officer or official body of the jurisdiction of organization of such Person, as of a recent date prior to the Closing Date; and

(iv) (A) certificates of good standing with respect to each Credit Party, each dated within a recent date prior to the Closing Date, such certificates to be issued by the appropriate officer or official body of the jurisdiction of organization of such Credit Party, which certificate shall indicate that such Credit Party is in good standing in such jurisdiction and (B) certificates of good standing with respect to each Credit Party, each dated within a recent date prior to the Closing Date, such certificates to be issued by the appropriate officer of the jurisdictions where such Credit Party is required to be qualified to do business as a foreign entity, which certificate shall indicate that such Credit Party is in good standing in such jurisdictions,

which certificates shall provide that each Secured Party may conclusively rely thereon until it shall have received a further certificate of the secretary, assistant secretary, managing member or general partner, as applicable, of any such Person canceling or amending the prior certificate of such Person as provided in Section 8.01(j).

(f) Other Documents and Certificates. The Agent shall have received a certificate for each Credit Party, dated the Closing Date, duly executed and delivered by an Authorized Officer of each such Credit Party, which certificates shall expressly permit Agent and each Lender to conclusively rely thereon and shall be in form and substance satisfactory to the Agent in all respects, certifying as to:

(i) The consummation of the Closing Date Acquisition and the other Transactions, all in accordance with Applicable Laws and the Transaction Documents;

(ii) the receipt of all required approvals and consents of all Governmental Authorities and other third parties with respect to the consummation of the Transactions (if any);

(iii) on a Pro Forma Basis immediately after giving effect to the consummation of the Transactions, Closing Date EBITDA shall not be less than $10,300,000, demonstrated by calculations in reasonable detail supporting such certification; and

(iv) the names of each of the officers and directors of each Credit Party immediately after giving effect to the Transactions on the Closing Date; and

(v) the Management Agreement, an executed copy of which shall be attached thereto and certified as being a true, complete and correct copy thereof.

(g) Solvency Certificate. The Agent shall have received a solvency certificate, dated the Closing Date, duly executed and delivered by an appropriate Authorized Officer of the Borrower, on behalf of the Credit Parties, which certificate shall expressly permit Agent and each Lender to conclusively rely thereon and shall be in form and substance reasonably satisfactory to the Agent in all respects, certifying that, immediately before and immediately after giving effect to the Transactions (including the making of the initial Credit Extension hereunder and the application of proceeds thereof), (x) Intermediate Holdings individually is Solvent, (x) EBS Enterprises individually is Solvent and (z) the Credit Parties and their Subsidiaries are Solvent on a consolidated basis.

(h) Financial Information. The Agent shall have received the following, each of which shall be true, complete and correct as of the Closing Date:

(i) the Historical Financial Statements;

(ii) the forecasted financial projections of the Credit Parties (including adjustments to Consolidated EBITDA and projections for Consolidated Capital Expenditures) for the fiscal years 2018 through 2023 as of the Closing Date along with a pro forma balance sheet giving effect to the Transactions;

(iii) a pro forma equity ownership table of Holdings and a pro forma organizational chart of Holdings and its Subsidiaries; and

(iv) a detailed sources and uses statement which reflects (A) the sources of all funds to be used by the Credit Parties to consummate the Transactions and to pay all transaction fees, costs and expenses incurred in connection therewith and (B) the uses of all such funds.

The documents and reports delivered in clauses (iii) and (iv) above shall be certified by such Authorized Officer to be true, complete and correct as of the Closing Date and the documents and reports delivered in clauses (i) and (ii) above shall be certified in a manner consistent with the representations and warranties set forth in Section 7.09.

(i) Insurance. The Agent shall have received customary insurance certificates, together with drafts of the endorsements thereto, in each case, as to the insurance required by Section 8.03, in form and substance reasonably satisfactory to Agent, naming the Agent as an additional insured with respect to all liability policies of the Credit Parties and their Subsidiaries and naming the Agent as lender loss payee with respect to all casualty or property policies of the Credit Parties and their Subsidiaries.

(j) Payment of Outstanding Indebtedness. (i) On the Closing Date, the Credit Parties and each of their respective Subsidiaries shall have no outstanding Indebtedness other than the Loans hereunder and as otherwise permitted pursuant to Section 9.01, and the Agent shall have received copies of all documentation and instruments evidencing the discharge of all Indebtedness paid off in connection with the Transactions, including the Existing Target Debt Agreements, and (ii) all Liens (other than Permitted Liens) securing payment of any such Indebtedness shall have been released, and the Agent shall have received payoff letters, UCC-3 termination statements and such other instruments of satisfaction and release as may be reasonably requested by the Agent in connection therewith, in each case in form and substance reasonably satisfactory to the Agent.

(k) Material Adverse Effect. Since December 31, 2017, there shall have been no Material Adverse Effect, and there has been no circumstance, event or occurrence, and no fact is known to the Credit Parties that could reasonably be expected to result in a Material Adverse Effect.

(l) Fees and Expenses. Each of the Agent and each Lender shall have received, for its own respective account, (i) all fees and expenses due and payable to such Person under the Fee Letter, and (ii) the reasonable fees, costs and expenses due and payable to such Person pursuant Section 4.01 and Section 12.05 (including the reasonable fees, disbursements and other charges of counsel) for which invoices have been presented prior to the Closing Date.

(m) Patriot Act Compliance and Reference Checks. The Agent and the Lenders shall have received (i) completed reference checks with respect to each Credit Party's senior management, and (ii) at least five (5) days prior to the Closing Date (to the extent requested by the Agent in writing at least ten (10) days prior to the Closing Date), all customary documentation and other information reasonably requested by the Agent or any Lender in connection with applicable "know your customer" and anti-money laundering rules and regulations, including without limitation the Patriot Act.

(n) PC Documents. Agent shall have received copies of each PC Document, together with a certificate of an Authorized Officer of the Borrower certifying each such document as being a true, correct, and complete copy thereof, in each case in form and substance reasonably satisfactory to the Agent.

(o) No Adverse Actions. The Agent shall be reasonably satisfied that there is no litigation, investigation or proceeding (judicial or administrative), injunction, writ or restraining order pending or threatened in writing against any Credit Party or any of their respective Subsidiaries by any Governmental Authority or any other Person (i) which could reasonably be expected to result in a Material Adverse Effect, or (ii) which challenges, contests or otherwise calls into question (A) the validity, legality or enforceability of this Agreement, the other Credit Documents or any of the other Transaction Documents, (B) the consummation of the Transactions by any Credit Party or any of their respective Subsidiaries or Affiliates or (C) the performance by any Credit Party of its obligations under any of the Credit Documents.

SECTION 6.02 Conditions Precedent to all Credit Extensions.

(a) No Default; Representations and Warranties. The agreement of each Lender to make any Loan requested to be made by it on any date and the obligation of the Letter of Credit Issuer to issue Letters of Credit on any date is subject to the satisfaction of the condition precedent that at the time of each such Credit Extension and also after giving effect thereto, and in the case of the Credit Extensions on the Closing Date, both before and after giving effect to the consummation of the Transactions, except to the extent waived in writing by the Required Revolving Lenders: (i) no Default or Event of Default shall have occurred and be continuing, (ii) all representations and warranties made by each Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects (except in the case of the initial Credit Extensions to occur on the Closing Date, in which case all representations and warranties made by each Credit Party contained herein or in the other Credit Documents shall be true and correct in all respects), in each case, with the same effect as though such representations and warranties had been made on and as of the date of such Credit Extension (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date); provided, that any representation or warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct in all respects on such respective dates and (iii) no injunction, writ, restraining order, or other order of any nature restricting or prohibiting, directly or indirectly, such Credit Extension shall have been issued and remain in force by any Governmental Authority against Borrower, Agent, any Lender or the Letter of Credit Issuer. The acceptance of the benefits of each Credit Extension shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified above exist as of that time.

(b) Notice of Borrowing. Prior to the making of each Term Loan and each Revolving Loan (other than any Revolving Loan pursuant to Section 3.04(a)), the Agent shall have received a Notice of Borrowing meeting the requirements of Section 2.03. Each delivery of a Notice of Borrowing and the acceptance of such Loan or other credit extension shall constitute a representation and warranty by the Borrower and each other Credit Party that on the date of such Loan or other Credit extension (both immediately before and immediately after giving effect to such Loan or other Credit Extension and the application of the proceeds thereof) the conditions contained in the Section 6.02(a) and 6.02(d) have been satisfied.

(c) Letter of Credit Request. Prior to the issuance of each Letter of Credit, the Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.02(a).

(d) Available Revolving Loan Amount. After giving effect to the making of each Revolving Loan and the issuance of each Letter of Credit, the Available Revolving Loan Amount shall be greater than zero.

(e) Consent of Required Revolving Lenders. Notwithstanding anything set forth in the Credit Agreement or the Credit Documents, the agreement of each Lender to make any Revolving Loan requested to be made by it on any date and the obligation of the Letter of Credit Issuer to issue Letters of Credit on any date is subject to the consent of the Required Revolving Lenders in their sole discretion; provided that the Required Revolving Lenders hereby consent to a Borrowing of $2,500,000 of Revolving Loans on April 3, 2020; provided further that no such consent shall be required up to the Dollar amount of payments for the Capital Stock of Holdings made in cash or capital contributions to Holdings made in cash, in each case, after April 3, 2020, so long as (1) the members of Holdings purchase Capital Stock (which shall be in the form of common equity or other equity having terms reasonably acceptable to the Required Revolving Lenders) of Holdings or contribute additional capital in respect of their existing Capital Stock of Holdings, (2) such cash purchases or contributions occur prior to, and otherwise within four (4) Business Days of, any requested Credit Extension; and (3) Holdings provides evidence reasonably satisfactory to the Required Revolving Lenders that the Borrower has received such cash purchases or contributions prior to, and otherwise within four (4) Business Days of, any requested Credit Extension.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to enter into this Agreement, make the Loans and issue or participate in the Letters of Credit as provided for herein, each Credit Party jointly and severally represents and warrants to the Agent and Lenders on the Closing Date, on the Fourth Amendment Effective Date, on the date of each other Credit Extension and as of each other date required under any Credit Document, on behalf of itself and its Subsidiaries, as follows:

SECTION 7.01 Corporate Status. Each Credit Party and each Subsidiary of each Credit Party (a) is a duly organized or formed and validly existing corporation or other registered entity in good standing under the laws of the jurisdiction of its organization and has the corporate or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing in all jurisdictions where the conduct of its business or its ownership, lease or operation of its properties require such qualification, authorization or license under Applicable Law, except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect.

SECTION 7.02 Corporate Power and Authority. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Transaction Documents and the Fourth Amendment Transaction Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Transaction Documents and the Fourth Amendment Transaction Documents to which it is a party. Each Credit Party has duly executed and delivered the Credit Documents and each other Transaction Document and Fourth Amendment Transaction Document to which it is a party and such Transaction Documents and Fourth Amendment Transaction Documents constitute the legal, valid and binding obligation of such Credit Party enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, moratorium, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

SECTION 7.03 No Violation. None of the execution, delivery and performance by any Credit Party of the Transaction Documents and Fourth Amendment Transaction Documents to which it is a party and compliance with the terms and provisions thereof, the consummation of the Transactions and the Fourth Amendment Transactions, or the consummation of the other transactions contemplated hereby or thereby on the relevant dates therefor will (a) contravene any applicable provision of any Applicable Law of any Governmental Authority, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of any Credit Party (other than Liens created under the Credit Documents) pursuant to, (i) the terms of any material indenture, loan agreement, lease agreement, mortgage or deed of trust, or (ii) any other material Contractual Obligation, in the case of either clause (i) and (ii) to which any Credit Party is a party or by which it or any of its property or assets is bound or (c) violate any provision of the Organization Documents of any Credit Party, except with respect to any conflict, breach or contravention or default (but not creation of Liens) referred to in clauses (b)(i) or (b)(ii), to the extent that such conflict, breach, contravention or default could not reasonably be expected to have a Material Adverse Effect.

SECTION 7.04 Litigation, Labor Controversies, etc. (a) There is no pending or threatened litigation, investigation, action or proceeding at law or in equity by or before any Governmental Authority or any other Person that affects any Credit Party, any Subsidiary or any of their respective businesses, properties or assets which (i) pertains to, or arises in connection with, any of the Credit Documents or any of the Transactions or any of the Fourth Amendment Transactions, (ii) could reasonably be expected to result in a Material Adverse Effect or (iii) challenges, contests or otherwise calls into question (A) the validity, legality or enforceability of this Agreement or any of the other Credit Documents, (B) the consummation of the Transactions or the Fourth Amendment Transactions by any Credit Party or any of their respective Subsidiaries or Affiliates or (C) the performance by any Credit Party of its obligations under any of the Credit Documents. Except as set forth on Schedule 7.04(a), as of the Fourth Amendment Effective Date, there is no litigation, investigation, action or proceeding pending or threatened in writing against any of the Credit Parties, any Subsidiary of any Credit Party or any of their respective businesses, properties or assets, except as could not reasonably be expected to have a Material Adverse Effect.

(b) As of the Closing Date and the Fourth Amendment Effective Date, there are no strikes, work stoppages, slowdowns or lockouts pending or, to the knowledge of any Credit Party, threatened against any Credit Party or any Subsidiary. Except as set forth on Schedule 7.04(b), as of the Fourth Amendment Effective Date, (i) no Credit Party or Subsidiary is a party to or bound by any collective bargaining or similar agreement with any labor union, labor organization, works council or similar labor representative, (ii) no petition for certification or election of any labor union, labor organization, works council or similar labor representative is pending against any Credit Party or any Subsidiary, (iii) to the knowledge of any Credit Party, no labor union, labor organization, works council or similar labor representative is seeking certification or recognition with respect to any employee of any Credit Party or any Subsidiary, (iv) to the knowledge of any Authorized Officer of any Credit Party, no union organization campaign is in progress or has been threatened with respect to any employees of any Credit Party or any Subsidiary, (v) no claims or proceedings relating to labor, labor relations, employment or employment practices (including wage and hour claims or charges (whether pursuant to the Fair Labor Standards Act or other Applicable Laws), federal, state or city discrimination claims or charges (including any charge filed with the Equal Employment Opportunity Commission (EEOC) or similar state or local agency), unfair labor practice charges or complaints, and/or any occupational safety and health or immigration claims or charges) are pending before any Governmental Authority, court, arbitration tribunal or administrative body or, to the knowledge of any Credit Party, threatened in writing against any Credit Party or any Subsidiary which, in each of the foregoing cases described in this clause (v), would reasonably be expected to result in material liability to the Credit Parties or their Subsidiaries and (vi) within the past three (3) years, there has been no investigation or proceeding by any Governmental Authority relating to labor or employment practices (including wage and hour, discrimination, occupational safety and health, or immigration) of any Credit Party or any Subsidiary that would reasonably be expected to result in material liability to the Credit Parties or their Subsidiaries. Except for such noncompliance that would not reasonably be expected to have a Material Adverse Effect, (x) each Credit Party is (and has been since the Closing Date) in compliance with all Applicable Laws relating to labor, labor relations, employment, and employment practices, including wage and hour and other terms and conditions of employment, (y) no Credit Party and no Subsidiary is liable for any arrearage or any costs or penalties for failure to comply with any such Applicable Laws and (z) with respect to each individual who renders services to any Credit Party or any Subsidiary, the Credit Parties and their Subsidiaries have accurately classified each such individual as an employee, independent contractor or otherwise under any and all Applicable Laws and, for each such individual classified as an employee, the Credit Parties have accurately classified such employee as exempt or nonexempt under any and all Applicable Laws.

SECTION 7.05 Use of Proceeds; Regulations T, U and X. The proceeds of the Loans are intended to be and shall be used solely for the purposes set forth in and permitted by Section 8.10. The Letters of Credit are intended to be and shall be issued solely for the purposes set forth in Section 8.10. No Credit Party is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock, and no proceeds of any Credit Extension will be used to purchase or carry margin stock or otherwise for a purpose which violates, or would be inconsistent with, Regulation T, Regulation U or Regulation X, and the pledge of any Capital Stock owned by any Credit Party in any Subsidiary pursuant to the Security Agreement does not violate any such regulations. As of the Closing Date and as of the Fourth Amendment Effective Date, no Credit Party and no Subsidiary of any Credit Party owns any margin stock.

SECTION 7.06 Approvals, Consents, etc. (a) No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or other Person, and no consent or approval under any contract or instrument (other than (a) those that have been duly obtained or made and which are in full force and effect, or if not obtained or made, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect and (b) the filing of UCC financing statements and other equivalent filings for foreign jurisdictions) is required for the consummation of the Transactions or the Fourth Amendment Transaction or the due execution, delivery or performance by any Credit Party of any Credit Document to which it is a party, or for the due execution, delivery or performance of the Transaction Documents or the Fourth Amendment Transaction Documents, in each case by any Credit Party party thereto. There does not exist any judgment, order, injunction or other restraint issued or filed with respect to the transactions contemplated by the Transaction Documents or the Fourth Amendment Transaction Documents, the consummation of the Transactions or the Fourth Amendment Transaction, the making of any Credit Extension or the performance by the Credit Parties or any of their respective Subsidiaries of their Obligations under the Credit Documents.

(b) No consent of any Person, including any general or limited partner, member, manager, shareholder or trust beneficiary, is necessary in connection with the creation, perfection or first priority status of the Lien of the Agent in any Capital Stock pledged to the Agent pursuant to the Security Agreement or the exercise by the Agent of any remedies, including any voting or other rights to control or receive distributions, in respect of any such Pledged Capital Stock.

SECTION 7.07 Investment Company Act. No Credit Party is, or will be after giving effect to the Transactions or the Fourth Amendment Transactions, (a) registered or required to register as an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940 or (b) subject to any federal or state statute or regulation limiting its ability to incur Indebtedness, pledge its assets or perform its Obligations under the Credit Documents.

SECTION 7.08 Full Disclosure. (a) The Credit Parties and their Subsidiaries have disclosed to the Agent and the Lenders all matters, facts or other information known to such Credit Party or any of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the factual information and data at any time furnished by any Credit Party, any of their respective Subsidiaries or any of their respective authorized representatives in writing to Agent or any Lender (including all information contained in the Credit Documents) for purposes of or in connection with this Agreement or any of the Transactions or the Fourth Amendment Transactions contains any untrue statement of a material fact or omits to state any material fact necessary to make such information and data (taken as a whole) not materially misleading, in each case, at the time such information was provided in light of the circumstances under which such information or data was furnished.

(b) The Budget and pro forma financial information provided to Agent pursuant to this Agreement were prepared in good faith based upon assumptions believed by the Credit Parties to be reasonable at the time made, it being recognized by the Agent and the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

SECTION 7.09 Financial Condition; No Material Adverse Effect.

(a) The Historical Financial Statements have been prepared in accordance with the books and records of EBS Enterprises (which books and records are correct and complete in all material respects) and fairly present in all material respects the financial condition and results of operations of the EBS Entities (as defined in the Closing Date Acquisition Agreement) as of the dates and for the periods indicated. All of the balance sheets, all statements of income and cash flows, and all other financial information furnished pursuant to Section 8.01 will, for all periods following the Closing Date, be prepared in accordance with GAAP applied on a basis consistent with the manner in which all such financial information is prepared following the Closing Date. All of the financial information furnished pursuant to Section 8.01 presents fairly in all material respects the financial position and results of operations of Holdings and its Subsidiaries at the respective dates of such information and for the respective periods covered thereby, subject in the case of unaudited financial information, to changes resulting from normal year-end audit adjustments and to the absence of footnotes.

(b) There are no material liabilities of any Credit Party of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, and there is no existing condition, situation or set of circumstances which could reasonably be expected to result in any such liabilities, other than those liabilities provided for or disclosed in the most recently delivered financial statements pursuant to Section 8.01.

(c) Since June 30, 2018, there has been no Material Adverse Effect, and there has been no circumstance, event or occurrence and no fact is known to the Credit Parties that could reasonably be expected to result in a Material Adverse Effect.

SECTION 7.10 Tax Returns and Payments. Each Credit Party and each of its Subsidiaries has filed all U.S. federal and state income Tax returns and all other material Tax returns required to be filed by it and has paid all U.S. federal and state income Taxes and all other material Taxes and assessments payable by it that have become due, other than those not yet delinquent or being diligently contested in good faith by appropriate proceedings with respect to which such Credit Party has maintained adequate reserves in accordance with GAAP. Each Credit Party and each of its Subsidiaries has paid, or has provided adequate reserves in accordance with GAAP for the payment of, all applicable federal, state and foreign income Taxes applicable for all prior fiscal years and for the current fiscal year. No Lien for Taxes has been filed, and no claim is being asserted by any Governmental Authority in any jurisdiction, with respect to any material Tax, fee, or other charge of any Credit Party. No Credit Party, and, to the knowledge of any Credit Party, no Tax Affiliate or PC Entity is currently the subject of any audit, assessment or other proceeding with respect to Taxes, and no such audit, assessment or other proceeding is currently proposed or threatened by any Governmental Authority.

SECTION 7.11 Compliance with ERISA. Each Pension Plan is in compliance in all material respects in form and operation with its terms and with ERISA, the Code and any Applicable Law; no Reportable Event has occurred (or is reasonably likely to occur) with respect to any Pension Plan; each Employee Benefit Plan that is intended to qualify under Section 401(a) of the Code has received or is the subject of a favorable determination or opinion letter from the Internal Revenue Service on which it may currently rely, and nothing has occurred subsequent to the issuance of such determination or opinion letter which would reasonably be expected to prevent, or cause the loss of, such qualification. No Multiemployer Plan is insolvent or in endangered or critical status within the meaning of Section 432 of the Code or Section 4245 of Title IV of ERISA (or to the knowledge of any Credit Party is reasonably likely to be insolvent or endangered or critical status), and no written notice of any such insolvency or endangered or critical status has been received by any of the Credit Parties, any of their respective Subsidiaries or any ERISA Affiliate. No Pension Plan is, or is reasonably expected to be, in "at risk" status (as defined in Section 430 of the Code or Section 303 of ERISA); no Pension Plan has failed to satisfy the minimum funding standard of Sections 412 or 430 of the Code or Section 302 of ERISA, including, without limitation, any obligation to make any required installment under Section 430(j) of the Code (whether or not waived in accordance with Section 412(c) of the Code or Section 302(c) of ERISA), (or is reasonably likely to do so); no failure by any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate to make any required contribution to a Multiemployer Plan when due has occurred; none of the Credit Parties, any of their respective Subsidiaries or any ERISA Affiliate has incurred (or is reasonably expected to incur) any liability to or on account of a Plan pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212(c) of ERISA or Section 4971 of the Code or under Title IV of ERISA (other than premiums due and not delinquent under Section 4007 of ERISA) or has been notified in writing that it will incur any liability under any of the foregoing Sections with respect to any Plan; no proceeding has been instituted (or is reasonably likely to be instituted), and no event or condition has occurred that would reasonably be expected to constitute grounds for the institution of proceedings, to terminate any Plan or to appoint a trustee to administer any Plan, and no written notice of any such proceedings has been received by any of the Credit Parties, any of their respective Subsidiaries or any ERISA Affiliate; no Pension Plan has been terminated and no notice of intent to terminate a Pension Plan has been provided by any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate; and no Lien imposed under the Code or ERISA on the assets of any of the Credit Parties, any of their respective Subsidiaries or any ERISA Affiliate exists (or is reasonably likely to exist) nor have the Credit Parties, any of their respective Subsidiaries or any ERISA Affiliate been notified in writing that such a Lien will be imposed on the assets of any of the Credit Parties, any of their respective Subsidiaries or any ERISA Affiliate on account of any Plan. None of the Credit Parties, any of their respective Subsidiaries or any ERISA Affiliate has incurred or is reasonably expected to incur liability to the PBGC except for any liability for premiums due in the ordinary course. No Pension Plan has an Unfunded Current Liability that exceeds $1,000,000. No employee welfare benefit plan within the meaning of Section 3(1) or Section 3(2)(B) of ERISA of any Credit Party or any of their respective Subsidiaries or any ERISA Affiliate, provides benefit coverage subsequent to termination of employment except as required by Section 4980B of the Code, Part 6 of Subtitle B of Title I of ERISA or applicable state insurance laws other than (i) death or disability benefits attributable to deaths or disabilities that occur at or prior to termination of service or (ii) benefits through the end of the month of termination of employment in accordance with the terms of the applicable employee welfare benefit plan. No liability to a Multiemployer Plan as a result of a "complete withdrawal" or "partial withdrawal" from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA has been, or is reasonably expected to be, incurred. With respect to any Foreign Plan, except as would not be reasonably likely to result in material liability to any Credit Party or any Subsidiary of a Credit Party, (a) all employer and employee contributions required by Applicable Law or by the terms of such Foreign Plan have been timely made or, if applicable, accrued in accordance with normal accounting practices; (b) the accrued benefit obligations of each Foreign Plan that provides retirement or retiree welfare benefits (based on those assumptions used to fund such Foreign Plan) with respect to all current and former participants do not exceed the current value of the assets of such Foreign Plan; (c) each Foreign Plan that is required to be registered has been registered and has been maintained in good standing with applicable regulatory authorities; and (d) each Foreign Plan is in compliance with all Applicable Laws and regulations and with the terms of such Foreign Plan. Each Employee Benefit Plan has been maintained, operated and administered in compliance in all material respects with its terms and with all Applicable Laws, including, without limitation, ERISA and the Code; and no non-exempt prohibited transaction under Section 4975 of the Code or Section 406 of ERISA has occurred with respect to any Employee Benefit Plan that has resulted in, or is reasonably expected to result in, material liability to any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate. There are no actions, suits or claims pending or, to the best knowledge of each Credit Party, threatened against or involving an Employee Benefit Plan (other than routine claims for benefits).

SECTION 7.12 Capitalization and Subsidiaries. Schedule 7.12 sets forth, in each case, as of the Fourth Amendment Effective Date and after giving effect to the Fourth Amendment Transactions, (a) an organizational structure chart of Holdings and its Subsidiaries, (b) a list of all officers and directors of the Credit Parties and their Subsidiaries, (c) the number of authorized shares and outstanding shares of each class of Capital Stock of the Credit Parties and their Subsidiaries and (d) the number of shares of each class of Capital Stock of the Credit Parties and their Subsidiaries covered by outstanding options, warrants, rights of conversion or purchase and similar rights. All of the issued and outstanding Capital Stock of the Borrower is owned directly by Holdings. Except as set forth on Schedule 7.12 as of the Fourth Amendment Effective Date and as of the last date such Schedule was required to be updated in accordance with Section 8.01, no Credit Party and no Subsidiary of any Credit Party (a) has any Subsidiaries or (b) is engaged in any joint venture or partnership with any other Person. All of the issued and outstanding Capital Stock of each of the Credit Parties and their Subsidiaries is validly issued, fully paid and non-assessable, free and clear of all Liens except those created under the Credit Documents. All such securities were issued in material compliance with all Applicable Laws concerning the issuance of securities. Except as set forth in Schedule 7.12, there are no pre-emptive or other outstanding rights to purchase, options, warrants or similar rights or agreements (other than stock options granted to employees) pursuant to which any Credit Party may be required to issue, sell, repurchase or redeem any of its Capital Stock or any Capital Stock of its Subsidiaries.

SECTION 7.13 Intellectual Property; Licenses, etc. Each Credit Party, and each of its Subsidiaries owns, or possesses the right to use, all of the material trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights that are reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person. Neither the use of any intellectual property, nor any slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed by such Credit Party, or any of such Credit Party's Subsidiaries infringes, misappropriates or otherwise violates upon any intellectual property rights held by any other Person to the extent, in each case, that could either individually or in the aggregate not reasonably be expected to have a Material Adverse Effect. Except as specifically set forth on Schedule 7.04, no claim or litigation regarding any of the foregoing is pending or, to the best knowledge of such Credit Party threatened. No patent, invention, device, application, principle or any statute, law, rule, regulation, standard or code is pending or, to the knowledge of such Credit Party proposed, in each case, that could either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

SECTION 7.14 Environmental. (a) Except as could, either individually or in the aggregate, not reasonably be expected to result in a Material Adverse Effect, the Credit Parties and each of their respective Subsidiaries are and have been in compliance with all Environmental Laws in all jurisdictions in which the Credit Parties or such Subsidiary, as the case may be, are currently doing, or have done, business (including obtaining, maintaining in full force and effect, and complying with all permits, approvals, certificates, licenses and other authorizations required under Environmental Laws). Except as could, either individually or in the aggregate, not reasonably be expected to result in a Material Adverse Effect, none of the Credit Parties or any of their respective Subsidiaries has become subject to any pending or threatened in writing Environmental Claim or any other liability under any Environmental Law. Except as could, either individually or in the aggregate, not reasonably be expected to result in a Material Adverse Effect, there are no conditions relating to any currently or formerly owned, leased or operated Real Property that could reasonably be expected to give rise to any Environmental Claim against any of the Credit Parties or any of their Subsidiaries. No Lien in favor of any Governmental Authority securing, in whole or in part, Environmental Claims has attached to any Real Property of any of the Credit Parties or any of their Subsidiaries and, no facts, circumstances or conditions exist that would reasonably be expected to result in any such Lien attaching to any such Real Property.

(b) Except as could, either individually or in the aggregate, not reasonably be expected to result in a Material Adverse Effect, none of the Credit Parties or any of their respective Subsidiaries has treated, stored, transported, released or disposed of Hazardous Materials at, from, on or under any currently or formerly owned, leased or operated Real Property, facility relating to its business, or, to the knowledge of any Credit Party, any other location in a manner that could reasonably be expected to constitute a violation of any Environmental Law or that could give rise to an Environmental Claim.

(c) Each Credit Party has made available to the Agent copies of all existing environmental assessment reports, assessments, reviews, audits, correspondence and other documents and data that have a material bearing on actual or potential Environmental Claims or compliance with Environmental Laws or the environmental condition of any currently or formerly owned, leased or operated Real Property, in each case to the extent such reports, assessments, reviews, audits and documents and data are in their possession, custody or reasonable control.

SECTION 7.15 Ownership of Properties. Set forth on Schedule 7.15 is a list of all of the Real Property owned, leased, subleased or operated by any of the Credit Parties or their respective Subsidiaries as of the Fourth Amendment Effective Date, indicating in each case whether the respective property is owned, leased, subleased or operated, the identity of the owner, lessor or sublessor and the location of the respective property. Each Credit Party owns (a) in the case of owned Real Property, good, indefeasible and marketable fee simple title to such Real Property, (b) in the case of owned personal property, good and valid title to such personal property, and (c) in the case of leased Real Property or personal property, valid, subsisting, marketable, insurable and enforceable (except as may be limited by bankruptcy, insolvency, moratorium, fraudulent conveyance or other laws applicable to creditors' rights generally and by generally applicable equitable principles, whether considered in an action at law or in equity) leasehold interests (as the case may be) in such leased property, in each case, free and clear in each case of all Liens or claims, except for Permitted Liens. All personal property owned or leased by the Credit Parties and their Subsidiaries is in good working order, condition and repair (ordinary wear and tear excepted). Each Credit Party owns or has rights to use all of its property that constitutes Collateral that is necessary or material for the conduct of the Credit Parties' business.

SECTION 7.16 No Default. None of the Credit Parties or any of their respective Subsidiaries is in default under or with respect to, or a party to, any Contractual Obligation (other than any such Contractual Obligation in respect of Indebtedness) that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of the Credit Parties or any of their respective Subsidiaries is in default under or with respect to any Contractual Obligation in respect of Indebtedness that could, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. No Default or Event of Default has occurred and is continued or would result from the consummation of the transactions contemplated by this Agreement or any other Credit Document.

SECTION 7.17 Solvency. Immediately prior to, and immediately after giving effect to, each Credit Extension, the Transactions, the Fourth Amendment Transaction and the other transactions contemplated hereby (including, without limitation, (x) the making of the initial Credit Extension on the Closing Date and the application of the proceeds thereof and the Debt Push Down and (y) the making of the Credit Extension on the Fourth Amendment Effective Date and the application of the proceeds thereof), (a) the Borrower individually is Solvent, and (b) the Credit Parties and their Subsidiaries, on a consolidated basis, are Solvent. No transfer of property is being made and no obligation is being incurred in connection with such transactions with actual intent to hinder, delay or defraud any present or future creditors of any Credit Party.

SECTION 7.18 Security Documents. (a) The Security Agreement and each other Security Document delivered by any Credit Party pursuant to this Agreement or the Security Agreement is (or, to the extent executed after the Closing Date, shall, upon execution and delivery thereof, be) effective to create in favor of the Agent, for the benefit of the Secured Parties, a legal, valid and enforceable first priority (subject only to Permitted Liens to the extent any such Permitted Liens would have priority over the Liens in favor of the Agent pursuant to Applicable Laws) security interest in the Collateral described therein and proceeds thereof, and (i) when all appropriate filings or recordings are made in the appropriate offices as may be required under Applicable Law and (ii) upon the taking of possession or control by the Agent of any such Collateral with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to the Agent to the extent required by any Security Document), the Liens created by each such Security Document will constitute perfected Liens on all right, title and interest of such Credit Party in such Collateral, in each case, free and clear of all Liens (other than Permitted Liens or, in the case of any Pledged Capital Stock, the Liens created under the Credit Documents).

(b) Each Mortgage is effective to create in favor of the Agent, for the benefit of the Secured Parties, a legal, valid and enforceable first priority (subject only to Permitted Liens to the extent any such Permitted Liens would have priority over the Liens in favor of the Agent pursuant to Applicable Laws) Lien on, and security interest in, all of the Credit Parties' right, title and interest in and to the Real Property encumbered by a Mortgage thereunder and the proceeds thereof, and when the Mortgages are filed in the applicable recorder's office (or, in the case of any Mortgage executed and delivered after the date thereof in accordance with the provisions of Section 8.11(d), when such Mortgage is filed in the offices specified in the local counsel opinion delivered with respect thereto in accordance with the provisions of Section 8.11(d)), the Mortgages shall constitute fully perfected Liens on, and first priority (subject only to Permitted Liens to the extent any such Permitted Liens would have priority over the Liens in favor of the Agent pursuant to Applicable Laws) security interests in, all right, title and interest of the Credit Parties in the Real Property encumbered by such Mortgage and the proceeds thereof, as security for the Obligations.

(c) The PC Documents delivered by any PC Entity to any Credit Party pursuant to this Agreement are (or, to the extent executed after the Closing Date, shall, upon execution and delivery thereof, be) effective to create in favor of applicable Credit Party, a legal, valid and enforceable first priority security interest in the Collateral (as defined therein (or any similarly defined term as defined therein)) (including cash and deposit accounts) and proceeds thereof of such PC Entity, and (i) when all appropriate filings or recordings are made in the appropriate offices as may be required under Applicable Law and (ii) upon the taking of possession or control by the applicable Credit Party of any such Collateral (or such similarly defined term) with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to the applicable Credit Party to the extent required by any PC Document), the Liens created by each such PC Document will constitute perfected Liens on all right, title and interest of such Credit Party in such Collateral (or such similarly defined term), in each case, free and clear of all Liens (other than the Liens created under the PC Documents).

SECTION 7.19 Compliance with Laws; Authorizations. (a) Each Credit Party and each of its Subsidiaries (i) is in compliance in all respects with all Applicable Laws and (ii) has all requisite governmental licenses, authorizations, consents and approvals to operate its business as currently conducted except, in the case of clause (i) and clause (ii), as could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. No Credit Party and no Subsidiary is in violation of or default under, nor will the continued operation of its businesses and properties as currently conducted violate or result in a default under, any Applicable Laws, except as would not reasonably be expected to have a Material Adverse Effect. As of the Closing Date and as of the Fourth Amendment Effective Date, no Credit Party and no Subsidiary is the subject of an audit or any review or investigation by any Governmental Authority concerning the violation or possible violation in material respect of any Applicable Law.

(b) Health Care Laws.

(i) None of the Credit Parties, any Subsidiary or any of the PC Entities is in violation of any Health Care Laws, except where such violation would reasonably be expected to have a Material Adverse Effect.

(ii) Each Credit Party, each Subsidiary and each of the PC Entities has, to the extent required by applicable Health Care Laws, all licenses, consents, certificates, permits, authorizations, approvals, franchises, registrations, qualifications and other rights from, and has made all declarations and filings with, all applicable Governmental Authorities (each, an "***Authorization***") necessary to engage in the business conducted by it, except where the failure to have such Authorization or make such declaration or filing would not reasonably be expected to have a Material Adverse Effect. To the knowledge of the Credit Parties, no Governmental Authority has threatened in writing to limit, suspend or revoke any such Authorization, in each case, except for such Authorizations with respect to which the failure to obtain would not reasonably be expected to have a Material Adverse Effect. All such Authorizations are valid and in full force and effect and the Credit Parties, their Subsidiaries and the PC Entities are in compliance with the terms and conditions of all such Authorizations and with the laws and regulations of the Governmental Authority having jurisdiction with respect to such Authorizations, except where failure to be in such compliance or for an Authorization to be valid and in full force and effect would not reasonably be expected to have a Material Adverse Effect.

(iii) As of the Closing Date and as of the Fourth Amendment Effective Date, no Credit Party, nor any Subsidiary thereof or any PC Entity, as applicable, participates in or contracts with any Third Party Payor Program.

(iv) Each Credit Party, each of their Subsidiaries and each PC Entity has received and maintains accreditation in good standing and without limitation or impairment by all applicable accrediting organizations, to the extent required by applicable Health Care Laws.

(v) Each Credit Party, each Subsidiary, each PC Entity and any physician or other licensed medical personnel employed or engaged by any Credit Party or PC Entity (collectively, their "***Licensed Personnel***") who perform professional medical services for or on behalf of any of the Credit Parties, their Subsidiaries and the PC Entities currently are in compliance with all applicable Health Care Laws, except where the failure to comply would not reasonably be expected to have a Material Adverse Effect. The Licensed Personnel hold in full force and effect all licenses, permits and other Authorizations that are required for such Licensed Personnel to provide the services provided by such Licensed Personnel to the Credit Parties and the PC Entities, and, to the knowledge of the Borrower, no suspension, revocation or cancellation of any such license, permit or other Authorization is threatened in writing, except, in each case, as would not reasonably be expected to have a Material Adverse Effect.

(vi) None of the Credit Parties nor, any PC Entity or any of the Licensed Personnel has received any written notice from any Governmental Authority (the subject of which notice is unresolved), nor to the knowledge of the Borrower, is there currently any actual or threatened in writing investigation, inquiry, or administrative or judicial action, hearing, or enforcement proceeding by any Governmental Authority against any Credit Party, any PC Entity or any of their respective Licensed Personnel, regarding any violation of applicable Health Care Laws, except for such investigations, inquiries, or administrative or judicial actions, hearings, or enforcement proceedings that, individually and in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(vii) No Credit Party, Subsidiary or PC Entity is in default of, or has breached, any provision of any PC Document to which it is a party which would reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect.

(viii) Each Credit Party, Subsidiary and PC Entity is in compliance with HIPAA (to the extent applicable to such Person), except where a failure to so comply would not reasonably be expected to have a Material Adverse Effect.

SECTION 7.20 Contractual or Other Restrictions. Other than the Credit Documents or as otherwise expressly permitted by Section 9.10, no Credit Party or any of its Subsidiaries is a party to any agreement or arrangement or subject to any Applicable Law that limits its ability to pay dividends to, or make Investments in or other payments to any Credit Party, that limits its ability to grant Liens in favor of the Agent or that otherwise limits its ability to perform the terms of the Credit Documents.

SECTION 7.21 Transaction Documents. No default or event of default has occurred and is continuing under any Transaction Document or any Fourth Amendment Transaction Document. Each Transaction Document and Fourth Amendment Transaction Document is in full force and effect, enforceable against each of the parties thereto (except as may be limited by bankruptcy, insolvency, moratorium, fraudulent conveyance or other laws applicable to creditors' rights generally and by generally applicable equitable principles, whether considered in an action at law or in equity), no Transaction Document has been amended or modified except as disclosed to the Agent on or prior to the Closing Date or otherwise in accordance with Section 9.07 and no waiver or consent has been granted under any such document, except in accordance with Section 9.07. Except as permitted under Section 9.09, there are no agreements, contracts or other arrangements entered into by any Credit Party or Subsidiary of any Credit Party for the payment of fees, compensation or other similar amounts to any director, officer, employee or member of the management of any Credit Party.

SECTION 7.22 Insurance. Each Credit Party and its Subsidiaries and their respective properties are insured with financially sound and reputable insurance companies that are not Affiliates of any Credit Party in at least such amounts, with such deductibles and covering at least such risks as are customarily carried by Persons of comparable size and of established reputation engaged in the same or similar businesses and owning similar properties in the general locations where the Credit Parties, and their Subsidiaries, as applicable, operate, in each case as described, as of the Fourth Amendment Effective Date, on Schedule 7.22. All premiums with respect thereto that are due and payable have been duly paid and no Credit Party or any of its Subsidiaries has received or is aware of any notice of violation or cancellation thereof and each Credit Party and each of its Subsidiaries has complied in all material respects with the requirements of each such policy.

SECTION 7.23 Deposit Accounts and Securities Accounts. Set forth in Schedule 7.23 (as the same may be updated from time to time pursuant to Section 8.12) is a list of all of the deposit accounts and securities accounts of each Credit Party and of each PC Entity, including, with respect to each bank or securities intermediary at which such accounts are maintained by such Credit Party or PC Entity, as applicable, (a) the name and location of such bank or securities intermediary, (b) the account numbers of the deposit accounts or securities accounts maintained with such bank or securities intermediary and (c) a general description of the purpose of such account.

SECTION 7.24 Passive Holding Company. Holdings does not own any property, have any liabilities or obligations or engage in any business activities, in each case, except as expressly permitted under Section 9.15.

SECTION 7.25 Foreign Assets Control Regulations and Anti-Money Laundering. (a) Each Credit Party certifies that neither any Credit Party nor any of their Subsidiaries has been designated, and is not owned or controlled, by a “suspected terrorist” as defined in Executive Order 13224. Each Credit Party hereby acknowledges that Agent and Lenders seek to comply with all Applicable Laws concerning money laundering and related activities. In furtherance of those efforts, each Credit Party hereby represents, warrants and agrees that: (i) none of the cash or property that any Credit Party or any of their Subsidiaries will pay or will contribute to Agent for the benefit of the Lenders has been or shall be derived from, or related to, any activity by any Credit Party or any of its Subsidiaries that is criminal under United States law; and (ii) no contribution or payment by any Credit Party or any of their Subsidiaries to Agent for the benefit of the Lenders, to the extent that they are within any Credit Party’s and/or their Subsidiaries’ control shall cause Agent or the Lenders to be in violation of the United States Bank Secrecy Act, the United States International Money Laundering Control Act of 1986 or the United States International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001. Borrower shall promptly notify Agent (and Agent shall promptly notify Lenders upon Borrower’s notification) if any of these representations ceases to be true and accurate regarding either any Credit Party or any of their Subsidiaries. Borrower agrees to provide Agent any additional information regarding either any Credit Party or any of their Subsidiaries that Agent deems necessary to ensure compliance with all Applicable Laws concerning money laundering and similar activities. Each Credit Party understands and agrees that if at any time it is discovered that any of the foregoing representations are incorrect, or if otherwise required by Applicable Laws or regulation related to money laundering similar activities, Agent and/or the Lenders, may undertake appropriate actions to ensure compliance with Applicable Laws or regulation. Each Credit Party further understands that Agent and/or any Lender may release confidential information about either any Credit Party and its Subsidiaries and, if applicable, any underlying beneficial owners, to proper authorities if Agent and/or the Lenders, in their sole discretion, determines that it is necessary in light of relevant rules and regulations under the laws set forth in Section 7.25(a)(ii) above.

(b) Neither any Credit Party nor any of their Affiliates (i) has violated any Anti-Terrorism Laws, (ii) has engaged in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds from any category of prohibited offenses designated by the Organization for Economic Co-operation and Development's Financial Action Task Force on Money Laundering, (iii) is a Blocked Person, (iv) conducts any business or engages in making or receiving any contribution of goods, services or money to or for the benefit of any Blocked Person, (v) deals in, or otherwise engages in any transaction related to, any property or interests in property blocked pursuant to any Anti-Terrorism Law, (vi) 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, or (vii) will use any proceeds of the Term Loans, or lend, contribute or otherwise make available such proceeds to any Person to fund any activities or business with any Blocked Person, or take any other action, that would result in a violation of any Anti-Terrorism Law by any Person (including any Person participating in the Term Loans, whether as underwriter, advisor, investor or otherwise). As used herein, (A) "***Anti-Terrorism Law***" shall mean any law related to money laundering or financing terrorism including the Patriot Act, The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act", 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959), the International Emergency Economic Powers Act (Title II of Pub. L. 95–223), the Trading With the Enemy Act (50 U.S.C. § 1 et seq., as amended) and Executive Order 13224 (effective September 24, 2001), and (B) "***Blocked Person***" shall mean any Person that (a) is publicly identified on the most current list of "Specially Designated Nationals and Blocked Persons" published by the Office of Foreign Assets Control of the US Department of the Treasury ("***OFAC***") or resides, is organized or chartered, or has a place of business in a country or territory subject to OFAC sanctions or embargo programs or (b) is publicly identified as prohibited from doing business with the United States under the International Emergency Economic Powers Act, the Trading With the Enemy Act, or any other requirement of Applicable Laws.

SECTION 7.26 Patriot Act. The Credit Parties, each of their Subsidiaries and each of their Affiliates are in compliance with (a) the Trading with the Enemy Act, and each of the foreign assets control regulations of the United States Treasury Department and any other enabling legislation or executive order relating thereto, (b) the Patriot Act and (c) other federal or state laws relating to "know your customer" and anti-money laundering rules and regulations. No part of the proceeds of any Loan will be used directly or indirectly for any payments to any government 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.

SECTION 7.27 Status as Senior Debt; Subordinated Debt. The Obligations constitute "Senior Debt" or any similar designation under and as defined in any agreement governing Subordinated Indebtedness, and the subordination provisions set forth in each such agreement are legally valid and enforceable against the parties thereto.

SECTION 7.28 Closing Date Acquisition Documents. The Credit Parties have delivered to Agent a complete and correct copy of the Closing Date Acquisition Agreement and the other material Closing Date Acquisition Documents (including all schedules, exhibits, amendments, supplements, modifications, assignments and all other documents delivered pursuant thereto or in connection therewith). As of the Closing Date, neither any Credit Party, nor, to the knowledge of any Credit Party, any other Person party thereto is in default in the performance or compliance with any provisions thereof. The Closing Date Acquisition Agreement complies with, and the Closing Date Acquisition has been consummated in accordance with, all Applicable Laws in all material respects. The Closing Date Acquisition Agreement is in full force and effect as of the Closing Date, and has not been terminated, rescinded or withdrawn. All approvals by Governmental Authorities having jurisdiction over the Seller thereunder, the Credit Parties and other Persons referenced therein necessary to the consummation of the transactions contemplated by the Closing Date Acquisition Agreement, have been obtained, and no such approvals impose any conditions to the consummation of the transactions contemplated by the Closing Date Acquisition Agreement or to the material conduct by the Credit Parties of their business thereafter.

ARTICLE VIII

AFFIRMATIVE COVENANTS

The Credit Parties hereby covenant and agree that on the Closing Date and thereafter, until the Total Commitments and all Letters of Credit have terminated (unless such Letters of Credit have been Cash Collateralized on terms and conditions satisfactory to the applicable Letter of Credit Issuer following the termination of the Total Commitments) and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder (other than Unasserted Contingent Obligations) are paid in full in accordance with the terms of this Agreement:

SECTION 8.01 Financial Information, Reports, Notices and Information. The Credit Parties will furnish Agent and each Lender copies of the following financial statements, reports, notices and information:

~~(a) Monthly Financial Statements. As soon as available and in any event within (i) forty-five (45) days after the end of the first six (6) fiscal months following the Closing Date of Holdings and its Subsidiaries (commencing with the fiscal month ending on October 31, 2018) and (ii) thirty (30) days after the end of each fiscal month of Holdings and its Subsidiaries thereafter (x) unaudited consolidated balance sheets of Holdings and its Subsidiaries as of end of such fiscal month, and (y) unaudited consolidated statements of income and cash flows, in each case, including, to the extent prepared after the Closing Date, in comparative from (both in Dollar and percentage terms) the figures for the corresponding fiscal month and corresponding portion of the fiscal year of the preceding fiscal year of Holdings and its Subsidiaries and the figures for such fiscal month and such portion of the fiscal year set forth in the Budget most recently delivered pursuant to Section 8.01(e) that includes such fiscal month, which financial statements and calculations shall be certified by an appropriate Authorized Officer of the Borrower.~~

(a) [Reserved].

(b) Quarterly Financial Statements. As soon as available and in any event within (i) sixty (60) days after the end of the fiscal quarter of Holdings and its Subsidiaries ending on December 31, 2018 and (ii) forty-five (45) days after the end of each fiscal quarter of Holdings and its Subsidiaries thereafter, (x) (A) unaudited consolidated balance sheets of Holdings and its Subsidiaries as of the end of such fiscal quarter, and (B) unaudited consolidated statements of income and cash flows, including, in each case, including, to the extent prepared after the Closing Date, in comparative form (both in Dollar and percentage terms) the figures for the corresponding fiscal quarter and corresponding portion of the fiscal year of the preceding fiscal year of Holdings and its Subsidiaries and the figures for such fiscal quarter and such portion of the fiscal year set forth in the Budget most recently delivered pursuant to Section 8.01(e) that includes such fiscal quarter, (y) a calculation of Consolidated EBITDA for the portion of such fiscal year then-elapsed as of the end of such fiscal quarter, including in comparative form (both in Dollar and percentage terms) the calculation of Consolidated EBITDA for the corresponding portion of the fiscal year of the preceding fiscal year of Holdings and the calculation of Consolidated EBITDA for such portion of the fiscal year as set forth in the Budget most recently delivered pursuant to Section 8.01(e) that includes such fiscal quarter, and (z) a management discussion and analysis (with reasonable detail and specificity, including key performance metrics and a report as to any plans to open any de novo treatment facility) of the financial condition and results of operations for the fiscal periods reported, including as compared to the corresponding periods of the preceding fiscal year and the applicable Budget including a narrative report of any key performance metrics monitored by management of the Credit Parties, which financial statements and calculations under clause (x) and clause (y) shall be certified by an appropriate Authorized Officer of the Borrower~~.~~; provided that, on and after the date of consummating a Qualified IPO, the requirements set forth in this clause (b) (without, for the avoidance of doubt, limiting the requirements in the fourth quarterly period of each fiscal year or in clause (d) below) may be fulfilled by providing to the Administrative Agent for distribution to each Lender the report filed by Parent with the SEC on Form 10-Q for the applicable quarterly period; provided that, to the extent the financial statements in such Form 10-Q relate to Parent, such financial statements shall be accompanied by consolidating information that summarizes in reasonable detail the differences between the information relating to Parent and its Subsidiaries, on the one hand, and the information relating to Holdings and its Subsidiaries on a consolidated standalone basis, on the other hand, which consolidating information shall be certified by an appropriate Authorized Officer of the Borrower as complying with the applicable certifications set forth in Section 7.08 and Section 7.09;

(c) Annual Financial Statements. As soon as available and in any event within (x) one hundred fifty (150) days after the end of the fiscal year ending December 31, 2018 (solely for the stub period commencing on October 1, 2018 and ending on December 31, 2018), (y) except as set forth in the following clause (z), one hundred twenty (120) days after the end of each fiscal year of Holdings and its Subsidiaries thereafter and (z) on or prior to the Fourth Amendment Effective Date with respect to the fiscal year ending December 31, 2020, (i) the consolidated balance sheet of Holdings and its Subsidiaries and the related consolidated statements of income and cash flows, including, to the extent prepared after the Closing Date, in comparative form (both in Dollar and percentage terms) the figures for the immediately preceding fiscal year and the figures for such fiscal year set forth in the Budget most recently delivered pursuant to Section 8.01(e) that includes such fiscal year, which consolidated financial statements shall be audited and accompanied by a report and unqualified opinion of Prager Metis or another independent firm of certified public accountants of nationally recognized standing reasonably acceptable to the Agent (which report and opinion shall (~~x~~I) state that such financial statements present fairly in all material respects the financial position of Holdings and its Subsidiaries as of the dates and for the periods covered thereby in conformity with GAAP in the manner in which all such financial statements are prepared following the Closing Date (~~y~~II) not be subject to any "going concern" or like qualifications or exceptions or any qualifications or exception as to the scope of the audit), together with a management discussion and analysis (with reasonable detail and specificity, including key performance metrics and a report as to any plans to open any de novo treatment facility) of the financial condition and results of operations for the fiscal periods reported, and (ii) a calculation of Consolidated EBITDA for such fiscal year, including in comparative form (both in Dollar and percentage terms) the calculation of Consolidated EBITDA for such fiscal year set forth in the Budget most recently delivered pursuant to Section 8.01(e) that includes such fiscal year, which calculation under this clause (ii) shall be certified by an appropriate Authorized Officer of the Borrower~~.~~; provided that, on and after the date of consummating a Qualified IPO, the requirements set forth in this clause (c) (without, for the avoidance of doubt, limiting the requirements in clause (II) above or in clause (d) below) may be fulfilled by providing to the Administrative Agent for distribution to each Lender the report filed by Parent with the SEC on Form 10-K for the applicable fiscal year; provided further that, to the extent the financial statements in such Form 10-K relate to Parent, such financial statements shall be accompanied by consolidating information that summarizes in reasonable detail the differences between the information relating to Parent and its Subsidiaries, on the one hand, and the information relating to Holdings and its Subsidiaries on a consolidated standalone basis, on the other hand, which consolidating information shall be certified by an appropriate Authorized Officer of the Borrower as complying with the applicable certifications set forth in Section 7.08 and Section 7.09;

(d) Compliance Certificates. Concurrently with the delivery of financial statements pursuant to Sections 8.01(b) and 8.01(c), a Compliance Certificate, executed by an appropriate Authorized Officer of the Borrower, among other things, (i) setting forth in reasonable detail calculations demonstrating compliance with the Financial Covenants, (ii) certifying that no Default or Event of Default has occurred and is continuing (or, if a Default or an Event of Default has occurred and is continuing, specifying the details of such Default or Event of Default and the actions taken or to be taken with respect thereto), (iii) providing the applicable certifications set forth in Section 7.08 and Section 7.09 with respect to the financial statements provided with such Compliance Certificate, (iv) specifying any updates in the identity of the Subsidiaries as of the end of such period, as the case may be, since the Closing Date or, if later, the end of the most recent period with respect to which updated information has been provided pursuant to this clause (iv), (v) in the case of any Compliance Certificate delivered with respect to any fiscal year, setting forth in reasonable detail a calculation of Consolidated Excess Cash Flow for such fiscal year, (vi) including a written supplement substantially in the form of Schedules 1-7, as applicable, to the Security Agreement with respect to any additional assets and property acquired by any Credit Party after the Closing Date, all in reasonable detail and (vii) certifying that all documents and information required to be delivered under Section 8.17(c) and Section 9.18 have been delivered (or, to the extent not previously delivered, certifying as to such required information).

(e) Budget. As soon as available and in any event within (i) seventy five (75) days after the commencement of the first fiscal year following the Closing Date and (ii) forty five (45) days after the commencement of each fiscal year thereafter of Holdings and its Subsidiaries, the forecasted financial projections for such fiscal year, including projections for Consolidated Capital Expenditures, a projected consolidated balance sheet of Holdings and its Subsidiaries as of the end of such fiscal year, the related consolidated statements of projected cash flow, projected changes in financial position and projected income and a description of the underlying assumptions applicable thereto, in each case, as customarily prepared by management of the Credit Parties for their internal use consistent in scope with the financial statements provided pursuant to Section 8.01(c), setting forth and including a reasonably detailed discussion of the principal assumptions on which such projections are based and providing the applicable certifications set forth in Section 7.08 and Section 7.09 with respect to such projections (such projections and the projections delivered as of the Closing Date pursuant to Section 6.01(h)(ii), collectively, the "***Budget***").

(f) Defaults. As soon as possible and in any event within five (5) Business Days after an Authorized Officer of any Credit Party or any of their respective Subsidiaries obtains knowledge thereof, notice from an Authorized Officer of the Borrower of (i) the occurrence of any event that constitutes a Default or an Event of Default or (ii) the occurrence of a breach or non-performance of, or any default or event of default under, any Contractual Obligation of any Credit Party or any Subsidiary of a Credit Party, or any violation of, or non-compliance with any Applicable Laws, in each case, which would reasonably be expected to have a Material Adverse Effect, which notice shall specify the nature thereof and what action the applicable Credit Parties propose to take with respect thereto.

(g) Litigation and Other Notices. As soon as possible and in any event within five (5) Business Days after an Authorized Officer of any Credit Party or any of their respective Subsidiaries obtains knowledge thereof, notice from an Authorized Officer of the Borrower of:

(i) the filing or commencement (or threat in writing of the filing or commencement) of, or any material development in, any litigation, investigation, action or proceeding at law or in equity by or before any Governmental Authority or any other Person that affects any Credit Party, any Subsidiary of any Credit Party, any PC Entity or any of their respective businesses, properties or assets which (A) pertains to, or arises in connection with, any of the Credit Documents, any of the Transactions or any of the Fourth Amendment Transactions, (B) could reasonably be expected to result in a Material Adverse Effect or result in monetary liability in excess of $500,000 or (C) challenges, contests or otherwise calls into question (1) the validity, legality or enforceability of this Agreement, the other Credit Documents or any of the other Credit Documents, (2) the consummation of the Transactions or the Fourth Amendment Transactions by any Credit Party or any of their respective Subsidiaries or Affiliates or (3) the performance by any Credit Party of its obligations under any of the Credit Documents;

(ii) the occurrence of any material adverse development with respect to any litigation, investigation, action or proceeding described on Schedule 7.04(a), in each case, which notice shall specify the nature thereof and what action the applicable Credit Parties or Subsidiaries propose to take with respect thereto;

(iii) any Credit Party, any Subsidiary, any PC Entity or, to the knowledge of the Credit Parties, any of their respective Licensed Personnel is currently, or hereafter becomes, subject to any federal, state, local governmental civil or criminal investigations, inquiries or audits involving and/or related to its compliance with Health Care Laws which, if adversely determined, would reasonably be expected to have a Material Adverse Effect;

(iv) any written charges of licensing violations under applicable Health Care Laws involving any Credit Party, any Subsidiary or any PC Entity which, if not timely corrected, would reasonably be expected to have a Material Adverse Effect;

(v) any fines or penalties imposed by any Governmental Authority under any Health Care Law against any Credit Party, any Subsidiary, any PC Entity or, to the knowledge of any Credit Party, any Licensed Personnel, which would reasonably be expected to have a Material Adverse Effect;

(vi) any written allegations by any Governmental Authority (or any agent thereof) of fraudulent activities in violation of applicable Health Care Laws of any Credit Party, any Subsidiary, any PC Entity or, to the knowledge of any Credit Party, any Licensed Personnel, which if adversely determined, would reasonably be expected to have a Material Adverse Effect;

(vii) any enforcement action taken by or on behalf of any Credit Party or any Subsidiary under any Continuity Agreement, specifying the nature and extent thereof; and

(viii) (A) the revenue of the Credit Parties in any fiscal year in any jurisdiction outside of the United States is greater than $250,000 or (B) the value, collectively, of all trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights, in each case, in any jurisdiction outside of the United States is greater than $250,000.

(h) Management Letters. Promptly upon, and in any event within five (5) Business Days after, receipt thereof, copies of all "management letters" submitted to any Credit Party by the independent public accountants referred to in Section 8.01(c) in connection with any interim, annual or special audit made by such accountants.

(i) Bankruptcy, etc. Immediately upon the occurrence thereof, notice of the bankruptcy, insolvency, reorganization of any Credit Party or Subsidiary (whether involuntary or voluntary), or the appointment of any trustee in connection with or anticipation of any such occurrence, or the taking of any step by any Person in furtherance of any such action or occurrence.

(j) Corporate Information. Promptly upon, and in any event within five (5) Business Days after, the creation (or division) of any additional corporate or limited liability company information of the type contained in the secretary's certificate delivered pursuant to Section 6.01(e), or of any change to such information delivered on or prior to the Closing Date or pursuant to this Section 8.01 or otherwise under the Credit Documents, a certificate, certified to the extent of any change from a prior certification, from the secretary, assistant secretary, managing member or general partner of such Credit Party notifying the Agent of such information or change and attaching thereto any relevant documentation in connection therewith.

(k) Insurance Report. Concurrently with the delivery of financial statements pursuant to Section 8.01(c), a report of a reputable insurance broker with respect to the insurance policies maintained by the Credit Parties and such supplemental reports as the Agent on its own behalf or on behalf of any Lender may reasonably request in writing from time to time.

(l) Material Events. As soon as possible and in any event within five (5) Business Days after the occurrence thereof, notice from an Authorized Officer of the Borrower of (i) any event, fact, circumstance or development that has resulted in, or could reasonably be expected to result in, a Material Adverse Effect, and (ii) any material change in accounting policies or financial reporting practices by any Credit Party or any Subsidiary, and (iii) the creation or establishment of any new Subsidiary (provided that the Credit Parties shall give prior notice of a Permitted Acquisition in accordance with the definition thereof).

(m) Qualified IPO. As soon as possible and in any event within two (2) Business Days after the occurrence thereof, notice from an Authorized Officer of the Borrower of the date in which a Qualified IPO is consummated.

(n) ~~(m)~~ KYC. Promptly upon reasonable written request of the Agent or any Lender, such information and documentation for purposes of compliance with applicable "know your customer" requirements under the Patriot Act or other applicable Anti-Terrorism Laws.

(o) ~~(n)~~ Other Information. Promptly, from time to time, such other information regarding the operations, assets, properties, business affairs and condition (financial or otherwise) of any Credit Party and any Subsidiary as the Agent or the Required Lenders may reasonably request.

SECTION 8.02 Books, Records and Inspections. Each Credit Party shall, and shall cause each of its Subsidiaries to, maintain proper books of record and account, in which true and correct entries, in conformity with GAAP applied on a basis consistent with the manner in which all such books of record are prepared following the Closing Date, shall be made of all financial transactions and matters involving the assets and businesses of the Credit Parties and their Subsidiaries. Each Credit Party shall, and shall cause each of its Subsidiaries to, permit representatives and independent contractors of the Agent or any Lender to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers and employees and with the Credit Parties' independent public accountants, all at the expense of the Credit Parties and (unless an Event of Default then exists) at reasonable times during normal business hours and upon reasonable advance notice to the Credit Parties; provided the Agent and the Lenders shall not exercise such rights more often than two (2) times during any calendar year if no Event of Default has occurred and is continuing. Any information obtained by the Agent or any Lender pursuant to this Section 8.02 may be shared with any other Agent or any other Lender, as the case may be. The applicable Agent or Lender performing such inspection shall give the Credit Parties a reasonable opportunity to participate in any discussions with the Credit Parties' independent public accountants.

SECTION 8.03 Maintenance of Insurance. (a) Each Credit Party shall, and shall cause each of its Subsidiaries to, maintain in full force and effect at all times, with financially sound and reputable insurance companies that are not Affiliates of any Credit Party, insurance policies in at least such amounts, with such deductibles and covering at least such risks as are customarily carried by Persons of comparable size and of established reputation engaged in the same or similar businesses and owning similar properties in the general locations where the Credit Parties operate, including (i) physical hazard insurance on an "all risk" basis, (ii) commercial general liability against claims for bodily injury, death or property damage covering any and all insurable claims, (iii) business interruption insurance (iv) worker's compensation insurance, (v) medical malpractice insurance and (vi) such other insurance as may be required by any Applicable Law. Within 5 Business Days after receipt of any "key man" insurance policy on the life of Aaron Rollins, M.D., or any other owner of a PC Entity or any other key person obtained from time to time by or for the benefit of the Credit Parties, the Credit Parties shall notify the Agent of the extension of such insurance policy and the amount and other key terms thereto and shall take such additional steps reasonably requested or required by the Agent to maintain such insurance policy and to make such insurance policy an Assigned Life Insurance Policy within thirty (30) days (or such longer period as agreed to by Agent in its sole discretion) of receipt of such insurance policy.

(b) All such insurance (including with respect to any Assigned Life Insurance Policies) shall (i) provide that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days after receipt by the Agent of written notice thereof (or ten (10) days in the case of cancellation for nonpayment), (ii) name the Agent as additional insured with respect to all liability policies of the Credit Parties and their Subsidiaries, and (iii) name the Agent as lender loss payee with respect to all casualty or property policies of the Credit Parties, in each case, to be evidenced by one or more customary insurance certificates, together with related endorsements thereto, delivered to the Agent on or prior to the Closing Date and reasonably promptly following the effectiveness of any new insurance policy bound by the Credit Parties after the Closing Date.

(c) With respect to each Mortgaged Property that is located in a Special Flood Hazard Zone, the Credit Parties shall obtain and maintain Federal Flood Insurance in such total amount as the Agent may from time to time reasonably require and otherwise comply with the National Flood Insurance Program.

(d) If the Credit Parties fail to provide the Agent with the insurance coverage required by this Agreement (and evidence thereto), the applicable Agent may purchase insurance at the Credit Parties' expense to protect the interests of the Agent and the Lenders in the Credit Parties' businesses and properties, including any Mortgaged Property. This insurance may, but need not, protect the Credit Parties' interests. The coverage that Agent purchases may not pay any claim that any Credit Party makes or any claim that is made against such Credit Party in connection with said property. The applicable Credit Party may later cancel any insurance purchased by Agent, but only after providing Agent with evidence that such Credit Party has obtained insurance as required by this Agreement. If Agent purchases insurance, the Credit Parties shall be responsible for the costs of such insurance, including interest and any other charges that Agent may impose in connection with the placement of insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may exceed the cost of insurance that the Credit Parties may be able to obtain and, in any case, shall be added to the Obligations.

SECTION 8.04 Payment of Taxes. (a) The Credit Parties will pay and discharge, and will cause each of their respective Subsidiaries to pay and discharge, all Taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material Tax claims that, if unpaid, could reasonably be expected to become a Lien (other than Permitted Liens) upon any properties of the Credit Parties or any of their respective Subsidiaries; provided, that none of the Credit Parties or any of their respective Subsidiaries shall be required to pay any such Tax, assessment, charge, levy or claim that is being diligently contested in good faith and by proper proceedings which stay the enforcement of any Lien and as to which such Credit Party has maintained adequate reserves with respect thereto in accordance with GAAP.

(b) Each Credit Party shall, and shall cause each of its respective Subsidiaries to, timely and correctly file all Tax returns required to be filed by it (and shall cause all of its Tax Affiliates and contractually require the PC Entities to do the same). The Borrower does not intend to treat the Loans as being a "reportable transaction" within the meaning of Treasury Regulations Section 1.6011-4. In the event that the Borrower determines to take any action inconsistent with such intention, it shall promptly notify the Agent thereof.

SECTION 8.05 Maintenance of Existence; Compliance with Laws, etc. (a) Each Credit Party will, and will cause its Subsidiaries to, (a) preserve and maintain in full force and effect its organizational existence and good standing under the laws of its jurisdiction of incorporation, organization or formation as applicable, except as permitted by Section 9.03, (b) preserve and maintain its good standing under the laws of each state or other jurisdiction where such Person is qualified, or is required to be so qualified, to do business as a foreign entity, (c) take all necessary actions to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its respective businesses, and (d) comply with all Applicable Laws, rules, regulations and orders, except, with respect to clauses (b), (c) and (d) above, where the failure to so preserve, maintain or comply, as applicable, could not reasonably be expected to have a Material Adverse Effect.

(b) Each Credit Party shall, and shall cause each of its respective Subsidiaries to, pay and discharge when due all non-Tax obligations and other liabilities promptly and in accordance the terms thereof before the same shall become delinquent or in default, except as could not reasonably be expected to result in a Material Adverse Effect.

SECTION 8.06 Environmental Compliance.

(a) Each Credit Party will, and will cause its Subsidiaries to, use and operate all of its and their facilities and Real Property in compliance with all Environmental Laws, keep all necessary permits, approvals, certificates, licenses and other authorizations relating to environmental matters in effect and remain in compliance therewith, and handle all Hazardous Materials in compliance with all Environmental Laws, and keep its and their Real Property free of any Lien imposed by any Environmental Law.

(b) The Borrower will promptly give notice to the Agent upon any Credit Party or Subsidiary thereof becoming aware (i) of any violation by any Credit Party or any of its Subsidiaries of any Environmental Law, (ii) of any inquiry with respect to, proceeding against, investigation of or other action with respect to any alleged, potential or actual violation or liability of any Credit Party or Subsidiary under any Environmental Law, including without limitation a written request for information or a written notice of violation or potential environmental liability from any Governmental Authority or any other Person, (iii) of the occurrence or discovery of a Release or threat of a Release at, on, under or from any of the Real Property of any Credit Party or any facility or assets therein in excess of reportable or allowable standards or levels under any Environmental Law, or under circumstances, or in a manner or amount which could reasonably be expected to result in liability of any Credit Party or Subsidiary under any Environmental Law, or (iv) any Environmental Claim against any Credit Party or any of their Subsidiaries arising or existing on or after the Closing Date.

(c) In the event of the presence of any Hazardous Material on any Real Property of any Credit Party which is in violation of, or which could reasonably be expected to result in material liability under, any Environmental Law, each Credit Party and its respective Subsidiaries, upon discovery thereof, shall take all necessary steps to initiate and expeditiously complete all response, corrective and other action to mitigate and eliminate that portion of any such violation or potential liability to the extent the same arises due to a failure of a Credit Party or their respective Subsidiaries to satisfy the obligations of Section 8.06(a), and shall keep the Agent informed on a regular basis of their actions and the results of such actions.

(d) Each Credit Party shall provide the Agent with copies of any demand, request for information, notice, submittal, documentation or correspondence received or provided by any Credit Party or any of its Subsidiaries from or to any Governmental Authority or other Person with respect to any alleged, potential or actual violation of or liability under any Environmental Law. Such notice, submittal or documentation shall be provided to the Agent promptly and, in any event, within five (5) Business Days after such material is provided to any Governmental Authority or third party.

(e) At the reasonable written request of the Agent, the Borrower shall obtain and provide, at its sole expense, environmental site assessments (including, without limitation, the results of any groundwater or other testing, conducted at the Agent's reasonable request) concerning any Real Property now or hereafter owned, leased or operated by any Credit Party or any of its Subsidiaries, conducted by an environmental consulting firm approved by the Agent for the purpose of indicating, to the satisfaction of the Agent, the presence or absence of Hazardous Materials and the potential cost of any required response action required by Environmental Laws in connection with any Hazardous Materials on, at, under or emanating from such Real Property; provided, that such request may be made only if (i) there has occurred and is continuing an Event of Default, or (ii) circumstances exist that in the reasonable judgment of the Agent could reasonably be expected to result in a material violation or liability under any Environmental Law; provided further, if the Borrower fails to provide the same within sixty (60) days after such request was made, the Agent may but is under no obligation to conduct the same, and the Credit Parties shall promptly use best efforts to grant to the Agent and its agents access to such Real Property and specifically grants Agent an irrevocable non-exclusive license, subject to the rights of tenants, to undertake such an assessment, all at the Borrower's sole cost and expense.

SECTION 8.07 ERISA. (a) Promptly after any Credit Party or any Subsidiary of any Credit Party knows or has reason to know of the occurrence of any of the following events (including such events previously disclosed or exempt from disclosure hereunder, to the extent the liability therefor remains outstanding), the Borrower will deliver to the Agent and each Lender a certificate of an Authorized Officer of the Borrower setting forth details as to such occurrence and the action, if any, that such Credit Party, such Subsidiary or any ERISA Affiliate is required or proposes to take, together with any notices (required, proposed or otherwise) given to or filed with or by such Credit Party, such Subsidiary, such ERISA Affiliate, the PBGC, a Plan participant (other than notices relating to an individual participant's benefits) or the Plan administrator and all documentation with respect thereto: that a Reportable Event has occurred with respect to any Pension Plan; that a failure to satisfy the minimum funding standard of Section 412 or 430 of the Code or Section 302 of ERISA (whether or not waived in accordance with Section 412(c) of the Code or Section 302(c) of ERISA) has occurred (or is reasonably likely to occur) or an application is to be made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including any required installment payments) or an extension of any amortization period under Section 412, 430 or 431 of the Code with respect to a Plan; the failure to make a required contribution to any Plan; that a Pension Plan has been or is to be terminated under Title IV of ERISA (including the giving of written notice thereof); the taking of any action with respect to a Plan which would be reasonably expected to result in the requirement that any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate furnish a bond or other security to the PBGC or such Plan; that a proceeding has been instituted against a Credit Party, a Subsidiary thereof or an ERISA Affiliate pursuant to Section 515 of ERISA to collect a delinquent contribution to a Multiemployer Plan; that the PBGC has notified any Credit Party, any Subsidiary thereof or any ERISA Affiliate of its intention to appoint a trustee to administer any Plan; the "complete withdrawal" or "partial withdrawal" (as such terms are defined in Sections 4203 and 4205 of ERISA, respectively) by any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate from a Multiemployer Plan; that any Multiemployer Plan is in "critical" or "endangered" status (as such terms are defined in Section 305 of ERISA and Section 432 of the Code) or is or is expected to be "insolvent" (as such term is defined in Section 4245 of ERISA); that any Credit Party, any Subsidiary of any Credit Party or any ERISA Affiliate has adopted, or commenced contributions to, any Plan subject to Section 412 of the Code; that an amendment has been adopted to any Plan that results in a material increase in contribution obligations of any Credit Party, any Subsidiary of any Credit Party or any ERISA Affiliate; and/or that any of the representations in Section 7.11 have become untrue and would reasonably be expected to result in liability, individually or in the aggregate, in excess of $1,000,000 to the Credit Parties or their Subsidiaries

(b) Promptly and in any event within thirty (30) days after any Credit Party, any Subsidiary of a Credit Party or any ERISA Affiliate files a Schedule SB (or such other schedule as contains actuarial information) to IRS Form 5500 in respect of a Plan with Unfunded Current Liability, the applicable Credit Party, the applicable Subsidiary or the applicable ERISA Affiliate shall provide a copy of such IRS Form 5500 (including the Schedule SB).

(c) Promptly and in any event within thirty (30) days following any request therefor, copies of any documents or notices described in Sections 101(f), 101(k) or 101(l) of ERISA that any Credit Party, any of its Subsidiaries or any ERISA Affiliate may request with respect to any Plan; provided, that if any Credit Party, any of its Subsidiaries or any ERISA Affiliate has not requested such documents or notices from the administrator or sponsor of the applicable Plan, the applicable Credit Party, the applicable Subsidiary(ies) or the ERISA Affiliate(s) shall promptly make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after receipt thereof.

SECTION 8.08 Maintenance of Properties. Each Credit Party will, and will cause its Subsidiaries to, maintain, preserve, protect and keep its properties and assets in good repair, working order and condition (ordinary wear and tear excepted and subject to dispositions permitted pursuant to Section 9.04), and make necessary repairs, renewals and replacements thereof and will maintain and renew as necessary all licenses, permits and other clearances necessary to use and occupy such properties and assets, in each case so that the business carried on by such Person may be properly conducted at all times.

SECTION 8.09 End of Fiscal Years; Fiscal Quarters. Each Credit Party shall, and shall cause each of its Subsidiaries to, maintain a fiscal year ending December 31 and maintain fiscal quarters ending March 31, June 30, September 30 and December 31.

SECTION 8.10 Use of Proceeds. The proceeds of (a) the Initial Term Loan shall be used on the Closing Date solely (i) to fund a portion of the consideration payable in order to consummate the Closing Date Acquisition and to repay Indebtedness in respect of the Existing Target Debt Agreements, and (ii) to pay a portion of the related fees and expenses incurred in connection with the foregoing and the entry into this Agreement and the other Transaction Documents, (b) the Fourth Amendment Term Loan shall be used on the Fourth Amendment Effective Date solely (i) make Restricted Payments permitted under Section 9.06(m) and (ii) to pay a portion of the related fees and expenses incurred in connection with the foregoing and the entry into the Fourth Amendment and the other Fourth Amendment Transaction Documents, (c) any Revolving Loans drawn under the Revolving Credit Facility shall be used for working capital requirements and general corporate purposes of the Borrower and its Subsidiaries to the extent not prohibited by this Agreement, including for Permitted Acquisitions, capital expenditures and other Investments permitted hereunder, and (c) the Letters of Credit shall be used solely for working capital requirements and general corporate purposes of the Borrower and its Subsidiaries to the extent not prohibited by this Agreement.

SECTION 8.11 Further Assurances; Additional Guarantors and Grantors.

(a) The Credit Parties will execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust, domestic and foreign intellectual property filing, granting and perfection instruments and other documents (subject to the threshold set forth in Section 8.01(g)(viii)), which may be required under any Applicable Law, or which the Agent may reasonably request, in order to grant, preserve, protect and perfect the validity and priority of the Liens created or intended to be created by the Security Agreement, any Mortgage or any other Security Document, all at the sole cost and expense of the Credit Parties.

(b) Subject to any applicable limitations set forth in the Security Agreement, the Credit Parties shall promptly upon the formation or acquisition of any new Subsidiary (and in any event within thirty (30) days after the formation or acquisition thereof (or such later date as may be agreed by the Agent in its sole discretion)) cause any direct or indirect Domestic Subsidiary formed or otherwise acquired after the Closing Date, to execute a joinder to the Security Agreement in the form of Annex I to the Security Agreement and, in each case, cause such Subsidiary to comply with the applicable provisions of the Security Agreement.

(c) Subject to any applicable limitations set forth in the Security Agreement, the Credit Parties shall (x) promptly upon the formation or acquisition of any new Subsidiary (and in any event within thirty (30) days after the formation or acquisition thereof (or such later date as may be agreed by the Agent in its sole discretion)) pledge to the Agent for the benefit of the Secured Parties, (i) all the Capital Stock of each Domestic Subsidiary, (ii) sixty-five percent (65%) of the issued and outstanding Voting Stock and one hundred percent (100%) of the outstanding non-voting Capital Stock of each Foreign Subsidiary directly held by such Credit Party in each case, formed or otherwise purchased or acquired after the Closing Date and (iii) any promissory notes evidencing Indebtedness that is owing to any other Credit Party in excess of $500,000 and (y) promptly upon the formation, acquisition or entering into any contractual relationship with any PC Entity (and in any event within thirty (30) days after the formation or acquisition thereof (or such later date as may be agreed by the Agent in its sole discretion)), perform, or cause to be performed, all actions necessary to, and otherwise reasonably required by Agent to, cause such PC Entity to become a Qualified PC Entity.

(d) Subject to any applicable limitations set forth in any applicable Security Document, if any fee simple interest in Real Property with a fair market value in excess of $1,000,000 is acquired by any Credit Party after the Closing Date, the Borrower will notify the Agent and the Lenders thereof and, within sixty (60) days after such acquisition, will cause such assets to be subjected to a first priority Lien securing the applicable Obligations and will take, and cause the other Credit Parties to take, such actions as shall be necessary or reasonably requested by the Agent to grant and/or perfect such Liens consistent with the applicable requirements of the Security Documents, including actions described in Section 8.11, all at the sole cost and expense of the Borrower. Any Mortgage delivered to the Agent in accordance with the preceding sentence shall be accompanied by (A) an extended coverage policy or policies (or unconditional binding commitment thereof) of title insurance in an amount at least equal to one hundred and ten percent (110%) of the fair market value of the Mortgaged Property issued by a nationally recognized title insurance company insuring the Lien of each Mortgage as a valid Lien (with the priority described therein) on the Mortgaged Property described therein, free of any other Liens except as expressly permitted by Section 9.02, together with such endorsements and reinsurance as the Agent may reasonably request, (B) A.L.T.A. surveys, certified to the Agent by a licensed surveyor sufficient to allow the issuer of the lender's title insurance policy to issue such policy without a survey exception, (C) an opinion of local counsel to the applicable Credit Party or Credit Parties in form and substance reasonably satisfactory to the Agent, (D) a life of loan flood hazard determination together with a notice to the Borrower about special flood hazard area status duly executed by the applicable Credit Parties and if the Mortgaged Property is located in a Special Flood Hazard Area, Federal Flood Insurance, (E) if requested by the Agent, an appraisal complying with FIRREA, and (F) if requested by the Agent, an environmental site assessment prepared by a qualified firm reasonably acceptable to the Agent, in form and substance reasonably satisfactory to the Agent (collectively, the "***Mortgage Documents***").

(e) Each Credit Party shall promptly assist the Agent in completing (as applicable) all documentation relating to the Assignment of Claims Act or any other similar documentation relating to payments owing with respect to any contract between such Credit Party and any Governmental Authority of the United States of America involving amounts in excess of $250,000 in the aggregate in any fiscal year, upon the reasonable request of the Agent.

(f) Within ninety (90) days (or such longer period agreed to by Agent in its sole discretion) of the later of (x) the Closing Date and (y) a Credit Party having a location that constitutes Material Leased Property, each Credit Party shall use commercially reasonable efforts to obtain and maintain, with respect to each location of any Credit Party owned by a third party at which revenue per fiscal year greater than five percent (5%) of the total revenue of the Credit Parties per fiscal year is generated or where any material books and records of any Credit Party are located (any such location, a "Material Leased Property"), a landlord waiver, bailee letter, landlord estoppel, collateral access agreement, warehouseman agreement or other similar agreement, in form and substance reasonably satisfactory to the Agent, by and among the applicable landlord, lessor, sublessor, warehouseman, processor, consignee, bailee or other Person in possession of, having a Lien upon, or having rights or interests in such property or assets, and the Agent.

(g) If any Credit Party shall effect any change (i) in such Credit Party's legal name, (ii) in such Credit Party's organizational identification number, if any, or (iii) in such Credit Party's jurisdiction of organization, type of organization, corporate structure or location of its chief executive office or sole place of business, (in each case, including by division, acquisition by division, or by merging with or into any other entity, reorganizing, dissolving, liquidating, reorganizing or organizing in any other jurisdiction), such Credit Party shall (A) provide not less than ten (10) days' prior written notice to the Agent (or such shorter period as may be agreed by the Agent in its sole discretion) of such change, which notice shall describe such change in reasonable detail and shall provide such other information in connection therewith as the Agent may reasonably request, (B) take all action reasonably requested by the Agent to maintain the perfection and priority of the Agent's Liens in the Collateral, and (C) provide certified copies of any amended, restated, supplemented or otherwise modified Organization Documents that are or will be effective in connection with any of the foregoing, if applicable.

(h) Notwithstanding anything herein to the contrary, if the Agent determines that the cost of creating or perfecting any Lien on any property is excessive in relation to the practical benefits afforded to the Lenders thereby, then such property may be excluded from the Collateral for all purposes of the Credit Documents.

(i) For the avoidance of doubt, for all purposes under this Section 8.11, the formation and acquisition of a Person shall be deemed to include any formations and acquisitions by division; provided that compliance with the requirements of this Section 8.11 shall not cure any Default or Event of Default for the occurrence of such division.

SECTION 8.12 Bank Accounts; Cash Management.

(a) Subject to clause (b) below, the Credit Parties shall (i) cause and shall cause all of their Subsidiaries to (x) promptly deposit (in no case later than the second Business Day after receipt thereof) all cash, checks, drafts and other items including cash proceeds of accounts receivable, and Cash Equivalents only into deposit accounts and securities accounts of the Credit Parties and (y) deposit into payroll accounts and disbursement accounts only amounts not materially in excess of the amounts necessary to pay current payroll or disbursement obligations or to meet minimum balance requirements and (z) use commercially reasonable efforts to concentrate all cash into such accounts agreed with the Agent which are subject to Control Agreements in favor of the Agent, and (ii) require each PC Entity to (x) promptly deposit (in no case later than five (5) Business Days after receipt thereof) all cash, checks, drafts and other items including cash proceeds of accounts receivable, and Cash Equivalents received or held by or on behalf of such PC Entity only into a Credit Party deposit account or deposit accounts of such PC Entity subject to a sweep agreement in favor of a Credit Party, in form and substance reasonably acceptable to Agent, and (y) require all amounts deposited into any such accounts of such PC Entity to be automatically swept on each Business Day, pursuant to such sweep agreement, to a deposit account of a Credit Party subject to a Control Agreement; provided, however, if the Credit Parties determine in good faith that it is necessary to maintain a minimum balance petty cash reserve in the accounts of the PC Entities, the aggregate amount of all such reserves shall not exceed $50,000 across all accounts of the PC Entities (the "***Maximum Reserve Amount***") and all amounts in excess of such Maximum Reserve Amount shall be swept on a daily basis.

(b) Within sixty (60) days after the Closing Date (or such longer period agreed by the Agent in its sole discretion), the Credit Parties shall execute and deliver to Agent a Control Agreement with respect to each of their respective securities accounts, deposit accounts and investment property set forth on Schedule 7.23 other than those accounts (i) used solely to fund payroll or employee benefits or (ii) which contain, at all times, less than $50,000 for any one account and $250,000 in the aggregate for all such accounts (the foregoing clauses (i) and (ii), collectively, "***Excluded Accounts***") so long as no Event of Default has occurred, the Agent shall not send a notice of exclusive control or any similar notice with respect to a Control Agreement. So long as no Event of Default has occurred and is continuing, the Credit Parties may establish new deposit accounts or securities accounts so long as, prior to the time such account is established: (i) the Credit Parties have delivered to the Agent an amended Schedule 7.23 including such account and (ii) the Credit Parties have delivered to Agent a Control Agreement with respect to such account to the extent such account is not an Excluded Account.

(c) If, after the occurrence and during the continuance of an Event of Default, the Credit Parties receive or otherwise have dominion over or control of any collections or other amounts, the Credit Parties shall hold such collections and amounts in trust for the Agent and shall not commingle such collections with any other funds of any Credit Party or other Person or deposit such collections in any account other than those accounts set forth on Schedule 7.23 (unless otherwise instructed by the Agent).

SECTION 8.13 Annual Lender Meeting. Each Credit Party will, and will cause each of its Subsidiaries to, upon the request by Agent or the Required Lenders, participate in a meeting of the Lenders, (x) so long as no Event of Default shall have occurred and be continuing, no more than once during each fiscal year, and, (y) if an Event of Default has occurred and is continuing, no more than once per fiscal quarter, in each case, to be held via teleconference at a time selected by the Agent and reasonably acceptable to the Lenders and the Borrower. The purpose of this meeting shall be to present the Credit Parties' previous fiscal year's financial results and management discussion and analysis, and to discuss other financial and operational matters with respect to the Credit Parties and their Subsidiaries.

SECTION 8.14 Material Contracts. Except where the failure to do so, either individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, each Credit Party shall, and shall cause each of its Subsidiaries to perform and observe all the terms and provisions of each Material Contract to which it is a party or any of its property is bound.

SECTION 8.15 Anti-Terrorism Laws. Each Credit Party hereby acknowledges that Agent and Lenders seek to comply with all Applicable Laws concerning money laundering and related activities. In furtherance of those efforts, each Credit Party hereby represents, warrants and agrees that: (a) none of the cash or property that any Credit Party or any of their Subsidiaries will pay or will contribute to Agent or the Lenders has been or shall be derived from, or related to, any activity of any Credit Party or its Subsidiaries that is deemed criminal under United States law; and (b) no contribution or payment by any Credit Party or any of its Subsidiaries to Agent or the Lenders, to the extent that they are within any Credit Party's and/or their Subsidiaries' control shall cause Agent or any Lender to be in violation of any Anti-Terrorism Law. Borrower shall promptly notify Agent if any of these representations ceases to be true and accurate regarding any Credit Party or any of their Subsidiaries. Each Credit Party agrees to provide Agent any additional information regarding Holdings or any of its Subsidiaries that Agent reasonably may request to ensure compliance with all Applicable Laws concerning money laundering and similar activities. Each Credit Party understands and agrees that if at any time it is discovered that any of the foregoing representations are incorrect, or if otherwise required by Applicable Laws or regulation related to money laundering similar activities, Agent or the Lenders may undertake appropriate actions to ensure compliance with Applicable Laws or regulation. Each Credit Party further understands that Agent and/or the Lenders may release confidential information about any Credit Party and its Subsidiaries and, if applicable, any underlying beneficial owners, to proper authorities if Agent and/or any Lender in its sole discretion, determines that it is in the best interests of Agent and/or the Lenders to do so under the laws set forth in subsection (b) above.

SECTION 8.16 Compliance with Health Care Laws.

(a) Without limiting or qualifying Section 8.05 hereof or any other provision of this Agreement, comply, each Credit Party shall comply and cause its Subsidiaries and, to the extent required by Applicable Laws, each PC Entity to comply with all applicable Health Care Laws relating to the operation of such Person's business, except where non-compliance would not reasonably be expected to have a Material Adverse Effect.

(b) In the event that any Credit Party, any Subsidiary or any PC Entity participates in or contracts with any Third Party Payor Program, each Credit Party shall comply and cause its Subsidiaries and, to the extent required or permitted by Applicable Laws, each PC Entity to comply with all the applicable requirements of such Third Party Payor Program, except where non-compliance would not reasonably be expected to have a Material Adverse Effect.

(c) Each Credit Party shall maintain and cause its Subsidiaries and, to the extent permitted by Applicable Laws, each PC Entity to maintain all records required to be maintained by any Governmental Authority or otherwise under any Health Care Laws, except where the failure to maintain such records would not reasonably be expected to have a Material Adverse Effect.

(d) Each Credit Party shall keep in full force and effect and cause its Subsidiaries and, to the extent permitted by Applicable Laws, each PC Entity to keep in full force and effect all Authorizations required to operate such Person's business under applicable Health Care Laws, which, if not maintained, would reasonably be expected to have a Material Adverse Effect.

SECTION 8.17 PC Entities.

(a) The Borrower shall take all reasonable steps to not allow any event, condition or circumstance to occur that would result in a default under any of the PC Documents by any Credit Party, and shall take all reasonable steps to seek to enforce all of its rights under each PC Document, in each case, except where the failure to do so would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The Borrower shall deliver to the Agent, promptly following the receipt thereof, any written notices of material defaults or notices of termination received from any PC Entity, or given by the Borrower to any PC Entity, under any PC Document.

(c) Promptly following the appointment of an additional holder of Capital Stock or a successor owner of any PC Entity as described in the Continuity Agreements, Borrower shall notify Agent of such appointment of such additional holder or successor owner and confirm the name of such additional holder or successor owner and that such Person (i) is licensed to practice medicine in the state in which such PC Entity has been formed and operates or otherwise eligible to be a holder of Capital Stock or a successor owner of such PC Entity under the Applicable Laws of such state, and (ii) is not excluded from participating in any federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)).

SECTION 8.18 Post-Closing Covenants. With respect to the items set forth on Schedule 8.18 and notwithstanding anything to the contrary contained herein or in any other Credit Document, Borrower and each other Credit Party shall be required to deliver the documents or take the actions specified on Schedule 8.18 in the form, manner and time specified on Schedule 8.18 or by such later date as the Agent may agree in its sole discretion in writing.

ARTICLE IX

NEGATIVE COVENANTS

The Credit Parties hereby covenant and agree that on the Closing Date and thereafter, until the Total Commitments and all Letters of Credit have terminated (unless such Letters of Credit have been Cash Collateralized on terms and conditions reasonably satisfactory to the Letter of Credit Issuer following the termination of the Total Commitments) and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder (other than Unasserted Contingent Obligations) are paid in full in accordance with the terms of this Agreement:

SECTION 9.01 Limitation on Indebtedness. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee, suffer to exist or otherwise become directly or indirectly liable, contingently or otherwise with respect to any Indebtedness, except for:

(a) Indebtedness in respect of the Obligations;

(b) Indebtedness existing as of the Closing Date which is identified in Schedule 9.01 and which is not otherwise permitted by this Section 9.01, and Permitted Refinancing Indebtedness thereof;

(c) unsecured Indebtedness incurred by Borrower or any Subsidiary thereof (i) incurred in the ordinary course of business of such Credit Party and its Subsidiaries in respect of open accounts extended by suppliers on normal trade terms in connection with purchases of goods and services which are not overdue for a period of more than ninety (90) days or, if overdue for more than ninety (90) days, as to which a dispute exists and adequate reserves in conformity with GAAP have been established on the books of such Credit Party and (ii) in respect of performance, surety or appeal bonds provided in the ordinary course of business, but excluding (in each case) Indebtedness incurred through the borrowing of money or Contingent Liabilities in respect thereof;

(d) Indebtedness (i) evidencing the deferred purchase price of newly acquired property or incurred to finance the acquisition of equipment of such Credit Party and its Subsidiaries (pursuant to purchase money mortgages or otherwise, whether owed to the seller or a third party) used in the ordinary course of business of such Credit Party and its Subsidiaries (provided, that such Indebtedness is incurred within one-hundred and eighty (180) days of the acquisition of such property), and (ii) Capitalized Lease Obligations, and, with respect to each of clause (i) and (ii), Permitted Refinancing Indebtedness thereof; provided, that the aggregate amount of all Indebtedness outstanding pursuant to this clause (d) shall not at any time exceed $500,000;

(e) intercompany Indebtedness between or among Holdings and any of its Subsidiaries; provided that (i) Indebtedness owing by any Subsidiary of Holdings that is not a Credit Party to any Credit Party (together with investments in Subsidiaries that are not Credit Parties permitted under Section 9.05(h)) shall not exceed $625,000 (determined at the time of such incurrence) and (ii) unsecured Indebtedness owing by any Credit Party to any Subsidiary or Affiliate of such Credit Party that is not a Credit Party that is permitted pursuant to Section 9.05(h) shall be subordinated to the Obligations on terms reasonably acceptable to the Agent;

(f) Contingent Obligations of the Credit Parties and their Subsidiaries arising in the ordinary course of business with respect to bid, surety and appeals bonds, performance bonds, completion guarantees, workers compensation claims and other similar obligations, including guarantees or obligations of any Credit Party with respect to letters of credit supporting such bid, performance or surety bonds, workers' compensation claims, and other similar obligations (in each case other than for an obligation for borrowed money);

(g) Guarantee Obligations arising under guaranties made in the ordinary course of business of obligations of any Credit Party (other than Holdings), which obligations are otherwise expressly permitted hereunder; provided that if such obligation is subordinated to the Obligations, such guaranty shall be subordinated to the same extent;

(h) Hedging Obligations expressly permitted under Section 9.11;

(i) Indebtedness in respect of Permitted Earnouts; provided, that such earn-out obligations are subordinated in right of payment to the Obligations hereunder on terms and conditions reasonably satisfactory to Agent;

(j) Indebtedness (i) 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, however, that such Indebtedness is extinguished within ten (10) Business Days of incurrence and/or (ii) in respect of Cash Management Obligations provided such Indebtedness is unsecured or has been subordinated to the reasonable satisfaction of the Agent and is in an amount not to exceed $50,000 in the aggregate at any one time outstanding;

(k) Indebtedness consisting of the financing of insurance premiums for the insurance of Holdings or any of its Subsidiaries in the ordinary course of business, so long as the amount of such Indebtedness is not 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 Indebtedness is incurred and such Indebtedness is outstanding only during such year;

(l) obligations arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments and documentation relating thereto, in an aggregate principal amount not to exceed $1,500,000 at any time outstanding;

(m) Indebtedness representing deferred compensation owed to employees of Holdings, the Borrower or any of its Subsidiaries incurred in the ordinary course of business;

(n) Indebtedness consisting of unsecured promissory notes issued by the Borrower to future, current or former officers, directors, employees, managers and consultants or their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Capital Stock of Holdings (or any Holdings Parent), to the extent such repurchase would be permitted under Section 9.06(d) (which secured Indebtedness is issued in lieu of cash Restricted Payments permitted under Section 9.06(d) (it being understood that any such issuance of Indebtedness will reduce dollar for dollar the amounts available for payment under Section 9.06(d))); and

(o) other unsecured Indebtedness (other than Funded Debt) in an aggregate amount not to exceed $625,000 at any time outstanding.

SECTION 9.02 Limitation on Liens. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of any such Person (including its Capital Stock or other securities of any person) at the time owned by it or on any income or revenues or rights in respect thereof, whether now owned or hereafter acquired, except for the following (collectively, the "***Permitted Liens***"):

(a) Liens securing payment of the Obligations;

(b) Liens existing as of the Closing Date and disclosed in Schedule 9.02 securing Indebtedness permitted under Section 9.01(b); provided, that no such Lien shall encumber any additional property (other than in the case of purchase money Indebtedness, in which case such Liens are permitted to cover (x) after-acquired property that is affixed to or incorporated into the property covered by such Lien and (y) proceeds and products thereof) and the amount of Indebtedness secured by such Lien shall not be increased or its term extended from that existing on the Closing Date (as such Indebtedness may be permanently reduced subsequent to the Closing Date) except to the extent permitted by Section 9.01(b)

(c) Liens securing Indebtedness permitted under Section 9.01(d); provided that (A) such Liens attach concurrently with or within one hundred eighty (180) days after the acquisition, repair, replacement, construction or improvement (as applicable) of the property subject to such Liens, (B) such Liens do not at any time extend to or encumber any property or assets other than the property or assets financed by such Indebtedness except for replacements, additions, accessions and improvements to such property or assets and the proceeds and the products thereof and (C) such Liens only secure the Indebtedness that was incurred to acquire the asset purchased or acquired or any Permitted Refinancing Indebtedness in respect thereof;

(d) Liens arising by operation of law in favor of carriers, warehousemen, mechanics, materialmen and landlords incurred in the ordinary course of business and securing obligations (other than Indebtedness for borrowed money) that are not overdue by more than thirty (30) days or that are being contested in good faith and by appropriate proceedings promptly initiated and diligently conducted, and a reserve or other appropriate provision, if any, as shall be required by GAAP shall have been made therefor;

(e) Liens (other than Liens imposed by ERISA) incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance or other forms of governmental insurance or benefits, or to secure performance of tenders, statutory obligations, bids, leases or other similar obligations (other than for borrowed money) entered into in the ordinary course of business or to secure obligations on surety, appeal or performance bonds, so long as, in each case, no foreclosure, sale or similar proceedings on account thereof have been commenced with respect to any portion of the Collateral (other than cash and Cash Equivalents specifically pledged to support such obligations);

(f) judgment Liens in existence for less than thirty (30) days after the entry thereof or with respect to which execution has been stayed or the payment of which is covered in full by insurance maintained with responsible insurance companies (and with respect to which the issuer of such insurance policy has not disputed, disclaimed or denied coverage) and which do not otherwise result in an Event of Default under Section 10.01(f);

(g) easements, rights-of-way, zoning restrictions, minor defects or irregularities in title and other similar encumbrances with respect to any Real Property, in each case whether now or hereafter in existence, not (i) securing Indebtedness for borrowed money or (ii) individually or in the aggregate materially interfering with the ordinary conduct of the business of the Credit Parties at such Real Property;

(h) Liens for Taxes, assessments or other governmental charges or levies (i) that are not overdue for a period of more than thirty (30) days, or (ii) that are being contested in good faith by appropriate proceedings and as to which such Credit Party has maintained adequate reserves with respect thereto to the extent required by GAAP, which (A) stay the enforcement of any Lien, (B) shall not materially adversely affect the ownership, use or occupancy of the applicable property (or properties) and (C) shall not put the applicable property (or properties) in immediate danger of being sold, forfeited, terminated, canceled or lost; or

(i) Liens arising in the ordinary course of business by virtue of any contractual, statutory or common law provision relating to banker's Liens, rights of set-off or similar rights and remedies covering deposit or securities accounts (including funds or other assets credited thereto) or other funds maintained with a depository institution or securities intermediary, so long as the applicable provisions of Section 8.12 have been complied with, in respect of such deposit accounts; and

(j) non-exclusive licenses and sublicenses granted by any Credit Party or any Subsidiary of a Credit Party or leases or subleases by any Credit Party or any Subsidiary of a Credit Party, in the ordinary course of its business and covering only the assets so licensed, sublicensed, leased, or subleased;

(k) the filing of UCC (or equivalent) financing statements solely as a precautionary measure in connection with operating leases entered into by the Borrower or any of its Subsidiaries in the ordinary course of business;

(l) 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 Acquisition;

(m) customary rights of first refusal or first offer, and tag, drag and similar rights in joint venture agreements;

(n) deposits and pledges of cash securing obligations arising under letters of credit or similar instruments issued for the account of any Credit Party or any Subsidiaries in the ordinary course of business; provided such Indebtedness is permitted pursuant to Section 9.01(l);

(o) Liens on insurance policies and the proceeds thereof (whether accrued or not) and rights or claims against an insurer in each case securing insurance premium financings permitted under Section 9.01(k);

(p) Liens arising from non-exclusive grants of non-exclusive licenses or sub-licenses of intellectual property made in the ordinary course of business that do not interfere in any material respect with the business of the Borrower and its Subsidiaries, taken as a whole; provided that such Liens cover only the assets so licensed or sub-licensed and do not secure any Indebtedness; and

(q) other Liens securing Indebtedness (other than Funded Debt) in an aggregate principal amount not to exceed $625,000 at any time outstanding.

Notwithstanding the foregoing, no consensual Liens shall be permitted to exist, directly or indirectly, on any Pledged Capital Stock, other than the Liens created under the Credit Documents.

For purposes of determining compliance with this Section 9.02, in the event that any Lien (or any portion thereof) meets the criteria of more than one of the categories of Liens described in clauses (a) through (q) above, the Borrower may, in its sole discretion, solely at the time of incurrence, divide or classify such Lien (or any portion thereof) and will only be required to include the amount and type of such Lien in one or more of the above clauses; provided that the Borrower may not subsequently reclassify such Liens.

SECTION 9.03 Consolidation, Merger, etc. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to (A) liquidate or dissolve, consolidate with, or merge into or with, any other Person or purchase or otherwise acquire all or substantially all of the assets of any Person (or any division thereof); provided that (a) any Credit Party (other than Holdings) or Subsidiary of any Credit Party may liquidate or dissolve voluntarily into, and may merge with and into, Borrower (so long as Borrower is the surviving entity), (b) any Guarantor (other than Holdings) may liquidate or dissolve voluntarily into, and may merge with and into any Credit Party (other than Holdings), (c) any Subsidiary may liquidate or dissolve voluntarily into, and may merge with and into any Credit Party (other than Holdings), (d) the assets or Capital Stock of any Credit Party (other than Holdings or the Borrower) may be purchased or otherwise acquired by any other Credit Party (other than Holdings); provided that if any such transaction involves the Borrower, the Borrower shall be the surviving entity after the consummation thereof, (e) the assets or Capital Stock of any Subsidiary of Holdings (other than the Borrower) may be purchased or otherwise acquired by any Credit Party (other than Holdings), (f) the Borrower and its Subsidiaries may consummate Permitted Acquisitions, (g) the Credit Parties and their respective Subsidiaries may consummate the Transactions in accordance with the terms of the Transaction Documents as in effect on the Closing Date or as modified in a manner not prohibited hereunder, (h) any Subsidiary of the Borrower may merge, consolidate or amalgamate with any other Person in order to effect an Investment permitted pursuant to Section 9.05(i), (l), (n) or (o); provided that the continuing or surviving Person shall be the Borrower or its Subsidiaries, which together with each of its other Subsidiaries, shall have complied with the requirements of Section 8.11, and (i) any Subsidiary of the Borrower may effect a merger, amalgamation, dissolution, liquidation consolidation or amalgamation to effect a Disposition permitted pursuant to Section 9.04(b), (j), (k) or (l), (B) file a certificate of division, adopt a plan of division or otherwise take any action to effectuate a division pursuant to Section 18-217 of the Delaware Limited Liability Company Act (or any analogous action taken pursuant to Applicable Law with respect to any corporation, limited liability company, partnership or other entity) or (C) create or reorganize into one or more series under Section 18-215 or 18-218 of the Delaware Limited Liability Company Act (or take any analogous action pursuant to Applicable Law with respect to any corporation, limited liability company, partnership or other entity).

SECTION 9.04 Permitted Dispositions. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, make a Disposition, or enter into any agreement to make a Disposition, of such Credit Party's or such other Person's assets (including Accounts Receivable and Capital Stock of Subsidiaries) to any Person in one transaction or a series of transactions, except for:

(a) Dispositions in the ordinary course of its business of obsolete, damaged, used or worn-out surplus property or property no longer used or useful in its business or economically practicable to maintain in the conduct of business;

(b) Dispositions made for fair market value, subject to the satisfaction of the following conditions: (i) the aggregate fair market value, as well as the aggregate book value, of the assets subject to such Dispositions shall not exceed $500,000 in any fiscal year or $2,500,000 in the aggregate during the term of this Agreement; (ii) immediately prior to and immediately after giving effect to such Disposition, no Default or Event of Default shall have occurred and be continuing or would result therefrom; (iii) after giving effect to any such Disposition, the Credit Parties shall be in compliance, on a Pro Forma Basis after giving effect to such Disposition, with the Financial Covenants (recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement); (iv) the Borrower has applied any Net Disposition Proceeds arising therefrom pursuant to Section 5.02(a)(iii); and (v) no less than seventy-five percent (75%) of the consideration received for such sale, transfer, lease, contribution or conveyance is received in cash;

(c) Dispositions of inventory or immaterial assets or intellectual property in the ordinary course of business;

(d) leases, as lessor, of real or personal property no longer used or useful in such Person's business and otherwise in the ordinary course of business;

(e) Dispositions of assets to the extent that such assets are exchanged for credit against the purchase price of similar replacement assets, or the proceeds of such Dispositions are reasonably promptly applied to the purchase price of similar replacement assets, all in the ordinary course of business, and to the extent the Borrower has applied any Net Disposition Proceeds arising therefrom pursuant to Section 5.02(a)(iii);

(f) Dispositions otherwise expressly permitted by Section 9.02(j) or Section 9.03;

(g) Dispositions of property to the Borrower or any of its Subsidiaries; provided that (x) if the transferor in such a transaction is a Credit Party, then the transferee must be a Credit Party or (y) the transferee must pay fair market value in exchange for such property and such property shall be treated as an Investment and permitted under Section 9.05;

(h) Dispositions or forgiveness of accounts receivable solely in connection with the collection or compromise thereof (including sales to factors or other third parties) and not as part of any financing transaction, in each case, in the ordinary course of business and without recourse;

(i) leases, subleases, service agreements, product sales, transfers, licenses or sublicenses (including transfers and non-exclusive licenses and sublicenses of intellectual property), in each case in the ordinary course of business and that do not interfere in any material respect with the business of Holdings, the Borrower or any of its Subsidiaries;

(j) Casualty Events, so long as the Borrower shall have applied any Net Casualty Proceeds arising therefrom pursuant to Section 5.02(a)(iv) to the extent required thereby;

(k) Dispositions of Investments in joint ventures or non-wholly owned Subsidiaries of the Borrower solely to the extent required by, or made pursuant to customary buy/sell arrangements between, the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(l) Dispositions of any non-core assets acquired in connection with any Permitted Acquisition; provided that (i) the fair market value of such assets shall not exceed ten percent (10%) of the consideration paid in such Permitted Acquisition or similar Investment, (ii) each such sale is an arm's-length transaction, (iii) both before and after giving effect to any such Disposition, (x) no Default or Event of Default shall exist or would result therefrom and (y) the Credit Parties shall be in compliance on a Pro Forma Basis with the Financial Covenants (recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement) and (iv) such Net Disposition Proceeds shall be (A) in an amount at least equal to the fair market value of the asset(s) subject to such Disposition and (B) to the extent paid in cash, applied as and to the extent required by Section 5.02(a)(iii); and

(m) the unwinding of any Hedging Agreement or derivative instrument permitted pursuant to Section 9.05(m);

provided, that, notwithstanding the foregoing, in no event shall any Credit Party, or shall any Credit Party permit any of its Subsidiaries to, directly or indirectly, (i) issue, sell, assign or otherwise dispose of any Capital Stock of any of its Subsidiaries, except to another Credit Party (other than Holdings) or (ii) file a certificate of division, adopt a plan of division or otherwise take any action to effectuate a division pursuant to Section 18-217 of the Delaware Limited Liability Company Act (or any analogous action taken pursuant to Applicable Law with respect to any corporation, limited liability company, partnership or other entity).

SECTION 9.05 Investments. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, purchase, make, incur, assume or permit to exist any Investment, except:

(a) Investments existing on the Closing Date and identified in Schedule 9.05;

(b) Investments in cash and Cash Equivalents;

(c) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;

(d) Investments consisting of capital contributions made by any Credit Party in any of its Subsidiaries that are Credit Parties;

(e) Investments constituting (i) accounts receivable arising, (ii) trade debt granted, or (iii) deposits made in connection with the purchase price of goods or services, in each case in the ordinary course of business;

(f) Investments consisting of any deferred portion of the sales price received by any Credit Party in connection with any Disposition permitted under Section 9.04;

(g) Investments consisting of, or related to, the opening and startup of any de novo treatment facility; provided that (i) no Default or Event of Default shall have occurred and be continuing or would result therefrom, (ii) on a Pro Forma Basis immediately after giving effect to any such Investment, the Credit Parties and their Subsidiaries shall be in compliance with the Financial Covenants (in each case recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01), and (iii) the aggregate amount of all such Investments made pursuant to this clause (g) in any fiscal year shall not exceed $2,000,000 without the prior written consent of Agent; provided further, that, unless otherwise agreed by the Agent acting at the direction of the Required Lenders, in addition to the foregoing conditions in clauses (i) through (iii), such de novo facility Investments in any jurisdiction outside of the United States shall be limited to one de novo treatment facility in each of Canada and the United Kingdom and the aggregate amount invested during the term of this Agreement shall not exceed $7,500,000;

(h) Investments consisting of intercompany loans or other extensions of credit (i) by a Credit Party (other than Holdings) to any other Credit Party (other than Holdings), (ii) by a Credit Party (other than Holdings) to any Subsidiary that is not a Credit Party so long as (x) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (y) the aggregate amount of any such loans or extensions of credit does not exceed (together with Indebtedness of non-Credit Parties permitted under Section 9.05(g)) $500,000 at any one time outstanding, and (iii) by any Subsidiary that is not a Credit Party to any Credit Party (other than Holdings); provided, that, any such intercompany Indebtedness described in clause (iii) shall be subordinated to the Obligations on terms reasonably acceptable to the Agent;

(i) the Closing Date Acquisition and Permitted Acquisitions;

(j) the maintenance of deposit accounts in the ordinary course of business so long as the applicable provisions of Section 8.12 have been complied with in respect of such deposit accounts;

(k) loans and advances to officers, directors and employees of any Credit Party for reasonable and customary business related travel expenses, entertainment expenses, moving expenses and similar expenses, in each case incurred in the ordinary course of business, in an aggregate principal amount at any time not to exceed $500,000 for all such outstanding loans and advances, after giving effect to Section 9.06(d);

(l) so long as no Default or Event of Default shall have occurred and be continuing or would result therefrom, other Investments in an aggregate principal amount at any time not to exceed $500,000;

(m) Investments in Hedging Agreements to the extent and solely for purposes expressly permitted under Section 9.11;

(n) Investment by the Credit Parties in an aggregate amount not to exceed the Available Amount immediately prior to making such Investment on the date that the Borrower elects to apply this Section 9.05(n); provided that, (i) immediately before and after giving effect to any such Investment, no Default or Event of Default shall exist or would result therefrom and (ii) both at the time such election is made and immediately before and after giving effect to any such Investment, the Credit Parties shall be in compliance on a Pro Forma Basis with the Financial Covenants (recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement);

(o) Investments and other acquisitions to the extent that payment for such Investments is made solely with Qualified Capital Stock of Holdings or any Holdings Parent and in each case to the extent not resulting in a Change of Control; provided that, (i) immediately before and after giving effect to any such Investment, no Default or Event of Default shall exist or would result therefrom, (ii) both at the time such election is made and immediately before and after giving effect to any such Investment, the Credit Parties shall be in compliance on a Pro Forma Basis with the Financial Covenants (recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement) and (iii) immediately after giving effect to such Investment, the Available Revolving Loan Amount shall be not less than $2,500,000;

(p) Investments of any Subsidiary acquired after the Closing Date, or of any Person acquired by, or merged into or consolidated or amalgamated with, a Credit Party or any other Subsidiary after the Closing Date, in each case as part of a Permitted Acquisition provided such Investment otherwise permitted by this Section 9.05 to the extent that such Investments were not made in contemplation of or in connection with the relevant acquisition, merger, amalgamation or consolidation and were in existence on the date of the relevant acquisition, merger, amalgamation or consolidation;

(q) Investments in any joint ventures in the same business or a business reasonably related, complementary or ancillary to the line of business of the Credit Parties in an aggregate amount not to exceed $1,000,000 at any time outstanding; provided that (i) immediately before and after giving effect to any such Investment, no Default or Event of Default shall exist or would result therefrom, (ii) both at the time such election is made and immediately before and after giving effect to any such Investment, the Credit Parties shall be in compliance on a Pro Forma Basis with the Financial Covenants recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recently ended fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement) and (iii) the Agent shall have consented to such Investment;

(r) Investments consisting of demand loans, capital contributions or other Investments made to PC Entities in accordance with the terms of the PC Documents; provided that (i) the aggregate amount of all such Investments to any PC Entity shall not exceed $1,000,000 at any one time and (ii) the aggregate amount of all such Investments shall not exceed $2,500,000 over the course of this Agreement; and

(s) advances in the form of a prepayment of expenses, so long as such expenses are being paid in the ordinary course of business in accordance with customary trade terms of the Credit Parties and consistent with the past practice of the Credit Parties.

For purposes of determining compliance with this Section 9.05, in the event that an Investment (or any portion thereof) meets the criteria of more than one of the categories of Investments described in clauses (a) through (s) above, the Borrower may, in its sole discretion, solely at the time of incurrence, divide or classify such Investment (or any portion thereof) and will only be required to include the amount and type of such Investment in one or more of the above clauses; provided that the Borrower may not subsequently reclassify such Investments.

SECTION 9.06 Restricted Payments, etc. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, make any Restricted Payment, or make any deposit for any Restricted Payment, other than:

(a) cash dividends and distributions to Holdings or any other Parent Company to be used for (i) customary director indemnification payments to the directors of such Person, (ii) reasonable and customary fees to ~~outside~~non-executive directors of such Parent Company ~~that are not~~which, prior to the date of consummating a Qualified IPO, shall exclude the fees of such directors that are affiliated with the Sponsor and be in an aggregate amount not to exceed $100,000 in any fiscal year, (iii) (x) legal, financial and accounting matters and similar customary operating and administrative costs and expenses related to Holdings and its Subsidiaries and (y) franchise taxes, and other fees, tax and expenses in an amount, and solely to the extent necessary and required, to maintain Holdings' or any other Parent Company's corporate existence; provided that, prior to the date of consummating a Qualified IPO, the aggregate amount of Restricted Payments under this clause (iii) shall not exceed $450,000 in any fiscal year;

(b) cash dividends and distributions by any Subsidiary of any Credit Party to such Credit Party (other than Holdings); provided that, with respect to any such Subsidiary that is not a wholly-owned Subsidiary of a Credit Party, such dividend or distribution shall be made to each holder of such Subsidiary's Capital Stock pro rata based on such holders' relative ownership interests in such Subsidiary;

(c) Restricted Payments by any Credit Party or any of its Subsidiaries that are payable solely in the form of Qualified Capital Stock of such Person;

(d) Restricted Payments to repurchase, redeem or otherwise acquire or retire for value any Capital Stock of Holdings or ~~EBS~~any Holdings Parent held by any employee, director, consultant or officer of any Credit Party or Subsidiary of any Credit Party pursuant to any employee equity subscription agreement, stock option agreement, stock ownership arrangement or any similar arrangement upon the death, disability, retirement or termination of employment of such employee, director, consultant or officer to the extent (i) not exceeding $100,000 in any fiscal year or $500,000 in the aggregate over the term of this Agreement, (ii) no Default or Event of Default shall have occurred and be continuing or would result therefrom, (iii) on a Pro Forma Basis immediately after giving effect to any such Restricted Payment, the Credit Parties and their Subsidiaries shall be in compliance with the Financial Covenants (in each case recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to Section 8.01), and (iv) immediately after giving effect to such Restricted Payment, the Available Revolving Loan Amount shall be not less than $2,500,000;

(e) prior to or on the date of consummating a Qualified IPO, (i) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, the payment to the Sponsor (directly or indirectly from or through any Credit Party or ~~EBS~~ Parent) of (x) management fees pursuant to the Management Agreement as in effect on the Closing Date (or as modified in a manner not prohibited hereunder) in an aggregate amount not to exceed per fiscal year the greater of (~~i~~a) $500,000 and (~~ii~~b) two percent (2%) of the total Consolidated EBITDA of the Credit Parties in such fiscal year and, (y) transaction fees set forth in the Management Agreement as in effect on the Closing Date (or as modified in a manner not prohibited hereunder), in an amount not to exceed $2,000,000 in the aggregate during the term of this Agreement; provided that, with respect to this clause (i), if all or part of the management fees and transaction fees under this clause (i) cannot be paid in accordance with this Agreement, the Management Subordination Agreement and/or the other Credit Documents, then such management fees and transaction fees that are not paid shall be accrued, on a cumulative basis, and shall be payable in subsequent periods to the extent such payments may otherwise be made in accordance with the Credit Agreement (including being subject to, for the avoidance of doubt, the foregoing requirements of this clause (i)), the Management Subordination Agreement and the other Credit Documents; provided further that, at the time the Credit Parties elect to pay such accrued management fees and transaction fees and both immediately before and after giving effect to any such payment, the Credit Parties shall be in compliance with the Financial Covenants recomputed on a Pro Forma Basis as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement; ~~and~~ (ii) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, the payment to the Sponsor (directly or indirectly from or through any Credit Party or Parent) of a termination fee in an aggregate amount not to exceed $1,000,000 in connection with the termination of the Management Agreement in connection with consummating a Qualified IPO; provided that, in the event any payment is made pursuant to this clause (ii), no expense reimbursements contemplated under the Management Agreement (as described in the following clause (iii)) shall have been made, or may be made, directly or indirectly by any Credit Party to the Sponsor in connection with the termination of the Management Agreement and the consummation of the Qualified IPO; and (iii) indemnification and expense reimbursement payments pursuant to the Management Agreement as in effect on the Closing Date (or as modified in a manner not prohibited hereunder);

(f) to the extent due and payable on a non-accelerated basis and permitted under the applicable subordination provisions thereof or applicable subordination agreement to which it is subject, as applicable, regularly scheduled payments in respect of Permitted Earnouts;

(g) ~~so long as each of Borrower and Holdings is a flow-through entity for U.S. federal income tax purpose,~~ Permitted Tax Distributions;

(h) Restricted Payments by or through the Credit Parties in an amount not to exceed the Available Amount immediately prior to making such Restricted Payment; provided that, at the time the Credit Parties elect to make such Restricted Payment and both immediately before and after giving effect to any such payment, (i) no Default or Event of Default shall exist or would result therefrom and (ii) (x) the Credit Parties shall be in compliance with the Financial Covenants and (y) the Total Leverage Ratio shall not exceed 2.25 to 1.00, in each case, recomputed on a Pro Forma Basis as of, and for the four (4) fiscal quarter period ending on, the last day of the most recent fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement;

(i) cash payments in lieu of issuing fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of Holdings or Holdings Parent, provided that such payments shall not exceed $500,000 in any fiscal year;

(j) additional Restricted Payments by or through the Credit Parties in an amount not to exceed $500,000 during the term of this Agreement so long as (x) no Default or Event of Default shall have occurred and be continuing at the time of such Restricted Payment or would result therefrom, (y) immediately after giving effect to such Restricted Payment, the Available Revolving Loan Amount shall be not less than $2,500,000 and (z) both immediately before and after giving effect to any such Restricted Payment, the Credit Parties shall be in compliance on a Pro Forma Basis with the Financial Covenants recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recently ended fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement);

(k) cash dividends and distributions to Holdings or any other Parent Company in an amount not to exceed $4,250,000 on or prior to February 29, 2020 so long as (w) no portion of such cash dividends and distributions shall be funded with the proceeds of Indebtedness, (x) no Default or Event of Default shall have occurred and be continuing at the time of such cash dividend and distribution or would result therefrom, (y) immediately after giving effect to such cash dividends and distribution, (i) the Available Revolving Loan Amount shall be not less than $5,000,000 and (ii) the Qualified Cash and Cash Equivalents of the Credit Parties shall not be less than $1,250,000 and (z) both immediately before and after giving effect to any such cash dividends and distributions, the Credit Parties shall be in compliance on a Pro Forma Basis with the Financial Covenants recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recently ended fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement);

(l) cash dividends and distributions to Holdings or any other Parent Company in an amount not to exceed $3,500,000 on or prior to February 26, 2021 so long as (w) no portion of such cash dividends and distributions shall be funded with the proceeds of Indebtedness, (x) no Default or Event of Default shall have occurred and be continuing at the time of such cash dividend and distribution or would result therefrom, (y) immediately after giving effect to such cash dividends and distribution, (i) the Available Revolving Loan Amount shall be not less than $5,000,000 and (ii) the Qualified Cash and Cash Equivalents of the Credit Parties shall not be less than $9,000,000 and (z) both immediately before and after giving effect to any such cash dividends and distributions, the Credit Parties shall be in compliance on a Pro Forma Basis with the Financial Covenants recomputed as of, and for the four (4) fiscal quarter period ending on, the last day of the most recently ended fiscal quarter for which financial statements have been delivered or were required to be delivered pursuant to this Agreement); and

(m) cash dividends and distributions made on the Fourth Amendment Effective Date to Holdings or any other Parent Company in an aggregate amount not to exceed $60,316,401.12.

SECTION 9.07 Modification of Certain Agreements. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, consent to any amendment, restatement, supplement, waiver or other modification of, or enter into any forbearance from exercising any rights with respect to the terms or provisions contained in, (a) the Organization Documents of any Credit Party or any such Subsidiary, other than any amendment, modification or other change not adverse to the Agent or the Lenders in any material respect, (b) the Management Agreement or the PC Documents, other than any amendment, modification or other change that is not adverse to the Agent or the Lenders in any material respect (it being understood and agreed that, with respect to the Management Agreement, any increase in fees, addition of new fees, acceleration of any date on which fees are due or modification of any subordination provisions with respect thereto shall be deemed to be adverse to the Agent and the Lenders (except with respect to a payment expressly permitted under Section 9.06(e)(ii) in connection with the termination of the Management Agreement) and, with respect to the PC Documents, any decrease in fees, removal of existing fees, delay of any date on which fees are due or modification of any assignment provisions with respect thereto shall be deemed to be adverse to the Agent and the Lenders), (c) any other Transaction Document (other than the Credit Documents, which shall be governed by Section 12.01) or any documentation governing a Permitted Acquisition, other than any amendment, modification, or other change that is not material and adverse to the Agent or the Lenders (it being understood and agreed that any addition of or increase in any amount payable thereunder (including in respect of any earnout or contingent consideration) acceleration of any date on which any amount payable thereunder (including in respect any earnout or contingent consideration) shall be due, or modification of any subordination provisions with respect thereto shall be deemed to be material and adverse to the Agent and the Lenders) or (d) any documentation governing any Subordinated Indebtedness, except as expressly permitted by the Subordination Agreement applicable thereto.

SECTION 9.08 Sale and Leaseback. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, directly or indirectly, enter into any agreement or arrangement providing for the sale or transfer by it of any property (now owned or hereafter acquired) to a Person and the subsequent lease or rental of such property or other similar property from such Person.

SECTION 9.09 Transactions with Affiliates. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, enter into or cause or permit to exist any arrangement, transaction or contract (including for the purchase, lease or exchange of property or the rendering of services) with any Affiliate and/or PC Affiliate except for:

(a) except as otherwise expressly limited in this Agreement, transactions in the ordinary course of business on fair and reasonable terms and on conditions as favorable to such Credit Party or such Subsidiary as would be obtainable at the time in an arm's-length transaction with a Person that is not an Affiliate (including, without limitation, for a joint venture);

(b) transactions between or among Credit Parties (subject to Section 9.15 in the case of any such transaction involving Holdings);

(c) transactions expressly permitted by Section 9.01(e), Section 9.03, Section 9.04(f), Section 9.05(d), Section 9.05(h), and Section 9.06, in each case, subject to the terms and conditions applicable thereto;

(d) transactions between Credit Parties and PC Entities to the extent expressly permitted hereunder;

(e) the payment of reasonable and customary director and officer compensation (including bonuses) and the provision of other benefits (including retirement, health, stock option and other benefit plans), indemnification arrangements and expense reimbursement and reasonable and customary fees paid to members of the board of directors (or similar governing body) of the Credit Parties and otherwise permitted hereunder;

(f) the issuance, sale or transfer of equity interests of any Subsidiary to Holdings and capital contributions by Holdings to any Subsidiary to the extent otherwise permitted under this Agreement; and

(g) the Transactions occurring on the Closing Date and the Fourth Amendment Transactions occurring on the Fourth Amendment Effective Date.

SECTION 9.10 Restrictive Agreements, etc. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, enter into any agreement (other than a Credit Document) prohibiting:

(a) the creation or assumption of any Lien upon its properties, revenues or assets, whether now owned or hereafter acquired;

(b) the ability of such Person to amend or otherwise modify any Credit Document;

(c) the ability of such Person to make any payments, directly or indirectly, to the Borrower, including by way of dividends, advances, repayments of loans, reimbursements of management and other intercompany charges, expenses and accruals or other returns on investments;

(d) the ability of such Person to sell, lease or transfer any of its properties or assets to any Credit Party or any Subsidiary of any Credit Party; or

(e) the ability of such Person to guarantee the Obligations or pledge its assets to secure such guarantee pursuant to the Credit Documents.

The foregoing prohibitions shall not apply to customary restrictions of the type described in clause (a) above (which do not prohibit the Credit Parties from complying with or performing the terms of this Agreement and the other Credit Documents) which are contained in any agreement, (i) governing any Indebtedness permitted by Section 9.01(d) as to the transfer of assets financed with the proceeds of such Indebtedness, (ii) for the creation or assumption of any Lien on the sublet or assignment of any leasehold interest of any Credit Party or any of its Subsidiaries entered into in the ordinary course of business, (iii) for the assignment of any contract entered into by any Credit Party or any of its Subsidiaries in the ordinary course of business, (iv) for the transfer of any asset pending the close of the sale of such asset pursuant to a Disposition permitted under this Agreement, (v) customary restrictions and conditions existing on the Closing Date set forth on Schedule 9.10 and any extension, renewal, amendment, modification or replacement thereof entered into in the ordinary course of business, except to the extent any such amendment, modification or replacement expands the scope of any such restriction or condition or adds any further restrictions or conditions, (vi) customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary of the Borrower or any assets pending such sale; provided that such restrictions and conditions apply only to such Subsidiary or assets that is or are to be sold and such sale is permitted hereunder or (vii) customary provisions in leases, licenses, sublicenses and other contracts (including licenses and sublicenses of intellectual property) entered into in the ordinary course of business restricting the assignment, license, sublicense, pledge or transfer thereof but not materially and adversely affecting the use of such assets or the Liens of the Credit Parties taken as a whole in the Collateral.

SECTION 9.11 Hedging Agreements. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, enter into any Hedging Agreement or other similar transactions or agreements, except for Hedging Agreements entered into in the ordinary course of such Credit Party's business in order to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or investment of such Credit Party or such Subsidiary or incurred for the bona fide purpose of hedging foreign currency risks associated with Holdings and its Subsidiaries' operations and, in each case, in the ordinary course of business and not for speculative purposes.

SECTION 9.12 Changes in Business. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, engage in any business activity other than such business activities described on Schedule 9.12 and business activities reasonably related or complimentary thereto (subject to Section 9.15 in the case of Holdings).

SECTION 9.13 Financial Covenants.

(a) Total Leverage Ratio. The Credit Parties shall not permit the Total Leverage Ratio, as of, and for the Test Period ending on, the last day of any fiscal quarter set forth below that ends prior to the date of consummating a Qualified IPO, to be greater than the ratio set forth opposite such date:

Last Day of Test Period	Maximum Total Leverage Ratio
December 31, 2018	3.75 to 1.00
March 31, 2019	3.75 to 1.00
June 30, 2019	3.50 to 1.00
September 30, 2019	3.50 to 1.00
December 31, 2019	3.50 to 1.00

March 31, 2020	3.25 to 1.00
June 30, 2020	3.25 to 1.00
September 30, 2020	3.00 to 1.00
December 31, 2020	3.00 to 1.00
March 31, 2021	2.75 to 1.00
June 30, 2021	3.25 to 1.00
September 30, 2021	2.75 to 1.00
December 31, 2021	2.75 to 1.00
March 31, 2022	2.50 to 1.00
June 30, 2022	2.50 to 1.00
September 30, 2022 and thereafter	2.25 to 1.00

The Credit Parties shall not permit the Total Leverage Ratio, as of, and for the Test Period ending on, the last day of any fiscal quarter set forth below that ends on and after the date of consummating a Qualified IPO, to be greater than the ratio set forth opposite such date:

Last Day of Test Period	Maximum Total Leverage Ratio
December 31, 2018	3.75 to 1.00
March 31, 2019	3.75 to 1.00
June 30, 2019	3.50 to 1.00
September 30, 2019	3.50 to 1.00
December 31, 2019	3.50 to 1.00
March 31, 2020	3.25 to 1.00
June 30, 2020	3.25 to 1.00
September 30, 2020	3.00 to 1.00
December 31, 2020	3.00 to 1.00
March 31, 2021	2.75 to 1.00
June 30, 2021	3.25 to 1.00
September 30, 2021	2.75 to 1.00
December 31, 2021 and thereafter	3.00 to 1.00

For the avoidance of doubt, the consummation of a Qualified IPO shall not cure any Default or Event of Default that may have occurred under this Section 9.13(a).

(b) Fixed Charge Coverage Ratio. The Credit Parties shall not permit the Fixed Charge Coverage Ratio as of the last day of any fiscal quarter of the Credit Parties for the Test Period then ended, commencing with the fiscal quarter ended December 31, 2018, to be less than 1.20 to 1.00.

(c) Capital Expenditures. The Credit Parties shall not permit Consolidated Capital Expenditures to exceed, during each fiscal year set forth below that ends prior to the date of consummating a Qualified IPO, the amount set forth opposite such fiscal year:

Last Day of Test Period	Maximum Consolidated Capital Expenditures
December 31, 2019	$2,000,000
December 31, 2020	$3,700,000
December 31, 2021	$5,500,000
December 31, 2022	$5,750,000
December 31, 2023 and thereafter	$6,000,000

The Credit Parties shall not permit Consolidated Capital Expenditures to exceed, during each fiscal year set forth below that ends on and after the date of consummating a Qualified IPO, the amount set forth opposite such fiscal year:

Last Day of Test Period	Maximum Consolidated Capital Expenditures
December 31, 2019	$2,000,000
December 31, 2020	$3,700,000
December 31, 2021 and thereafter	$10,000,000

The amount of Consolidated Capital Expenditures permitted to be made in any fiscal year may be increased as follows: if the amount of the Consolidated Capital Expenditures permitted to be made in any fiscal year in which a Qualified IPO is not consummated commencing with the fiscal year ending December 31, 2021 exceeds the actual amount of the Consolidated Capital Expenditures actually made in such fiscal period (the amount of any such excess as to any fiscal year, the "Excess Amount"), then the lesser of (x) fifty percent (50%) of such excess amount and (y) $1,500,000 (such lesser amount, the "Carry-Over Amount") may be carried forward to and shall increase the amount of the Consolidated Capital Expenditures permitted to be made in the next fiscal year (the "Succeeding Fiscal Year"); provided that the Carry-Over Amount carried forward to a particular Succeeding Fiscal Year may not be carried forward to any further fiscal year, and for purposes of determining whether there is any Excess Amount for any Succeeding Fiscal Year into which any Carry-Over Amount from a prior fiscal year has been carried forward, Consolidated Capital Expenditures during such Succeeding Fiscal Year shall be deemed to have been made first from the amount of Consolidated Capital Expenditures initially permitted during such Succeeding Fiscal Year and second from any Carry-Over Amount carried over to such Succeeding Fiscal Year. For the avoidance of doubt, the consummation of a Qualified IPO shall not cure any Default or Event of Default that may have occurred under this Section 9.13(c).

SECTION 9.14 Issuance of Capital Stock. No Credit Party (other than Holdings) shall, and no Credit Party shall permit any of its Subsidiaries to, issue any Capital Stock (whether for value or otherwise) to any Person other than (in the case of Subsidiaries) to the Borrower or another wholly-owned Domestic Subsidiary of the Borrower. No Credit Party shall, and no Credit Party shall permit any of its Subsidiaries to, issue any Disqualified Capital Stock.

SECTION 9.15 Permitted Activities of Holdings. Notwithstanding anything to the contrary contained herein, Holdings shall not, directly or indirectly, (a) engage in any business or other activities, or enter into, execute or perform any business or transaction, (b) own or hold any material assets or property, (c) incur any Indebtedness, Guarantee Obligations, other Contractual Obligations or other liabilities or obligations of any kind, (d) create or suffer to exist any Liens on any of its assets or property (other than Liens under the Credit Documents and non-consensual Liens arising by operation of law (and not relating to Indebtedness) to the extent permitted pursuant to Section 9.02) , (e) consolidate with or merge with or into, or convey, transfer or lease all or substantially all its assets to, any Person, (f) create or acquire any Subsidiary or make or own any Investment in any Person, or (g) fail to hold itself out to the public as a legal entity separate and distinct from all other Persons, in each case, other than (i) the Obligations (ii) the Liens created pursuant to the Credit Documents, (iii) its ownership of the Capital Stock of, and Investments in, EBS Enterprises, (iv) performing its obligations under the Management Agreement (to the extent permitted by this Agreement) and the Transaction Documents and Fourth Amendment Transaction Documents to which it is a party, (v) receiving Restricted Payments permitted by Section 9.06 and using such amounts for the purposes specified therein, (vi) the maintenance of its existence and legal, financial and accounting matters in connection with any activity otherwise not prohibited hereunder, (vii) the issuance and sale of its Capital Stock (other than any Disqualified Capital Stock), (viii) establishing and maintaining bank accounts in the ordinary course of business and in compliance with the Credit Documents (provided such accounts comply with Section 8.12), (ix) the providing of customary indemnification to officers, consultants, managers and directors of Holdings, in each case, in the ordinary course of business and (x) activities incidental to the businesses or activities described in preceding clauses (i) to (ix) of this Section 9.15 (including, participating in tax, accounting and other administrative matters as a member of the consolidated group of Holdings and its Subsidiaries and entering into employment agreements, stock option and stock ownership plans and other customary arrangements with officers, consultants, investment bankers, advisors, employees and directors in the ordinary course of business in connection with performing the activities contemplated by clauses (i) to (ix) above).

SECTION 9.16 Hazardous Materials. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, cause or suffer to exist any Release of any Hazardous Material at, to or from any Real Property that would violate any Environmental Law, form the basis for any Environmental Claims or otherwise adversely affect the value or marketability of any Real Property (whether or not owned by any Credit Party or any Subsidiary of any Credit Party), except as could not reasonably be expected to have a Material Adverse Effect.

SECTION 9.17 Anti-Terrorism Laws. No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, take any action or engage in any transaction that would at any time cause any Credit Party or any Subsidiary to violate or to not be in compliance with any Applicable Laws, rules, regulations or other provisions described in Section 7.25.

SECTION 9.18 PC Entities; PC Documents.

(a) Enter into any Management Services Agreement with any PC Entity after the Closing Date unless:

(i) such Management Services Agreement is Freely Assignable;

(ii) promptly after the execution thereof, the applicable Credit Party shall deliver a copy of such Management Services Agreement to the Agent;

(iii) except to the extent prohibited under Applicable Law, such PC Entity shall have granted to the applicable Credit Party a continuing Lien on its Accounts (as defined in the UCC) as collateral security for the payment in full of all amounts and other obligations from time to time owing to the applicable Credit Party by such PC Entity under any Management Services Agreement or any Deficit Funding Agreement pursuant to a Freely Assignable Deficit Funding Agreement;

(iv) except to the extent prohibited (or, based on the written advice of experienced healthcare counsel, not legally advisable) under Applicable Law, the applicable Credit Party, such PC Entity and the member(s) or other equityholder(s) of such PC Entity shall have entered into a Freely Assignable Continuity Agreement, and the applicable Credit Party shall deliver a copy of such Continuity Agreement to the Agent;

(v) except to the extent prohibited under Applicable Law, the applicable Credit Party and such PC Entity shall enter into a Freely Assignable Deficit Funding Agreement, and the applicable Credit Party shall deliver a copy of such Deficit Funding Agreement to the Agent; and

(vi) except to the extent prohibited under Applicable Law, the applicable Credit Party shall execute and deliver to the Agent a Collateral Assignment of PC Documents (or a supplement to an applicable existing Collateral Assignment of PC Documents).

(b) No Credit Party shall, and no Credit Party shall cause or permit any of its Subsidiaries to, amend or modify in any manner adverse in any material respect to the Lenders or the Agent, or grant any waiver under (if such granting shall be adverse to the Lenders), any PC Documents, except for any amendment, modification or waiver, in each case, reasonably required to comply with Applicable Law (including Health Care Laws and state corporate laws).

ARTICLE X

EVENTS OF DEFAULT

SECTION 10.01 Events of Default. Each of the following events or occurrences described in this Section 10.01 shall constitute an "***Event of Default***":

(a) Non-Payment of Obligations. The Borrower shall default in the payment of (i) any principal (including, without limitation, prepayments of principal required under Section 5.02(a)) of any Loan when such amount is due or (ii) any interest on any Loan, any fee or any other Obligation, and such default shall continue unremedied for a period of five (5) Business Days after such amount is due.

(b) Breach of Representation or Warranty. Any representation or warranty of any Credit Party made or deemed to be made in any Credit Document (including any certificates delivered pursuant to Article VI) which, by its terms, is subject to a materiality qualifier, is or shall be incorrect in any respect when made or deemed to have been made or any other representation or warranty of any Credit Party or any Subsidiary made or deemed to be made in any Credit Document (including any certificates delivered pursuant to Article VI) is or shall be incorrect in any material respect when made or deemed to have been made.

(c) Non-Performance of Certain Covenants and Obligations. Any Credit Party shall default in the due performance or observance of (x) any of its obligations under Section 8.01, Section 8.02, Section 8.03, Section 8.05(a), Section 8.09, Section 8.10, Section 8.11, Section 8.12, Section 8.17, Section 8.18 or Article IX, or any Credit Party shall default in the due performance or observance of its obligations under any covenant applicable to it under the Fee Letter or the Fourth Amendment Fee Letter.

(d) Non-Performance of Other Covenants and Obligations. Any Credit Party shall default in the due performance and observance of any obligation contained in any Credit Document executed by it (other than as specified in Section 10.01(a), Section 10.01(b) or Section 10.01(c)), and such default shall continue unremedied for a period of thirty (30) days after an Authorized Officer of any Credit Party (i) shall first have knowledge thereof or (ii) receives written notice from Agent or the Required Lenders.

(e) Default on Other Indebtedness. (i) a default shall occur in the payment of any amount when due (subject to any applicable grace period), whether by acceleration or otherwise, of any principal or stated amount of, or interest or fees on, any Indebtedness (other than the Obligations) of any Credit Party or Subsidiary of any Credit Party having a principal or stated amount, individually or in the aggregate, in excess of $1,000,000, (ii) a default shall occur in the performance or observance of any obligation or condition with respect to any Indebtedness described in clause (i) if the effect of such default is to accelerate the maturity of such Indebtedness or to cause or permit the holder or holders of such Indebtedness, or any trustee or agent for such holders, to cause or declare such Indebtedness to become immediately due and payable or to require such Indebtedness to be prepaid, redeemed, purchased or defeased, or to require an offer to purchase or defease such Indebtedness to be made, in each case, prior to its stated maturity, (iii) a default shall occur in the performance or observance of any obligation or condition with respect to any Subordinated Indebtedness or any such Indebtedness shall be required to be or prepaid, redeemed, purchased or defeased, or require an offer to purchase or defease such Indebtedness to be made, prior to its stated maturity or (iv) any Indebtedness of any Credit Party or Subsidiary of any Credit Party having a principal or stated amount, individually or in the aggregate, in excess of $1,000,000 shall otherwise be required to be prepaid, redeemed, purchased or defeased, or require an offer to purchase or defease such Indebtedness to be made, prior to its expressed maturity.

(f) Judgments. (i) Any judgment or order for the payment of money individually or in the aggregate in excess of $1,000,000 (excluding any amounts that are covered in full by any third party insurance and for which the issuer of such insurance policy has not disputed, disclaimed or denied coverage in writing) shall be rendered against any Credit Party or any of its Subsidiaries or (ii) non-monetary judgment or order shall be rendered against any Credit Party or any of its Subsidiaries which has or could reasonably be expected to result in a Material Adverse Effect and, in each such case, such judgment or order shall not have been stayed or bonded pending appeal within thirty (30) days after the entry thereof or enforcement proceedings shall have been commenced by any creditor upon such judgment or order.

(g) Plans. Any of the following events shall occur: (i) the institution of any steps (excluding preliminary discussions) by any Credit Party, any Subsidiary of a Credit Party, any ERISA Affiliate, the PBGC or any other Person to terminate a Pension Plan (excluding any preliminary discussions to institute any such steps) if, as a result of such termination, any Credit Party or Subsidiary of any Credit Party would be required to make a contribution to such Pension Plan, or would reasonably be expected to incur a liability or obligation to such Pension Plan in excess of $2,000,000; (ii) a contribution failure occurs with respect to any Pension Plan sufficient to give rise to a Lien under Sections 303(k) or 4068 of ERISA or Section 430(k) of the Code; (iii) there being or arising any "accumulated funding deficiency" (as defined or otherwise set forth in Section 4971 of the Code or Part 3 of Subtitle B of Title I of ERISA), whether or not waived, in excess of $2,000,000; (iv) a determination that any Plan is, or is expected to be, in at-risk status under Title IV of ERISA; (v) the occurrence of a "complete withdrawal" or "partial withdrawal" (as such terms are defined in Sections 4203 and 4205 of ERISA, respectively) from any Multiemployer Plan that, in the aggregate, would reasonably be expected to result in withdrawal liability of any Credit Party or any Subsidiary of any Credit Party to such Multiemployer Plan in excess of $2,000,000; (vi) any factor or circumstance, including, but not limited to, the occurrence of any Reportable Event, which constitute grounds for the termination of any Pension Plan or any Multiemployer Plan by the PBGC or for the appointment of a trustee to administer any Pension Plan or Multiemployer Plan, shall have occurred and be continuing for a period of thirty (30) days; or (vii) any event or condition with respect to any Employee Benefit Plan, any Foreign Plan, any Pension Plan or any Multiemployer Plan shall have occurred that, either alone or when taken together with all other events or conditions, would reasonably be expected to result in liability of any Credit Party or any Subsidiary of any Credit Party in an aggregate amount exceeding $2,000,000.

(h) Bankruptcy, Insolvency, etc.

(i) An involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (A) relief in respect of any Credit Party or any Subsidiary of any Credit Party, or of a substantial part of the property of any Credit Party or any Subsidiary of any Credit Party, under Title 11 of the United States Code, as now constituted or hereafter amended, the Bankruptcy Code or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law, (B) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Credit Party or any Subsidiary of any Credit Party or for a substantial part of the property of any Credit Party or any Subsidiary of any Credit Party or (C) the winding-up or liquidation of any Credit Party or any Subsidiary of any Credit Party and, in each such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(ii) Any Credit Party or any Subsidiary of any Credit Party shall (A) voluntarily commence any proceeding or file any petition seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended, the Bankruptcy Code or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law, (B) consent to the institution of any proceeding or the filing of any petition described in clause (h)(i), (C) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator, administrator, administrative receiver, compulsory manager or similar official for any Credit Party or any Subsidiary of any Credit Party or for a substantial part of the property of any Credit Party or any Subsidiary of any Credit Party, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors, (F) become unable, admit in writing its inability or fail generally to pay its debts as they become due, (G) declare a moratorium in respect of any of its Indebtedness or (H) take any action authorizing, or in furtherance of, any of the foregoing.

(i) Impairment of Security, etc. Any Credit Document or any Lien granted thereunder shall (except in accordance with its terms), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligation of any Credit Party party thereto, or any Credit Party or any other Person shall, directly or indirectly, contest or limit in any manner such effectiveness, validity, binding nature or enforceability; or, except as permitted under any Credit Document or solely as a result of an action or a failure to act by Agent, any Lien securing any Obligation shall, in whole or in part, cease to be a perfected Lien.

(j) Change of Control. Any Change of Control shall occur.

(k) Failure of Subordination. The subordination provisions of any Subordination Agreement and/or the subordination provisions contained in or otherwise pertaining to any agreement or instrument governing any Subordinated Indebtedness or earnout shall, in whole or in part, for any reason be revoked or invalidated, or otherwise cease to be in full force and effect, or any Credit Party or any of its Affiliates shall, directly or indirectly, contest or limit in any manner the effectiveness, validity, binding nature or enforceability thereof, deny that it has any further liability or obligation thereunder, or take any action in violation thereof or fail to take any action required by the terms thereof, or the Obligations shall, in whole or in part, for any reason not have the priority contemplated by this Agreement, any such Subordination Agreement or such subordination provisions.

(l) Restraint of Operations; Loss of Assets. If any Credit Party or any Subsidiary of a Credit Party is enjoined, restrained, or in any way prevented by court order or other Governmental Authority from continuing to conduct all or any material part of its business affairs or if any material portion of any Credit Party's or any of its Subsidiaries' assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any third Person and the same is not discharged before the earlier of thirty (30) days after the date it first arises or five (5) days prior to the date on which such property or asset is subject to forfeiture by such Credit Party or the applicable Subsidiary.

(m) Failure to Make PC Distributions. The failure of any PC Entity to deposit cash, checks, drafts and other items, including cash and Cash Equivalents, received or held by or on behalf of such PC Entity (other than amounts not exceeding $70,000 at any one time) into a deposit account of a Credit Party subject to a Control Agreement or a deposit account of such PC Entity subject to a sweep agreement in favor of a Credit Party in breach of the PC Documents, if such breach remains uncured for more than five (5) Business Days following any Credit Party becoming aware of such breach.

SECTION 10.02 Remedies Upon Event of Default. If any Event of Default shall occur for any reason, whether voluntary or involuntary, and be continuing, (a) the Agent may, and upon the direction of the Required Revolving Lenders shall, by notice to the Borrower, permanently reduce the Total Revolving Loan Commitment in whole or in part or otherwise declare the Total Revolving Loan Commitment to be suspended or terminated, whereupon such Total Revolving Loan Commitment shall forthwith be so reduced, suspended or terminated, and (b) (a) the Agent may, and upon the direction of the Required Lenders shall, by notice to the Borrower, (x) declare all or any portion of the outstanding principal amount of the Loans and all other Obligations to be due and payable and the Revolving Loan Commitments (if not theretofore terminated) to be terminated, whereupon the full unpaid amount of such Loans and other Obligations (including the Prepayment Premium) which shall be so declared due and payable shall be and become immediately due and payable, without further notice, demand or presentment, and the Revolving Loan Commitments shall terminate and the Borrower shall automatically and immediately be obligated to Cash Collateralize all Letters of Credit Outstanding, or (y) exercise any and all rights and remedies available to the Agent and/or the Agent under the Credit Documents or Applicable Laws; provided that, notwithstanding anything to the contrary contained herein or in any other Credit Document, upon the occurrence of any event with respect to any Credit Party described in Section 10.01(h), the Total Commitments shall automatically terminate and the outstanding principal amount of the Loans and all other Obligations then outstanding, together with accrued interest thereon and any accrued Fees and all other Obligations of the Credit Parties hereunder and under any other Credit Document (including, without limitation, the Prepayment Premium), shall automatically become due and payable, without presentment, demand, protest or any other notice of any kind, or further action of the Agent, all of which are hereby expressly waived by the Borrower and each other Credit Party. The rights of the Agent and the Lenders provided for in this Agreement and the other Credit Documents are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law or in equity, or under any other instrument, document or agreement now existing or hereafter arising.

SECTION 10.03 Equity Cure.

(a) Notwithstanding anything to the contrary contained in this Article X, in the event that Borrower fails to comply with any of the Financial Covenants, then until the fifteenth Business Day following the date on which the Compliance Certificate in respect of the applicable fiscal quarter is required to be delivered pursuant to Section 8.01(d), the members of Holdings shall have the right to (i) purchase Capital Stock (which shall be in the form of common equity or other equity having terms reasonably acceptable to the Agent) of Holdings or to contribute additional capital in respect of their existing Capital Stock of Holdings and (ii) make payment for such Capital Stock in cash or make such capital contributions in cash within fifteen (15) Business Days following the date on which the Compliance Certificate in respect of the applicable fiscal quarter is required to be delivered pursuant to Section 8.01(d) (collectively, the "***Cure Right***"); provided that Holdings shall immediately upon receipt of such cash payment contribute one hundred percent (100%) of such payment to the capital of Borrower, and upon the receipt by Borrower of such cash contribution (the "***Specified Equity Contribution***") pursuant to the exercise by such members and Holdings of such Cure Right, the Consolidated EBITDA shall be increased, solely for the purpose of determining compliance with the Financial Covenants with respect to any period of four consecutive fiscal quarters that includes the fiscal quarter for which the Cure Right was exercised and not for any other purpose under this Agreement, by an amount equal to the amount of the Specified Equity Contribution (the "***Cure Amount***"). The Borrower shall immediately apply the full Cure Amount to the payment of the Obligations in the manner specified in Section 5.02(b). If, after giving effect to the foregoing recalculations, Borrower shall then be in compliance with the requirements of all Financial Covenants (and shall deliver to Agent a pro forma Compliance Certificate demonstrating such compliance), Borrower shall be deemed to have complied with the Financial Covenants 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 breach or default of the Financial Covenants that had occurred shall be deemed cured for the purposes of this Agreement. For the avoidance of doubt, no Lender shall have any obligation to make additional loans or otherwise extend credit hereunder until the Event of Default has been cured. In the event the Borrower does not cure all applicable Financial Covenant violations as provided in this Section 10.03, the existing Events of Default shall continue unless waived in writing by the Required Lenders in accordance herewith. Notwithstanding anything herein to the contrary, (i) in each four (4) fiscal quarter period there shall be at least two fiscal quarters in which no Cure Right is exercised, (ii) no more than five (5) Specified Equity Contributions may be made during the term of this Agreement, (iii) the Cure Right shall not be exercised in any two (2) consecutive fiscal quarters, (iv) the amount of any Specified Equity Contribution shall be no greater than the minimum amount required to cause Borrower to be in compliance with the Financial Covenants, and (v) no Indebtedness repaid with the proceeds of a Specified Equity Contribution shall be deemed repaid for purposes of determining compliance with the Financial Covenants for any fiscal quarter in which a Specified Equity Contribution is included in Consolidated EBITDA. For the avoidance of doubt, after determining compliance with the Financial Covenants pursuant to Section 9.13 for all applicable periods in which the Cure Amount is included in determining such compliance, all Specified Equity Contributions shall be disregarded for all other purposes under this Agreement, including for purposes of determining the availability or amount of any covenant baskets or carve-outs, in each case that would otherwise be impacted by Consolidated EBITDA amounts or Financial Covenant levels.

ARTICLE XI

THE AGENT

SECTION 11.01 Appointment.

(a) Each Lender (and, if applicable, each other Secured Party) hereby appoints First Eagle as its Agent under and for purposes of each Credit Document, and hereby authorizes the Agent to act on behalf of such Lender (or if applicable, each other Secured Party) under each Credit Document and, in the absence of other written instructions from the Lenders pursuant to the terms of the Credit Documents received from time to time by the Agent, to exercise such powers hereunder and thereunder as are specifically delegated to or required of the Agent by the terms hereof and thereof, together with such powers as may be incidental thereto.

(b) Each Lender (and, if applicable, each other Secured Party) hereby irrevocably designates and appoints Agent as the agent of such Lender under the Credit Documents. Notwithstanding any provision to the contrary elsewhere in this Agreement, no Agent shall have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender or other Secured Party, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against Agent.

SECTION 11.02 Delegation of Duties. Agent may execute any of its duties under this Agreement and the other Credit Documents by or through agents or attorneys in fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Agent shall not be responsible for the negligence or misconduct of any agents or attorneys in fact selected by it with reasonable care. Without limiting the foregoing, the Agent may appoint one of its Affiliates as its agent to perform the functions of the Agent hereunder relating to the distribution of funds to the Lenders and to perform such other related functions of the Agent hereunder as are reasonably incidental thereto.

SECTION 11.03 Exculpatory Provisions.

(a) Neither Agent nor any of its officers, directors, employees, attorneys-in-fact or Affiliates shall be (a) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Credit Document (except to the extent that any of the foregoing are found by a final and non-appealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (b) responsible in any manner to any of the Lenders or any other Secured Party for any recitals, statements, representations or warranties made by any Credit Party or any officer thereof contained in this Agreement or any other Credit Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Agent under or in connection with, this Agreement or any other Credit Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document or for any failure of any Credit Party or other Person to perform its obligations hereunder or thereunder. Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose Agent to liability or that is contrary to any Credit Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any bankruptcy or insolvency law or other similar law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any bankruptcy or insolvency law or other similar law. The Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the properties, books or records of any Credit Party.

(b) Notwithstanding anything to the contrary contained herein, the Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definitions of "LIBOR Rate" or the portion of "Base Rate" based thereon or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.10 and Section 12.01 and (ii) the implementation of any conforming changes hereunder in connection therewith), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the "LIBOR Rate" or the portion of "Base Rate" based thereon or have the same volume or liquidity as did the London interbank offered rate prior to its discontinuance or unavailability.

(c) The Agent shall not have any liability in connection with the maintenance or non-maintenance of the Register or the Participant Register, including as to the accuracy or frequency of any recordings thereof.

(d) The Agent shall not (A) be obligated to ascertain, monitor or inquire as to whether any Lender, Participant or prospective Lender or Participant is or is not an Eligible Assignee or (B) have any liability with respect to or arising out of any assignment or participation of Term Loans or Commitments, or disclosure of confidential information, to any Person that is not an Eligible Assignee.

SECTION 11.04 Reliance by Agent. Agent shall be entitled to rely, and shall be fully protected in relying, upon any instrument, writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype 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 the Credit Parties), independent accountants and other experts selected by Agent. The Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Agent. Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all or other requisite Lenders) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Credit Documents in accordance with a request of the Required Lenders (or, if so specified by this Agreement, all Lenders), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans and all other Secured Parties.

SECTION 11.05 Notice of Default. The Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Agent has received notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that Agent receives such a notice, Agent shall give notice thereof to the Lenders. Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified by this Agreement); provided, that unless and until Agent shall have received such directions, the 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 as Agent shall deem advisable in the best interests of the Secured Parties.

SECTION 11.06 Non Reliance on Agent and Other Lenders. Each Lender (and, if applicable, each other Secured Party) expressly acknowledges that neither the Agent nor any of its officers, directors, employees, agents, attorneys in fact or Affiliates have made any representations or warranties to it and that no act by Agent hereafter taken, including any review of the affairs of a Credit Party or any Affiliate of a Credit Party, shall be deemed to constitute any representation or warranty by Agent to any Lender or any other Secured Party. Each Lender (and, if applicable, each other Secured Party) represents to the Agent that it has, independently and without reliance upon Agent or any other Lender or any other Secured Party, and based on such documents and information as it has deemed appropriate, made its own appraisal of, and investigation into, the business, operations, property, financial and other condition and creditworthiness of the Credit Parties and their Affiliates and made its own decision to make its Loans hereunder and enter into this Agreement, the other Credit Documents. Each Lender (and, if applicable, each other Secured Party) also represents that it will, independently and without reliance upon Agent or any other Lender or any other Secured Party, 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 Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Credit Parties and their Affiliates. Except for notices, reports and other documents expressly required to be furnished to the Lenders by Agent hereunder, the Agent shall not have any duty or responsibility to provide any Lender or any other Secured Party with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Credit Party or any Affiliate of a Credit Party that may come into the possession of Agent or any of its officers, directors, employees, Agent, attorneys in fact or Affiliates.

SECTION 11.07 Indemnification. The Lenders agree to indemnify Agent in its capacity as such (to the extent not reimbursed by the Credit Parties and without limiting the obligation of the Credit Parties to do so), ratably according to their respective Total Credit Exposure in effect on the date on which indemnification is sought under this Section 11.07 (or, if indemnification is sought after the date upon which the Total Commitments shall have terminated and the Loans shall have been paid in full in cash, ratably in accordance with such Total Credit Exposure immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Credit 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 Agent under or in connection with any of the foregoing; provided, that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and non-appealable decision of a court of competent jurisdiction to have resulted from Agent's gross negligence or willful misconduct. The agreements in this Section 11.07 shall survive the repayment in full of the Loans and all other Obligations.

SECTION 11.08 Agent in Its Individual Capacity. Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Credit Party as though Agent were not Agent. With respect to its Loans made or renewed by it and with respect to any Letter of Credit issued or participated in by it, Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not Agent, and the terms "Lender", "Lenders", "Secured Party" and "Secured Parties" shall include Agent in its individual capacity.

SECTION 11.09 Successor Agent. Agent may resign as Agent upon twenty (20) days' notice to the Lenders, such other Agent and the Borrower. If Agent shall resign as Agent in its applicable capacity under this Agreement and the other Credit Documents, then the Required Lenders shall appoint from among the Lenders a successor agent, which successor agent shall (unless an Event of Default shall have occurred and be continuing) be subject to approval by the Borrower (which approval shall not be unreasonably withheld, conditioned or delayed and shall be deemed given if the Borrower does not object within five (5) Business Days of its receipt of notice thereof) whereupon such successor agent shall succeed to the rights (other than any rights to indemnity and expense reimbursement payments owed to the retiring Agent), powers and duties of Agent in its applicable capacity, and the term "Agent" shall mean such successor agent effective upon such appointment and approval, and the former Agent's rights (other than any rights to indemnity payments owed to the retiring Agent), powers and duties as Agent in its applicable capacity shall be terminated, without any other or further act or deed on the part of such former Agent or any of the parties to this Agreement or any holders of the Loans. If no applicable successor agent has accepted appointment as Agent in its applicable capacity by the date that is twenty (20) days following such retiring Agent's notice of resignation, such retiring Agent's resignation, shall nevertheless thereupon become effective, and the Lenders shall assume and perform all of the duties of Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. After Agent's resignation as the Agent, the provisions of this Article XI shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement and the other Credit Documents. The fees payable by the Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor agent in writing.

SECTION 11.10 Agent Generally. Except as expressly set forth herein, Agent shall not have any duties or responsibilities hereunder in its capacity as such.

SECTION 11.11 Restrictions on Actions by Lenders; Sharing of Payments.

(a) Each of the Lenders agrees that it shall not, without the express written consent of the Agent, and that it shall, to the extent it is lawfully entitled to do so, upon the written request of Agent, set off against the Obligations, any amounts owing by such Lender to any Credit Party or any of their respective Subsidiaries or any deposit accounts of any Credit Party or any of their respective Subsidiaries now or hereafter maintained with such Lender. Each of the Lenders further agrees that it shall not, unless specifically requested to do so in writing by Agent, take or cause to be taken any action, including, the commencement of any legal or equitable proceedings to enforce any Credit Document against any Credit Party or to foreclose any Lien on, or otherwise enforce any security interest in, any of the Collateral.

(b) Subject to Section 12.09, if, at any time or times any Lender shall receive (i) by payment, foreclosure, setoff, or otherwise, any proceeds of Collateral or any payments with respect to the Obligations, except for any such proceeds or payments received by such Lender from the Agent pursuant to the terms of this Agreement, or (ii) payments from the Agent in excess of such Lender's *pro rata* share of all such distributions by Agent, such Lender promptly shall (A) turn the same over to the Agent, in kind, and with such endorsements as may be required to negotiate the same to the Agent, or in immediately available funds, as applicable, for the account of all of the Lenders and for application to the Obligations in accordance with the applicable provisions of this Agreement, or (B) purchase, without recourse or warranty, an undivided interest and participation in the Obligations owed to the other Lenders so that such excess payment received shall be applied ratably as among the Lenders in accordance with their *pro rata* shares; provided, that to the extent that such excess payment received by the purchasing party is thereafter recovered from it, those purchases of participations shall be rescinded in whole or in part, as applicable, and the applicable portion of the purchase price paid therefor shall be returned to such purchasing party, but without interest except to the extent that such purchasing party is required to pay interest in connection with the recovery of the excess payment.

SECTION 11.12 Agency for Perfection. The Agent hereby appoints each other Secured Party as its agent (and each Secured Party hereby accepts such appointment) for the purpose of perfecting the Agent's Liens in assets which, in accordance with the Uniform Commercial Code of any applicable state can be perfected only by possession or control. Should any Secured Party obtain possession or control of any such Collateral, such Secured Party shall notify the Agent thereof, and, promptly upon the Agent's request therefor shall deliver possession or control of such Collateral to the Agent or in accordance with the Agent's instructions.

SECTION 11.13 Authorization to File Proof of Claim. In case of the pendency of any bankruptcy, insolvency or other similar proceeding with respect to any Credit Party, the Agent (irrespective of whether the principal of any Loan shall then be due and payable or whether the Agent shall have made any demand therefor) shall be entitled: (i) to file and prove a claim in such proceeding for the full amount of the principal and interest in respect of the Loans and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Agent (including any claim for reimbursement under Section 12.05) allowed in such proceeding; and (ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any trustee, liquidator or another similar official in any such proceedings is hereby authorized by each Lender to make such payments to the Agent for the account of such Lender. Nothing contained herein shall be deemed to authorize the Agent to consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the obligations of the Credit Party hereunder or the rights of any Lender, or to authorize the Agent to vote in respect of the claim of any Lender in any such proceeding.

SECTION 11.14 Credit Bids. Each Credit Party and each Secured Party hereby irrevocably authorizes the Agent, based upon the written instruction of the Required Lenders, to bid and purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any sale thereof conducted (i) by Agent under the provisions of the UCC, including pursuant to Sections 9-610 or 9-620 of the UCC, (ii) under the provisions of the Bankruptcy Code, including Section 363, 365 and/or 1129 of the Bankruptcy Code or (iii) by Agent (whether by judicial action or otherwise, including a foreclosure sale) in accordance with Applicable Law (clauses (i), (ii) an (iii), a "***Collateral Sale***"); and in connection with any Collateral Sale based upon the written instruction of Required Lenders, Agent may accept non-cash consideration, including debt and equity securities issued by any acquisition vehicle under the direction or control of Agent may offset all or any portion of the Obligations against the purchase price of such Collateral. Each Secured Party hereby agrees that, except as otherwise provided in any Credit Documents with the written consent of the Agent and the Required Lenders, it will not take any enforcement action, accelerate obligations under any Credit Documents, or exercise any right that it might otherwise have under Applicable Law to credit bid at foreclosure sales, UCC sales or other similar dispositions of Collateral.

SECTION 11.15 Binding Effect. Each Secured Party, by accepting the benefits of the Credit Documents, agrees that (i) any action taken by Agent or the Required Lenders (or, if expressly required hereby, a greater proportion of the Lenders) in accordance with the provisions of the Credit Documents, (ii) any action taken by Agent in reliance upon the instructions of Required Lenders (or, where so required, such greater proportion) and (iii) the exercise by Agent or the Required Lenders (or, where so required, such greater proportion) of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Secured Parties.

SECTION 11.16 Authorization to Enter into Intercreditor and Subordination Agreements. Each Lender consents to and authorizes Agent's execution and delivery of any intercreditor agreement (including, without limitation, any junior Lien intercreditor agreement and pari passu intercreditor agreement), subordination agreement or similar agreement, instrument or document from time to time as contemplated by the terms hereof on behalf of such Lender and agrees to be bound by the terms and provisions thereof, including any purchase option contained therein.

SECTION 11.17 Erroneous Payments.

(a) If the Agent notifies a Lender, Letter of Credit Issuer or Secured Party, or any Person who has received funds on behalf of a Lender, Letter of Credit Issuer or Secured Party such Lender or Letter of Credit Issuer (any such Lender, Letter of Credit Issuer, Secured Party or other recipient, a "***Payment Recipient***") that the Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Letter of Credit Issuer, Secured Party or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "***Erroneous Payment***") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Agent, and such Lender, Letter of Credit Issuer or Secured Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting the immediately preceding clause (a), each Lender, Letter of Credit Issuer or Secured Party, or any Person who has received funds on behalf of a Lender, Letter of Credit Issuer or Secured Party such Lender or Letter of Credit Issuer, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates), or (z) that such Lender, Letter of Credit Issuer or Secured Party, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender, Letter of Credit Issuer or Secured Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 11.17(b).

(c) Each Lender, Letter of Credit Issuer or Secured Party hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Lender, Letter of Credit Issuer or Secured Party under any Credit Document, or otherwise payable or distributable by the Agent to such Lender, Letter of Credit Issuer or Secured Party from any source, against any amount due to the Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor by the Agent in accordance with immediately preceding clause (a), from any Lender or Letter of Credit Issuer that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "***Erroneous Payment Return Deficiency***"), upon the Agent's notice to such Lender or Issuing Lender at any time, (i) such Lender or Letter of Credit Issuer shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the "***Erroneous Payment Impacted Class***") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "***Erroneous Payment Deficiency Assignment***") at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Acceptance (or, to the extent applicable, an agreement incorporating an Assignment and Acceptance by reference pursuant to an electronic platform as to which the Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender or Letter of Credit Issuer shall deliver any Notes evidencing such Loans to the Borrower or the Agent, (ii) the Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Agent as the assignee Lender shall become a Lender or Letter of Credit Issuer, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender or assigning Letter of Credit Issuer shall cease to be a Lender or Letter of Credit Issuer, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender or assigning Letter of Credit Issuer and (iv) the Agent may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. The Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender or Letter of Credit Issuer shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Lender or Letter of Credit Issuer (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender or Letter of Credit Issuer and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Agent has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Agent may be equitably subrogated, the Agent shall be contractually subrogated to all the rights and interests of the applicable Lender, Letter of Credit Issuer or Secured Party under the Credit Documents with respect to each Erroneous Payment Return Deficiency (the "***Erroneous Payment Subrogation Rights***").

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Credit Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Agent from the Borrower or any other Credit Party for the purpose of making such Erroneous Payment.

(f) To the extent permitted by Applicable Law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(g) Each party's obligations, agreements and waivers under this Section 11.17 shall survive the resignation or replacement of the Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Letter of Credit Issuer, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Credit Document.

ARTICLE XII

MISCELLANEOUS

SECTION 12.01 Amendments and Waivers. Neither this Agreement nor any other Credit Document (other than the Fee Letter, the Fourth Amendment Fee Letter or any other fee letter), nor any terms hereof or thereof, may be amended, restated, supplemented, waived or otherwise modified except in accordance with the provisions of this Section 12.01. The Required Lenders may, or, with the consent of the Required Lenders, the Agent may, from time to time, (a) enter into with the relevant Credit Party or Credit Parties written amendments, restatements, supplements, waivers or other modifications hereto and to the other Credit Documents for the purpose of adding any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or the Credit Parties hereunder or thereunder or (b) waive, on such terms and conditions as the Required Lenders or the Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; provided, that no such amendment, restatement, supplement, waiver or other modification shall directly:

(i) (A) reduce or forgive any portion of any Loan or extend the final expiration date of any Lender's Commitment or extend the final scheduled maturity date of any Loan or reduce the stated interest rate (it being understood that any change to the definition of Total Leverage Ratio or the component definitions thereof shall not constitute a reduction of the stated interest rate and only the consent of the Required Lenders shall be necessary to waive any obligation of the Borrower to pay interest at the "default rate" or amend Section 2.08(c)), or (B) reduce or forgive any portion or extend the date for the payment, of any interest or fee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates and other than as a result of a waiver or amendment of any mandatory prepayment of Term Loans, Incremental Term Loans or reduction of Revolving Loan Commitments (which shall not constitute an extension, forgiveness or postponement of any date for payment of principal, interest or fees), each of which shall require only the consent of the Required Lenders (or, in the case of the Revolving Loan Commitments, shall require only the consent of the Required Revolving Lenders)), or (C) decrease, forgive or waive the amount due on any Term Loan Repayment Amount, (D) extend any scheduled Term Loan Repayment Date, (E) amend or modify any provisions of Section 12.09(b) or any other provision that provides for the *pro rata* nature of disbursements by or payments to Lenders, (F) reduce or extend the date for payment of any Unpaid Drawings, (G) extend the final expiration date of any Letter of Credit beyond the Maturity Date or (H) contractually subordinate any of the Obligations or any of the Liens securing any of the Obligations to any other Indebtedness or Liens, in each case without the written consent of each Lender directly and adversely affected thereby;

(ii) amend, modify or waive any provision of this Section 12.01 or alter the percentages specified in the definitions of the term "Required Lenders" or "Required Revolving Lenders" or consent to the assignment or transfer by any Credit Party of its rights and obligations under any Credit Document to which it is a party (except in connection with a transaction expressly permitted pursuant to Section 9.03), in each case without the written consent of each Lender directly and adversely affected thereby;

(iii) increase the aggregate amount of any Commitment of any Lender without the consent of such Lender;

(iv) amend, modify or waive any provision of Article XI without the written consent of the Agent;

(v) amend, modify or waive any provision of Article III without the written consent of the Letter of Credit Issuer;

(vi) change any Commitment to a Commitment of a different Class in each case without the prior written consent of each Lender directly and adversely affected thereby;

(vii) release all or substantially all of the Guarantors under the Security Agreement (except as expressly permitted by the Security Agreements), or release all or substantially all of the Collateral under the Security Agreement and the Security Documents (except as expressly permitted thereby and in Section 12.19), in each case without the prior written consent of each Lender;

(viii) permit Interest Period intervals greater than six (6) months if not agreed to by all applicable Lenders;

(ix) amend Section 5.02(g) without the prior written consent of each Lender; or

(x) amend, modify or waive any provision of any Credit Document in a manner that by its terms adversely affects the rights in respect of payments due to Lenders holding, or Collateral securing, Loans or other Obligations of any Class differently than those holding Loans or other Obligations of any other Class, without the written consent of Lenders holding a majority in interest of the outstanding Loans and unused Commitments under each affected Class;

provided further, that any waiver, amendment or modification of this Agreement that by its terms affects the rights or duties under this Agreement of Lenders holding Loans or Commitments of a particular Class (but not the Lenders holding Loans or Commitments of any other Class) may be effected by an agreement or agreements in writing entered into by the Borrower and the requisite percentage in interest of the affected Class of Lenders that would be required to consent thereto under this Section 12.01 if such Class of Lenders were the only Class of Lenders hereunder at the time.

Notwithstanding anything contained herein to the contrary, the Fee Letter, the Fourth Amendment Fee Letter and any other fee letter may only be amended, supplement, modified or rights or privileges thereunder waived, in a writing executed only by Borrower and any other party thereto.

In addition, for the avoidance of doubt, if the LIBOR Rate is not available, any amendment or waiver which relates to providing for another benchmark rate to apply in place of the LIBOR Rate pursuant to Section 2.10 (or which relates to aligning any provision of a Credit Document to the use of that other benchmark rate) may be made with the consent of the Agent, the Borrower and, to the extent required under Section 2.10, the Required Lenders.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitments of such Lender may not be increased or extended without the consent of such Lender.

SECTION 12.02 Notices and Other Communications; Facsimile Copies. (a) General. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Credit Document shall be in writing (including by facsimile transmission). All such written notices shall be mailed, faxed or delivered to the applicable address, facsimile number or electronic mail address, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Credit Parties, the Agent or the Letter of Credit Issuer, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 12.02 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the Borrower and the Agent.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, three (3) 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, when delivered; provided, that notices and other communications to the Agent and the Letter of Credit Issuer pursuant to Article II shall not be effective until actually received by such Person.

(b) Effectiveness of Facsimile Documents and Signatures. Credit Documents may be transmitted and/or signed by facsimile or other electronic communication. The effectiveness of any such documents and signatures shall have the same force and effect as manually signed originals and shall be binding on all Credit Parties, the Agent and the Lenders.

(c) Reliance by Agent and Lenders. The Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic Notices of Borrowing) purportedly given by or on behalf of any 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. All telephonic notices to Agent may be recorded by Agent, and each of the parties hereto hereby consents to such recording.

SECTION 12.03 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Credit Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

SECTION 12.04 Survival of Representations and Warranties. All representations and warranties made hereunder and in the other Credit Documents shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

SECTION 12.05 Payment of Expenses and Taxes; Indemnification. Borrower agrees (a) to pay or reimburse the Agent and, (1) if an Event of Default has occurred and is continuing or (2) if the Borrower requests and is granted a written amendment, restatement, supplement, waiver or other modification hereto that modifies the Financial Covenants in a manner that is more favorable to the Borrower (a "***Financial Covenant Amendment***") and (3) there exists an actual or perceived conflict of interest among the Agent and/or the Lenders with respect to such Event of Default or Financial Covenant Amendment, the Lenders for all reasonable costs and expenses incurred in connection with the development, negotiation, preparation and execution of, and any amendment, supplement or modification to, this Agreement, the other Credit Documents and the other Transaction Documents and Fourth Amendment Transaction Documents, and the consummation and administration of the Transactions and the Fourth Amendment Transactions, and any other document, instrument, agreement or transaction related to the foregoing, including the reasonable fees, disbursements and other charges of counsel and other third party advisors to the Agent and/or the Lenders; provided that, the Borrower's obligation to pay or reimburse the reasonable fees, disbursements and other charges of counsel to Lenders in the case of clauses (1) or (2) and (3) above shall be limited to the fees, disbursements and other charges of one outside counsel to all affected Lenders, taken as a whole, and, if reasonably necessary, one additional local counsel in each relevant jurisdiction to all affected Lenders, taken as a whole, (b) to pay or reimburse the Agent and the Lenders for all costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Credit Documents and the other Transaction Documents and Fourth Amendment Transaction Documents, including the fees, disbursements and other charges of counsel and third party advisors to each Lender and of counsel to the Agent (including all cost and expenses incurred in connection with any workout or restructuring in respect of the Loans, all costs and expenses incurred during any legal proceedings, including any proceeding under any Debtor Relief Law), (c) to pay, indemnify, and hold harmless the Agent and the Lenders from any and all Other Taxes, if any, that may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Credit Documents and the other Transaction Documents and Fourth Amendment Transaction Documents, (d) to pay or reimburse the Agent and Lenders, as applicable, for all reasonable fees and expenses incurred in exercising their respective rights under Section 8.02 and (e) to pay, indemnify and hold harmless the Agent, the Lenders and their respective Related Parties from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses and disbursements of any kind or nature whatsoever, including all fees, disbursements and other charges of counsel and other third party advisors and all fees, costs and expenses incurred in connection with investigating, preparing to defend or defending against, or participating in, or providing evidence in or preparing to serve or serving as a witness with respect to, any action or other proceeding relating to any of the foregoing (whether or not such party is a party to any such action or proceeding), with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Credit Documents, the Transaction Documents, the Fourth Amendment Transaction Documents, the consummation of the Transactions and the Fourth Amendment Transactions and any other document, instrument, agreement or transaction related to the foregoing, including any of the foregoing relating to the actual, potential or alleged violation of, noncompliance with or liability under, any Environmental Law or any actual, potential or alleged presence or Release of or exposure to Hazardous Materials applicable to the operations of each Credit Party, any of its Subsidiaries or to any of their Real Property, or any actual, potential or alleged natural resource damages or harm or injury to any other property whether or not any Lender, Agent or any of their Related Parties are a mortgagee in possession or the successor-in-interest to any Credit Party (all the foregoing in this clause (e), collectively, the "***indemnified liabilities***"); provided that (i) the Credit Parties shall have no obligation hereunder to the Agent or any Lender nor any of their Related Parties with respect to indemnified liabilities that result from the gross negligence or willful misconduct of such Person seeking indemnification, as determined by a final non-appealable judgment of a court of competent jurisdiction and (ii) except as otherwise specified in clause (c) above, this Section 12.05 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim. Except as agreed by the Agent and the Borrower, all amounts due under this Section 12.05 shall be paid within thirty (30) days after written request therefor. The agreements in this Section 12.05 shall survive the resignation of any Agent, the replacement of any Lender and the repayment in full in cash of the Loans and all other Obligations and the termination of this Agreement. To the fullest extent permitted by Applicable Law, no Credit Party shall assert, and each Credit Party hereby waives, any claim against any Lender, Agent and their respective Related Parties, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Credit Document or any other Transaction Document or Fourth Amendment Transaction Documents, the Transactions, the Fourth Amendment Transactions, any Loan or the use of the proceeds thereof. No Lender, no Agent nor any of their respective Related Parties shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby.

SECTION 12.06 Successors and Assigns; Participations and Assignments. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of the Letter of Credit Issuer that issues any Letter of Credit), except that (i) except in connection with the Debt Push Down and any other transaction expressly permitted under Section 9.03, no Credit Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by any Credit Party without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 12.06. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of the Letter of Credit Issuer that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section 12.06) and, to the extent expressly contemplated hereby, the Related Parties of each of the Agent, the Letter of Credit Issuer and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement. Notwithstanding anything to the contrary herein, (a) any Lender shall be permitted to pledge or grant a security interest in all or any portion of such Lender's rights hereunder including, but not limited to, any Loans (without the consent of, or notice to or any other action by, any other party hereto) to secure the obligations of such Lender or any of its Affiliates to any Person providing any loan, letter of credit or other extension of credit to or for the account of such Lender or any of its Affiliates and Agent, trustee or representative of such Person and (b) the Agent shall be permitted to pledge or grant a security interest in all or any portion of their respective rights hereunder or under the other Credit Documents, including, but not limited to, rights to payment (without the consent of, or notice to or any other action by, any other party hereto), to secure the obligations of Agent or any of its Affiliates to any Person providing any loan, letter of credit or other extension of credit to or for the account of Agent or any of its Affiliates and Agent, trustee or representative of such Person; provided, for the avoidance of doubt, that it is agreed by the parties that such granting Lender or, as the context may require Agent, shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Credit Document, remain the Lender, or as the case may be, Agent of record hereunder. For the avoidance of doubt, no consent of any party hereto shall be required with respect to an assignment of Loans or Commitments to a Lender's financing sources, including in connection with their exercise of remedies with respect to a security interest permitted under this Section.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (which consent in each case shall not be unreasonably withheld, conditioned or delayed) of (A) the Borrower; provided that (1) no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, (2) no consent of the Borrower shall be required for any assignment if, at such time, an Event of Default has occurred and is continuing and (3) the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Agent within five (5) Business Days after having received written notice thereof; and (B) the Agent; provided that no consent of the Agent shall be required for an assignment to a Lender, an Affiliate of a Lender or an Approved Fund.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitments or Loans of any Class, the amount of the (i) Term Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Agent) shall not be less than $1,000,000 (and shall be made in $100,000 increments in excess thereof) and/or (ii) Revolving Loan Commitments or Revolving Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Agent) shall not be less than $500,000 (and shall be made in $100,000 increments in excess thereof (provided, that for purposes of calculating such minimum amounts, any assignment of a Revolving Loan Commitment together with a Letter of Credit Sub-Commitment shall be aggregated), unless each of the Borrower and the Agent otherwise consents, which consent, in each case, shall not be unreasonably withheld, conditioned or delayed; provided, that no such consent of the Borrower shall be required if a Default or Event of Default has occurred and is continuing; provided further, that contemporaneous assignments to a single assignee made by affiliated Lenders or related Approved Funds and contemporaneous assignments by a single assignor to affiliated Lenders or related Approved Funds shall be aggregated for purposes of meeting the minimum assignment amount requirements stated above;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement; provided, that this paragraph shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Agent an Assignment and Acceptance, together with a processing and recordation fee of $3,500 (except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund); and

(D) the assignee, if it is not already a Lender prior to the date of such assignment, shall deliver to the Agent an Administrative Questionnaire.

In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to such assignment shall make such additional payments to the Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of Agent, the applicable *pro rata* share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee (by its execution and delivery of the applicable Assignment and Acceptance to the Agent) and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Agent, the Letter of Credit Issuer or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full *pro rata* share of all Loans and Letter of Credit Participations in accordance with its Revolving Loan Commitment Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(v) of this Section 12.06, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 2.10, Section 2.11, Section 5.04 and Section 12.05); provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.06 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section 12.06.

(iv) The Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Total Commitments of, and principal amount (and stated interest) of the Loans and any payment made by the Letter of Credit Issuer under any Letter of Credit owing to, each Lender pursuant to the terms hereof from time to time (the "***Register***"). Further, the Register shall contain the name and address of the Agent and the lending office through which each such Person acts under this Agreement. The entries in the Register shall be conclusive absent manifest error, and the Credit Parties, the Agent, the Letter of Credit Issuer and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. In addition, the Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register, as in effect at the close of business on the preceding Business Day, shall be available for inspection by the Borrower, the Letter of Credit Issuer and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder) and any written consent to such assignment required by paragraph (b)(i) of this Section 12.06, the Agent shall accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless and until it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Borrower, the Letter of Credit Issuer or the Agent, sell participations to one or more banks or other entities (other than a natural person, a Defaulting Lender or the Borrower any other Credit Party, any of their respective Subsidiaries or any Affiliate thereof (including the Sponsor)) (each, a "***Participant***") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); provided, that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Letter of Credit Issuer, the Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement or any other Credit Document; provided, that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in clause (i) of the first proviso to Section 12.01. The Borrower agrees that each Participant shall be entitled to the benefits of Section 2.10, Section 2.11 and Section 5.04 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 12.06. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.09 as though it were a Lender; provided that such Participant agrees to be subject to Section 11.11 as though it were a Lender.

(ii) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Lender's obligations hereunder (the "***Participant Register***"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, no Agent (in its capacity as Agent) shall have any responsibility for maintaining a Participant Register.

(d) Disclosure. In connection with any assignment or participation or proposed assignment or participation or any grant of a security interest in, or pledge of, its rights under and interest in this Agreement, in each case, pursuant to this Section 12.06, any Lender may, subject to the provisions of Section 12.17, disclose all documents and information which it now or hereafter may have relating to Holdings and its Subsidiaries and their respective businesses.

SECTION 12.07 Replacements of Lenders Under Certain Circumstances. (a) The Borrower, at its sole cost and expense, shall be permitted to replace any Lender (or any Participant), other than an Affiliate of Agent, that requests reimbursement for amounts owing pursuant to Section 2.10, Section 2.11, Section 2.12 or Section 5.04, or (ii) is affected in the manner described in Section 2.10 and, as a result thereof, any of the actions described in such Section is required to be taken, provided, that (A) such replacement does not conflict with any Applicable Law, (B) no Default or Event of Default shall have occurred and be continuing at the time of such replacement, (C) the Borrower shall repay (or the replacement bank or institution shall purchase, at par) all Loans and other Obligations (other than any disputed amounts) pursuant to Section 2.10, Section 2.11, Section 2.12 or Section 5.04, as the case may be, owing to such replaced Lender prior to the date of replacement, (D) the replacement bank or institution, if not already a Lender, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Agent, (E) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 12.06 (except that such replaced Lender shall not be obligated to pay any processing and recordation fee required pursuant thereto) and (F) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Agent or any other Lender shall have against the replaced Lender.

(b) If any Lender (a "***Non-Consenting Lender***") has failed to consent to a proposed amendment, waiver, discharge or termination, which pursuant to the terms of Section 12.01 requires the consent of all of the Lenders affected thereby and with respect to which the Required Lenders shall have granted their consent, then, provided that no Default or Event of Default then exists, the Borrower shall have the right (unless such Non-Consenting Lender grants such consent), at their own cost and expense, to replace such Non-Consenting Lender by requiring such Non-Consenting Lender to assign its Loans and Commitments to one or more assignees reasonably acceptable to the Agent, provided, that: (i) all Obligations of the Borrower owing to such Non-Consenting Lender being replaced shall be paid in full to such Non-Consenting Lender concurrently with such assignment, (ii) the replacement Lender shall purchase the foregoing by paying to such Non-Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon plus any applicable Prepayment Premium and (iii) the replacement Lenders shall vote in favor of such proposed amendment, waiver, discharge or termination. In connection with any such assignment, the Borrower, the Agent, such Non-Consenting Lender and the replacement Lender shall otherwise comply with Section 12.06 (except that such Non-Consenting Lender shall not be obligated to pay any processing and recordation fee required pursuant thereto).

SECTION 12.08 Securitization. The Credit Parties hereby acknowledge that the Lenders and their Affiliates may securitize the Loans (a "***Securitization***") through the pledge of the Loans as collateral security for loans to the Lenders or their Affiliates or through the sale of the Loans or the issuance of direct or indirect interests in the Loans to their Controlled Affiliates, which loans to the Lenders or their Affiliates or direct or indirect interests will be rated by Moody's, S&P or one or more other rating agencies. The Credit Parties shall, to the extent commercially reasonable, cooperate with the Lenders and their Affiliates to effect any and all Securitizations. Notwithstanding the foregoing, no such Securitization shall release the Lender party thereto from any of its obligations hereunder or substitute any pledgee, secured party or any other party to such Securitization for such Lender as a party hereto and no change in ownership of the Loans may be effected except pursuant to Section 12.06.

SECTION 12.09 Adjustments; Set-off. (a) If any Lender (a "***benefited Lender***") shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 10.01(h), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans or interest thereon, such benefited Lender shall (i) notify the Agent of such fact and (ii) purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Loans, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, that (x) if all or any portion of such excess payment or benefits is thereafter recovered from such benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest and (y) the provisions of this Section shall not be construed to apply to (A) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (B) the application of Cash Collateral provided for in Section 2.14, or (C) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or Letter of Credit Participations to any assignee or Participant (as to which the provisions of this Section shall apply).

Notwithstanding the foregoing, in the event that any Defaulting Lender shall exercise any such right of setoff, (1) all amounts so set off shall be paid over immediately to the Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Agent, the Letter of Credit Issuer and the Lenders, and (2) the Defaulting Lender shall provide promptly to the Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation.

(b) After the occurrence and during the continuance of an Event of Default, to the extent consented to by Agent, in addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to the Borrower or any other Credit Party, any such notice being expressly waived by the Credit Parties to the extent permitted by Applicable Law, upon any amount becoming due and payable by the Borrower hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower, as the case may be. Each Lender agrees promptly to notify the Borrower and the Agent after any such set-off and application made by such Lender; provided, that the failure to give such notice shall not affect the validity of such set-off and application.

SECTION 12.10 Counterparts. This Agreement and the other Credit Documents may be executed by one or more of the parties thereto on any number of separate counterparts (including by facsimile or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

SECTION 12.11 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. Without limiting the foregoing provisions of this Section 12.11, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by bankruptcy, insolvency, fraudulent conveyance, moratorium, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law), as determined in good faith by the Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

SECTION 12.12 Integration. This Agreement and the other Credit Documents represent the agreement of the Credit Parties, the Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by any party hereto or thereto relative to the subject matter hereof not expressly set forth or referred to herein or in the other Credit Documents.

SECTION 12.13 GOVERNING LAW. THIS AGREEMENT, THE OTHER CREDIT DOCUMENTS (UNLESS EXPRESSLY PROVIDED OTHERWISE THEREIN) 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 REFERENCE TO CONFLICTS OF LAW PROVISIONS.

SECTION 12.14 Submission to Jurisdiction; Waivers.

(a) Borrower and each other Credit Party agree not to commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against Agent, any Lender, the Letter of Credit Issuer or any Affiliate of the foregoing in any way relating to this Agreement or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York state court or, to the fullest extent permitted by Applicable Law, in such federal court.

(b) Borrower and each other Credit Party agree that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same.

(c) Each of the parties hereto agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the applicable party at its respective address set forth on Schedule 12.02 or at such other address of which the Agent shall have been notified pursuant thereto.

(d) Each of the parties hereto agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit any right that the Agent, any Lender or the Letter of Credit Issuer may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or any other Credit Party or their respective properties in the courts of any jurisdiction.

(e) Borrower and each other Credit Party waives, to the maximum extent not prohibited by law, all rights of rescission, setoff, counterclaims, and other defenses in connection with the repayment of the Obligations.

(f) Borrower and each other Credit Party waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 12.14 any special, exemplary, punitive or consequential damages.

SECTION 12.15 Acknowledgments. Each Credit Party hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Credit Documents;

(b) neither the Agent nor any Lender has any fiduciary relationship with or duty to the Credit Parties arising out of or in connection with this Agreement or any of the other Credit Documents, and the relationship between Agent and Lenders, on one hand, and the Credit Parties, on the other hand, in connection herewith or therewith is solely that of debtor and creditor;

(c) no joint venture is created hereby or by the other Credit Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Credit Parties and the Lenders; and

(d) any Prepayment Premium shall be presumed to be equal to the liquidated damages sustained by the Lenders as the result of the occurrence of a prepayment, and the Credit Parties agree that it is reasonable under the circumstances currently existing. The Prepayment Premium, if any, shall also be payable in the event the Obligations (and/or this Agreement) are satisfied or released by foreclosure (whether by power of judicial proceeding), deed in lieu of foreclosure or by any other means. THE CREDIT PARTIES EXPRESSLY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING APPLICABLE PREPAYMENT PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Credit Parties expressly agree that (A) the Prepayment Premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel, (B) the Prepayment Premium shall be payable notwithstanding the then prevailing market rates at the time payment is made, (C) there has been a course of conduct between the Lenders and the Credit Parties giving specific consideration in this transaction for such agreement to pay the Prepayment Premium, (D) the Credit Parties shall be estopped hereafter from claiming differently than as agreed to in this paragraph, (E) their agreement to pay the Prepayment Premium is a material inducement to the Lenders to provide the Commitments and make the Loans, and (F) the Prepayment Premium represents a good faith, reasonable estimate and calculation of the lost profits or damages of the Lenders and that it would be impractical and extremely difficult to ascertain the actual amount of damages to the Lenders or profits lost by the Lenders as a result of such prepayment..

SECTION 12.16 WAIVERS OF JURY TRIAL. THE CREDIT PARTIES, THE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

SECTION 12.17 Confidentiality. Agent and Lender shall hold all non-public information relating to any Credit Party or any Subsidiary of any Credit Party obtained pursuant to the requirements of this Agreement or in connection with such Lender's evaluation of whether to become a Lender hereunder ("***Confidential Information***") confidential in accordance with its customary procedure for handling confidential information of this nature and (in the case of a Lender that is a bank) in accordance with safe and sound banking practices; provided, that Confidential Information may be disclosed by Agent or Lender:

(a) as required or requested by any governmental agency or representative thereof (including, without limitation, public disclosures by Agent, Lender, Letter of Credit Issuer or any of their Related Parties required by the SEC or any other governmental or regulatory authority);

(b) to any regulatory or governmental agency or pursuant to legal process or in connection with any earnings call;

(c) in connection with the enforcement of any rights or exercise of any remedies by Agent or Lender under this Agreement or any other Credit Document or any action or proceeding relating to this Agreement or any other Credit Document;

(d) to Agent's or Lender's attorneys, professional advisors, independent auditors, Affiliates, joint venture partners or other Related Persons, or to funds that are managed by Affiliates of Agent or Lender;

(e) in connection with (i) the establishment of any special purpose funding vehicle with respect to the Loans, (ii) any grant of a security interest in, or pledge or, its rights under and interest in this Agreement pursuant to Section 12.06 and any Securitization permitted under Section 12.08, (iii) any prospective assignment of, or participation in, its rights and obligations pursuant to Section 12.06, to prospective assignees or Participants, as the case may be, (iv) any Hedging Agreement entered into or proposed to be entered into in connection with the Loans made hereunder, to actual or proposed direct or indirect contractual counterparties; and (v) any actual or proposed credit facility for loans, letters of credit or other extensions of credit to or for the account of Agent or Lender or any of its Affiliates, or any other actual or proposed investment in Agent or Lender or any of its Affiliates, in each case to any Person providing or proposing to provide such loan, letter of credit or other extension of credit or investment or agent, trustee or representative of such Person, or any rating agency;

(f) with the prior written consent of the Borrower;

(g) consisting of general portfolio information that either (x) does not identify any Credit Party or (y) identifies any Credit Party; provided that, with respect to the foregoing clause (y), the Person receiving such Confidential Information has executed and delivered a non-disclosure agreement containing restrictions on disclosure of Confidential Information substantially consistent with the provisions of this Section 12.17; or

(h) to any other party to this Agreement and any of their respective Related Parties;

provided, that in the case of clauses (d) and (e) hereof, the Person to whom Confidential Information is so disclosed is advised of and has been directed to comply with the provisions of this Section 12.17.

Notwithstanding the foregoing, (A) each of the Agent, the Lenders and any Affiliate thereof is hereby expressly permitted by the Credit Parties to refer to any Credit Party and any of their respective Subsidiaries in connection with any promotion or marketing undertaken by Agent, Lender or Affiliate, including materials relating to the financing transactions contemplated by this Agreement (which may identify the type and amount of the Loans made available hereunder), and, for such purpose, Agent, Lender or Affiliate may utilize any trade name, trademark, logo or other distinctive symbol associated with such Credit Party or such Subsidiary or any of their businesses and (B) any information that is or becomes generally available to the public (other than as a result of prohibited disclosure by Agent or Lender), including through any permitted disclosure in this Section 12.17, shall not be subject to the provisions of this Section 12.17. Notwithstanding the foregoing, Agent, Lenders and their Related Parties may include general, operational and performance information relating to the Credit Parties and their Subsidiaries and the Lenders' investment in compilations and reports assembled by Agent, Lenders and their Related Parties used to assist in and validate portfolio, industry and credit research and analysis for Agent, Lenders and their Related Parties and to conduct and support fundraising efforts for Agent, Lenders and their Related Parties.

EACH LENDER ACKNOWLEDGES THAT CONFIDENTIAL INFORMATION (AS DEFINED IN THIS SECTION 12.17) FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE CREDIT PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING WAIVERS AND AMENDMENTS, FURNISHED BY THE CREDIT PARTIES OR AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE CREDIT PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE CREDIT PARTIES AND THE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

SECTION 12.18 Press Releases, etc. No Credit Party shall, and no Credit Party shall permit any of its Affiliates to, issue any press release or other public disclosure using the name, logo or otherwise referring to the Agent or of any of its Affiliates, or the Credit Documents, in each case, without the prior consent of the Agent except to the extent required to do so under Applicable Law and then, only after consulting with the Agent (if practicable in the circumstances).

SECTION 12.19 Releases of Guarantees and Liens. (a) Notwithstanding anything to the contrary contained herein or in any other Credit Document, the Agent is hereby irrevocably authorized by each Secured Party (without requirement of notice to or consent of any Secured Party except as expressly required by Section 12.01) to take any action requested by the Borrower to release any Collateral or guarantee obligations (i) to the extent necessary to permit the consummation of any transaction permitted by the Credit Documents or that has been consented to in accordance with Section 12.01or (ii) under the circumstances described in paragraph (b) below.

(b) At such time as (i) the Loans and the other Obligations (other than Unasserted Contingent Obligations) shall have been paid in full in cash and (ii) the Total Commitments have been terminated, the Collateral shall be released from the Liens created by the Security Documents, and the Security Documents and all obligations (other than those expressly stated to survive such termination) of the Agent and each Credit Party under the Security Documents shall terminate, all without delivery of any instrument or performance of any act by any Person.

(c) Upon request by the Agent at any time, the Required Lenders will confirm in writing the Agent's authority to release its interest in particular types or items of property, or to release any guarantee obligations pursuant to this Section 12.19. In each case as specified in this Section 12.19, the Agent will (and each Lender irrevocably authorizes the Agent to), at the Borrower's expense, execute and deliver to the applicable Credit Party such documents as such Credit Party may reasonably request to evidence the release of such item of Collateral or guarantee obligation from the assignment and security interest granted under the Security Documents, in each case in accordance with the terms of the Credit Documents and this Section 12.19.

SECTION 12.20 USA Patriot Act. Each Lender hereby notifies each Credit Party that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "***Patriot Act***"), it is required to obtain, verify and record information that identifies the Credit Parties, which information includes the name and address of each Credit Party and other information that will allow such Lender to identify each Credit Party in accordance with the Patriot Act. Each Credit Party agrees to provide all such information to the Lenders upon request by Agent at any time, whether with respect to any Person who is a Credit Party on the Closing Date or who becomes a Credit Party thereafter.

SECTION 12.21 No Fiduciary Duty. Each Credit Party, on behalf of itself and its Subsidiaries, agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, the Credit Parties, their respective Subsidiaries and Affiliates, on the one hand, and the Agent, the Lenders, the Letter of Credit Issuer and their respective Affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Agent, the Lenders, the Letter of Credit Issuer or their respective Affiliates, and no such duty will be deemed to have arisen in connection with any such transactions or communications.

SECTION 12.22 Authorized Officers. The execution of any certificate requirement hereunder by an Authorized Officer shall be considered to have been done solely in such Authorized Officer's capacity as an officer of the applicable Credit Party (and not individually). Notwithstanding anything to the contrary set forth herein, the Secured Parties shall be entitled to rely and act on any certificate, notice or other document delivered by or on behalf of any Person purporting to be an Authorized Officer of a Credit Party and shall have no duty to inquire as to the actual incumbency or authority of such Person.

SECTION 12.23 Acknowledgment and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

SECTION 12.24 Electronic Signatures. This Agreement, each other Credit Document and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement and each other Credit Document (each a "***Communication***"), including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. The Borrower (on behalf of itself and the other Credit Parties) agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on each of the Credit Parties to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of each of the Credit Parties enforceable against such in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Agent and each of the Lenders of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Agent and each of the Lenders may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record ("***Electronic Copy***"), which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, the Agent is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Agent pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent the Agent has agreed to accept such Electronic Signature, the Agent and each of the Lenders shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Credit Party without further verification and (b) any Electronic Signature shall be promptly followed by such manually executed counterpart. For purposes hereof, "***Electronic Record***" and "***Electronic Signature***" shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

[SIGNATURE PAGES INTENTIONALLY REMOVED]

Exhibit 10.13

FORM OF RESTRICTED STOCK AGREEMENT

THIS RESTRICTED STOCK AGREEMENT (this "Agreement"), effective [_____], 2021 (the "Distribution Date"), is entered into by and among AirSculpt Technologies, Inc., a Delaware corporation (the "Company"), EBS Parent LLC, a Delaware limited liability company (the "Partnership"), and Ronald Zelhof (the "Participant").

R E C I T A L S

WHEREAS, the Partnership holds Common Stock, par value $[__] per share, of the Company (the "Shares");

WHEREAS, as of the Distribution Date, the Participant holds Incentive Units of EBS Management LLC that were granted pursuant to the terms of an Award Agreement, dated March 31, 2019, between the Participant and EBS Management LLC ("EBS Management") (as such agreement was amended effective as of [_____], 2021, the "Incentive Unit Grant Agreement") under the EBS Management 2018 Equity Incentive Plan; and

WHEREAS, the Partnership wishes to distribute to the Participant the number of Shares set forth below, subject to certain restrictions as set forth in this Agreement.

NOW, THEREFORE, the Partnership, the Company and the Participant agree as follows:

1. Distribution of Restricted Stock. Subject to the terms, conditions and restrictions of this Agreement and the Amended and Restated Limited Liability Company Agreement of EBS Parent LLC, dated as of October 2, 2018 (as may be further amended, amended and restated or modified from time to time, the "Partnership Agreement"), the Partnership hereby agrees to distribute to the Participant [●] Shares on the Distribution Date. The Participant acknowledges and agrees that such Shares are subject to certain restrictions set forth in Section 2 of this Agreement, which restrictions shall expire in accordance with the terms of Section 2 of this Agreement. While such restrictions are in effect, the Shares subject to such restrictions shall be referred to herein as "Restricted Stock."

2. Vesting. The Restricted Stock shall become vested and cease to be Restricted Stock as described in this Section 2.

a. The Restricted Stock shall vest in two (2) equal installments, with the first vesting date occurring on [____], 2022 and the second vesting date occurring on [_____], 2022, subject to the Participant's continuous employment with the Company or one of its Subsidiaries on the applicable vesting date.

b. In the event of a Change in Control, the Shares of Restricted Stock that are eligible to vest pursuant to this Section 2(a) shall become fully vested immediately prior to the Change in Control (as defined in the Plan), subject to the Participant's continuous employment with the Company or one of its Subsidiaries at such time, and cease to be Restricted Stock.

c. Notwithstanding anything in Section 2(a) to the contrary, if the Participant's employment with the Company or one of its Subsidiaries is terminated as a result of a Qualifying Termination (as defined in the Participant's Incentive Unit Grant Agreement), then one hundred percent (100%) of the Participant's Shares of Restricted Stock shall vest as of the date of termination.

3. Restrictions on Transfer. The Participant shall not transfer, assign, encumber, pledge, charge or otherwise dispose of the Shares of Restricted Stock or grant any proxy with respect thereto, except as specifically permitted by this Agreement or by the Company. Any attempted transfer in violation of this Agreement shall be void and of no effect and the Company shall have the right to disregard the same on its books and records and to issue "stop transfer" instructions to its transfer agent.

4. Forfeiture; Transfer. Except as otherwise provided in Section 2(c), if the Participant's employment terminates for any reason, any and all unvested Restricted Stock shall be forfeited, transferred and contributed to the Partnership for no consideration immediately upon such termination.

5. Rights as a Holder of Restricted Stock. From and after the Distribution Date, the Participant shall have, with respect to the shares of Restricted Stock, all of the rights of a holder of Shares, including, without limitation, the right to vote the Shares, to receive and retain all regular cash dividends payable to holders of Shares of record on and after the Distribution Date, and to exercise all other rights, powers and privileges of a holder of Shares with respect to the Restricted Stock. Notwithstanding the foregoing, (a) the Participant shall not be entitled to delivery of the stock certificate or certificates representing the Restricted Stock until such Shares are no longer Restricted Stock; (b) if applicable, the Company (or its designated agent) will maintain custody of the stock certificate or certificates representing the Restricted Stock and any other property ("RS Property") issued in respect of the Restricted Stock, including stock dividends, at all times such Shares are Restricted Stock; (c) if cash dividends are paid with respect to the Restricted Stock, such dividends shall be subject to the same vesting terms as the Restricted Stock, and shall be paid or delivered only when the Restricted Stock vests; (d) no RS Property will bear interest or be segregated in separate accounts; and (e) the Participant shall not, directly or indirectly, transfer the Restricted Stock in any manner whatsoever.

6. Section 83(b) Election; Taxes. Within thirty (30) days following the Distribution Date, the Participant shall timely and properly file an election under Section 83(b) of the Code with respect to the Restricted Stock. The Participant acknowledges that it is his or her sole responsibility, and not the Company's or the Partnership's, to timely and properly file an election under Section 83(b) of the Code, and any corresponding provisions of state tax laws. If the Participant does not timely and properly file and election under Section 83(b) of the Code, the Participant acknowledges that (a) no later than the date on which any Restricted Stock shall have become vested, the Participant shall pay to the Company, or make arrangements satisfactory to the Company regarding payment of, any federal, state or local taxes of any kind required by law to be withheld with respect to any Restricted Stock which shall have become so vested and (b) the Company shall, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to the Participant any Federal, state or local taxes of any kind required by law to be withheld with respect to any Restricted Stock which shall have become so vested, including that the Company may, but shall not be required to, sell a number of Shares sufficient to cover applicable withholding taxes. The Company may hold as security any certificates representing any Shares and, upon demand of the Company, the Participant shall deliver to the Company any certificates in his or her possession representing Shares together with a stock power duly endorsed in blank.

7. Legend.

a. In the event that a certificate evidencing Restricted Stock is issued, the certificate representing the Shares shall have endorsed thereon the following legends:

"THE ANTICIPATION, ALIENATION, ATTACHMENT, SALE, TRANSFER, ASSIGNMENT, PLEDGE, ENCUMBRANCE OR CHARGE OF THE SHARES OF COMMON STOCK REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS AN AGREEMENT ENTERED INTO BETWEEN THE REGISTERED OWNER, THE PARTNERSHIP AND THE COMPANY EFFECTIVE AS OF THE DISTRIBUTION DATE. COPIES OF SUCH AGREEMENT ARE ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY."

b. In addition to the legend set forth in Section 8(a) and above, until registered under the Securities Act, each certificate representing Shares of Restricted Stock shall be endorsed with a legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE. SUCH SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED WITHOUT SUCH REGISTRATION, EXCEPT UPON DELIVERY TO THE COMPANY OF SUCH EVIDENCE AS MAYBE SATISFACTORY TO COUNSEL FOR THE COMPANY TO THE EFFECT THAT ANY SUCH TRANSFER SHALL NOT BE IN VIOLATION OF THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS OR ANY RULE OR REGULATION PROMULGATED THEREUNDER."

Any legend required to be placed thereon by applicable blue sky laws of any state. Notwithstanding the foregoing, in no event shall the Company be obligated to issue a certificate representing the Restricted Stock prior to vesting as set forth in Section 2 hereof.

8. Securities Representations. The Shares are being distributed to the Participant and this Agreement is being made in reliance upon the following express representations and warranties of the Participant. The Participant acknowledges, represents and warrants that: (a) the Participant has been advised that the Participant may be an "affiliate" within the meaning of Rule 144 under the Securities Act and the Company is relying in part on the Participant's representations set forth in this Section 8; (b) if the Participant is deemed an affiliate within the meaning of Rule 144 under the Securities Act, the Shares must be held indefinitely by the Participant unless an exemption from the registration requirements of the Securities Act is available for the resale of such Shares or the Company files an additional registration statement (or a "re-offer prospectus") with regard to the resale of such Shares and the Company is under no obligation to register the resale of the Shares (or to file a "re-offer prospectus"); (c) if the Participant is deemed an affiliate within the meaning of Rule 144 under the Securities Act, the Participant understands that the exemption from registration under Rule 144 will not be available under current law unless (i) a public trading market then exists for the Shares, (ii) adequate information concerning the Company is then available to the public, and (iii) other terms and conditions of Rule 144 or any exemption therefrom are complied with and that any sale of the Shares may be made only in limited amounts in accordance with such terms and conditions; and (d) the Participant is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act, as amended from time to time.

9. **Not an Employment or Service Agreement.** Neither the execution of this Agreement nor the issuance of the Shares hereunder constitute an agreement by the Company or any of its Subsidiaries to employ or retain or to continue to employ or retain the Participant during the entire, or any portion of, the term of this Agreement, including but not limited to any period during which any Shares are outstanding.

10. **Power of Attorney.** The Partnership and the Company and their respective successors and assigns, are hereby appointed the attorney-in-fact, with full power of substitution, of the Participant for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments which such attorney-in-fact may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. The Company and the Partnership, as attorney-in-fact for the Participant, may in the name and stead of the Participant, make and execute all conveyances, assignments and transfers of the Restricted Stock, other RS Property, Shares and property provided for herein, and the Participant hereby ratifies and confirms that which the Company or the Partnership, as said attorney-in-fact, shall do by virtue hereof. Nevertheless, the Participant shall, if so requested by the Company or the Partnership, execute and deliver to the Company or the Partnership all such instruments as may, in the judgment of the Company or the Partnership, be advisable for this purpose.

11. **Miscellaneous.**

a. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal legal representatives, successors, trustees, administrators, distributees, devisees and legatees. The Company may assign to, and require, any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or any affiliate to which the Participant provides services to expressly assume and agree in writing to perform this Agreement. Notwithstanding the foregoing, the Participant may not assign this Agreement other than with respect to Shares transferred in compliance with the terms hereof.

b. This distribution of Restricted Stock shall not affect in any way the right or power of the Board or stockholders of the Company to make or authorize an adjustment, recapitalization or other change in the capital structure or the business of the Company, any merger or consolidation of the Company or subsidiaries, any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock, the dissolution or liquidation of the Company, any sale or transfer of all or part of its assets or business or any other corporate act or proceeding.

c. The Participant agrees that any other RS Property will not be taken into account as “salary” or “compensation” or “bonus” in determining the amount of any payment under any pension, retirement or profit-sharing plan of the Company or any life insurance, disability or other benefit plan of the Company.

d. No modification or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by the party against whom it is sought to be enforced.

e. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one contract.

f. The failure of any party hereto at any time to require performance by another party of any provision of this Agreement shall not affect the right of such party to require performance of that provision, and any waiver by any party of any breach of any provision of this Agreement shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself, or a waiver of any right under this Agreement.

g. The headings of the sections of this Agreement have been inserted for convenience of reference only and shall in no way restrict or modify any of the terms or provisions hereof.

h. All notices, consents, requests, approvals, instructions and other communications provided for herein shall be in writing and validly given or made when delivered, or on the third succeeding business day after being mailed by registered or certified mail, whichever is earlier, to the persons entitled or required to receive the same, at the addresses set forth at the heading of this Agreement or to such other address as either party may designate by like notice. Notices to the Company shall be addressed to 400 Alton Road, Unit TH-103M, Miami Beach, Florida 33139. Notices to the Participant shall be addressed to the address on file with the Company's payroll department, or such address as subsequently provided by the Participant.

i. This Agreement shall be construed, interpreted and governed and the legal relationships of the parties determined in accordance with the internal laws of the State of Delaware without reference to rules relating to conflicts of law.

12. **Provisions of Plan Control.** Although the Restricted Stock subject to this Agreement is not granted under the AirSculpt Technologies, Inc. 2021 Equity Incentive Plan (the "Plan") and the Shares are not registered on a Form S-8, except as expressly provided herein, the Agreement is subject to all the terms, conditions and provisions of the Plan *mutatis mutandis*, and to such rules, regulations and interpretations relating to the Plan as may be adopted by the Committee and as may be in effect from time to time. Notwithstanding the foregoing, this Agreement may not be amended or terminated without the prior written consent of the Participant. The Plan is incorporated herein by reference. A copy of the Plan has been delivered to the Participant. If and to the extent that this Agreement expressly conflicts with the terms, conditions and provisions of the Plan, this Agreement shall control. Unless otherwise indicated, any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Plan or the Incentive Unit Grant Agreement, as applicable. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof (other than any other documents expressly contemplated herein or in the Plan) and supersedes any prior agreements between the Company and the Participant or between the Partnership and the Participant other than the Incentive Unit Grant Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

AirSculpt Technologies, Inc.

By:
Title: Authorized Signatory

EBS Parent LLC

By:
Title: Authorized Signatory

Participant

Name: Ronald Zelhof

Exhibit 10.14

AIRSCULPT TECHNOLOGIES, INC.
FORM OF RSU AWARD GRANT NOTICE
(2021 EQUITY INCENTIVE PLAN)

AirSculpt Technologies, Inc. (the "***Company***") has awarded to you (the "***Participant***") the number of restricted stock units specified and on the terms set forth below in consideration of your services (the "***RSU Award***"). Your RSU Award is subject to all of the terms and conditions as set forth herein and in the AirSculpt Technologies, Inc. 2021 Equity Incentive Plan (the "***Plan***") and the Award Agreement (the "***Agreement***"), which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Agreement shall have the meanings set forth in the Plan or the Agreement.

Participant:	
Date of Grant:	
Vesting Commencement Date:	
Number of Restricted Stock Units:	
Vesting Schedule:	

Notwithstanding the foregoing, vesting shall terminate immediately upon the Participant's termination of Continuous Service.

Issuance Schedule: One share of Common Stock will be issued at the time set forth in Section 5 of the Agreement for each Restricted Stock Unit which vests.

Participant Acknowledgments: By your signature below or by electronic acceptance or authentication in a form authorized by the Company, you understand and agree that:

- The RSU Award is governed by this RSU Award Grant Notice (the "***Grant Notice***"), and the provisions of the Plan and the Agreement, all of which are made a part of this document. Unless otherwise provided in the Plan, this Grant Notice and the Agreement (together, the "***RSU Award Agreement***") may not be modified, amended or revised except in a writing signed by you and a duly authorized officer of the Company.

- You have read and are familiar with the provisions of the Plan, the RSU Award Agreement and the Prospectus. In the event of any conflict between the provisions in the RSU Award Agreement, or the Prospectus and the terms of the Plan, the terms of the Plan shall control.

- The RSU Award Agreement sets forth the entire understanding between you and the Company regarding the acquisition of Common Stock and supersedes all prior oral and written agreements, promises and/or representations on that subject with the exception of: (i) other equity awards previously granted to you, and (ii) any written employment agreement, offer letter, severance agreement, written severance plan or policy, or other written agreement between the Company and you in each case that specifies the terms that should govern this RSU Award.

AIRSCULPT TECHNOLOGIES, INC.

By: _____
Signature

Title: _____

Date: _____

PARTICIPANT:

_____
Signature

Date: _____

AIRSCULPT TECHNOLOGIES, INC.
AWARD AGREEMENT
(2021 EQUITY INCENTIVE PLAN)

As reflected by your RSU Award Grant Notice ("***Grant Notice***"), AirSculpt Technologies, Inc. (the "***Company***") has granted you a RSU Award under the AirSculpt Technologies, Inc. 2021 Equity Incentive Plan (the "***Plan***"), attached hereto as Exhibit A, for the number of restricted stock units as indicated in your Grant Notice (the "***RSU Award***"). The terms of your RSU Award as specified in this Award Agreement for your RSU Award (this "Agreement") and the Grant Notice constitute your "***RSU Award Agreement***". Defined terms not explicitly defined in this Agreement but defined in the Grant Notice or the Plan shall have the same definitions as in the Grant Notice or Plan, as applicable.

The general terms applicable to your RSU Award are as follows:

1. **GOVERNING PLAN DOCUMENT.** Your RSU Award is subject to all the provisions of the Plan, including but not limited to the provisions in:

   (a) Section 6 of the Plan regarding the impact of a Capitalization Adjustment, dissolution, liquidation, or Corporate Transaction on your RSU Award;

   (b) Section 9(e) of the Plan regarding the Company's retained rights to terminate your Continuous Service notwithstanding the grant of the RSU Award; and

   (c) Section 8 of the Plan regarding the tax consequences of your RSU Award.

   Your RSU Award is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the RSU Award Agreement and the provisions of the Plan, the provisions of the Plan shall control.

2. **GRANT OF THE RSU AWARD.** This RSU Award represents your right to be issued on a future date the number of shares of the Company's Common Stock that is equal to the number of restricted stock units indicated in the Grant Notice as modified to reflect any Capitalization Adjustment and subject to your satisfaction of the vesting conditions set forth therein (the "***Restricted Stock Units***"). Any additional Restricted Stock Units that become subject to the RSU Award pursuant to Capitalization Adjustments as set forth in the Plan and the provisions of Section 3 below, if any, shall be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other Restricted Stock Units covered by your RSU Award.

3. **DIVIDEND EQUIVALENTS.** If cash dividends or other cash distributions are paid in respect of the shares of the Company's Common Stock underlying unvested Restricted Stock Units, then a dividend equivalent equal to the amount paid in respect of one share of Common Stock shall accumulate and be paid with respect to each unvested Restricted Stock Unit at time of settlement; provided that any dividend equivalent rights granted shall be subject to the same vesting terms as the related Restricted Stock Units.

4. **WITHHOLDING OBLIGATIONS.** As further provided in Section 8 of the Plan, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax withholding obligations, if any, which arise in connection with your RSU Award (the "***Withholding Obligation***") in accordance with the withholding procedures established by the Company. Unless the Withholding Obligation is satisfied, the Company shall have no obligation to deliver to you any Common Stock in respect of the RSU Award. In the event the Withholding Obligation of the Company arises prior to the delivery to you of Common Stock or it is determined after the delivery of Common Stock to you that the amount of the Withholding Obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

5. **DATE OF ISSUANCE.**

(a) The issuance of shares in respect of the Restricted Stock Units is intended to comply with Treasury Regulations Section 1.409A-1(b)(4) and will be construed and administered in such a manner. Subject to the satisfaction of the Withholding Obligation, if any, in the event one or more Restricted Stock Units vests, the Company shall issue to you one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 above, and subject to any different provisions in the Grant Notice). Each issuance date determined by this paragraph is referred to as an "***Original Issuance Date***."

(b) If the Original Issuance Date falls on a date that is not a business day, delivery shall instead occur on the next following business day. In addition, if:

(i) the Original Issuance Date does not occur (1) during an "open window period" applicable to you, as determined by the Company in accordance with the Company's then-effective policy on trading in Company securities, or (2) on a date when you are otherwise permitted to sell shares of Common Stock on an established stock exchange or stock market (including but not limited to under a previously established written trading plan that meets the requirements of Rule 10b5-1 under the Exchange Act and was entered into in compliance with the Company's policies (a "***10b5-1 Arrangement***")), *and*

(ii) either (1) a Withholding Obligation does not apply, or (2) the Company decides, prior to the Original Issuance Date, (A) not to satisfy the Withholding Obligation by withholding shares of Common Stock from the shares otherwise due, on the Original Issuance Date, to you under this Award, and (B) not to permit you to enter into a "same day sale" commitment with a broker-dealer (including but not limited to a commitment under a 10b5-1 Arrangement) and (C) not to permit you to pay your Withholding Obligation in cash,

then the shares that would otherwise be issued to you on the Original Issuance Date will not be delivered on such Original Issuance Date and will instead be delivered on the first business day when you are not prohibited from selling shares of the Company's Common Stock in the open public market, but in no event later than December 31 of the calendar year in which the Original Issuance Date occurs (that is, the last day of your taxable year in which the Original Issuance Date occurs), or, if and only if permitted in a manner that complies with Treasury Regulations Section 1.409A-1(b)(4), no later than the date that is the 15th day of the third calendar month of the applicable year following the year in which the shares of Common Stock under this Award are no longer subject to a "substantial risk of forfeiture" within the meaning of Treasury Regulations Section 1.409A-1(d).

(c) To the extent the RSU Award is a Non-Exempt Award, the provisions of Section 11 of the Plan shall apply.

6. **LOCK-UP-PERIOD**. By accepting your RSU Award, you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2241 or any successor or similar rules or regulation (the "***Lock-Up Period***"); *provided*, *however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 6. The underwriters of the Company's stock are intended third party beneficiaries of this Section 6 and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

7. **TRANSFERABILITY.** Except as otherwise provided in the Plan, your RSU Award is not transferable, except by will or by the applicable laws of descent and distribution.

8. **CORPORATE TRANSACTION.** Your RSU Award is subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on your behalf with respect to any escrow, indemnities and any contingent consideration.

9. **NO LIABILITIES FOR TAXES**. As a condition to accepting the RSU Award, you hereby (a) agree to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from the RSU Award or other Company compensation and (b) acknowledge that you were advised to consult with your own personal tax, financial and other legal advisors regarding the tax consequences of the RSU Award and have either done so or knowingly and voluntarily declined to do so.

10. **SEVERABILITY**. If any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

11. **OTHER DOCUMENTS.** You hereby acknowledge receipt of or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Prospectus. In addition, you acknowledge receipt of the Company's Trading Policy.

12. **QUESTIONS.** If you have questions regarding these or any other terms and conditions applicable to your RSU Award, including a summary of the applicable federal income tax consequences please see the Prospectus.

Exhibit 10.15

EMPLOYEE COVENANTS AGREEMENT

EMPLOYEE COVENANTS AGREEMENT (the "Agreement"), dated as of October 2, 2018, by and between EBS Enterprises, LLC. (the "Company") and the person identified as "Employee" on the signature page hereof ("Employee").

WHEREAS, Employee has been offered employment with the Company pursuant to an employment agreement, of even date herewith, by and between Employee and the Company (the "Employment Agreement"); and

WHEREAS, Employee's execution, delivery and performance of this Agreement is an inducement to the Company in extending such offer of employment to Employee.

IN CONSIDERATION of the foregoing and the premises and the mutual covenants set forth below, the parties hereby agree as follows:

1. Employment. Employee acknowledges and agrees that Employee's employment by the Company, including the compensation and benefits afforded to Employee in connection with that employment, is sufficient consideration for Employee's obligations hereunder.

2. Confidentiality. For purposes of this Agreement, "Confidential Company Information" means all information, whether or not in writing, concerning the business, business relationships or financial affairs of the Company or any Managed Practice (as defined below) or any of their respective subsidiaries or affiliates (collectively, the "Company Group") which has not entered the public domain (other than by failure of Employee to fully perform Employee's obligations under this Agreement), and includes (i) corporate information, including trade secrets, know-how, show-how, plans, strategies, methods, contracts, policies, resolutions, negotiations or litigation; (ii) services offered or provided and marketing information, including development plans and opportunities, strategies, methods, customer identities or other information about customers, prospect identities or other information about prospects, or customer pricing, market analyses or projections; (iii) financial information, including cost and performance data, debt arrangements, equity structure, investors and holdings, purchasing and sales data and price lists; (iv) operational and technological information, including plans, specifications, manuals, forms, templates, software, designs, methods, procedures, diagrams, schematics, notes, data, inventions, improvements, concepts and ideas; (v) personnel information, including personnel lists, reporting or organizational structure, resumes, personnel data, compensation structure, performance evaluations and termination arrangements or documents; and (vi) information received from third parties subject to a duty on the Company Group's part to maintain the confidentiality of such information. For purposes of this Agreement, the terms "includes", "including" and similar variations thereof are intended to be illustrative, and any illustrative items that follow any such terms shall not be limited to such illustrative items. "Confidential Company Information" does not include the general skills and experience gained by Employee during Employee's employment and involvement with the Company that Employee could reasonably have been expected to acquire as a result of such employment and involvement. "Managed Practice" means Elite Body Sculpture, P.C., Madison Avenue Medical PLLC, EBS Illinois, LLC, EBS - Texas, LLC, EBS Georgia, LLC and any other corporation, limited liability company, partnership or association that is party to a management services agreement or similar agreement with the Company or any of the Company's affiliates for the rendering of certain management services and other related services by the Company or any of the Company's affiliates.

Employee agrees that:

(a) While working for the Company, Employee may develop, acquire, have access to and/or otherwise have knowledge of Confidential Company Information.

(b) Confidential Company Information is and will continue to be the sole and exclusive property of the Company (or the applicable member of the Company Group).

(c) Employee will use Confidential Company Information only in the performance of Employee's duties for the Company Group. Employee will not use Confidential Company Information at any time (during or after Employee's employment with the Company) for Employee's personal benefit, for the benefit of any other person, or in any manner adverse to the interests of the Company Group or its customers, vendors or other business partners, in each case unless approved in advance in writing by the Company, which approval can be withheld in the Company's sole and absolute discretion.

(d) Employee will not disclose Confidential Company Information at any time (during or after Employee's employment with the Company) except (x) as such disclosure may be required in connection with Employee's service to the Company, (y) when required to do so by a court of law, by any governmental agency or by any administrative or legislative body (including a committee thereof) with apparent jurisdiction to order Employee to divulge, disclose or make accessible such information or (z) as approved in advance in writing by the Company, which approval can be withheld in the Company's sole and absolute discretion. Employee agrees to provide the Company advance written notice of any disclosure pursuant to clause (y) of the preceding sentence and to cooperate with any efforts by the Company to limit the extent of such disclosure. Notwithstanding the foregoing or anything else contained herein to the contrary, this Agreement shall not preclude Employee from disclosing Confidential Company Information to a governmental body or agency or to a court if and to the extent that a restriction on such disclosure would limit Employee from exercising any protected right afforded Employee under applicable law. Employee furthermore acknowledges that Employee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret if (i) Employee makes such disclosure in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney or accountant and such disclosure is made solely for the purpose of reporting or investigating a suspected violation of law; or (ii) Employee makes such disclosure in a complaint or other document filed in a lawsuit or other proceeding if such filing is made under seal, to the extent permitted by applicable law.

(e) Employee will safeguard Confidential Company Information by taking all commercially reasonable steps and shall abide by all policies and procedures of the Company Group and its customers, vendors and other business partners in effect from time to time (with respect to such customers, vendors and other business partners, to the extent provided to the Company), regarding storage, copying, destroying, publication or posting, or handling of such Confidential Company Information, in whatever medium or format that Confidential Company Information takes.

(f) When Employee's employment relationship with the Company ends for any reason, or earlier if requested by the Company, Employee will immediately return to the Company all materials containing or relating to Confidential Company Information and, except as the Company may, in its sole discretion, expressly permit in writing, all equipment provided to Employee by the Company during Employee's employment, including without limitation all computers, laptops, cellular telephones, printers, facsimile machines and scanners. Employee shall not retain any copies or reproductions of correspondence, memoranda, reports, notebooks, photographs, databases, diskettes, or other documents or electronically stored information of any kind relating in any way to the business, potential business or affairs of the Company Group, its customers, vendors or other business partners or their respective affiliates.

(g) Unless this Agreement is otherwise required to be disclosed under applicable law, rule or regulation, Employee agrees to keep the terms and conditions of this Agreement strictly confidential, provided Employee may disclose this Agreement to his or her immediate family members, legal advisors or personal tax or financial advisors, or prospective future employers solely for the purpose of disclosing the limitations on Employee's conduct imposed by the provisions of this Agreement, who, in each case, agree to keep such information confidential.

3. Contributions and Inventions.

(a) The term "Covered Contributions and Inventions" means:

(i) inventions, ideas, formulae, works, modifications, processes, discoveries, techniques, designs, methods, trade secrets, technical specifications and data, know-how, show-how, concepts, expressions, creations, improvements, works of authorship, ideas and other developments, whether or not they are patentable or copyrightable or subject to analogous protection and regardless of their form or state of development, of any kind that are or were, since the date of commencement of Employee's employment with the Company, conceived, created, developed or reduced to practice by Employee, alone or with others, that (i) are conceived during regular working hours or at Employee's place of work, whether located at Company, affiliate, or customer facilities, or (ii) relate to or as used in or reasonably likely to be used in the Business (as defined below) at the time of such conception, creation, development or reduction to practice (and such conception, creation, development or reduction to practice occurs while Employee remains an employee of the Company) or result from tasks assigned to Employee by the Company, or are conceived or made with the use of the Company's resources, facilities or materials; and

(ii) any and all patents, patent applications, copyrights, trademarks, domain names and other intellectual property rights, worldwide, with respect to any of the foregoing.

(iii) The term "Covered Contributions and Inventions" specifically excludes any inventions Employee developed entirely on Employee's own time without using Company equipment, supplies, facilities, or trade secret information unless the invention relates to the Business.

(iv) The term "Business" means (A) offering or providing minimally invasive physical fat removal and/or transfer procedures, including but not limited to such services as conducted or offered by any member of the Company Group as of the date hereof, and any other fat removal and/or transfer services or procedures contemplated to be conducted or offered by any Company Group member as of the date hereof, or the provision of any administrative, management, business, consulting, marketing or other support services with respect to the foregoing and (B) any other business of any member of the Company Group as conducted on or prior to the date of Employee's termination of employment with the Company.

(b) With respect to Covered Contributions and Inventions, Employee agrees that:

(i) Employee will disclose all Covered Contributions and Inventions promptly to the Company. Employee will not disclose any Covered Contributions and Inventions to anyone other than authorized personnel of the Company.

(ii) Employee will keep full and complete written records (the "Records") in the manner prescribed by the Company of all Covered Contributions and Inventions. The Records shall be the sole and exclusive property of the Company, and Employee will surrender them upon the termination of employment, or upon the Company's request.

(iii) All Covered Contributions and Inventions will belong solely to the Company from conception as "works made for hire" (as that term is used under U.S. copyright law) or otherwise. To the extent that title to any Covered Contributions and Inventions does not, by operation of law, vest in the Company, Employee hereby irrevocably assigns to the Company all right, title and interest, including, without limitation, tangible and intangible rights such as patent rights, industrial design rights, trademarks and copyrights, that Employee may have or may acquire in and to such Covered Contributions and Inventions, benefits and/or rights resulting therefrom, and agrees to promptly execute any further specific assignments related to such Covered Contributions and Inventions, benefits and/or rights at the request of the Company. Employee hereby irrevocably waives all unassignable rights in the Covered Contributions and Inventions including, without limitation, all moral rights, for the entire term of such rights, in favor of the Company and its licensees, successors and assigns. If Employee has any rights in the Covered Contributions and Inventions that cannot be assigned in the manner described herein, Employee agrees to unconditionally waive the enforcement of such rights. To the extent permitted by law, Employee hereby waives any and all currently existing and future monetary rights in and to the Covered Contributions and Inventions, including, without limitation, any rights that would otherwise accrue to Employee's benefit by virtue of Employee being an employee of or other service provider to the Company.

(vi) Employee will assist the Company in obtaining, maintaining and enforcing patent, industrial design, copyright, trademark, mask works and other appropriate protection for all Covered Contributions and Inventions in all countries, at the Company's expense. If Employee is requested by the Company to render such assistance after the termination of employment, Employee will be entitled to a fair and reasonable rate of compensation for Employee's assistance, and to reimbursement of reasonable expenses incurred at the Company's request relating to such assistance. In the event that the Company is unable to secure Employee's signature after reasonable effort in connection with any patent, industrial design, trademark, copyright, mask work or other similar protection relating to any Covered Contribution and Invention, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as his or her agent and attorney-in fact, to act for and on Employee's behalf and stead to execute and file any such application and to do all other lawfully permitted acts to further the prosecution and issuance of patents, industrial designs, trademarks, copyrights, mask works or other similar protection thereon with the same legal force and effect as if executed by Employee.

4. Company Access Codes; Passwords. Any social media or other accounts that Employee opens or handles on the Company Group's behalf constitute Company property. Employee shall provide all access codes, passcodes, and administrator rights to the Company promptly upon the Company's request during or after Employee's employment by the Company.

5. Non-Competition; Non-Solicitation. In order to protect the legitimate business interests of the Company, including protection of Confidential Company Information, customer relationships and goodwill, Employee agrees that during the period beginning on the initial date of Employee's employment by the Company under the terms of the Employment Agreement and ending nine (9) months after termination of Employee's employment with the Company for any reason (the "Restricted Period"), Employee will not, without the express prior written consent of the Company, directly or indirectly, whether as owner, sole proprietor, partner, shareholder, director, member, employee, consultant, agent, founder, co-venture partner, independent contractor, investor, lender, or otherwise, in any geographic location where the Company Group's employees or customers are located or in which Employee provided services to the Company:

(a) become employed by, engage, participate or invest in any Competing Business (as defined herein). For purposes of this Agreement, a "Competing Business" means any person or entity, other than the Company, that engages in any aspect of the Business. Notwithstanding the foregoing, the foregoing shall not prohibit any investment by Employee in publicly traded stock of a company representing less than two percent of the stock of such company;

(b) solicit, induce, or knowingly assist any third person in soliciting or inducing any person that is (or was at any time within the six (6) months immediately preceding the termination of Employee's employment) an employee, consultant, independent contractor or agent of the Company Group, to leave the employment of the Company Group or cease performing services as an independent contractor, consultant or agent of the Company Group;

(c) hire, engage, or knowingly assist any third party in hiring or engaging, any individual that is (or was at any time within six (6) months immediately preceding the termination of Employee's employment) an employee, consultant, independent contractor or agent of the Company Group;

(d) endeavor to cause any person who at the date of termination of Employee's employment or at any time during the six (6) months immediately prior to such termination was (or would reasonably have been expected to have been) known by Employee to be a supplier to the Company Group to either cease to supply the Company or materially alter the terms of such supply in a manner detrimental to the Company Group; or

(e) other than for the benefit of the Company Group, solicit for the purpose of providing products or services to a Competing Business, interfere with the Company Group's relationships with, or endeavor to entice away from the Company Group for a Competing Business, any person or entity that is or was (at any time during the twelve (12) months immediately preceding Employee's termination of employment with the Company), a Customer or Prospective Customer, where: (i) a "Customer" is any party who was party to an agreement with the Company Group or to whom any member of the Company Group provided goods or services and (ii) a "Prospective Customer" is any individual or entity with respect to whom or which the Company Group was engaged in solicitation or negotiations and in which solicitation Employee was in any way involved or of which Employee otherwise had any knowledge or should have had any knowledge.

(f) Notwithstanding any of the foregoing and for the avoidance of doubt, (i) general solicitations (e.g., internet, television, newspaper advertisement, email blast or posting) not targeted at employees or former employees of the Company shall not be in violation of this Section 5, (ii) Employee's ownership of or performing services to a Managed Practice will not be a violation of this Section 5, and (ii) Section 5(a) shall not apply to services rendered by Employee in California after the date of Employee's termination of employment with the Company.

6. Non-Disparagement. Employee agrees and covenants that Employee will not at any time (during Employee's employment with the Company or for the two-year period after termination of Employee's employment with the Company) disparage the reputation of the Company Group or any of its or their respective officers, directors, employees or agents. The Company agrees that during Employee's employment and, during the two-year period after termination of Employee's employment with the Company, the Company shall not make any disparaging statements about Employee and shall cause its directors and executive officers not to make any disparaging statements about Employee. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

7. Obligations to Prior Employers or Others. Employee does not have any non-disclosure, non-compete or other obligations, including obligations that may conflict with Employee's obligations under Section 3, to any previous employer or other person or entity that would conflict with his or her obligations under this Agreement or the performance of his or her duties for the Company.

8. Remedies Upon Breach.

(a) Employee agrees that the restrictions contained in Sections 2, 3, 4, 5 and 6 of this Agreement and the location and period of time for which such restrictions apply are reasonable and necessary to protect the Company's legitimate business interests and will survive the termination of Employee's employment. Employee agrees that the restrictions contained in this Agreement will not prevent Employee from earning a livelihood during the applicable period of restriction. Employee agrees that in any action seeking specific performance or other equitable relief, Employee will not assert or contend that any of the provisions of this Agreement are unreasonable or otherwise unenforceable.

(b) Employee further agrees that in the event of Employee's breach or threatened breach of any of the provisions of Sections 2, 3, 4, 5 and 6 of this Agreement, the Company would suffer substantial irreparable harm and would not have an adequate remedy at law for such breach. In recognition of the foregoing, Employee agrees that in the event of a breach or threatened breach of any of those provisions, in addition to such other remedies that the Company may have at law, without posting any bond or security, the Company shall be entitled to seek and obtain equitable relief, in the form of specific performance, or temporary, preliminary or permanent injunctive relief, or any other equitable remedy which then may be available, as well as an equitable accounting of all earnings, profits and other benefits arising, directly or indirectly, from such violation. The seeking of such injunction or order shall not affect the Company's right to seek and obtain damages or other equitable relief on account of any such actual or threatened breach. Employee further covenants that Employee shall be responsible for payment of documented reasonable out-of-pocket fees and expenses of any member of the Company Group's attorneys and experts, as well as any member of the Company Group's documented reasonable out-of-pocket court costs, pertaining to any suit, arbitration, mediation, action or other proceeding (including the costs of any investigation related thereto) arising directly or indirectly out of Employee's actual breach of the material provisions of this Agreement.

9. Cooperation. Upon the receipt of reasonable notice from the Company (including outside counsel), Employee agrees that while employed by, or providing services to, the Company and during the two (2) year period thereafter, Employee will respond and provide information with regard to matters in which Employee has knowledge as a result of Employee's employment with the Company, and will provide reasonable assistance to the Company Group and their respective representatives in defense of all claims that may be made against the Company Group, and will reasonably assist the Company Group in the prosecution of all claims that may be made by the Company Group, to the extent that such claims may relate to the period of Employee's employment or service with the Company. Where permitted by law, Employee agrees to promptly inform the Company if Employee becomes aware during or after employment with the Company of any lawsuit involving such claims that has been filed or threatened against the Company Group. Employee also agrees to promptly inform the Company (to the extent that Employee is legally permitted to do so) if Employee is asked in writing to assist in any investigation of the Company Group (or their actions), regardless of whether a lawsuit or other proceeding has then been filed against the Company Group with respect to such investigation. If Employee is requested by the Company to render such assistance after the termination of employment, Employee will be entitled to a fair and reasonable rate of compensation for Employee's assistance. Upon presentation of appropriate documentation, the Company shall, to the extent permitted by law, reimburse Employee for all documented reasonable out-of-pocket travel, duplicating, legal or telephonic expenses reasonably incurred by Employee in complying with this Section 9. This Section 9 does not limit Employee from exercising any protected right afforded Employee under applicable law.

10. Survival and Assignment by the Company. Employee understands that Employee's obligations under this Agreement will continue in accordance with its express terms regardless of any changes in Employee's title, position, duties, salary, compensation or benefits or other terms and conditions of employment. Employee further understands that Employee's obligations under this Agreement will continue following the termination of Employee's employment in accordance with its express terms regardless of the manner of such termination and will be binding upon Employee's heirs, executors and administrators. Employee understands and agrees that the Company has the right to assign this Agreement to its successors and assigns (including, without limitation, a purchaser of all or substantially all of the assets of the Company). Employee may not assign or delegate Employee's duties under this Agreement, without the prior written consent of the Company.

11. Disclosure to Future Employers. During the Restricted Period, Employee will provide a copy of this Agreement to any prospective employer, partner or co-venturer prior to entering into an employment, partnership or other business relationship with such person or entity.

12. Governing Law. This Agreement (together with any and all modifications, extensions and amendments of it) and any and all matters arising directly or indirectly herefrom shall be governed by and construed and enforced in accordance with the internal laws of the State of Florida applicable to agreements made and to be performed entirely in such state, without giving effect to the conflict or choice of law principles thereof. For all matters arising directly or indirectly from this Agreement ("Agreement Matters"), Employee hereby (a) irrevocably consents and submits to the sole exclusive jurisdiction of any United States District Court in Florida and any state court in the state of Florida, in each case located in Miami, Florida (and of the appropriate appellate courts from any of the foregoing), in connection with any legal action, lawsuit, arbitration, mediation, or other legal or quasi legal proceeding ("Proceeding") directly or indirectly arising out of or relating to any Agreement Matter; provided that a party to this Agreement shall be entitled to enforce an order or judgment of any such court in any United States or foreign court having jurisdiction over the other party, (b) irrevocably waives, to the fullest extent permitted by law, any objection that Employee may now or later have to the laying of the venue of any such Proceeding in any such court or that any such Proceeding which is brought in any such court has been brought in an inconvenient forum, (c) irrevocably waives, to the fullest extent permitted by law, any immunity from jurisdiction of any such court or from any legal process therein, (d) **IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO A TRIAL BY JURY IN CONNECTION WITH A PROCEEDING,** (e) covenants that Employee will not, directly or indirectly, commence any Proceeding other than in such courts and (f) agrees that service of any summons, complaint, notice or other process relating to such Proceeding may be effected in the manner provided for the giving of notice as set forth in this Agreement.

13. Severability. In the event that any court of competent jurisdiction shall determine that any one or more of the provisions contained in this Agreement shall be unenforceable in any respect, then such provision shall be deemed limited and restricted to the extent that the court shall deem the provision to be enforceable. This Agreement is to be given the broadest interpretation permitted by law. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof. The covenants and restrictions contained in this Agreement shall be deemed a series of separate covenants and restrictions in each jurisdiction in which this Agreement is sought to be enforced. If, in any judicial proceeding, a court of competent jurisdiction should refuse to enforce all of the separate covenants and restrictions in this Agreement, then such unenforceable covenants and restrictions shall be deemed eliminated from the provisions of this Agreement for the purpose of such proceeding in such jurisdiction to the extent permissible, to the extent necessary to permit the remaining separate covenants and restrictions to be enforced in such proceeding in each other jurisdiction to which this Agreement applies.

14. Entire Agreement. This Agreement, and the Employment Agreement, by and between Employee and the Company, shall constitute the entire agreement between the parties with respect to the matters covered hereby and shall supersede all previous written, oral or implied understandings among them with respect to such matters. In the event of any conflict between this Agreement and the terms of any other agreement between Employee, on the one hand, and the Company or any of the Company's affiliates, on the other hand, the agreement containing the more restrictive terms shall prevail with respect to such conflict.

15. Amendment. No provisions of this Agreement may be amended, modified, or waived unless such amendment or modification is agreed to in writing signed by Employee and the Company, and such waiver is set forth in writing and signed by the party to be charged. No waiver by either party hereto at any time of any breach by the other party hereto of any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

16. Notice. For the purposes of this Agreement, notices, demands and all other communications provided for in this Agreement shall be in writing and will be deemed to have been duly given: (a) on the date of delivery, if delivered by hand; (b) on the date of transmission, if delivered by confirmed facsimile or electronic mail, provided, that, on such date, delivery is also effected pursuant to subclause (c); (c) on the first business day following the date of deposit, if delivered by guaranteed overnight delivery service; or (d) on the date of receipt by the receiving party if sent by United States registered or certified mail, first-class mail, return receipt requested, postage prepaid, addressed as follows:

If to Employee at the name and address set forth on the signature page hereof.

If to the Company:

c/o EBS Parent LLC

428 Greenwich Street Townhouse

New York, NY 10013

Attention: Adam Feinstein

Telephone: (646) 847-2438

Facsimile: (646)403-4627

Email: adam@vscpllc.com

with copies (which shall not constitute notice) to:

Lowenstein Sandler LLP
1251 Avenue of the Americas
New York, New York 10020
Attention: Steven E. Siesser, Esq.
Telephone: (212) 204-8688
Facsimile: (973) 597-2507
Email: ssiesser@lowenstein.com

or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

17. Section Headings. The section headings in this Agreement are for convenience of reference only, and they form no part of this Agreement and shall not affect its interpretation.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

19. Review. Employee represents and warrants that: (i) Employee has read this Agreement and understands all the terms and conditions hereof; (ii) Employee has entered into this Agreement of Employee's own free will and volition; (iii) Employee has been advised by the Company that this Agreement is a legally binding contract and that Employee should seek Employee's own independent lawyer to review it, including, but not limited to, the jury waiver set forth in Section 12; (iv) Employee has been afforded ample opportunity to consult with Employee's own lawyer regarding this Agreement; and (v) the terms of this Agreement are fair, reasonable and are being agreed to voluntarily in exchange for Employee's continued employment by the Company, and the compensation and benefits afforded to Employee in connection with that continued employment.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COMPANY:

EBS Enterprises LLC

By: /s/ Adam Feinstein
Name: Adam Feinstein
Title: President

EMPLOYEE

Dr. Aaron Rollins:

Address for notices:

Signature: _____
Name: _____

[Signature Page to Dr. Rollins Covenant Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COMPANY:

EBS Enterprises LLC

By: _____
Name:
Title:

EMPLOYEE

Dr. Aaron Rollins:

Signature: /s/ Aaron Rollins
Name: Dr. Aaron Rollins

Address for notices:
503 e dilido drive
Miami Beach Florida
33139

Exhibit 10.16

FIRST AMENDMENT TO
EMPLOYEE COVENANTS AGREEMENT

This First Amendment to the Employee Covenants Agreement, dated October 2, 2018, by and between EBS Enterprises, LLC (the "Company") and Dr. Aaron Rollins ("Employee") (the "Covenants Agreement") is made and entered into on the date set forth on the signature page hereto and shall be effective immediately following the time, and subject to, AirSculpt Technologies, Inc.'s registration statement on Form S-1 related to its initial public offering ("IPO") being declared effective (the "Amendment Effective Date") by and between the Company and Employee (the "Amendment"). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Covenants Agreement.

WHEREAS, Employee and Company mutually desire to amend the Covenants Agreement pursuant to this Amendment as set forth below.

NOW, THEREFORE, Employee and Company hereby agree that, as of, and subject to, the Amendment Effective Date, the Covenants Agreement is hereby amended as follows:

1. The first sentence of Section 5 of the Covenants Agreement shall be amended to replace the phrase "ending nine (9) months" with the phrase "ending twelve (12) months". For the avoidance of doubt, this amendment shall apply to the defined term "Restricted Period" where such term appears in other sections of the Covenants Agreement.

2. Except as amended herein, the Covenants Agreement is hereby ratified and affirmed. If, for any reason, an IPO does not occur prior to January 1, 2022, then this Amendment will not be effective and will be null and void, but, for the avoidance of doubt, the Covenants Agreement will remain in full force and effect.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, have executed this Amendment, effective as October 5, 2021.

EBS ENTERPRISES, LLC

By: /s/ Daniel Sollof
Name: Daniel Sollof
Title: Authorized Signatory

EMPLOYEE

/s/ Dr. Aaron Rollins
Dr. Aaron Rollins

[*Signature Page to Amendment to Covenants Agreement*]

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated September 10, 2021, with respect to the financial statements of AirSculpt Technologies, Inc. contained in the Registration Statement and Prospectus. We consent to the use of the aforementioned report in the Registration Statement and Prospectus, and to the use of our name as it appears under the caption “Experts.”

/s/ GRANT THORNTON LLP

Miami, Florida

October 26, 2021

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated July 2, 2021, with respect to the consolidated financial statements of EBS Intermediate Parent LLC contained in the Registration Statement and Prospectus. We consent to the use of the aforementioned report in the Registration Statement and Prospectus, and to the use of our name as it appears under the caption “Experts.”

/s/ GRANT THORNTON LLP

Miami, Florida

October 26, 2021