

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **February 29, 2024**

**THE CHILDREN'S PLACE, INC.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**0-23071**

(Commission File Number)

**31-1241495**

(IRS Employer Identification No.)

**500 Plaza Drive, Secaucus, New Jersey**

(Address of Principal Executive Offices)

**07094**

(Zip Code)

**(201) 558-2400**

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.10 par value	PLCE	NASDAQ Global Select Market

**Item 1.01 Entry into a Material Definitive Agreement.**

***Mithaq Term Loans***

On February 29, 2024, The Children’s Place, Inc. (the “Company”) and certain of its subsidiaries entered into an interest-free unsecured promissory note, dated February 29, 2024 (the “Promissory Note”) with Mithaq Capital SPC (“Mithaq”), providing for up to \$78.6 million in term loans, consisting of (a) an initial term loan in an original aggregate principal amount of \$30.0 million (the “Initial Term Loan”) and (b) a delayed draw term loan commitment amount of \$48.6 million (the “Delayed Draw Term Loan;” and together with the Initial Term Loan, collectively, the “Mithaq Term Loans”). Also on February 29, 2024, the Company received the proceeds of the Initial Term Loan.

The Mithaq Term Loans mature on February 15, 2027. The Mithaq Term Loans are interest-free, unsecured, and are guaranteed by each of the Company’s subsidiaries that guarantee the Company’s existing revolving credit facility under its Amended and Restated Credit Agreement dated May 9, 2019, as amended (the “Credit Agreement”), with Wells Fargo, National Association (“Wells Fargo”), Truist Bank, Bank of America, N.A., HSBC Business Credit (USA) Inc., JPMorgan Chase Bank, N.A., and PNC Bank as lenders (collectively, the “Credit Agreement Lenders”) and Wells Fargo, as Administrative Agent, Collateral Agent, Swing Line Lender and Term Agent (the “Credit Agreement Agent”). The Mithaq Term Loans do not provide for any closing or similar fees.

In addition, the Mithaq Term Loans are to be made subject to a subordination agreement to be entered into between the Credit Agreement Lenders and Mithaq, pursuant to which the Mithaq Term Loans will be subordinated in payment priority to the obligations of the Company and its subsidiaries under the Credit Agreement. Subject to such subordination terms, the Mithaq Term Loans are prepayable at any time and from time to time without penalty and do not require any mandatory prepayments.

The Promissory Note contains customary affirmative and negative covenants substantially similar to a subset of the covenants set forth in the Credit Agreement, including limits on the ability of the Company and its subsidiaries to incur certain liens, to incur certain indebtedness, to make certain investments, acquisitions, dispositions or restricted payments, or to change the nature of its business.

The Promissory Note contains certain customary events of default, which include (subject in certain cases to customary grace periods), nonpayment of principal, breach of other covenants in the Promissory Note, inaccuracy in representations or warranties, acceleration of certain other indebtedness (including under the Credit Agreement), certain events of bankruptcy, insolvency or reorganization, and invalidity of any part of the Promissory Note or the Letter Agreement (as defined below).

The Delayed Draw Term Loan is contemplated to be funded on or before March 29, 2024, subject to the satisfaction of certain conditions, including (i) the accuracy of customary representations and warranties, (ii) the absence of defaults under the Promissory Note, (iii) the Company having entered into and received aggregate proceeds (net of fees and expenses) of at least \$121.0 million from either the term loan (the “Gordon Brothers Term Loan”) contemplated by the previously-disclosed non-binding term sheet that the Company entered into with 1903P Loan Agent, LLC (“Gordon Brothers”) or another third-party financing arrangement with the consent of Mithaq, (iv) the requisite Credit Agreement Lenders under the Credit Agreement having irrevocably waived the “change of control” event of default under the Credit Agreement in accordance with the Forbearance Agreement (as defined below), and (v) the absence of other defaults under the Credit Agreement. As previously disclosed, the Company currently expects to be in a position to close the Gordon Brothers transaction in March 2024, and is also continuing to pursue alternative financing on terms no less favorable in the aggregate to the Company. Mithaq may also choose to cause the Delayed Draw Term Loan to be drawn at any time on one business day’s notice.

As the Company continues to work to improve its liquidity position and strengthen its balance sheet, certain of its vendors and service providers material to the business have informed the Company that they have halted or plan to halt service to the Company as a result of delayed payments. The Company is in ongoing dialogue with its vendors and service providers regarding paths forward to ensure continued service. The net proceeds of the Initial Term Loan are being used to fund payments to certain of the Company's vendors and service providers to address overdue accounts payable. The net proceeds from the other financings described above, including the Delayed Draw Term Loan and the Gordon Brothers Term Loan or other alternative financing arrangement, are expected to be used to, among other things, repay in full the Company's existing \$50.0 million term loan under its Credit Agreement, and support the Company's operations, including further payments to vendors and service providers to address overdue accounts payable.

### ***Forbearance Agreement***

As previously disclosed, Mithaq's acquisition of the Company's common stock triggered a change of control, thereby causing an event of default under the Credit Agreement. As a result of this event of default, the Company is currently subject to cash dominion. The Company and the Credit Agreement Lenders entered into a forbearance agreement, dated February 29, 2024 (the "Forbearance Agreement") that, among other things, permits the Mithaq financing arrangements and pursuant to which the Credit Agreement Lenders have agreed to forbear from enforcing the rights and remedies (other than cash dominion and increasing the interest rate payable on borrowings outstanding under the Credit Agreement to the default interest rate) under the Credit Agreement during a limited forbearance period (as described in the immediately following paragraph). The Forbearance Agreement contemplates a permanent waiver of the change of control default upon the satisfaction of certain conditions, including the Company's receipt of proceeds from the Mithaq Term Loans and the Gordon Brothers Term Loan or other alternative financing arrangement described above and Mithaq's entry into a subordination agreement in respect of the Mithaq Term Loans.

The Forbearance Agreement terminates upon the earlier of (i) March 29, 2024, at 11:59 p.m. ET, (ii) the date of any other default or event of default under the Credit Agreement or any other loan document, (iii) the date of any breach of the Forbearance Agreement by the Company, or (iv) the date that Mithaq indicates that it will not fund the Delayed Draw Term Loan.

### ***Letter Agreement***

Also on February 29, 2024, the Company and Mithaq entered into a letter agreement (the "Letter Agreement") for purposes of, among other things, ensuring an orderly transition of the governance of the Company following Mithaq's acquisition of over 50% of the outstanding shares of common stock of the Company, including the continued presence of certain non-Mithaq members on the board of directors of the Company (the "Board") during a transitional period.

Pursuant to the Letter Agreement, Mithaq and the Company agreed to make certain changes to the composition of Company's Board and its pre-existing committees, as well as the size of the Board, in each case as further described in Item 5.02 below.

In addition, pursuant to the Letter Agreement, the Board has also formed a special committee – the Efficiency and Optimization Committee – comprised of new Board members Muhammad Asif Seemab and Muhammad Umair, as well as Jane Elfers, President, CEO and director. The purpose of this committee is to identify and make recommendations to the Board with respect to increasing business competitiveness through efficient cost management at the Company.

Also pursuant to the Letter Agreement, the Company has agreed to hold its 2024 annual stockholder meeting no earlier than May 1, 2024 and no later than May 31, 2024 (unless prohibited by law). The nominees for election to the Board at the 2024 annual stockholder meeting are further described in Item 5.02, below.

The Letter Agreement also requires the Company to use reasonable best efforts to commence and complete a registered rights offering of up to approximately \$90.0 million by distributing transferrable subscription rights to the stockholders of the Company at the applicable record date to purchase shares of common stock of the Company.

Furthermore, under the Letter Agreement, the Company agreed that, during the Board’s transitional period, the Board will not make any “Major Decision,” including certain governance changes, certain significant operational and financial decisions, certain transactions in the securities of the Company and its subsidiaries or certain extraordinary transactions (for example, a merger, sale of the company, or bankruptcy filing) without, subject to certain exceptions, the affirmative vote of at least seven directors.

The Letter Agreement also provides that for so long as the Company remains a public reporting company, certain transactions between the Company and its subsidiaries on the one hand and Mithaq and its affiliates (other than the Company and its subsidiaries) on the other hand need to either be approved by a committee comprised solely of directors independent from Mithaq or otherwise comply with forthcoming affiliate transaction policies. The Letter Agreement also contains releases by Mithaq, the Company, and their respective affiliates of certain claims against each other and/or certain of their respective officers, directors and employees.

The foregoing descriptions of the Promissory Note, the Forbearance Agreement and the Letter Agreement are qualified in their entirety by reference to the full texts thereof, copies of which are filed as Exhibit 4.1, 10.1 and 10.2, respectively, to this Current Report on Form 8-K and each of which are incorporated herein by reference.

**Item 2.03      Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

On February 29, 2024, as described above, the Company and certain of its subsidiaries entered into the Promissory Note and received the proceeds of the Initial Term Loan.

**Item 5.02      Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On February 29, 2024, the Company announced that four persons nominated by Mithaq – Turki Saleh A. AlRajhi, Muhammad Asif Seemab, Muhammad Umair and Hussan Arshad – have been appointed to the Board effective February 29, 2024, in accordance with the Letter Agreement. The principal occupation of Mr. AlRajhi is an investor and Chairman and Chief Executive Officer of Mithaq Holding Company, an investment holding company organized under the laws of Saudi Arabia and an affiliate of Mithaq. The principal occupation of Mr. Seemab is Managing Director of Mithaq Capital. The principal occupation of Mr. Umair is Senior Advisor for Origin Funding Partners, a trade finance fund located in Sacramento County, California and focused on emerging markets. The principal occupation of Mr. Arshad is Group Senior Manager at DP World.

Mr. AlRajhi has also been appointed as the Chairman-Elect of the Board and is sharing Chairman duties with current Chairman, Norman Matthews, during a transitional period.

Each new director is expected to enter into the Company’s standard form of indemnity agreement for directors, a form which has been previously filed with the SEC as Exhibit 10.7 to the Company’s Quarterly Report on Form 10-Q for the period ended August 2, 2008.

Except for the applicable matters regarding Mithaq and its affiliates described in the Company’s Current Report on Form 8-K filed with the SEC on February 21, 2024 and/or any interest in the Letter Agreement or the Promissory Note that Mr. AlRajhi or Mr. Seemab may be deemed to have by virtue of their direct or indirect economic interests in Mithaq and/or their positions as directors of Mithaq, none of the new directors has a material interest in any transaction that is required to be disclosed under Item 404(a) of Regulation S-K.

The Company also announced that, concurrently with the execution of the Letter Agreement, Elizabeth Boland, Alicia Enciso, Katherine Kountze and Wesley S. McDonald have resigned from the Board effective February 29, 2024, and Norman Matthews, John E. Bachman, Debby Reiner and Michael Shaffer have each delivered letters of resignation to the Company resigning from Board, effective upon the funding of the Delayed Draw Term Loan. Pursuant to the Letter Agreement, Mithaq and the Company will identify two individuals (who may be remaining Board members from the Company’s prior ten-person Board) who are independent of Mithaq and reasonably acceptable to both Mithaq and the remaining non-Mithaq Board members for nomination for election to the Board at the 2024 annual stockholder meeting. The remaining nominees for election to the Board at the 2024 annual stockholder meeting will consist of the four new Mithaq-nominated Board members appointed to the Board on February 29, 2024. The size of the Board is currently fixed at ten (10) pursuant to the Letter Agreement and is required by the Letter Agreement to be reduced to six (6) following the effectiveness of the resignations of Norman Matthews, John E. Bachman, Debby Reiner and Michael Shaffer.

As a result of the Board composition changes described above, the Board’s committee membership has been reconstituted as follows in accordance with the Letter Agreement:

Audit Committee

John E. Bachman (Chair)  
Michael Shaffer  
Hussan Arshad

Human Capital and Compensation Committee

Muhammad Asif Seemab (Chair)  
Debby Reiner  
Norman Matthews

Corporate Responsibility, Sustainability & Governance Committee

Hussan Arshad (Chair)  
John Frascotti  
Norman Matthews

As disclosed in Item 1.01, pursuant to the Letter Agreement, the Board has also formed a special committee – the Efficiency and Optimization Committee – comprised of new Board members Muhammad Asif Seemab and Muhammad Umair, as well as Jane Elfers, President, CEO and director.

**Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

On February 29, 2024, the Board approved and adopted an amendment to the Company’s Seventh Amended and Restated Bylaws (the “Bylaw Amendment”), which became effective the same day, to provide for the position of Chairman-Elect of the Board with the same authorities, rights, responsibilities and roles as the Chairman of the Board, and thus permit Mr. AlRajhi to be appointed as the Chairman-Elect in accordance with the Letter Agreement. The Bylaw Amendment also establishes that the State of Delaware shall be the sole and exclusive jurisdiction for any legal actions related to the Company.

The foregoing description of the Bylaw Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Bylaw Amendment, a copy of which is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 7.01 Regulation FD Disclosure**

A copy of the Company’s press release on February 29, 2024 relating to the above is attached hereto as Exhibit 99.1. The information contained in Item 7.01 and Exhibit 99.1 to this report shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any previous or future registration statement filed under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated by reference.

**Item 9.01 Financial Statement and Exhibits.**

(d) Exhibits

<b>Exhibit</b>	<b>Description</b>
Exhibit 3.1	<a href="#"><u>Amendment to the Seventh Amended and Restated Bylaws of The Children's Place, Inc.</u></a>
Exhibit 4.1	<a href="#"><u>Promissory Note, dated February 29, 2024, among the Company, certain subsidiaries of the Company, and Mithaq Capital SPC.</u></a>
Exhibit 10.1	<a href="#"><u>Forbearance Agreement, dated February 29, 2024, among the Company, certain subsidiaries of the Company, the Credit Agreement Lenders and Wells Fargo Bank, National Association, as Administrative Agent, Collateral Agent, L/C Issuer, Swing Line Lender and Term Agent.</u></a>
Exhibit 10.2	<a href="#"><u>Letter Agreement, dated February 29, 2024, between the Company and Mithaq Capital SPC.</u></a>
Exhibit 99.1	<a href="#"><u>Press Release, dated February 29, 2024, issued by the Company (Exhibit 99.1 is furnished as part of this Current Report on Form 8-K).</u></a>
Exhibit 104	Cover Page Interactive Data File – the cover page XBRL tags are embedded within the Inline XBRL document.

## **Forward-Looking Statements**

*This Current Report on Form 8-K contains or may contain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements relating to the Mithaq Term Loans, the Gordon Brothers Term Loan, the Forbearance Agreement, the Letter Agreement and the registered rights offering. Forward-looking statements typically are identified by use of terms such as “may,” “will,” “should,” “plan,” “project,” “expect,” “anticipate,” “estimate” and similar words, although some forward-looking statements are expressed differently. These forward-looking statements are based upon the Company’s current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results and performance to differ materially. Some of these risks and uncertainties are described in the Company’s filings with the Securities and Exchange Commission, including in the “Risk Factors” section of its annual report on Form 10-K for the fiscal year ended January 28, 2023. Included among the risks and uncertainties that could cause actual results and performance to differ materially are the risk that the Company will be unsuccessful in gauging fashion trends and changing consumer preferences, the risks resulting from the highly competitive nature of the Company’s business and its dependence on consumer spending patterns, which may be affected by changes in economic conditions (including inflation), the risks related to the COVID-19 pandemic, including the impact of the COVID-19 pandemic on our business or the economy in general, the risk that the Company’s strategic initiatives to increase sales and margin are delayed or do not result in anticipated improvements, the risk of delays, interruptions, disruptions and higher costs in the Company’s global supply chain, including resulting from COVID-19 or other disease outbreaks, foreign sources of supply in less developed countries, more politically unstable countries, or countries where vendors fail to comply with industry standards or ethical business practices, including the use of forced, indentured or child labor; the risk that the cost of raw materials or energy prices will increase beyond current expectations or that the Company is unable to offset cost increases through value engineering or price increases, various types of litigation, including class action litigations brought under consumer protection, employment, and privacy and information security laws and regulations, the imposition of regulations affecting the importation of foreign-produced merchandise, including duties and tariffs, the uncertainty of weather patterns, the risk that we may be unable to consummate the Term Loans as anticipated, or at all, or obtain alternative financing. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they were made. The Company undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.*



**SIGNATURE**

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

Date: March 1, 2024

**THE CHILDREN'S PLACE, INC.**

By: /s/ Jane Elfers

Name: Jane Elfers

Title: President and Chief Executive Officer

**AMENDMENT TO THE SEVENTH AMENDED AND RESTATED BYLAWS OF  
THE CHILDREN'S PLACE, INC.**

The Children's Place, Inc., a corporation duly organized and existing under the General Corporation Law of the State of Delaware (the "Company"), does hereby amend the Seventh Amended and Restated Bylaws of the Company, (the "Bylaws"), as follows:

1) by inserting the phrase " , a Chairman-Elect of the Board of Directors" after the words "The Board of Directors may elect or appoint a Chairman of the Board of Directors" in Section 1 of Article III of the Bylaws.

2) by inserting the following as Section 4A. of Article III of the Bylaws:

"4A. THE CHAIRMAN-ELECT OF THE BOARD OF DIRECTORS.

From the Initial Board Reconstitution Time until the Final Board Reconstitution Time (each as defined in that certain Letter Agreement, dated February 28, 2024, between the Corporation and Mithaq Capital SPC), the Chairman-Elect of the Board of Directors shall have the same authority and responsibilities granted to the Chairman of the Board of Directors pursuant to these Bylaws. Upon the Final Board Reconstitution Time, the office of Chairman-Elect of the Board of Directors shall cease to exist."

3) by inserting the following as Article VIII of the Bylaws:

"ARTICLE VIII

EXCLUSIVE FORUM

1. Exclusive Forum.

Unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Corporation, (b) any action asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, employee, agent or stockholder of the Corporation to the Corporation or the Corporation's stockholders, (c) any action asserting a claim arising pursuant to any provision of the DGCL, the Certificate of Incorporation or these Bylaws, or (d) any action asserting a claim governed by the internal affairs doctrine, shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware lacks jurisdiction over such action or proceeding, then another court of the State of Delaware or, if no court of the State of Delaware has jurisdiction, then the United States District Court for the District of Delaware)."

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THIS UNSECURED PROMISSORY NOTE (THIS “NOTE”) WILL BE SUBJECT TO A SUBORDINATION AGREEMENT BETWEEN THE HOLDER AND THE SENIOR CREDITORS OF THE LOAN PARTIES, UNDER WHICH THE HOLDER’S RIGHTS AND REMEDIES UNDER THIS NOTE AND RELATED DOCUMENTS WILL BE SUBORDINATED TO THE RIGHTS AND REMEDIES OF SUCH SENIOR CREDITORS IN ACCORDANCE WITH SECTION 7 OF THIS NOTE.

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SUCH ACT AND SUCH LAWS.

### UNSECURED PROMISSORY NOTE

\$78,600,000

FEBRUARY 29, 2024

FOR VALUE RECEIVED, The Children’s Place, Inc., a Delaware corporation (“Maker”) and each Loan Party (as defined below) hereby promises to pay to the order of Mithaq Capital SPC, a Cayman segregated portfolio company (“Holder”), on the Maturity Date (as defined below), the aggregate principal amount outstanding under this Note, which as of the Closing Date is thirty million dollars (\$30,000,000) and which such amount shall be increased by the principal amount of the Delayed Draw Term Loan to the extent advanced in accordance with Section 5(b), to the extent not theretofore paid (such unpaid principal amount at any time, the “Principal Amount”). Schedule I hereto reflects the Principal Amount as of the Closing Date and the Holder shall update such Schedule from time to time to reflect increases thereto from any advances of Delayed Draw Term Loans and reductions thereto from any payments prior to the Maturity Date, it being understood that any failure to so update Schedule I shall not affect the amount of the Principal Amount or any other obligations of Maker hereunder. Certain capitalized terms which are used and not otherwise defined in this Note are defined in Section 11 below.

1. LOAN AND COMMITMENT AMOUNTS. Up to seventy-eight million six hundred thousand dollars (\$78,600,000), consisting of (a) an initial term loan in an original aggregate principal amount equal to \$30,000,000 (the “Initial Term Loan”) and (b) a delayed draw term loan commitment amount of \$48,600,000 (the “Delayed Draw Term Loan”) and together with the Initial Term loan, collectively, the “Loan”).
  2. PAYMENT OF PRINCIPAL.
    - (a) Except as set forth otherwise herein, the Principal Amount, along with all other outstanding Obligations, shall be due and payable in full in cash on the Maturity Date.
    - (b) Any amount paid to Holder by Maker in respect of this Note will be applied first, to pay, prepay, or repay, as applicable, the outstanding Principal Amount; and second, to payment of any remaining Obligations under this Note then due and
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payable. All payments in respect of this Note will be made by wire transfer of immediately available funds to an account designated in writing by Holder, and any payment so received after 2:00 p.m. New York City time on any day will be deemed to have been received on the following Business Day. Any amount that (but for the application of this sentence) would become due and payable in respect of this Note on a day which is not a Business Day will instead become due and payable on the next succeeding Business Day.

(c) No interest will accrue or be payable in respect of the Loans or Obligations hereunder.

3. USE OF LOAN PROCEEDS. The proceeds of the Initial Term Loan shall be used exclusively to pay critical back-to-school vendor counterparties of the Maker and its Subsidiaries. The proceeds of any Delayed Draw Term Loans shall be used for the working capital and general corporate purposes of the Maker and its Subsidiaries.

4. FUNDING OF THE LOAN.

(a) Holder agrees, subject to and on the terms and conditions of this Note (i) to loan the Initial Term Loan to Maker on the Closing Date, subject to the satisfaction or waiver in writing of the conditions set forth in Section 5(a) and (ii) to loan the Delayed Draw Term Loan to Maker on the DDTL Commitment Expiration Date, subject to the satisfaction or waiver in writing of the conditions set forth in Section 5(b). Maker shall submit a Borrowing Notice by 9:00 a.m. (or such later time and/or date as agreed to by the Holder) (x) for the Initial Term Loan, on the Closing Date and (y) for the Delayed Draw Term Loan, by no later than March 28, 2024 (and if requested prior to such date, one Business Day prior to the date the Delayed Draw Term Loan is to be funded); it being understood and agreed among Maker and Holder that Maker is obligated to request a borrowing for each of the Initial Term Loan and the Delayed Draw Term Loan. Notwithstanding anything to the contrary in this Agreement, irrespective of whether Maker shall have delivered a Borrowing Notice, Holder shall be entitled (but not required) to at any time in its discretion notify Maker that Holder is ready, willing and able to extend the Initial Term Loan and/or the Delayed Draw Term Loan (irrespective of whether all of the conditions set forth in Section 5(a) or Section 5(b), as applicable, have then been satisfied or waived in writing in accordance with this Note), and within one Business Day of such notice being provided proceed, in its discretion, to fund the applicable Loan on the Closing Date or the DDTL Borrowing Date, as applicable, as if a Borrowing Notice had been submitted, and Maker shall be obligated to accept the disbursement of such Loan. Each funding date or proposed funding date of Loans hereunder shall be a Business Day. Holder shall update Schedule I hereto to reflect the advance of the Delayed Draw Term Loan when made, it being understood that any failure to so update Schedule I shall not affect the amount of the Principal Amount or any other obligations of Maker hereunder.

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(b) Proceeds of the Loans shall be deposited into and held in an account of Maker as provided in the Forbearance Agreement. The wiring instructions for such account are attached hereto as Schedule II.

5. CONDITIONS PRECEDENT TO FUNDING OF THE LOAN.

- (a) The obligation of Holder to make the Initial Term Loan under this Note is subject to the prior satisfaction (or waiver in writing) by Holder of each of the following conditions precedent and in the case of any agreements, documents, schedules or certificates described below, delivery in form and substance reasonably satisfactory to Holder:
- (i) The representations and warranties of Maker contained in Section 6 below will be true and correct in all material respects (without duplicating any “materiality” qualifiers therein) on and as of the date of the Initial Term Loan borrowing, except to the extent such representations and warranties specifically refer to an earlier date, in which case they will be true and correct in all material respects (without duplicating any “materiality” qualifiers therein) of as such earlier date.
  - (ii) No Default or Event of Default will exist, or would result from, the making of the Initial Term Loan and the other financial accommodations made hereunder;
  - (iii) Holder shall have received:
    - (1) Duly executed Note Documents;
    - (2) A certificate containing (A) a copy of the certificate of formation, including all amendments thereto, of Maker, certified as of a recent date by the Secretary of State of the state of its organization, and a certificate as to the good standing of Maker as of a recent date, from such Secretary of State; and (B) a certificate of the Secretary or Assistant Secretary of Maker dated the Closing Date and certifying (I) that attached thereto is a true and complete copy of the limited liability company agreement of Maker as in effect on the Closing Date and at all times since a date prior to the date of the resolutions described in clause (II) below, (II) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors of Maker authorizing the execution, delivery and performance of the Note Documents and the Loan hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect, and (III) as to the incumbency and specimen signature of each officer executing any Note Document or any other document delivered in connection herewith on behalf of Maker; and
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- (3) Certificate of an officer of Maker certifying the conditions set forth in clauses (i), (ii), (iv), and (v)(II) of this Section 5(a) have been satisfied (which may be set forth in the Borrowing Notice).
  - (iv) The Letter Agreement is in full force and effect and the Compliance Conditions shall have been satisfied; and
  - (v) (I) The “Required Lenders” under the Existing Credit Agreement shall have entered into a forbearance agreement, in form and substance acceptable to the Holder (as it may be amended, restated, supplemented, or otherwise modified from time to time, the “Forbearance Agreement”), which Forbearance Agreement shall be in full force in effect and no Termination Event (as defined in the Forbearance Agreement) shall have occurred thereunder, and (II) other than the Existing Event of Default (as defined in the Forbearance Agreement), no other “Default” or “Event of Default” under and as defined in the Existing Credit Agreement exists, or would result from the making of the Initial Term Loan and the other financial accommodations made hereunder.
- (b) The obligation of Holder to make the Delayed Draw Term Loan under this Note is subject to the prior satisfaction (or waiver in writing) by Holder of each of the following conditions precedent and in the case of any agreements, documents, schedules or certificates described below, delivery in form and substance reasonably satisfactory to Holder:
- (i) The representations and warranties of Maker contained in Section 6 below will be true and correct in all material respects (without duplicating any “materiality” qualifiers therein) on and as of the date of the Delayed Draw Term Loan borrowing, except to the extent such representations and warranties specifically refer to an earlier date, in which case they will be true and correct in all material respects (without duplicating any “materiality” qualifiers therein) of as such earlier date;
  - (ii) No Default or Event of Default will exist, or would result from, the making of the Delayed Draw Term Loan and the other financial accommodations made hereunder;
  - (iii) (I) Prior to, concurrently or substantially concurrently with the funding of the Delayed Draw Term Loan, the Existing Event of Default (as defined in the Forbearance Agreement) shall have been irrevocably waived in accordance with the terms of the Forbearance Agreement, (II) no “Default” or “Event of Default” under and as defined in the Existing Credit Agreement exists or would result from the making of the Delayed Draw Term Loan and the other financial accommodations made hereunder and (III) the Forbearance Agreement shall be in full force and effect and no Termination Event (as defined in the Forbearance Agreement) shall have occurred thereunder;
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- (iv) The Compliance Conditions shall have been satisfied;
- (v) Holder shall have received a certificate of an officer of Maker certifying the conditions set forth in clauses (i), (ii), (iii) and (iv) of this Section 5(b) have been satisfied (which may be set forth in the Borrowing Notice); and
- (vi) The Loan Parties shall, after the Closing Date, have entered into and received (which may be concurrent or substantially concurrent with the funding of the Delayed Draw Term Loan) aggregate net proceeds of at least \$121,000,000 (excluding for the avoidance of doubt any proceeds of the Initial Term Loan and the Delayed Draw Term Loan) from (A) the “New Term Loan”, in accordance with the terms of, and as defined in, the Forbearance Agreement or (B) another third party financing arrangement to which Holder has consented in writing (any financing satisfying this clause (vi), the “Additional Financing”).

6. REPRESENTATIONS AND WARRANTIES. Each of the Maker and the other Loan Parties represents and warrants to Holder as of the date hereof that:

- (a) Existence, Qualification and Power. Each Loan Party and each Subsidiary thereof: (i) is a corporation, limited liability company, partnership or limited partnership, duly incorporated, organized or formed, validly existing and, where applicable, in good standing under the Laws of the jurisdiction of its incorporation, organization or formation; (ii) has all requisite power and authority and all requisite governmental licenses, permits, authorizations, consents and approvals to (1) own or lease its assets and carry on its business as currently conducted or as proposed to be conducted and (2) execute, deliver and perform its obligations under the Note Documents to which it is a party; and (iii) is duly qualified and is licensed and, where applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (ii)(1) or (iii), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Change.
  - (b) Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Note Document to which such Person is, or is to be, a party has been duly authorized by all necessary corporate or other organizational action and does not and will not: (i) contravene the terms of any of such Person’s Organization Documents; (ii) conflict in any material respect with, or result in any breach, termination, or contravention of, or constitute a default under, or require any payment to be made under (1) any Material Indebtedness of such Person or any of its Subsidiaries, (2) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject, or (3) any governmental licenses, permits, authorizations, consents and approvals; except, in each case referred to in this clause (ii), to the extent that any such conflict, breach, termination, contravention or default could not reasonably be expected to
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have a Material Adverse Change; (iii) result in or require the creation of any Lien upon any asset of any Loan Party; or (iv) violate any Law.

- (c) Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Note or any other Note Document, except for such as have been obtained or made and are in full force and effect.
  - (d) Binding Effect. This Note has been, and each other Note Document, when delivered, will have been, duly executed and delivered by each Loan Party that is party thereto. This Note constitutes, and each other Note Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.
  - (e) No Default. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Note or any other Note Document.
  - (f) Taxes. The Loan Parties and their Subsidiaries have (i) filed (1) all United States and Canadian federal income Tax returns required to be filed, and (2) all other material United States and Canadian federal, state, provincial and other Tax returns and reports required to be filed, (ii) have paid all such federal, state, provincial and other material Taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings being diligently conducted, for which adequate reserves have been provided in accordance with GAAP, as to which Taxes no Lien has been filed and which contest effectively suspends the collection of the contested obligation and the enforcement of any Lien securing such obligation and (iii) not received any notice of any proposed Tax assessment against any Loan Party or any Subsidiary, except, in each case in this clause (f), as would not have a Material Adverse Change.
  - (g) Margin Regulations; Investment Company Act.
    - (i) None of the proceeds of the Loans shall be used directly or indirectly for the purpose of purchasing or carrying any Margin Stock, for the purpose of extending credit to others for the purpose of purchasing or carrying any Margin Stock, or for any purpose that violates the provisions of Regulation T, U or X of the FRB.
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(ii) None of the Loan Parties, any Person controlling any Loan Party, or any Subsidiary is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

(h) Compliance with Laws. Each of the Loan Parties and each Subsidiary is in compliance in all material respects with the requirements of all applicable Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (i) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (ii) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Change.

(i) OFAC; Sanctions; Anti-Corruption Laws; Anti-Money Laundering Laws. No Loan Party nor any of its Subsidiaries is in violation of any Sanctions. No Loan Party nor any of its Subsidiaries nor, to the knowledge of such Loan Party, any director, officer, employee, agent or Affiliate of such Loan Party or such Subsidiary (i) is a Sanctioned Person or a Sanctioned Entity, (ii) has any assets located in Sanctioned Entities, or (iii) derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities. Each of the Loan Parties and its Subsidiaries, and to the knowledge of each such Loan Party, each director, officer, employee, agent and Affiliate of each such Loan Party and each such Subsidiary, is in compliance with all Sanctions, Anti-Corruption Laws and Anti-Money Laundering Laws. No proceeds of any loan made hereunder will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity, or otherwise used in any manner that would result in a violation of any applicable Sanctions, Anti-Corruption Laws or Anti-Money Laundering Laws by any Person (including any Loan Party or other individual or entity participating in any transaction).

7. AGREEMENT TO SUBORDINATE. The Holder acknowledges that the Loan Parties have outstanding senior indebtedness under the Existing Credit Agreement and may in the future incur the Additional Financing (collectively, “Senior Indebtedness”), and that such Senior Indebtedness is or may be secured by Liens on substantially all of the assets of the Loan Parties. The Holder agrees to use its reasonable best efforts to negotiate in good faith and, prior to the occurrence of the DDTL Commitment Expiration Date enter into, a customary subordination agreement with the holders of the Senior Indebtedness or their respective authorized representatives (the “Senior Creditors”), pursuant to which the Holder will agree to subordinate all Obligations of the Loan Parties with respect to the Initial Loans and the Delayed Draw Term Loans under this Note to the prior payment in full of the Loan Parties’ obligations under the Senior Indebtedness, and which is otherwise in form and on terms reasonably acceptable to the Senior Creditors (as it may be amended, restated, supplemented, or otherwise modified from time to time, the “Subordination Agreement”).

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8. AFFIRMATIVE COVENANTS.

Until payment in full of the Obligations, the Loan Parties shall, and shall (except in the case of the covenants set forth in Sections 8(a), 8(b), and 8(c)) cause each Subsidiary to:

- (a) Financial Statements. Deliver to the Holder, within fifteen (15) days after the date of delivery thereof under the Existing Credit Agreement, copies of all financial statements, reports, certificates and other information delivered by the Loan Parties under Section 6.01(a) or (b) of the Existing Credit Agreement.
  - (b) Certificates; Other Information. Deliver to the Holder:
    - (i) promptly after the same are available, copies of each annual report, proxy or financial statement, or other document, report or communication sent to the stockholders of the Loan Parties, and copies of all annual, regular, periodic and special reports and registration statements which any Loan Party files with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934 or with any national or foreign securities exchange, and in any case not otherwise required to be delivered to the Holder pursuant hereto;
    - (ii) promptly after the furnishing thereof, copies of any statement or report furnished to any holder of debt securities of any Loan Party or any Subsidiary thereof pursuant to the terms of any indenture, loan or credit or similar agreement which indicate a breach or default of any such document, in each case not otherwise required to be furnished to the Holder hereunder; and
    - (iii) pursuant to Section 8(a) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Maker posts such documents, or provides a link thereto on the Maker's website on the Internet; or (ii) on which such documents are posted on the Maker's behalf on EDGAR or another Internet or intranet website, if any, to which the Holder has access (whether a commercial, third-party website or whether sponsored by the Holder); provided that: (i) the Maker shall deliver paper copies of such documents to the Holder that requests the Maker to deliver such paper copies until a written request to cease delivering paper copies is given by the Holder and (ii) the Maker shall notify the Holder (by telecopier or electronic mail) of the posting of any such documents and provide to the Holder by electronic mail electronic versions (i.e., soft copies) of such documents. The Holder shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in no event shall have any responsibility to monitor compliance by the Loan Parties with any such request for delivery.
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- (c) Notice of Default. Promptly notify the Holder of the occurrence of any Default or Event of Default.
- (d) Preservation of Existence, Etc. Preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization or formation, except in a transaction that is permitted under, or is otherwise not prohibited by, the Existing Credit Agreement.
- (e) Compliance with Laws. Comply in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (i) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been set aside and maintained by the Loan Parties in accordance with GAAP; (ii) such contest effectively suspends enforcement of the contested Laws, and (iii) the failure to comply therewith could not reasonably be expected to have a Material Adverse Change.
- (f) Use of Proceeds. The proceeds of the Initial Term Loan shall be used exclusively to pay critical back-to-school vendor counterparties of the Maker and its Subsidiaries. The proceeds of any Delayed Draw Term Loans shall be used for the working capital and general corporate purposes of the Maker and its Subsidiaries.
- (g) Books and Records. Maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of the Loan Parties or such Subsidiary, as the case may be.
- (h) OFAC; Sanctions; Anti-Corruption Laws; Anti-Money Laundering Laws. Each Loan Party will, and will cause each of its Subsidiaries to comply with all applicable Sanctions, Anti-Corruption Laws and Anti-Money Laundering Laws. Each of the Loan Parties and its Subsidiaries shall implement and maintain in effect policies and procedures designed to ensure compliance by the Loan Parties and their Subsidiaries and their respective directors, officers, employees, agents and Affiliates with all Sanctions, Anti-Corruption Laws and Anti-Money Laundering Laws. Each of the Loan Parties shall and shall cause their respective Subsidiaries to comply with all Sanctions, Anti-Corruption Laws and Anti-Money Laundering Laws.

Notwithstanding anything to the contrary herein or otherwise, to the extent that any requirement of the Existing Credit Agreement as of the Closing Date that is either (a) incorporated as a requirement in this Note by cross-reference to the Existing Credit Agreement or (b) set forth in this Note in form that is identical in all material respects to a corresponding requirement set forth in any of Section 6 (other than Section 6(b), Section 6(c) or Section 6(d)), Section 8 (excluding for the avoidance of doubt Section 8(f)) or Section 9 (excluding for the avoidance of doubt Section 9(k)) of this Note (any such cross-referenced or corresponding provision, a "Corresponding Provision") is amended, waived, supplemented or otherwise modified (in each case on a complete

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basis and without any temporal limitations on the effectiveness of such amendment, waiver, supplement or modification) in the Existing Credit Agreement after the Closing Date in accordance with the terms of the Existing Credit Agreement, then the corresponding requirement set forth in this Note shall automatically be deemed to be amended, waived, supplemented or modified to the same extent, effective upon the effectiveness of such amendment, waiver, supplement or other modification to the Existing Credit Agreement, without the need for any further action or consent by any party hereto or thereto. The Maker shall notify the Holder in advance of any such amendment, waiver, supplement or other modification to any Corresponding Provision in the Existing Credit Agreement, keep Holder reasonable informed on a current basis as to the status of any such amendments, waivers, supplements or other modifications (including by providing copies of drafts) and, upon execution, concurrently provide a copy thereof.

9. NEGATIVE COVENANTS.

Until payment in full of the Obligations, no Loan Party shall, nor shall it permit any Subsidiary to, directly or indirectly:

- (a) Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired or sign or file or suffer to exist under the UCC, the PPSA or any similar Law or statute of any jurisdiction a financing statement that names any Loan Party or any Subsidiary thereof as debtor; sign or suffer to exist any security agreement authorizing any Person thereunder to file such financing statement; sell any of its property or assets subject to an understanding or agreement (contingent or otherwise) to repurchase such property or assets with recourse to it or any of its Subsidiaries; or assign or otherwise transfer any accounts or other rights to receive income, other than, as to all of the above, (i) Permitted Encumbrances and (ii) any Lien that exists on the Closing Date or is permitted under, or is otherwise not prohibited by, the Existing Credit Agreement.
  - (b) Investments. Have outstanding, make, acquire or hold any Investment (or become contractually committed to do so), directly or indirectly, or incur any liabilities (including contingent obligations) for or in connection with any Investment, except (i) Permitted Investments and (ii) any Investment that exists on the Closing Date or is permitted under, or is otherwise not prohibited by, the Existing Credit Agreement when made.
  - (c) Indebtedness. Create, incur, assume, guarantee, suffer to exist or otherwise become or remain liable with respect to, any Indebtedness, except (i) Permitted Indebtedness and (ii) any Indebtedness that is outstanding on the Closing Date or is permitted under, or is otherwise not prohibited by, the Existing Credit Agreement when created, incurred, assumed or guaranteed, as applicable.
  - (d) Fundamental Changes. Except as permitted under, or as otherwise not prohibited by, the Existing Credit Agreement:
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- (i) merge, amalgamate, dissolve, liquidate, wind up, consolidate with or into another Person, reorganize, enter into a proposal, plan of reorganization, arrangement, recapitalization or reclassify its Equity Interests (or agree to do any of the foregoing); or
- (ii) suspend or go out of a substantial portion of its or their business or any material line of business;

provided that, so long as no Default shall have occurred and be continuing prior to or immediately after giving effect thereto or would result therefrom, any Subsidiary may merge, consolidate or amalgamate with (i) a Loan Party if a Loan Party shall be the continuing or surviving Person, or (ii) any one or more other Subsidiaries, provided further that when any wholly-owned Subsidiary is merging with another Subsidiary, a wholly-owned Subsidiary shall be the continuing or surviving Person.

- (e) Dispositions. Make any Disposition or enter into any agreement to make any Disposition, except (i) Permitted Dispositions and (ii) any Disposition or agreement to make a Disposition that is permitted under, or is otherwise not prohibited by, the Existing Credit Agreement when made or entered into, as applicable.
  - (f) Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except any such Restricted Payment or obligation, as applicable, that is permitted under, or is otherwise not prohibited by, the Existing Credit Agreement when declared, made or incurred, as applicable:
  - (g) [Reserved].
  - (h) Change in Nature of Business. Engage in any line of business substantially different from the business (or any business substantially related or incidental thereto) conducted by the Loan Parties and their Subsidiaries on the Closing Date, except as permitted under, or as otherwise not prohibited by, the Existing Credit Agreement.
  - (i) [Reserved].
  - (j) [Reserved].
  - (k) Use of Proceeds. Use the proceeds of any Loan, whether directly or indirectly, and whether immediately, incidentally or ultimately, for purposes other than those permitted under this Note.
  - (l) Amendment of Organization Documents and other Documents. Amend, modify or waive (x) any of a Loan Party's rights under its Organization Documents to the extent that such amendment, modification or waiver would result in a Default or Event of Default under any of the Note Documents or otherwise would be
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reasonably likely to have a Material Adverse Change or (y) amend, modify or waive the Forbearance Agreement in a manner that is adverse to the Holder.

- (m) Fiscal Year. Change the Fiscal Year of any Loan Party, or the accounting policies or reporting practices of the Loan Parties, except as required by GAAP, and except, in each case of the foregoing, as permitted under, or as otherwise not prohibited by, the Existing Credit Agreement.

Notwithstanding anything to the contrary herein or otherwise, to the extent that any Corresponding Provision in the Existing Credit Agreement is amended, waived, supplemented or otherwise modified (in each case on a complete basis and without any temporal limitations on the effectiveness of such amendment, waiver, supplement or modification) after the Closing Date in accordance with the terms of the Existing Credit Agreement, then the corresponding requirement set forth in this Note shall automatically be deemed to be amended, waived, supplemented or modified to the same extent, effective upon the effectiveness of such amendment, waiver, supplement or other modification to the Existing Credit Agreement, without the need for any further action or consent by any party hereto or thereto. The Maker shall notify the Holder in advance of any such amendment, waiver, supplement or other modification to any Corresponding Provision in the Existing Credit Agreement, keep Holder reasonable informed on a current basis as to the status of any such amendments, waivers, supplements or other modifications (including by providing copies of drafts) and, upon execution, concurrently provide a copy thereof.

10. EVENTS OF DEFAULT AND REMEDIES.

- (a) An “Event of Default” shall be deemed to have occurred under this Note if:
    - (i) Non-Payment. The Maker shall fail to repay the outstanding Principal Amount of the Loans on the Maturity Date as required herein; or
    - (ii) Specific Covenants. The Maker fails to perform or observe any term, covenant or agreement contained in any of Sections 8(c), 8(d) (solely with respect to Maker) or Section 9 of this Note, and such failure continues for fifteen (15) days; or
    - (iii) Other Defaults. The Maker fails to perform or observe any other covenant or agreement (not specified in subsection (i) or (ii) above) contained in any Note Document on its part to be performed or observed and such failure continues for thirty (30) days; or
    - (iv) Representations and Warranties in the Note Documents. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Maker or any other Loan Party herein, in any other Note Document, or in any document delivered in connection herewith or therewith, shall be incorrect or misleading in any material respect when made or deemed made (or, with respect to any representation, warranty, certification, or statement of fact qualified by materiality, incorrect or misleading in any respect); or
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- (v) Material Indebtedness. Any Material Indebtedness of a Loan Party becomes or is declared by the requisite creditors thereunder to be due and payable in full prior to its stated maturity by reason of an event of default (however defined or described) under the agreement or instrument governing such Material Indebtedness; or
  - (vi) Insolvency Proceedings, Etc. Any Loan Party or any of its Subsidiaries institutes or consents to the institution of or declares its intention to institute any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, interim receiver, monitor, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or a proceeding shall be commenced or a petition filed, without the application or consent of such Person, seeking or requesting the appointment of any receiver, interim receiver, monitor, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed and the appointment continues undischarged, undismitted or unstayed for 45 calendar days (provided, however, that, during the pendency of such period, the Loan Parties shall be relieved of their obligation to extend credit hereunder), or an order or decree approving or ordering any of the foregoing shall be entered; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material portion of its property is instituted without the consent of such Person and continues undismitted or unstayed for 45 calendar days (provided, however, that, during the pendency of such period, the Loan Parties shall be relieved of their obligation to extend credit hereunder), or an order for relief is entered in any such proceeding; or
  - (vii) Attachment. Any writ or warrant of attachment or execution or similar process is issued or levied against all or any material portion of the property of any such Person; or
  - (viii) Invalidity of Note Documents or Letter Agreement. Any provision of any Note Document or of the Letter Agreement at any time after its execution and delivery and for any reason other than (solely with respect to Note Documents) as expressly permitted hereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any Subsidiary thereof contests in any manner the validity or enforceability of any provision of any Note Document or the Letter Agreement or publicly claims that it is invalid or unenforceable; or any Loan Party denies that it has any or further liability or obligation under any provision of any Note Document or of the Letter Agreement, or purports to revoke, terminate or rescind any provision of any Note Document or of the Letter Agreement; or
- (b) Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Holder may take any or all of the following actions, subject, in the case of each of clause (ii) and (iii), to the Subordination Agreement from and after its effectiveness:
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- (i) declare the commitment of the Holder to make Loans, including disbursement of the Delayed Draw Term Loan, to be terminated, whereupon such commitments and obligation shall be terminated.
- (ii) declare the unpaid principal amount of all outstanding Loans and all other amounts owing or payable hereunder or under any other Note Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Loan Parties; and
- (iii) whether or not the maturity of the Obligations shall have been accelerated pursuant hereto, may proceed to protect, enforce and exercise all rights and remedies of the Loan Parties under this Note, any of the other Note Documents or applicable Law, including, but not limited to, by suit in equity, action at law or other appropriate proceeding, whether for the specific performance of any covenant or agreement contained in this Note and the other Note Documents or any instrument pursuant to which the Obligations are evidenced, and, if such amount shall have become due, by declaration or otherwise, proceed to enforce the payment thereof or any other legal or equitable right of the Loan Parties;
- (iv) No remedy herein is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or any other provision of Law.

; provided, that in the case of an Event of Default under Section 10(a)(vi), the commitment of the Holder to make Loans, including disbursement of the Delayed Draw Term Loan, shall automatically terminate and all unpaid principal amount of all outstanding Loans and all other amounts owing or payable hereunder or under any other Note Document automatically shall be immediately due and payable.

- (c) Application of Funds. After the exercise of remedies provided for in Section 10(b) any amounts received on account of the Loans shall be applied pursuant to Section 2(b).

11. CERTAIN DEFINITIONS. Capitalized terms not otherwise defined in this Note have the following respective meanings:

“Additional Financing” shall have the meaning set forth in Section 5(b)(vi).

“Affiliate” means, as to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, the term “control” (and the correlative terms, “controlled by” and “under common control with”) shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies, whether through ownership of securities or other interests, by contract or otherwise.

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“Anti-Corruption Laws” means any Laws applicable to Maker and its Subsidiaries relating to anti-bribery or anti-corruption, including Laws that prohibit the corrupt payment, offer, promise, or authorization of the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any foreign government official, or foreign government employee to obtain an improper or undue business advantage, including the Foreign Corrupt Practices Act of 1977, as amended.

“Anti-Money Laundering Laws” means the applicable laws or regulations in any jurisdiction in which any Loan Party or any of its Subsidiaries or Affiliates is located or is doing business that relates to money laundering, any predicate crime to money laundering, or any financial record keeping and reporting requirements related thereto.

“Anti-Terrorism Laws” means any Laws applicable to Maker and its Subsidiaries relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering or bribery, and any regulation, order, or directive promulgated, issued or enforced pursuant to such Laws, all as amended, supplemented or replaced from time to time.

“Bankruptcy Code” means the United States Bankruptcy Code of 1978, as amended from time to time, or any successor federal statute.

“Borrowing Notice” means a notice from Maker to Holder requesting a borrowing of Loans, substantially in the form of Exhibit A hereto.

“Business Day” means a day (other than a Saturday or Sunday) on which banks generally are open in New York, New York for the conduct of substantially all of their activities.

“Code” means the Internal Revenue Code of 1986, and the regulations promulgated thereunder, as amended and in effect.

“Compliance Conditions” means, as of the time of such determination, satisfaction of each of the following:

(a) The Maker shall be in compliance with (x) Section 1 of the Letter Agreement in all respects and (y) all other aspects of the Letter Agreement in all material respects;

(b) No actions or approvals inconsistent with the restrictive covenants set forth on Exhibit B of the Letter Agreement shall have occurred.

“Closing Date” means February 29, 2024, or such other date that all conditions precedent set forth in Section 5(a) are satisfied or waived.

“Corresponding Provision” shall have the meaning set forth in the final paragraph of Section 8 of this Note.

“Debtor Relief Laws” shall have the meaning set forth in the Existing Credit Agreement.

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“Default” means any of the events specified in Section 10 which with the passage of time, the giving of notice or any other condition, would constitute an Event of Default.

“DDTL Commitment Expiration Date” means the earliest to occur of (a) the date on which the Delayed Draw Term Loan has been fully drawn, and (b) March 29, 2024.

“Disposition” or “Dispose” shall have the meaning set forth in the Existing Credit Agreement.

“Equity Interests” shall have the meaning set forth in the Existing Credit Agreement.

“Existing Credit Agreement” shall mean that certain Amended and Restated Credit Agreement, dated as of May 9, 2019, among, *inter alia*, the Maker, as borrower, the other borrowers party thereto, the guarantors party thereto, the lenders party thereto and Wells Fargo Bank, National Association as administrative agent and collateral agent, as amended, restated, supplemented or otherwise modified, refinanced or replaced from time to time, including any agreement, indenture, instrument or other document that governs or evidences Indebtedness that constitutes a refinancing, replacement or substitution of, in whole or in part, the obligations under or related to the Existing Credit Agreement and is designated in writing by the Maker to be the “Existing Credit Agreement” hereunder.

“Forbearance Agreement” shall have the meaning set forth in Section 5(a)(v).

“GAAP” shall mean generally accepted accounting principles in the United States, as in effect in the Closing Date.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

“Guarantor” means each Subsidiary of the Maker that is a signatory hereto.

“Indebtedness” shall have the meaning set forth in the Existing Credit Agreement.

“Investment” shall have the meaning set forth in the Existing Credit Agreement.

“Law” means any foreign, federal, state or local law (including common law), statute, ordinance, code, regulation, rule, requirement, order, determination judgment, rule, constitution or treaty of, or other similar requirement enacted, adopted, promulgated or applied by, any Governmental Authority.

“Letter Agreement” means that certain letter agreement entered into by the Maker and the Holder even on date herewith, as it may be amended, restated, supplemented, or otherwise modified from time to time.

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“Lien” means any mortgage, deed of trust, deed to secure debt, or pledge, security interest, encumbrance, lien or charge of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement), or any other arrangement and/or agreement of any kind pursuant to which title to the property is retained by or vested in some other Person for security purposes.

“Loan Parties” means, collectively, the Maker and the Guarantors.

“Margin Stock” is as defined in Regulation U of the FRB as in effect from time to time.

“Material Adverse Change” means any development, event, condition, obligation, liability or circumstance or set of events, conditions, obligations, liabilities or circumstances or any change(s) which: (i) has, had or reasonably would be expected to have, a Material Adverse Change upon or change in the legality, validity or enforceability of any Note Document; (ii) has been or reasonably would be expected to be material and adverse to the value to the business, operations, properties, assets, liabilities or condition (financial or otherwise) of Maker or its Subsidiaries, taken as a whole; or (iii) has materially impaired or reasonably would be expected to materially impair, the ability of Maker to perform any of the Obligations or its obligations, or to consummate the transactions, under the Note Documents.

“Material Indebtedness” means (i) any outstanding Indebtedness of the Loan Parties under the Existing Credit Agreement and (ii) any outstanding Indebtedness of the Loan Parties that is secured by a Lien on substantially all assets of the Loan Parties or to which this Note is expressly subordinated in writing.

“Maturity Date” means the earlier of (a) February 15, 2027 and (b) the date upon which the Obligations become due and payable pursuant to the terms of Section 10 hereof.

“Note Documents” means this Note and any and all other documents delivered to Holder in connection therewith (excluding the Letter Agreement).

“Obligations” means (i) the obligations of Maker with respect to the due and prompt payment of the Principal Amount, when and as due, whether at maturity, by acceleration, or otherwise, and (ii) the obligations of Maker with respect to the due and prompt payment of all other monetary obligations, expenses, fees, costs, attorneys’ fees and disbursements (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceedings) payable pursuant to this Note.

“Organization Documents” means (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority

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in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“Permitted Disposition” shall have the meaning set forth in the Existing Credit Agreement.

“Permitted Encumbrance” shall have the meaning set forth in the Existing Credit Agreement.

“Permitted Indebtedness” shall have the meaning set forth in the Existing Credit Agreement.

“Permitted Investment” shall have the meaning set forth in the Existing Credit Agreement.

“Person” means an individual, a partnership, a corporation, an association, a limited liability company, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

“Regulation T” means Regulation T of the Board of Governors of the Federal Reserve System of the United States of America, as the same may be amended and in effect from time to time.

“Regulation U” means Regulation U of the Board of Governors of the Federal Reserve System of the United States of America, as the same may be amended and in effect from time to time.

“Regulation X” means Regulation X of the Board of Governors of the Federal Reserve System of the United States of America, as the same may be amended and in effect from time to time.

“Restricted Payment” means (i) any dividend or other distribution, direct or indirect, on account of any shares of any class of the Equity Interests of Maker or its Subsidiaries now or hereafter outstanding; (ii) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any Equity Interest of Maker or its Subsidiaries now or hereafter outstanding; (iii) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire any Equity Interest of Maker or its Subsidiaries now or hereafter outstanding; and (iv) any management or similar fees payable to any Person by Maker or its Subsidiaries, including any Affiliate of Maker.

“Sanctioned Entity” means (a) a country or territory or a government of a country or territory, (b) an agency of the government of a country or territory, (c) an organization directly or indirectly controlled by a country or territory or its government, or (d) a Person resident in or determined to be resident in a country or territory, in each case of clauses (a) through (d) that is a target of Sanctions, including a target of any country or territory sanctions program administered and enforced by OFAC or the Government of Canada.

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“Sanctioned Person” means any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person, group, regime, entity or thing, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any Anti-Terrorism Law.

“Sanctions” means individually and collectively, respectively, any and all economic sanctions, trade sanctions, financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes anti-terrorism laws and other sanctions laws, regulations or embargoes, including those imposed, administered or enforced from time to time by: (a) the United States, including those administered by OFAC, the U.S. Department of State, the U.S. Department of Commerce, or through any existing or future executive order, (b) the Government of Canada, (c) the United Nations Security Council, (d) the European Union or any European Union member state, (e) His Majesty’s Treasury of the United Kingdom, or (f) any other Governmental Authority with jurisdiction over any Loan Party or any of their respective Subsidiaries or Affiliates.

“Senior Creditors” shall have the meaning set forth in Section 7 of this Note.

“Senior Indebtedness” shall have the meaning set forth in Section 7 of this Note.

“Subordination Agreement” shall have the meaning set forth in Section 7 of this Note.

“Subsidiary” means, as of a Person, a corporation, partnership, joint venture, limited liability company, unlimited liability company or other business entity of which a majority of the shares or Equity Interests having ordinary voting power for the election of directors or other governing body are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of a Loan Party.

“UCC” means the Uniform Commercial Code as 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” shall mean 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.

12. INTERPRETATION. With reference to this Note and each other Note Document, unless otherwise specified herein or in such other Note Document: (a) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined, (b) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms, (c) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”, (d) the word “will” shall be construed to have the same meaning and effect as the word “shall”, (e) any reference herein to any Person shall be construed to include such Person’s successors and assigns,
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(f) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Note in its entirety and not to any particular provision hereof, (g) all references herein to Sections, Exhibits and Schedules shall be construed to refer to Sections of, and Exhibits and Schedules to, this Note, (h) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (i) for purposes of interpreting the representations and warranties set forth in Section 6, the covenant set forth in Section 8(e), and the Events of Default set forth in Section 10(a)(iii) and Section 10(a)(iv), any inaccuracy of a representation or warranty or violation of such covenant or occurrence of such an Event of Default (as a result of the inaccuracy in such representation or warranty or violation of such covenant) shall be disregarded and deemed not to have occurred to the extent such inaccuracy or violation directly results from actions taken by the Holder or its Affiliates prior to the date hereof without the consent of the Maker or its board of directors, (j) 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 and (k) 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”.

13. CANCELLATION. After all Obligations have been paid in full in cash, this Note will be surrendered to Maker for cancellation and will not be reissued.

14. MISCELLANEOUS.

(a) Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given, made or sent by delivery in person, by an internationally recognized overnight courier service, by facsimile, by registered or certified mail (postage prepaid, return receipt requested), or by electronic mail (at such e-mail addresses as a party may designate in accordance herewith) to the respective parties hereto at such party’s address set forth beneath its signature on the signature page to this Note, or at such other address as such party may hereafter specify in a notice given in the manner required under this Section 14(a).

All notices hereunder shall be deemed to have been duly given: when received, if personally delivered or transmitted by facsimile or electronic mail; the day after it is sent; if sent for next day delivery to a domestic address by an internationally recognized overnight delivery service; and upon receipt, if sent by certified or registered mail, return receipt requested.

(b) Assignment by Holder. Holder shall not assign or transfer any of its rights or obligations under this Note or any of the other Note Documents without the prior written consent of Maker so long as the Compliance Conditions are satisfied.

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- (c) Assignment by Maker. Maker shall not assign or transfer any of its rights or obligations under this Note or any of the other Note Documents without the prior written consent of Holder.
  - (d) Replacement. Upon receipt of evidence reasonably satisfactory to Maker of the loss, theft, destruction or mutilation of this Note and, in the case of any such loss, theft or destruction of this Note, upon delivery of an unsecured indemnity agreement in such reasonable amount as Maker may determine or, in the case of any such mutilation, upon the surrender of this Note to Maker for cancellation, Maker at its expense will execute and deliver, in lieu thereof, a new Note of the same class and of like tenor, dated so that there will be no loss of interest on such lost, stolen, destroyed or mutilated Note.
  - (e) Severability. Whenever possible, each provision of this Note will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Note is held to be prohibited by or invalid under applicable law, then such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Note.
  - (f) Descriptive Headings; Interpretation. The descriptive headings of this Note are inserted for convenience only and do not constitute a substantive part of this Note. The use of the word “including” in this Note is by way of example rather than by limitation.
  - (g) Currency. Unless otherwise specified in this Note, all references to currency, monetary values and dollars set forth herein shall mean United States (U.S.) dollars and all payments hereunder shall be made in United States dollars.
  - (h) GOVERNING LAW. THIS NOTE AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS NOTE AND THE TRANSACTIONS CONTEMPLATED HEREBY (EXCLUDING FOR THE AVOIDANCE OF DOUBT THE GOVERNANCE LETTER) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. THIS NOTE SHALL BE DEEMED TO HAVE BEEN EXECUTED AND PERFORMED ENTIRELY WITHIN THE STATE OF NEW YORK.
  - (i) SUBMISSION TO JURISDICTION. MAKER IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST HOLDER, ITS SUCCESSORS AND ASSIGNS AND EACH OF THEIR RESPECTIVE AFFILIATES IN ANY WAY RELATING TO THIS NOTE OR THE TRANSACTIONS RELATING HERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK.
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COUNTY (BOROUGH OF MANHATTAN), AND OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF SUCH STATE, AND ANY APPELLATE COURT FROM ANY THEREOF, AND IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS NOTE SHALL AFFECT ANY RIGHT THAT HOLDER HAS TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS NOTE AGAINST MAKER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, THE HOLDER MAY FOR THE AVOIDANCE OF DOUBT COMMENCE ANY LEGAL ACTION OR PROCEEDING TO ENFORCE THE LETTER AGREEMENT OR PROCEEDING ARISING OUT OF THE LETTER AGREEMENT IN ANY COURT OR OTHER FORUM PERMITTED BY SECTION 7 OF THE LETTER AGREEMENT, PURSUANT TO AND IN ACCORDANCE WITH SECTION 7 OF THE LETTER AGREEMENT.

- (j) VENUE. EACH PERSON PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE IN ANY COURT REFERRED TO IN SUBSECTION (i) OF THIS SECTION 14. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, THE HOLDER MAY FOR THE AVOIDANCE OF DOUBT COMMENCE ANY LEGAL ACTION OR PROCEEDING TO ENFORCE THE LETTER AGREEMENT OR PROCEEDING ARISING OUT OF THE LETTER AGREEMENT IN ANY COURT OR OTHER FORUM PERMITTED BY SECTION 12 OF THE LETTER AGREEMENT, PURSUANT TO AND IN ACCORDANCE WITH SECTION 12 OF THE LETTER AGREEMENT.
- (k) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 14(a). NOTHING IN THIS NOTE WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.
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- (l) Specific Waivers. Maker hereby waives presentment, demand for performance, notice of non-performance, protest, notice of protest and notice of dishonor. No delay on the part of Holder in exercising any right hereunder shall operate as a waiver of such right or any other right.
- (m) All Powers Coupled with Interest. All powers of attorney and other authorizations granted to Holder and any Persons designated by Holder pursuant to any provisions of this Note shall be deemed coupled with an interest and shall be irrevocable so long as any of the Obligations remain unpaid or unsatisfied.
- (n) Amendments.
  - (i) Any term, covenant, agreement or condition of this Note may be amended and any departure therefrom may be consented to if, but only if, such amendment, waiver or consent is in writing signed by Holder and, in the case of an amendment, by Maker. Unless otherwise specified in such waiver or consent, a waiver or consent given hereunder shall be effective only in the specific instance and for the specific purpose for which given. The failure of either party hereto to assert any of its rights hereunder shall not constitute a waiver of any of such rights.
  - (ii) Notwithstanding anything to the contrary herein or otherwise, to the extent that any Corresponding Provision in the Existing Credit Agreement is amended, waived, supplemented or otherwise modified (in each case on a complete basis and without any temporal limitations on the effectiveness of such amendment, waiver, supplement or modification) after the Closing Date in accordance with the terms of the Existing Credit Agreement, then the corresponding requirement set forth in this Note shall automatically be deemed to be amended, waived, supplemented or modified to the same extent, effective upon the effectiveness of such amendment, waiver, supplement or other modification to the Existing Credit Agreement, without the need for any further action or consent by any party hereto or thereto. The Maker shall notify the Holder in advance of any such amendment, waiver, supplement or other modification to any Corresponding Provision in the Existing Credit Agreement, keep Holder reasonably informed on a current basis as to the status of any such amendments, waivers, supplements or other modifications (including by providing copies of drafts) and, upon execution, concurrently provide a copy thereof.
- (o) Conflicts. In the event of any conflict between the terms of this Note and the terms of the Subordination Agreement (from and after its effectiveness), the terms of the Subordination Agreement shall control.

15. GUARANTEE.

- (a) Guarantee.
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- (i) Each Guarantor hereby, unconditionally and irrevocably, guarantees to the Holder the prompt and complete payment and performance by the Loan Parties when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations.
  - (ii) All obligations of each Guarantor under this Section 15 (this “Guarantee”) shall remain in full force and effect until the Obligations are paid in full in cash, notwithstanding that from time to time prior thereto the Maker may be free from any Obligations.
  - (iii) Each Guarantor agrees that the Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing this Guarantee or affecting the rights and remedies of the Holder hereunder.
  - (iv) No payment or payments made by the Maker, any Guarantor, any other guarantor or any other Person or received or collected by the Holder from the Maker, any Guarantor, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder which shall, notwithstanding any such payment or payments other than payments made by such Guarantor in respect of the Obligations or payments received or collected from such Guarantor in respect of the Obligations, remain liable for the Obligations up to the maximum liability of such Guarantor hereunder until the Obligations (but excluding reimbursement and indemnity obligations which survive but are not due and payable) are paid in full.
  - (v) Each Guarantor agrees that whenever, at any time, or from time to time, it shall make any payment to the Holder on account of its liability hereunder, it will notify the Holder in writing that such payment is made under this Guarantee for such purpose, provided that such Guarantor’s failure to give such notice shall not affect the validity or effectiveness of such payment.
- (b) Right of Contribution. Each Guarantor hereby agrees that, to the extent a Guarantor shall have paid more than its proportionate share of any payment made hereunder or in respect of the Obligations, such Guarantor shall be entitled to seek and receive contribution from and against any other Guarantor hereunder which has not paid its proportionate share of such payment. The provisions of this Section 15(b) shall be subject to the terms and conditions of Section 15(d). The provisions of this Section 15(b) shall in no respect limit the obligations and liabilities of any Guarantor to the Holder, and each Guarantor shall remain liable to the Holder for the full amount guaranteed by it hereunder.
- (c) Right of Setoff. Upon the occurrence of any Event of Default, each Guarantor hereby irrevocably authorizes the Holder at any time and from time to time without
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notice to such Guarantor, any such notice being expressly waived by such Guarantor, to set off and appropriate and apply 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 the Holder to or for the credit or the account of such Guarantor, or any part thereof in such amounts as the Holder may elect, against and on account of the obligations and liabilities of such Guarantor to the Holder hereunder and claims of every nature and description of the Holder against such Guarantor, in any currency, whether arising hereunder, any other Note Documents or otherwise, as the Holder may elect, whether or not the Holder has made any demand for payment and although such obligations, liabilities and claims may be contingent or unmatured. The Holder shall notify such Guarantor promptly of any such set off and the application made by the Holder, provided that the failure to give such notice shall not affect the validity of such set off and application. The rights of the Holder under this Section are in addition to other rights and remedies (including, without limitation, other rights of set off) which the Holder may have.

- (d) No Subrogation. Notwithstanding any payment or payments made by any Guarantor hereunder or any set off or application of funds of any Guarantor by the Holder, no Guarantor shall be entitled to be subrogated to any of the rights of the Holder against the Maker or any other guarantor or any collateral security or guarantee or right of offset held by the Holder for the payment of the Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Maker or any other guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Holder by the Maker on account of the Obligations (but excluding reimbursement and indemnity obligations which survive but are not due and payable) are paid in full. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Obligations (but excluding reimbursement and indemnity obligations which survive but are not due and payable) shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Holder, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Holder in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Holder, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Holder may determine.
- (e) Amendments, etc. with respect to the Obligations; Waiver of Rights.
- (i) Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against such Guarantor and without notice to or further assent by such Guarantor, any demand for payment of any of the Obligations made by the Holder may be rescinded by such party and any of the Obligations continued, and the Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to
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time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Holder, and this Note and the other Note Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as the Holder may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Holder for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. The Holder shall not have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Obligations or for this Guarantee or any property subject thereto. When making any demand hereunder against any Guarantor, the Holder may, but shall be under no obligation to, make a similar demand on the Maker or any other guarantor, and any failure by the Holder to make any such demand or to collect any payments from the Maker or any such other guarantor or any release of the Maker or such other guarantor shall not relieve any Guarantor of its obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Holder against any Guarantor. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

(ii) Notwithstanding anything to the contrary herein or otherwise, to the extent that any Corresponding Provision in the Existing Credit Agreement is amended, waived, supplemented or otherwise modified (in each case on a complete basis and without any temporal limitations on the effectiveness of such amendment, waiver, supplement or modification) after the Closing Date in accordance with the terms of the Existing Credit Agreement, then the corresponding requirement set forth in this Note shall automatically be deemed to be amended, waived, supplemented or modified to the same extent, effective upon the effectiveness of such amendment, waiver, supplement or other modification to the Existing Credit Agreement, without the need for any further action or consent by any party hereto or thereto. The Maker shall notify the Holder in advance of any such amendment, waiver, supplement or other modification to any Corresponding Provision in the Existing Credit Agreement, keep Holder reasonable informed on a current basis as to the status of any such amendments, waivers, supplements or other modifications (including by providing copies of drafts) and, upon execution, concurrently provide a copy thereof.

(f) Guarantee Absolute and Unconditional. Each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Holder upon this Guarantee or acceptance of this Guarantee, the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon this Guarantee; and all dealings between the Maker and the Guarantors, on the one hand, and the Holder, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon this

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Guarantee. Each Guarantor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Maker or any Guarantor with respect to the Obligations. Each Guarantor understands and agrees that this Guarantee shall be construed as a continuing, absolute and unconditional guarantee of payment, and not merely of collection, without regard to (a) the validity, regularity or enforceability of the Note or any other Note Document, any of the Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Holder, (b) any defense, set off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by the Maker against the Holder, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Maker or any Guarantor) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Maker for the Obligations, or of any Guarantor under this Guarantee, in bankruptcy or in any other instance. When pursuing its rights and remedies hereunder against any Guarantor, the Holder and the Holder may, but shall be under no obligation to, pursue such rights and remedies as it may have against the Maker or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Holder to pursue such other rights or remedies or to collect any payments from the Maker or any such other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Maker or any such other Person or any such collateral security, guarantee or right of offset, shall not relieve any Guarantor of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Holder against such Guarantor. This Guarantee shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon the Guarantors and the successors and assigns thereof, and shall inure to be benefit of the Holder, and their respective successors, permitted indorsees, permitted transferees and permitted assigns, until all the Obligations (but excluding reimbursement and indemnity obligations which survive but are not due and payable) and the obligations of each Guarantor under this Guarantee shall have been satisfied by payment in full, notwithstanding that from time to time during the term of this Note the Maker may be free from any Obligations.

- (g) Reinstatement. This Guarantee shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Holder upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Maker or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Maker or any Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.
  - (h) Not Affected by Bankruptcy. Notwithstanding any modification, discharge or extension of the Obligations or any amendment, modification, stay or cure of the Holder's rights which may occur in any bankruptcy or reorganization case or
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proceeding against the Maker, whether permanent or temporary, and whether or not assented to by the Holder, each Guarantor hereby agrees that such Guarantor shall be obligated hereunder to pay and perform the Obligations and discharge their other obligations in accordance with the terms of the Obligations and the terms of this Guarantee. Each Guarantor understands and acknowledges that, by virtue of this Guarantee, it has specifically assumed any and all risks of a bankruptcy or reorganization case or proceeding with respect to the Maker. Without in any way limiting the generality of the foregoing, any subsequent modification of the Obligations in any reorganization case concerning the Maker shall not affect the obligation of each Guarantor to pay and perform the Obligations in accordance with the original terms thereof.

- (i) Covenants. Each Guarantor hereby covenants and agrees with the Holder that, from and after the date of this Guarantee until the Obligations (but excluding reimbursement and indemnity obligations which survive but are not due and payable) are paid in full in cash, such Guarantor shall comply with each of the covenants set forth in the Note to the extent such covenants apply to such Guarantor, in each case subject to the provisions of Section 15(e)(ii) above.

*[Signature page follows]*

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IN WITNESS WHEREOF, the Maker and the Loan Parties have caused this Note to be duly executed as of the date first above written.

THE CHILDREN'S PLACE, INC., as Maker

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: Chief Operating Officer and Chief Financial Officer

THE CHILDREN'S PLACE SERVICES COMPANY, LLC,  
as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

TCP BRANDS, LLC, as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

THE CHILDREN'S PLACE INTERNATIONAL, LLC, as a  
Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

THE CHILDREN'S PLACE (CANADA), LP, by its general  
partner, TCP INVESTMENT CANADA II CORP., as a  
Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

*[Signature Page to Unsecured Promissory Note]*

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THECHILDRENSPLACE.COM, INC., as a Guarantor

By: /s/ Sheamus Toal

Name: Sheamus Toal

Title: President and Treasurer

THE CHILDREN'S PLACE CANADA HOLDINGS, INC.,  
as a Guarantor

By: /s/ Sheamus Toal

Name: Sheamus Toal

Title: President and Treasurer

TCP IH II, LLC, as a Guarantor

By: /s/ Sheamus Toal

Name: Sheamus Toal

Title: President and Treasurer

TCP REAL ESTATE HOLDINGS, LLC, as a Guarantor

By: /s/ Sheamus Toal

Name: Sheamus Toal

Title: President and Treasurer

TCP INTERNATIONAL PRODUCT HOLDINGS, LLC, as a  
Guarantor

By: /s/ Sheamus Toal

Name: Sheamus Toal

Title: President and Treasurer

TCP INVESTMENT CANADA II CORP., as a Guarantor

By: /s/ Sheamus Toal

Name: Sheamus Toal

Title: President and Treasurer

*[Signature Page to Unsecured Promissory Note]*

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TCP INVESTMENT CANADA I CORP., as a Guarantor

By: /s/ Sheamus Toal

Name: Sheamus Toal

Title: President and Treasurer

*[Signature Page to Unsecured Promissory Note]*

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ACKNOWLEDGED AND AGREED:

MITHAQ CAPITAL SPC, as Holder

By: /s/ Turki Saleh A. AlRajhi

Name: Turki Saleh A. AlRajhi

Title: Director

*[Signature Page to Unsecured Promissory Note]*

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**FORBEARANCE AGREEMENT**

This Forbearance Agreement (this "Agreement") is made as of February 29, 2024, by and among THE CHILDREN'S PLACE, INC., a Delaware corporation (the "Lead Borrower"), the other Borrowers listed on the signature pages hereto (together with the Lead Borrower, collectively, the "Borrowers"), the Guarantors listed on the signature pages hereto (collectively, the "Guarantors"); the Guarantors together with the Borrowers, individually, each a "Loan Party", and, collectively, the "Loan Parties"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent and Collateral Agent (in such capacities, together with its successors and permitted assigns in such capacities, the "Agent"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Term Agent and the Lenders party hereto, which constitute the Required Lenders under the Credit Agreement referred to below. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

**RECITALS**

**WHEREAS**, the Borrowers, the Guarantors, the several banks and other financial institutions from time to time party thereto as lenders (individually, each a "Lender", and, collectively, the "Lenders"), the Agent and the Term Agent, among others, are parties to that certain Amended and Restated Credit Agreement, dated as of May 9, 2019 (as amended by that certain (i) First Amendment to Amended and Restated Credit Agreement, dated April 24, 2020, (ii) Joinder and Second Amendment to Amended and Restated Credit Agreement and Other Loan Documents, dated October 5, 2020, (iii) Third Amendment to Amended and Restated Credit Agreement, dated April 23, 2021, (iv) Joinder and Fourth Amendment to Amended and Restated Credit Agreement and Other Loan Documents, dated November 15, 2021, (v) Joinder and Fifth Amendment to Amended and Restated Credit Agreement and Other Loan Documents, dated June 5, 2023 and (vi) Waiver and Amendment Agreement under Credit Agreement, dated October 24, 2023 (the "Sixth Amendment") and as may be further amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Lenders agreed, subject to the terms and conditions set forth therein, to make certain loans and provide other financial accommodations to the Borrowers;

**WHEREAS**, the Obligations of the Borrowers to the Agent and the other Credit Parties are guaranteed by the Guarantors pursuant to the applicable Facility Guaranty, in each case as amended, restated, supplemented or otherwise modified from time to time;

**WHEREAS**, the Obligations of the Loan Parties to the Agent and the other Credit Parties are secured by a continuing first priority security interest in and lien on, in favor of the Collateral Agent (for the benefit of the Credit Parties), all or substantially all of the assets of each Loan Party;

**WHEREAS**, on or about February 14, 2024, the Lead Borrower informed the Agent that Mithaq Capital SPC, Snowball Compounding Ltd. and certain of their affiliates and related entities (collectively, the "Mithaq Investors") had acquired approximately 54% of the Lead Borrower's outstanding shares of common stock and advised the Agent that such acquisition triggered a Change of Control under clause (a) of the definition thereof. As a result of the foregoing, on February 15, 2024, the Agent and the Term Agent, on behalf of the other Credit Parties, delivered the Letter re: Notice of Event of Default and Reservation of Rights (the "Reservation of Rights Letter") to the Lead Borrower, which notified the Lead Borrower that an Event of Default under Section 8.01(m) of the Credit Agreement had occurred and is continuing (the "Existing Event of Default"), which Existing Event of Default also constitutes a "Specified Event of Default" as defined in the Credit Agreement;

**WHEREAS**, pursuant to the Reservation of Rights Letter, the Agent and the Term Agent, on behalf of the other Credit Parties, among other things: (a) reserved all of the Agent's and other Credit

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Parties' respective rights and remedies with respect to the Existing Event of Default under the Loan Documents and applicable Law; and (b) reserved the right to impose the Default Rate (such right, the "Default Rate Right");

**WHEREAS**, as a result of the Existing Event of Default, the Agent, on behalf of the other Credit Parties, has certain rights and remedies under the terms of the Credit Agreement and the other Loan Documents as well as applicable Law, including, without limitation, the right to (a) declare that the Aggregate Revolving Commitments are terminated; (b) accelerate the payment of all Obligations and demand immediate repayment thereof; (c) require that the Loan Parties Cash Collateralize all L/C Obligations; (d) exercise the Default Rate Right; and (e) exercise any other remedies available under the Credit Agreement and the other Loan Documents, at law or in equity;

**WHEREAS**, notwithstanding the foregoing, the Lead Borrower has requested that the Agent and the other Credit Parties forbear temporarily from exercising their rights and remedies (other than the Default Rate Right) in respect of the Existing Event of Default under the Loan Documents and applicable Law during the Forbearance Period (as defined below); and

**WHEREAS**, the Agent and the other Credit Parties are willing, subject to the terms and conditions set forth herein (including, without limitation, the satisfaction of all covenants and agreements by the Loan Parties set forth herein and in the other Loan Documents), and solely with respect to the Existing Event of Default to forbear from exercising their rights and remedies (other than the Default Rate Right), but only as and to the extent provided herein.

**NOW, THEREFORE**, with the foregoing recitals incorporated by reference and made a part hereof, in consideration of the mutual agreements contained in the Credit Agreement and herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Existing Event of Default.** Each Loan Party acknowledges and agrees that the Existing Event of Default has occurred and continues to exist as of the date hereof and that the Agent, on behalf of the other Credit Parties, possesses certain rights and remedies with respect to such Existing Event of Default under the Loan Documents and applicable Law as a result thereof. Each Loan Party further acknowledges and agrees that (a) the Obligations are payable on demand, which demand may be made at such time as selected by the Agent, on behalf of the other Credit Parties, in its sole discretion (or, at the request of the Required Lenders), except as specifically provided herein, (b) the Agent and other Credit Parties have no obligation to forbear from the exercise of their rights and remedies except as specifically set forth herein, and (c) the Lenders have no obligation to make additional Loans, issue additional Letters of Credit or otherwise make any other extensions of credit to any Borrower under the Loan Documents or applicable Law except as specifically set forth herein. Each Loan Party further acknowledges and agrees that the fact that the Agent and the other Credit Parties have not elected to exercise any of their additional rights and remedies under the Loan Documents or applicable Law is not a waiver of the Agent's or any other Credit Party's right to do so at any time in the future, except as specifically set forth in Section 9 below.

2. **Confirmation of Indebtedness; Ratification of Loan Documents.**

(a) Each Loan Party hereby agrees and acknowledges that:

(i) as of the close of business on February 26, 2024, (A) the outstanding aggregate principal balance of Revolving Loans totaled \$240,631,481.89, (B) the outstanding aggregate principal balance of the Term Loan totaled \$50,000,000 and (C) the aggregate L/C Obligations totaled

\$10,696,929.00, in each case, exclusive of interest, fees (including attorneys' fees), costs, expenses and other amounts chargeable to the Loan Parties under the Credit Agreement and the other Loan Documents;

(ii) as of the date hereof, there exists no defense to the repayment by any Loan Party of any and all Obligations owing under and in respect of the Loan Documents;

(iii) each Loan Party remains obligated to pay all principal, interest, reimbursement obligations, fees, expenses, and other amounts owing to the Agent and the other Credit Parties under and in respect of the Loan Documents when due and payable in accordance with the terms thereof;

(iv) to the extent required by the Loan Documents and applicable Law, each Loan Party has received timely and proper notice of the Existing Event of Default, and hereby waives any rights to receive further notice thereof; and

(b) Each Loan Party hereby (i) ratifies, confirms, and approves each of the terms and conditions of, and its liabilities and obligations under, each of the Loan Documents, (ii) reaffirms all of the liens and security interests heretofore granted in favor of the Collateral Agent pursuant to the Loan Documents as collateral security for the Obligations incurred under the Credit Agreement and the other Loan Documents, and acknowledges that all of such liens and security interests, and all collateral heretofore pledged as security for such Obligations, continues to be and remains collateral for such Obligations from and after the date hereof, and (iii) acknowledges and agrees that its liabilities and obligations under the Credit Agreement and the other Loan Documents, as applicable, presently are owing without offset, defense, or counterclaim.

(c) Each Loan Party agrees that the validity and enforceability of the appointment of the Agent as proxy and attorney-in-fact (including, without limitation, with respect to voting all or any part of any pledged Equity Interests) under any Loan Document is hereby ratified and reaffirmed as of the date hereof, and each Loan Party reappoints the Agent as its proxy and attorney-in-fact in accordance with the terms of the Loan Documents, as applicable, which appointment is irrevocable and coupled with an interest for the purpose of carrying out the provisions of the Loan Documents, as applicable.

(d) Without limiting any other provision of this Agreement, each Loan Party acknowledges and agrees that the Agent and the other Credit Parties party hereto are entering into this Agreement in reliance upon all other agreements and representations of each Loan Party, including, without limitation, those agreements and representations of each Loan Party set forth in the Loan Documents and the agreements, acknowledgements, ratifications, and provisions set forth in this Section 2.

### 3. **Forbearance by Credit Parties.**

(a) **Forbearance.** In consideration of each Loan Party's performance and strict compliance in accordance with each term and condition of this Agreement (TIME BEING OF THE ESSENCE), as and when due, the Agent and the other Credit Parties shall forbear from enforcing their rights and remedies (other than the Default Rate Right) under the Loan Documents and applicable Law against the Loan Parties as a result of the Existing Event of Default until the earliest of (i) March 29, 2024 at 11:59 p.m. (Eastern time), (ii) the date of the occurrence of any Default or Event of Default (excluding the Existing Event of Default) under the Credit Agreement or any other Loan Document, (iii) the date of the occurrence of any breach by any Loan Party of any of the terms set forth in this Agreement or (iv) the date that any Mithaq Investor or any other Person acting on its behalf indicates in writing that it will not satisfy (or, upon request, fails to re-confirm promptly in writing that it will satisfy subject to the terms of the Mithaq Subordinated Promissory Note (as defined below)) its obligation to fund the Secondary Mithaq

Advance (as defined below) to the Loan Parties subject to the terms of the Mithaq Subordinated Promissory Note. Each of the events described in the foregoing clauses (i) – (iv) is referred to herein as a “Termination Event”, and the date of the earliest to occur of any Termination Event is referred to herein as the “Forbearance Termination Date”. The period commencing upon the Forbearance Effective Date (as defined below) and ending on the Forbearance Termination Date is referred to herein as the “Forbearance Period”.

(b) Limited Agreement. Except as expressly set forth in this Agreement, the Agent’s and other Credit Parties’ agreement to forbear from exercising their rights and remedies shall be limited precisely as written and shall not be deemed (i) to be an amendment or waiver of the Existing Event of Default or any other Default or Event of Default, now existing or hereafter arising, or any other term or condition of the Credit Agreement and the other Loan Documents, (ii) to prejudice any right or remedy which the Agent or any other Credit Party may now have or may have in the future under or in connection with the Credit Agreement and the other Loan Documents or otherwise, or (iii) to be a consent to any future agreement or waiver, or to create (nor shall any Loan Party rely upon the existence of or claim or assert that there exists) any obligation of the Agent or the other Credit Parties to consider or agree to any waiver or any other forbearance.

(c) Enforcement of Rights. Each Loan Party acknowledges and agrees that on and after the Forbearance Termination Date, the Agent, on behalf of the other Credit Parties, shall have the right to immediately commence enforcement of their rights and remedies under this Agreement, the Loan Documents and applicable Law in respect of all then-existing Defaults and Events of Default, including the Existing Event of Default.

(d) Agreement to Make Credit Extensions.

(i) During the Forbearance Period, the Agent and the other Credit Parties hereby agree with the Borrowers that the applicable Credit Parties shall honor requests for Credit Extensions notwithstanding the continuance of the Existing Event of Default, but subject, in each case, to all of the other terms and conditions of the Credit Agreement, and so long as the requested Credit Extensions are substantially in accordance with the Approved Budget (as defined below).

(ii) In the event that any Credit Party, pursuant to Section 3(d)(i) above or otherwise in its sole discretion, makes Credit Extensions to the Borrowers during the Forbearance Period, such Credit Extensions shall not constitute a waiver of the Existing Event of Default or any other Default or Event of Default, whether now existing or hereafter arising under the Loan Documents or applicable Law, shall not establish a course of dealing and, except as set forth in Section 3(d)(i) above, shall be without prejudice to the Agent’s and Credit Parties’ right to cease making credit extensions or otherwise cease extending credit or other financial accommodations at any time.

4. Terms of Forbearance. From and after the Forbearance Effective Date and so long as the Existing Event of Default is continuing (it being understood and agreed that this Section 4 shall survive the termination of the Forbearance Period so long as the Existing Event of Default is continuing and has not been waived in accordance with Section 9):

(a) Default Rate. Commencing on the Forbearance Effective Date, all outstanding Obligations under the Loan Documents shall bear interest at the Default Rate.

(b) Cash Dominion.

(i) The Loan Parties acknowledge and agree that, as a result of the Existing Event of Default, a Cash Dominion Event has occurred and is continuing and, notwithstanding anything

herein to the contrary, none of the Agent or other Credit Parties is agreeing to forbear from exercising its rights and remedies under the Loan Documents and applicable Law in connection with the implementation of such Cash Dominion Event.

(ii) In the event the Existing Event of Default is waived in accordance with Section 9, a Cash Dominion Event shall be deemed continuing upon consummation of the amendment to the Credit Agreement and the financing contemplated by (and pursuant to the terms of) that certain Indicative Term Sheet dated February 15, 2024, between 1903 Loan Agent, LLC (together with its affiliates, "Gordon Brothers") and the Lead Borrower (the "Gordon Brothers Term Sheet"), in each case, in accordance with Section 9, unless otherwise agreed to in writing by the Agent and the Required Lenders.

(c) Mithaq Advances; Mithaq Subordinated Promissory Note.

(i) On or prior to February 29, 2024, the Loan Parties shall have caused the Agent to have received evidence, in form and substance satisfactory to the Agent, that the Loan Parties have received cash proceeds from one or more of the Mithaq Investors in an aggregate amount equal to \$30,000,000 in the form of non-interest bearing, unsecured indebtedness (the "Initial Mithaq Advance"; and together with the Secondary Mithaq Advance referred to below, collectively, the "Mithaq Advances", and individually, each a "Mithaq Advance") pursuant to the terms of that certain Unsecured Promissory Note, duly executed by the Loan Parties party thereto and acknowledged and agreed to by Mithaq Capital SPC, on behalf of the Mithaq Investors (as amended, restated, amended and restated or otherwise modified from time to time in accordance with the terms hereof, the "Mithaq Subordinated Promissory Note"). The Loan Parties shall cause the Initial Mithaq Advance to be paid into and held in a segregated disbursement account which is not a Blocked Account (the "Mithaq Specified Account") that will not contain any proceeds other than the Mithaq Advances (it being understood and agreed that the Loan Parties shall identify such Mithaq Specified Account to the Agent in writing prior to the making of any Mithaq Advance and, promptly upon Agent's request, provide the cash balances held in such account). The Loan Parties shall promptly (and in any event, no later than five (5) Business Days (or such longer period agreed to by the Agent in writing in its sole discretion) after receipt thereof) use the proceeds of the Initial Mithaq Advance to make payments to certain critical vendors and in the amounts specified on the Vendor Payment Schedule (as defined below). The Loan Parties shall not (and shall not permit any of the Mithaq Investors to) amend, modify or otherwise agree to waive, without the prior written consent of the Agent, any of the provisions of (i) the Mithaq Subordinated Promissory Note or (ii) the TCP Board Letter Agreement (as defined below), in each case, in any manner that would adversely affect the rights of any Credit Party or would otherwise be more restrictive to the Loan Parties (other than, for the avoidance of doubt, with respect to any Corresponding Provisions (as defined in the Mithaq Subordinated Promissory Note) that are automatically amended, waived, supplemented or otherwise modified as a result of such corresponding amendment, waiver, supplement or other modification to the Credit Agreement). Notwithstanding anything to the contrary in the Credit Agreement (as amended by the Sixth Amendment), the Agent, the Term Agent and the Required Lenders consent to: (A) the incurrence of the Initial Mithaq Advance subject to the terms and conditions of this Agreement and the Mithaq Subordinated Promissory Note, and (B) subject to the Agent's receipt of the Mithaq Subordination Agreement (as defined below), the incurrence of the Secondary Mithaq Advance subject to the terms and conditions of this Agreement and the Mithaq Subordinated Promissory Note.

(ii) On or prior to March 15, 2024, the Loan Parties shall have caused the Agent to have received evidence, in form and substance reasonably satisfactory to the Agent, that one or more of the Mithaq Investors have escrowed sufficient cash and/or marketable securities to backstop its commitment to lend the full amount of the Secondary Mithaq Advance (as defined below) to the Loan Parties.

(iii) (A) On or prior to March 29, 2024, the Loan Parties shall have caused the Agent to have received evidence, in form and substance reasonably satisfactory to the Agent, that the Loan Parties have received additional cash proceeds from one or more of the Mithaq Investors in an aggregate amount equal to \$48,600,000 in the form of non-interest bearing, unsecured indebtedness pursuant to the terms of the Mithaq Subordinated Promissory Note (the “Secondary Mithaq Advance”). The Loan Parties shall cause the Secondary Mithaq Advance to be paid into and held in the Mithaq Specified Account. (B) The Loan Parties shall use the proceeds of the Secondary Mithaq Advance in accordance with the Approved Budget; provided however that, if the Existing Event of Default has been waived pursuant to Section 9 below and any proceeds of the Secondary Mithaq Advance remains in such account at such time, the Loan Parties shall immediately cause the transfer of such proceeds to a Blocked Account agreed to between the Lead Borrower and the Agent.

(d) DIP Budget. On or prior to March 6, 2024, the Loan Parties shall have delivered to the Agent and the Term Agent a debtor-in-possession budget, in form and substance satisfactory to the Agent and the Term Agent.

(e) Additional Reporting. On Friday of each week (or, if Friday is not a Business Day, on the next succeeding Business Day), the Loan Parties shall deliver to the Agent and the Term Agent: (a) accounts payable aging reports as of the last day of the prior week and (b) reconciliations of actual cash receipts, actual disbursements, actual operating cash flow, actual net cash flow, actual Borrowings, actual Borrowing Base and actual Excess Availability against the corresponding projected amounts of each of the foregoing for the prior week, as reflected in the Approved Budget.

(f) Credit Extensions. With respect to any Credit Extensions made by any Credit Party to the Borrowers during the Forbearance Period, the Borrowers will use the proceeds of such Credit Extensions substantially in accordance with the Approved Budget; *provided* that, the Loan Parties acknowledge and agree that no proceeds of any such Credit Extensions shall be used, directly or indirectly, to make any of the payments specified in the Vendor Payment Schedule.

(g) Weekly Teleconferences. Not less than weekly, and as otherwise requested by the Agent, the Loan Parties shall (and shall cause members of its management team and, if requested by the Agent upon prior reasonable notice, one or more of the Mithaq Investors to) be available to conduct a telephonic meeting in which the respective representatives of the Loan Parties, the Agent, the Term Agent and their respective advisors and counsel shall be entitled to participate, whereupon the Loan Parties shall present, among other things, an update on the Loan Parties’ cash flow, changes in management, organizational structure, corporate governance, business operations and financial performance.

(h) Know Your Customer Diligence. Each Loan Party shall, and shall cause its respective Subsidiaries, the Mithaq Investors and each of their respective directors, officers, employees, agents and Affiliates to, promptly provide all information requested by, and continue to cooperate with, Agent or any other Credit Party with respect to its due diligence pursuant to “know your customer” and anti-money laundering policies, rules and regulations, including, without limitation, the Patriot Act and the Canadian AML Legislation, as determined by the Agent or such other Credit Party in its sole discretion (such due diligence is referred to herein as “KYC Diligence”).

(i) Board of Directors. The Loan Parties shall not permit any circumstances to exist by which (i) a majority of the members of the board of directors of the Lead Borrower (the “TPC Board”) cease to be composed of the individuals who are the members of the TCP Board on the Forbearance Effective Date (but before giving effect to any change to the TCP Board occurring on the Forbearance Effective Date) or (ii) a person is appointed to the TCP Board which is not a member of the TCP Board as of the Forbearance Effective Date (but before giving effect to any change to the TCP Board occurring on



the Forbearance Effective Date) unless the Loan Parties shall have delivered (or shall have caused such person to deliver) to each Credit Party all information requested by such Credit Party for purposes of completing its KYC Diligence on such person and such Credit Party shall have completed its KYC Diligence to its sole and absolute satisfaction; *provided* however, this clause (ii) shall not preclude the appointment of Turki Saleh A. AlRajhi, Muhammad Asif Seemab, Muhammad Umair or Hasan Arshad (collectively, the “Initial Mithaq Board Members”) to the TCP Board on the Forbearance Effective Date so long as, on or prior to such appointment, the Loan Parties shall have delivered (or shall have caused each such Initial Mithaq Board Member to deliver) to the Agent a director’s certificate, in form and substance satisfactory to the Agent in its sole discretion (each, a “Director’s Certificate”), duly executed by each such Initial Mithaq Board Member. In the event the covenant set forth in Section 4(c)(iii)(A) has been satisfied in accordance with the terms thereof, and the Agent shall have concurrently received the Mithaq Subordination Agreement (as defined below), then the Loan Parties shall not be subject to the restriction described in the foregoing sub-clause (i) of this Section 4(i).

(j) Key Persons. So long as the Existing Event of Default is continuing and has not been waived in accordance with Section 9, the Loan Parties will cause each Key Person to continue to hold its office and be actively engaged in the day-to-day management of the Loan Parties. As used herein, “Key Person” means each of (i) Jane Elfers, as chief executive officer and (ii) Sheamus Toal, as chief financial officer.

(k) Consultants and Advisors. So long as the Existing Event of Default is continuing and has not been waived in accordance with Section 9, the Loan Parties shall (and shall cause their Affiliates) to continue to retain FTI Consulting and Centerview Partners, in their current capacities. The Loan Parties acknowledge and agree that the Agent will be permitted to continue to engage Berkeley Research Group, LLC (“BRG”) in its current capacity, at the cost and expense of the Loan Parties, and that the Loan Parties shall (and shall cause their Affiliates and advisors (including, without limitation, the Mithaq Investors, FTI Consulting and Centerview Partners)) to continue to cooperate with BRG.

5. Director Certificates. Each of the Loan Parties acknowledge and agree that, in the event that (a) any representation, warranty, certification or statement of fact made by any Initial Mithaq Board Member in its applicable Director’s Certificate shall be incorrect, misleading or incomplete in any respect, in each case at any time, or (b) any Initial Mithaq Board Member shall breach any of its obligations under its applicable Director’s Certificate, any such event described in the foregoing clauses (a) and (b) shall constitute a breach of this Agreement and an immediate Event of Default under Section 8.01(b)(i) of the Credit Agreement and, for the avoidance of doubt, any such Event of Default shall be deemed continuing notwithstanding any subsequent resignation (or deemed resignation) of such Initial Mithaq Board Member from the TCP Board.

6. Remedies Following Termination Event.

(a) On and after the occurrence of a Termination Event, and without limiting any other remedy provided to the Agent or the Lenders under any other agreement, document, or instrument or under applicable law, the Forbearance Period shall terminate, the Agent and the Lenders shall immediately and permanently be relieved of any and all forbearance obligations set forth in this Agreement, and the Agent and the Lenders may proceed to enforce their rights and remedies under and in respect of the Loan Documents and applicable law, which rights and remedies are expressly reserved. The failure (or delay) of the Agent or the Lenders in exercising any remedy after any particular Termination Event shall not constitute a waiver of such remedy or any other remedy in that or in any subsequent instance, or otherwise prejudice the rights of the Agent or the Lenders in any manner.

7. **Representations and Warranties.** Each Loan Party represents and warrants to the Agent the other Credit Parties that:

(a) the execution, delivery and performance by each Loan Party of this Agreement have been duly authorized by all necessary organizational action and do not and will not (i) violate any requirement of Law applicable to any Loan Party; or (ii) violate or result in a default under any indenture, agreement or other instrument binding upon any Loan Party or the assets of any Loan Party, or give rise to a right thereunder to require any payment to be made by any Loan Party, except to the extent such violation, default, or payment, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect;

(b) each Loan Party has read and fully understands each of the terms and conditions of this Agreement and is entering into this Agreement freely and voluntarily, without duress, after having had an opportunity for consultation with independent counsel of its own selection and not in reliance upon any representations, warranties, or agreements made by the Agent or the other Credit Parties not expressly set forth in this Agreement;

(c) all representations and warranties of the Loan Parties contained in Article V of the Credit Agreement and any other Loan Document are true and correct in all material respects on and as of the date hereof after giving effect to the transactions contemplated hereby, except (i) in the case of any representation and warranty qualified by materiality, they are true and correct in all respects, (ii) to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (or in all respects, as applicable) as of such earlier date, or (iii) to the extent that such representations and warranties specifically relate to the Existing Event of Default;

(d) no Default or Event of Default (other than the Existing Event of Default) has occurred and is continuing and no Default or Event of Default will occur or result from the consummation of this Agreement and the transactions contemplated hereby.

8. **Conditions Precedent.** Each party hereto agrees that this Agreement shall be effective upon the satisfaction (or waiver by the Agent and Required Lenders in their sole discretion) of each of the following conditions precedent (the date that such conditions are so satisfied or waived, the "Forbearance Effective Date"):

(a) *Forbearance Agreement.* The Agent shall have received this Agreement fully executed by the Loan Parties, the Agent, the Term Agent and the Required Lenders.

(b) *Forbearance Fee Letter.* The Agent shall have received a letter agreement fully executed by the Borrowers and the Agent (the "Forbearance Fee Letter").

(c) *Approved Budget.* The Agent, the Term Agent and the Required Lenders shall have received a 13-week cash flow forecast and budget, in form and substance satisfactory to each of the foregoing, which reflects the Loan Parties' consolidated (i) projected cash receipts, (ii) projected disbursements, (iii) projected operating cash flow, (iv) projected net cash flow, (v) projected Borrowings to be requested by the Borrowers, (vi) projected Borrowing Base (which reflects, in each case, the implementation of the recommendations (including the reduction in NOLV) specified in the most recent inventory appraisal undertaken by the Administrative Agent) and (vii) Excess Availability (which reflects at all times an amount equal to the greater of (x) 10% of the Revolving Loan Cap and (y) \$37,500,000) (the "Approved Budget").

(d) *Vendor Payment Schedule.* The Agent shall have received a schedule setting forth the payments to be made to certain critical vendors, including the amounts thereof, with the proceeds of the Initial Mithaq Advance, which schedule shall be in form and substance satisfactory to the Agent (the “Vendor Payment Schedule”).

(e) *TCP Board Letter Agreement.* The Agent shall have received that certain letter agreement, in form and substance satisfactory to the Agent (as amended, restated, amended and restated or otherwise modified from time to time in accordance with the terms hereof, “TCP Board Letter Agreement”) duly executed by each of the Lead Borrower and the Mithaq Investors party thereto.

(f) *Director Certificates.* The Agent shall have received duly executed Director Certificates from each of the Initial Mithaq Board Members.

(g) *Proposed Board Member List.* The Agent shall have received from the Mithaq Investors a list of potential persons to serve on the TCP Board (as such list may be updated from time to time so long as in connection therewith, each Credit Party shall have received all information requested thereby for purposes of completing its KYC Diligence, the “Proposed Board Member List”).

(h) *Cash Dominion.* In connection with the Cash Dominion Event that is continuing as of the date hereof, the Loan Parties shall have executed and delivered to the Agent all documents required to enable the delivery of activation notices by the Agent to certain Blocked Account Banks, and shall have implemented a cash management system acceptable to the Agent which, unless otherwise agreed to by the Agent in its sole discretion, complies with the requirements set forth in Section 6.13 of the Credit Agreement, and in furtherance of the foregoing, the Loan Parties shall make any such modifications to such cash management system as requested by the Agent.

(i) *NOLV.* The recommendations (including the reduction in NOLV) specified in the most recent appraisal undertaken by the Administrative Agent shall have been implemented in the determination of the Borrowing Base made on the date hereof and at all times hereafter in accordance with the terms of the Credit Agreement.

(j) *Fees and Expenses.* The Agent shall have received payment in full of (i) the fees contemplated to be paid on the Forbearance Effective Date pursuant to the Forbearance Fee Letter and (ii) all outstanding costs and expenses (including, without limitation, all legal and consulting fees and expenses) incurred by the Agent in connection with the Credit Agreement, this Agreement and the other Loan Documents.

(k) *No Default.* No Default or Event of Default (other than the Existing Event of Default) shall have occurred and be continuing on the date hereof, nor shall any Default or Event of Default result from the consummation of the transactions contemplated herein.

9. **Conditional and Limited Waiver.**

(a) If prior to the Forbearance Termination Date, the Loan Parties shall have satisfied each of the Waiver Conditions (as defined below), then the Existing Event of Default shall be deemed waived in its entirety on the date that all such Waiver Conditions are satisfied. For purposes of this Agreement, the “Waiver Conditions” shall mean the following:

(i) the Loan Parties shall have received cash proceeds of \$48,600,000 from the Secondary Mithaq Advance, in accordance with and subject to the terms of Section 4(c)(iii) above;

(ii) the Mithaq Investors, the Agent, the Term Agent and the Loan Parties shall have entered into a subordination agreement, pursuant to which the Mithaq Investors shall agree to subordinate all Indebtedness of the Loan Parties with respect to the Mithaq Advances to the prior payment in full of the Obligations and which is otherwise in form and on terms reasonably acceptable to the Agent and the Term Agent (such agreement is referred to herein as the “Mithaq Subordination Agreement”);

(iii) the Loan Parties shall have consummated a financing transaction with Gordon Brothers on terms substantially consistent with the Gordon Brothers Term Sheet or otherwise reasonably acceptable to the Agent and the Term Agent (or such other financing transaction with such other Person and on terms reasonably acceptable to the Agent and the Term Agent) and in connection therewith, (A) the Agent, the Term Agent and Gordon Brothers (or such other Person) shall have entered into an intercreditor agreement on terms acceptable to the Agent, the Term Agent and the Required Lenders, (B) the Loan Parties shall have received no less than \$121,000,000 of net proceeds in cash therefrom (such proceeds, the “New Term Loan”), (C) the Term Loan (including all interest accrued thereon and fees and expenses related thereto) shall have been paid in full in cash with the proceeds of the New Term Loan, and (D) the Agent and the other applicable Credit Parties shall have entered into an amendment to the Credit Agreement, on terms acceptable to the Agent and the other Credit Parties party thereto, to address, among other things, such new financing transaction, such repayment of the Term Loan and such other changes to the Credit Agreement (including pricing) and the other Loan Documents as may be required by the Agent and the Term Agent;

(iv) each of the Agent and each other Credit Party shall have completed, to each of its sole and absolute satisfaction, all of its KYC Diligence with respect to the Loan Parties, their respective Subsidiaries, the Mithaq Investors and each of their respective directors, officers, employees, agents and Affiliates (including, without limitation, each of the Initial Mithaq Board Members and any other person who will be appointed to the TPC Board as of the Final Board Reconstitution Time (as defined in the Letter Agreement); and

(v) no Default or Event of Default (other than the Existing Event of Default) then exists or would result from any of the foregoing.

(b) The conditional and limited waiver set forth herein shall be effective only in such specific instance and for the specific purpose for which such waiver is given, shall not constitute a waiver of any Default or Event of Default (whether now existing or hereafter arising) other than the Existing Event of Default, and shall not entitle the Loan Parties to any other or further waiver in any similar or other circumstances.

10. **Release.** Each of the Loan Parties hereby acknowledges and agrees that it has no offsets, defenses, claims, or counterclaims against the Agent and any other Credit Party, or any of their respective parents, affiliates, predecessors, successors, or assigns, or any of their respective officers, directors, employees, attorneys, or representatives (collectively, the “Released Parties”), with respect to the Obligations, or otherwise, and that if any Loan Party now has, or ever did have, any offsets, defenses, claims, or counterclaims against any of the Released Parties, whether known or unknown, at law or in equity, from the beginning of the world through this date and through the time of execution of this Agreement, all of them are hereby expressly WAIVED, and each of the Loan Parties hereby RELEASES each of the Released Parties from any liability therefor. The provisions of this Section 10 shall survive the termination of the Forbearance Period, this Agreement, the Loan Documents and each of the other

documents or instruments executed in connection therewith, and payment in full of all obligations and all other amounts owing thereunder.

11. **Entire Agreement; Amendments and Waivers.** There are no other understandings, express or implied, between the Loan Parties, on the one hand, and the Agent and the other Credit Parties, on the other hand, regarding the subject matter hereof. This Agreement may not be amended or modified, except by a written agreement executed and approved in writing by the Loan Parties, the Agent, the Term Agent and the Required Lenders.

12. **No Waivers, Etc.** Except to the extent the Agent and the other Credit Parties have agreed to forbear with respect to the Existing Event of Default pursuant to this Agreement, the Agent and each other Credit Party may enforce their rights and remedies to the fullest extent permitted under this Agreement, the Loan Documents and/or applicable Law. Neither this Agreement nor the compliance by the Agent, Term Agent or any Lender herewith shall be deemed or construed to be a waiver of the Existing Event of Default or any right or remedy to which the Agent or any other Credit Party may now or hereafter be entitled against any Loan Party, except to the extent explicitly provided herein. The failure of the Agent or any other Credit Party to insist upon the strict performance of any term, condition or other provision hereof or of any other agreement, document or instrument or to exercise any right or remedy hereunder or thereunder shall not constitute a waiver by the Agent or such other Credit Party of any such term, condition or other provision or Event of Default or Existing Event of Default in connection therewith; and any waiver of any such term, condition or other provision or any such Event of Default or Existing Event of Default shall not affect or alter this Agreement, the Credit Agreement, or the other Loan Documents except as expressly provided by the Agent and the Term Agent, on behalf of the other Credit Parties, in writing.

13. **Miscellaneous.**

(a) This Agreement shall constitute a Loan Document for all purposes. The provisions of Section 10.10 (Counterparts; Integration; Effectiveness), 10.11 (Survival), 10.12 (Severability), 10.14 (Governing Law; Jurisdiction; Etc.) and 10.15 (Waiver of Jury Trial) of the Credit Agreement are hereby incorporated herein, *mutatis mutandis*.

(b) **Survival of Representations.** The recitals of this Agreement and the representations and warranties made herein, in the exhibits, annexes and schedules, as applicable, attached hereto, and/or in certificates delivered pursuant hereto by any Loan Party shall survive the execution and delivery hereof, and shall continue in full force and effect with respect to the date as of which made so long as any obligation or indebtedness of any Loan Party to the Agent or other Credit Parties is outstanding.

(c) **Time of Essence; Strict Compliance.** Time shall be of the essence with respect to each and every undertaking and obligation of the parties set forth herein. Strict compliance with all requirements of this Agreement and the other Loan Documents is required.

(d) **Specific Performance, Etc.** Each of the parties stipulates that the Agent's and each Lender's remedies at law, in the event of any default or threatened default by any Loan Party in the performance of or compliance with any of the terms and provisions of this Agreement or the other Loan Documents on its part to be observed or performed, are not and will not be adequate, and that such terms may be specifically enforced by a decree for the specific performance of any agreement contained herein or therein or by an injunction against a violation of any of the terms or provisions hereof, thereof or otherwise.

(e) Arm's-Length Transaction. Each of the parties recognizes, stipulates and agrees that the Agent's and the other Credit Parties' actions and relationship with the Loan Parties, including, but not limited to, the relationship created or referenced by or in this Agreement, have been and continue to constitute arm's-length commercial transactions, that such actions and relationship shall at all times in the future continue to constitute arm's-length commercial transactions and that the Agent and each other Credit Party shall not at any time act, be obligated to act, or otherwise be construed or interpreted as acting as or being the agent, employee or fiduciary of any Loan Party.

*[Signature Pages Follow]*

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

**THE CHILDREN'S PLACE, INC.,**  
as Lead Borrower and as a U.S. Borrower

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: Chief Operating Officer and Chief Financial Officer

**THE CHILDREN'S PLACE SERVICES COMPANY,  
LLC,** as a U.S. Borrower

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**TCP BRANDS, LLC,** as a U.S. Borrower

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**THE CHILDREN'S PLACE INTERNATIONAL, LLC,** as  
a U.S. Borrower

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**THE CHILDREN'S PLACE (CANADA), LP, by its  
general partner, TCP INVESTMENT CANADA II  
CORP.,** as a Canadian Borrower

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

[Signature Page to Forbearance Agreement]

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**THECHILDRENSPLACE.COM, INC.**, as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**THE CHILDREN'S PLACE CANADA HOLDINGS, INC.**, as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**TCP IH II, LLC**, as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**TCP REAL ESTATE HOLDINGS, LLC**, as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**TCP INTERNATIONAL PRODUCT HOLDINGS, LLC**, as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**TCP INVESTMENT CANADA II CORP.**, as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

**TCP INVESTMENT CANADA I CORP.**, as a Guarantor

By: /s/ Sheamus Toal  
Name: Sheamus Toal  
Title: President and Treasurer

[Signature Page to Forbearance Agreement]

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**WELLS FARGO BANK, NATIONAL ASSOCIATION**, as  
Administrative Agent, Collateral Agent, Term Agent, L/C  
Issuer, Swing Line Lender, as a U.S. Revolving Lender and as  
a Term Lender

By: /s/ Emily J. Abrahamson

Name: Emily J. Abrahamson

Title: Authorized Signatory

[Signature Page to Forbearance Agreement]

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**WELLS FARGO CAPITAL FINANCE CORPORATION  
CANADA**, as L/C Issuer, as Canadian Swing Line Lender  
and as a Canadian Revolving Lender

By: /s/ Carmela Massari

Name: Carmela Massari

Title: Authorized Signatory

[Signature Page to Forbearance Agreement]

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**BANK OF AMERICA, N.A.**, as a U.S. Revolving Lender  
and as a Term Lender

By: /s/ Bryn Lynch

Name: Bryn Lynch

Title: Vice President

**BANK OF AMERICA, N.A.** (acting through its Canada  
branch), as a Canadian Revolving Lender

By: /s/ Sylwia Durkiewicz

Name: Sylwia Durkiewicz

Title: Vice President

[Signature Page to Forbearance Agreement]

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**JPMORGAN CHASE BANK, N.A.**, as a U.S. Revolving Lender and as a Term Lender

By: /s/ Dillon Klahn

Name: Dillon Klahn

Title: Authorized Officer

**JPMORGAN CHASE BANK, N.A., TORONTO BRANCH**, as a Canadian Revolving Lender

By: /s/ Auggie Marchetti

Name: Auggie Marchetti

Title: Authorized Officer

[Signature Page to Forbearance Agreement]

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**TRUIST BANK**, as a U.S. Revolving Lender, as a Term Lender, and as a Canadian Revolving Lender

By: /s/ Undrae L. Mitchell

Name: Undrae L. Mitchell

Title: Vice-President

[Signature Page to Forbearance Agreement]

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**HSBC BANK (USA), N.A.**, as a U.S. Revolving Lender, as a  
Term Lender, and as a Canadian Revolving Lender

By: /s/ Swati Bhadada

Name: Swati Bhadada

Title: SVP, Corporate Banking

[Signature Page to Forbearance Agreement]

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**PNC BANK, NATIONAL ASSOCIATION**, as a U.S.  
Revolving Lender and as a Canadian Revolving Lender

By: /s/ Paul L. Starman

Name: Paul L. Starman

Title: Vice President

[Signature Page to Forbearance Agreement]

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## LETTER AGREEMENT

February 29, 2024

Mithaq Capital SPC  
c/o Synergy, Suite 22  
3269 Anas Ibn Malik Road,  
Al Malqa, Riyadh 13521  
Saudi Arabia  
Attn: Turki Saleh A. AlRajhi; Muhammad Asif Seemab

Ladies and Gentlemen:

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, The Children's Place, Inc. (the "Company"), on the one hand, and Mithaq Capital SPC ("Mithaq"), on the other hand, have mutually agreed to the terms contained in this Letter Agreement (this "Letter Agreement").

The Company and Mithaq recognize that Mithaq has since February 12, 2024 been the beneficial owner of in excess of 54% of the Company's outstanding shares of common stock and by virtue thereof has since such date had sufficient voting power to control the election or removal of any member of the Board of Directors of the Company (the "Board") at any meeting of the Company's stockholders. The purpose of this Letter Agreement is to ensure an orderly transition of the governance of the Company, including by ensuring the presence on the Board for a transitional period of continuing directors not associated with Mithaq having legacy Company knowledge, and to more generally enhance the future prospects of the Company, in furtherance of the interests of stockholders and all other stakeholders. For purposes of this Letter Agreement, (i) we refer to each of the Company and Mithaq as a "Party" and, collectively, as the "Parties", (ii) "Initial Board Reconstitution Time" means immediately upon the execution of this Letter Agreement on the date of this Letter Agreement and (iii) "Final Board Reconstitution Time" means the earlier of the time referred to in the definition of "Resignation Event" included in the form of director resignation letter attached hereto as Exhibit A-1 or the conclusion of the 2024 Annual Meeting of Stockholders of the Company (the "2024 Annual Meeting").

1. Board Matters.

(a) Board Actions. As of the date of this Letter Agreement, the Board has taken the following actions (and delivered to Mithaq copies of its executed Board resolutions approving and authorizing such actions):

(i) Resigning Directors. Each member of the Board (other than (A) Jane Elfers, (B) Norman Matthews, (C) John E. Bachman, (D) John A. Frascotti, (E) Debby Reiner, (F) Michael Shaffer (all of the foregoing, together, the "Carryover Directors") and (G) the Mithaq Appointees (as defined below)) has resigned from the Board effective as of the Initial Board Reconstitution Time and such resignations have all been accepted. Each of the Carryover Directors (other than Jane Elfers and John A. Frascotti) has further irrevocably submitted to the Company resignation letters in the form attached hereto as Exhibit A-1 and such letters have been accepted.

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(ii) Size of Board. The Board has resolved that, (A) until the Final Board Reconstitution Time, the size of the Board shall remain at 10 and (B) with effect as of the Final Board Reconstitution Time, the size of the Board shall be reduced to six.

(iii) New Directors. The Board has appointed Turki Saleh A. AlRajhi, Muhammad Asif Seemab, Muhammad Umair and Hussan Arshad (collectively, the “Mithaq Appointees”) to serve as directors of the Company with effect as of the Initial Board Reconstitution Time; provided, that, each of the Mithaq Appointees have executed and delivered to the Company a Director’s Certificate in the form attached hereto as Exhibit A-2.

(iv) Chairman. Promptly following the Initial Board Reconstitution Time, the Board shall elect Turki Saleh A. AlRajhi as the new Chairman Elect of the Board (A) with the same authority, rights and responsibilities as the Chairman of the Board, and (B) who shall act as the chairman of the 2024 Annual Meeting. The Board has amended the bylaws of the Company effective as of the Initial Board Reconstitution Time to provide for the position of Chairman Elect of the Board with the authorities, rights, responsibilities and roles set forth in the preceding sentence.

(v) Efficiency and Optimization Committee. The Board has formed a special committee (the “Efficiency and Optimization Committee”), consisting solely of Muhammad Asif Seemab, Muhammad Umair and Jane Elfers (with any replacement members thereof to be designated by Mithaq), which has been authorized to identify and make recommendations to the full Board with respect to cost-cutting measures at the Company and its subsidiaries and to oversee the Rights Transaction (as defined below).

(vi) Continuing Directors. The matters set forth in this Section 1(a) (collectively, the “Board Reconstitution”) and the other actions set forth in this Letter Agreement have been approved by the Board, and the Mithaq Appointees have been designated by the Board as continuing directors for purposes of any applicable change in control or change of control provisions applicable to the Company.

(b) Restrictive Covenants. The Company agrees that, from the Initial Board Reconstitution Time to the Final Board Reconstitution Time, the Company will comply with the covenant set forth in Exhibit B.

(c) 2024 Annual Meeting. The Company irrevocably acknowledges and agrees that (i) it shall (unless prohibited by law) hold the 2024 Annual Meeting no earlier than May 1, 2024 and no later than May 31, 2024, and shall establish a record date and meeting date for, call, and file and mail a definitive proxy statement for the 2024 Annual Meeting such that the 2024 Annual Meeting is able to be held during such period, and shall not adjourn or postpone the meeting date of the 2024 Annual Meeting except as required due to applicable law, (ii) Snowball Compounding Ltd.’s (“Snowball”) Notice of Nomination of Candidates for Election to the Board of Directors, and of Stockholder Proposals to be Presented, at the 2024 Annual Meeting of Stockholders of The Children’s Place, Inc. (the “Notice”) was validly and timely delivered to the Company and fully complies with the Company’s bylaws in all respects, and (iii) no failure or alleged failure of Snowball or any such nominee to provide any

supplementary or updated information pursuant to the bylaws, or any other failure or alleged failure, shall be a basis for the Company to reject the Notice or any nominee named therein or otherwise refuse to do any of the foregoing. No later than March 20, 2024, Mithaq and the Company shall identify two (2) individuals who are independent of Mithaq and reasonably acceptable to both Mithaq and the Carryover Directors (the “Independent Nominees”). The Board shall nominate for election to the Board at the 2024 Annual Meeting each of the Mithaq Appointees (including for the avoidance of doubt, if applicable, any Successor Mithaq Appointee) and each of the Independent Nominees (including for the avoidance of doubt, if applicable, any replacement therefor selected in accordance with Section 1(f)). At Mithaq’s election, the Independent Nominees may be Carryover Directors. Mithaq shall, and shall cause its affiliates to, cause to be present for quorum purposes and to vote or cause to be voted any Company common stock beneficially owned by them in favor of the Mithaq Appointees and the Independent Nominees. Mithaq acknowledges that the Mithaq Appointees shall be subject to all policies of the Company applicable to Company directors and shall owe fiduciary duties to all Company stockholders in the same manner as any other Company director.

(d) Non-Interference. The Company agrees that, except to the extent that the Board is advised by its outside counsel that to do so would violate an applicable statute, rule or regulation or the fiduciary duties of directors, (i) it shall use reasonable best efforts to not take any action or make any omission that would reasonably be expected to alter or rescind or impinge upon, or otherwise compromise, the effect or timing of the Board Reconstitution (or any part thereof) and (ii) the Company shall recommend against and oppose any action or proposal by any individual, group or organization that would interfere with, frustrate, nullify, undo or otherwise undermine the occurrence of the Board Reconstitution (or any part thereof).

(e) Board Committees. The Board has resolved to reconstitute the leadership and composition of the committees of the Board (other than the Efficiency and Optimization Committee, which is addressed in Section 1(a)(v)), effective as of the Initial Board Reconstitution Time, as set forth on Exhibit C, subject in the case of the Audit Committee to compliance with Nasdaq rules applicable to “Controlled Companies” (as such term is defined in Nasdaq Rule 5615(c)) and with Rule 10A-3 promulgated under the United States Securities Exchange Act of 1934, as amended. Between the Initial Board Reconstitution Time and the Final Board Reconstitution Time, each Board committee (other than any Independent Committee) shall have at least one Mithaq Appointee as a member, who shall (except in the case of the audit committee) be the chairman. Except as nationally-recognized outside counsel may advise is inconsistent with fiduciary duties under Delaware law, each director will have access to all Board committee materials and be entitled to attend any and all Board committee meetings (other than any Independent Committee) at his or her discretion (with such committee meetings being scheduled for non-overlapping times to enable and facilitate such discretionary attendance). Neither the Board nor any member thereof shall utilize any committee of the Board for the purpose of discriminating against any director of the Board or (except as nationally-recognized outside counsel may advise is required by their fiduciary duties under Delaware law) in order to limit any of their participation in substantive deliberations of the Board.

(f) Continuity of Representation. If, prior to the Final Board Reconstitution Time, any Mithaq Appointee ceases to serve as a member of the Board, Mithaq shall be entitled to have another individual designated by it that is reasonably acceptable (based on applicable law and the requirements of the Company's corporate governance guidelines that are applicable to directors that are not independent directors) to the Corporate Responsibility, Sustainability & Governance Committee of the Board appointed to the Board to fill the vacancy created thereby (a "Successor Mithaq Appointee"), and the Company shall take all necessary actions to cause any such Successor Mithaq Appointee to be appointed to the Board promptly after receiving notice by Mithaq of the identity of such person. All references to the Mithaq Appointee, for purposes of this Letter Agreement, shall be deemed references to such Successor Mithaq Appointee in the event that a Successor Mithaq Appointee is appointed. If the Board does not approve any such proposed replacement director, Mithaq shall have the right to continue proposing replacement directors until a replacement director is approved by the Board, at which time the Board shall take all necessary actions to cause such replacement director to be appointed to the Board and to each committee of which the replaced director had been a member. The Board shall express its approval or disapproval of any proposed replacement director to Mithaq promptly, and in any event no later than ten (10) days following such proposal. In the event that the Board fails to express its approval or disapproval of any proposed replacement director to Mithaq in writing within ten (10) days following such proposal, such proposed replacement director shall be deemed approved by the Board and the Board shall promptly take all necessary actions to cause such replacement director to be appointed to the Board and to each committee of which the replaced director had been a member. The Company acknowledges that time is of the essence in appointing such Successor Mithaq Appointee to the Board and will use reasonable best efforts to ensure such director is appointed as soon as practicable. The Company will make reasonable best efforts to adjust the calendar of business and activities to ensure such Successor Mithaq Appointee will not miss Board business. If any Carryover Director or Independent Nominee becomes unavailable or is unwilling to serve as a Carryover Director or Independent Nominee prior to the Final Board Reconstitution Time, the remaining Carryover Directors or Independent Nominees may select a replacement, and such replacement's appointment to the Board (x) shall be subject to the prior written approval by Mithaq (in accordance with, in the case of replacements for Carryover Directors, the prior sentences of this Section 1(f), applied mutatis mutandis) and (y) shall as a further condition precedent to such Carryover Director's or such Independent Nominee's appointment to the Board execute and deliver to the Company a resignation letter in the form attached hereto as Exhibit A-1, which such resignation letter shall be promptly accepted by the Company). The Company shall not at any time rescind its acceptance of any resignation letter submitted by a Carryover Director (or any replacement therefor) or an Independent Nominee (or any replacement therefor) without the prior written consent of Mithaq and shall enforce the terms of all such letters. For purposes of any outstanding award of time-based restricted stock units granted to a member of the Board under the Company's 2011 Equity Incentive Plan and the related award agreement in the ordinary course of business prior to February 16, 2024 ("Vesting TRSUs"), any member of the Board who ceases to be a member of the Board pursuant to his or her resignation in accordance with the terms of this Letter Agreement shall be treated as having suffered an Involuntary Termination Event (as defined in the applicable award agreement), such that the Vesting TRSUs shall immediately become fully vested upon the effectiveness of such resignation and the shares of Company common stock underlying

such Vesting TRSUs (including any Dividend Equivalent Shares (as defined in the applicable award agreement) shall be immediately delivered to such member of the Board.

2. Rights Transaction. The Company shall promptly use reasonable best efforts to prepare, file with the Securities and Exchange Commission (the “SEC”) and cause to become effective such registration statement, prospectus and other materials required under applicable law to permit, and to then commence and complete, a rights offering on substantially the same terms as are set forth on Exhibit D hereto (or such other terms as Mithaq and the Company may mutually agree in writing after the date hereof) (the “Rights Transaction”).

3. Press Release; Form 8-K. The Parties agree that on the date hereof promptly following the execution and delivery of this Letter Agreement by the Parties, the Parties will jointly issue the press release attached to this Letter Agreement as Exhibit E. No later than the second business day after the date of this Letter Agreement, the Company will file a Current Report on Form 8-K in respect of this Letter Agreement, which shall be subject to Mithaq’s prior review and reasonable approval.

4. Securities Filings and Mithaq Information. Mithaq shall, and shall cause its affiliates to, provide the Company with any information or supporting documents with respect to Mithaq, its affiliates and the Mithaq Appointees (i) requested by the Company that are required by applicable law in connection with the 2024 Annual Meeting or the solicitation of proxies in connection therewith or (ii) that the Company or the underwriters of the Rights Transaction reasonably request for use in the registration statement or the prospectus for the Rights Transaction or otherwise required for the consummation of the Rights Transaction. Mithaq agrees that none of such information will, at the applicable of the date of dissemination of such proxy materials or at the effective time of the registration statement for the Rights Transaction, include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make such statement, in light of the circumstances under which they were made, not misleading. For purposes of this paragraph, Mithaq and any affiliates of Mithaq other than the Company and its subsidiaries shall be treated as if they were not affiliates of the Company and its subsidiaries (and vice versa)). The Company shall provide to Mithaq drafts of each of the 2024 Annual Meeting proxy statement and the registration statement and prospectus for the Rights Transaction a reasonable period in advance of each filing of each such document and shall consider in good faith all reasonable comments made by Mithaq thereto.

5. Affiliate Matters. So long as the Company remains a public reporting company under the Securities and Exchange Act of 1934, as amended, Mithaq and the Company shall not permit any agreement or transaction between Mithaq or its affiliates (other than the Company and its subsidiaries), on the one hand, and the Company or any of its subsidiaries, on the other, from which Mithaq or its affiliate derives a material benefit other than in their respective capacities as shareholders (a “Mithaq Affiliate Transaction”), or any waiver of rights pursuant to any Mithaq Affiliate Transaction, unless such transaction or waiver has been approved by a majority of a committee comprised solely of directors who are independent of Mithaq and its affiliates (an “Independent Committee”) or otherwise complies with affiliate transaction policies approved by an Independent Committee after the Initial Board Reconstitution Time.

6. Power and Authority of the Company. The Company represents and warrants to Mithaq that (a) the Company has the corporate power and authority to execute and deliver this Letter Agreement and to bind it hereto, (b) this Letter Agreement has been duly and validly authorized, executed and delivered by the Company, constitutes a valid and binding obligation and agreement of the Company, and is enforceable against the Company in accordance with its terms and (c) the execution, delivery and performance of this Letter Agreement by the Company does not and will not (i) violate or conflict with any law, rule, regulation, order, judgment or decree applicable to the Company, or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could constitute such a breach, violation or default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which the Company is a party or by which it is bound, in each case except to the extent that the failure of any such representation or warranty to be true results from actions taken by Mithaq or its affiliates without the consent of the Company or the Board or from information provided by Mithaq or its affiliates in connection with the 2024 Annual Meeting or the Rights Transaction.

7. Power and Authority of Mithaq. Mithaq represents and warrants to the Company that (a) Mithaq has the corporate power and authority to execute and deliver this Letter Agreement and to bind it hereto, (b) this Letter Agreement has been duly and validly authorized, executed and delivered by Mithaq, constitutes a valid and binding obligation and agreement of Mithaq, and is enforceable against Mithaq in accordance with its terms, and (c) the execution of this Letter Agreement by Mithaq does not and will not (i) violate or conflict with any law, rule, regulation, order, judgment or decree applicable to Mithaq, or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could constitute such a breach, violation or default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which it is a party or by which it is bound.

8. Release

(a) Mithaq, on its own behalf and on behalf of each of its affiliates (other than the Company and its subsidiaries) and the respective successors and assigns of all of the foregoing persons, and any other person that may claim by, through, or under any of the foregoing persons, hereby irrevocably and unconditionally releases and discharges the Company, its subsidiaries, and the Company's and its subsidiaries' respective directors, officers, and employees, and their respective successors and assigns (the "Company Released Persons") from any and all claims, causes of actions, suits, covenants, fees, penalties, payments, assessments, damages, losses, liabilities, obligations or demands of any kind, whether arising under law, equity, tort, contract, regulation, rule, statute, or ordinance, arising prior to the Initial Board Reconstitution Time; provided that the foregoing shall not release claims arising under or out of this Letter Agreement or the Promissory Note, and

(b) The Company, on its own behalf and on behalf of each of its subsidiaries and the respective successors and assigns of all of the foregoing persons, and any other person that may claim by, through, or under any of the foregoing persons, hereby irrevocably and

unconditionally releases and discharges Mithaq, Mithaq's affiliates (other than the Company and its subsidiaries) and Mithaq's and its affiliates' respective directors, officers, and employees (other than the respective officers, directors and employees of the Company and its subsidiaries), and their respective successors and assigns (the "Mithaq Released Persons") and, together with the Company Released Persons, the "Released Persons"), from any and all claims, causes of actions, suits, covenants, fees, penalties, payments, assessments, damages, losses, liabilities, obligations or demands of any kind, whether arising under law, equity, tort, contract, regulation, rule, statute, or ordinance, arising prior to the Initial Board Reconstitution Time; provided that the foregoing shall not release claims arising under or out of this Letter Agreement or the Promissory Note.

9. Director and Officer Indemnification. Except to the extent required by applicable law, neither Mithaq nor any of its affiliates (other than the Company and its subsidiaries), nor the Company or any of its subsidiaries, shall take any action to restrict, impede or amend in a manner adverse to the beneficiaries thereof any rights to indemnification or exculpation of current or former officers or directors (the "Covered Directors and Officers") as provided in the Certificate of Incorporation or Bylaws of the Company, or in any Indemnity Agreement, in each case as set forth in the forms filed as exhibits to the Company's Annual Report on Form 10-K for the period ended January 28, 2023.

10. Counterparts. This Letter Agreement may be executed in two or more counterparts, each of which will be considered one and the same agreement and will become effective when counterparts have been signed by each of the Parties and delivered to the other Parties (including by means of electronic delivery or facsimile). For the avoidance of doubt, no Party shall be bound by any contractual obligation to the other Parties (including by means of any oral agreement) until all counterparts to this Letter Agreement have been duly executed by each of the Parties and delivered to the other Parties (including by means of electronic delivery of facsimile).

11. Specific Performance. Each Party acknowledges and agrees that irreparable injury to the other Parties would occur in the event that any of the provisions of this Letter Agreement were not performed in accordance with their specific terms or were otherwise breached and that money damages are not an adequate remedy for such a breach. It is accordingly agreed that each Party is entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms hereof. Each Party agrees to waive any bonding requirement under any applicable law in the case any other Party seeks to enforce the terms by way of equitable relief.

12. APPLICABLE LAW AND JURISDICTION. THIS LETTER AGREEMENT WILL BE GOVERNED BY, AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO CHOICE OR CONFLICT OF LAWS PRINCIPLES OR RULES (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF LAWS OF ANY OTHER JURISDICTION. EACH OF THE PARTIES IRREVOCABLY AGREES THAT ANY LEGAL ACTION OR PROCEEDING TO ENFORCE THIS LETTER AGREEMENT OR PROCEEDING ARISING OUT OF THIS LETTER AGREEMENT WILL BE BROUGHT EXCLUSIVELY IN ANY STATE COURT WITHIN THE STATE OF DELAWARE (OR, IF SUCH COURTS DECLINE TO ACCEPT JURISDICTION, ANY FEDERAL COURT WITHIN THE STATE OF DELAWARE). EACH OF THE PARTIES IRREVOCABLY WAIVES THE RIGHT TO TRIAL

BY JURY IN ANY SUCH ACTION OR PROCEEDING. EACH OF THE PARTIES HEREBY IRREVOCABLY SUBMITS TO THE PERSONAL JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY WAIVES ANY ARGUMENT THAT SUCH COURTS ARE AN INCONVENIENT OR IMPROPER FORUM. EACH PARTY CONSENTS TO SERVICE OF PROCESS BY A REPUTABLE OVERNIGHT DELIVERY SERVICE, SIGNATURE REQUESTED, TO THE ADDRESS OF SUCH PARTY'S PRINCIPAL PLACE OF BUSINESS OR AS OTHERWISE PROVIDED BY APPLICABLE LAW. NOTHING IN THE FOREGOING OR OTHERWISE IN THIS LETTER AGREEMENT SHALL PROHIBIT OR RESTRICT MITHAQ FROM BRINGING ANY MATTER ARISING OUT OF OR RELATING TO THAT CERTAIN UNSECURED PROMISSORY NOTE, DATED AS OF THE DATE HEREOF (THE "PROMISSORY NOTE"), AGAINST THE COMPANY OR ITS PROPERTIES IN THE COURT OF ANY JURISDICTION.

13. Notice. All notices, consents, requests, instructions, approvals and other communications provided for in this Letter Agreement and all legal process in regard hereto shall be in writing and shall be deemed validly given, made or served, (a) if given by email, when such email is transmitted to the email address set forth below or (b) if given by any other means, when actually received during normal business hours at the address specified in this Section 13:

If to the Company:

The Children's Place, Inc.  
500 Plaza Drive  
Secaucus, New Jersey 07094  
Attention: Jared Shure, General Counsel  
Email:

With a copy to (which shall not constitute notice):

Paul, Weiss, Rifkind, Wharton and Garrison LLP  
1285 Sixth Avenue  
New York, NY 10019  
Attention: Robert B. Schumer; Steven J. Williams  
Email:

If to Mithaq:

Mithaq Capital SPC  
c/o Synergy, Suite 22  
3269 Anas Ibn Malik Road,  
Al Malqa, Riyadh 13521  
Saudi Arabia  
Attention: Turki Saleh A. AlRajhi; Muhammad Asif Seemab  
Email:

With a copy to (which shall not constitute notice):

Cadwalader, Wickersham & Taft LLP  
200 Liberty Street  
New York, New York 10281  
Attention: Richard M. Brand, Esq.; Kiran S. Kadekar  
Email:

14. Entire Agreement; Amendment. This Letter Agreement, including exhibits and schedules attached to this Letter Agreement, contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes any prior agreement by the Parties relating to the subject matter hereof. This Letter Agreement may be amended only by an agreement in writing executed by the Parties, and no waiver of compliance with any provision or condition of this Letter Agreement and no consent provided for in this Letter Agreement shall be effective unless evidenced by a written instrument executed by the Party against whom such waiver or consent is to be effective; provided, that, no such amendment or waiver shall be effective after the Final Board Reconstitution Time without the approval of the members of an Independent Committee. No failure or delay by a Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

15. Severability. If at any time subsequent to the date of this Letter Agreement, any provision of this Letter Agreement shall be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect, but the illegality or unenforceability of such provision shall have no effect upon the legality or enforceability of any other provision of this Letter Agreement. Each Party agrees to use its commercially reasonable best efforts to agree upon and substitute a valid and enforceable term, provision, covenant or restriction for any of such that is held invalid, void or unenforceable by a court of competent jurisdiction.

16. No Third Party Beneficiaries; Assignment. Except for Section 8, which is for the benefit of and may be enforced by the Released Persons, and Section 9 which is for the benefit of and may be enforced by the Covered Directors and Officers, this Letter Agreement is solely for the benefit of the Parties and is not binding upon or enforceable by any other persons. No Party may assign its rights or delegate its obligations under this Letter Agreement, whether by operation of law or otherwise, and any assignment in contravention hereof shall be null and void. Nothing in this Letter Agreement, whether express or implied, is intended to or shall confer any rights, benefits or remedies under or by reason of this Letter Agreement on any persons other than the Parties (or, with respect to Section 8, the Released Persons and with respect to the Section 9, the Covered Directors and Officers), nor is anything in this Letter Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party.

17. Interpretation and Construction. Each Party acknowledges that it has been represented by independent counsel of its choice throughout all negotiations that have preceded the execution of this Letter Agreement, and that it has executed the same with the advice of said independent counsel. Each Party and its counsel cooperated and participated in the drafting and preparation of this Letter Agreement and the documents referred to herein, and any and all drafts relating thereto exchanged among the Parties shall be deemed the work product of all of the Parties and may not be construed against any Party by reason of its drafting or preparation. Accordingly, any rule of



law or any legal decision that would require interpretation of any ambiguities in this Letter Agreement against any Party that drafted or prepared it is of no application and is hereby expressly waived by each Party, and any controversy over any interpretation of this Letter Agreement shall be decided without regard to events of drafting or preparation. When a reference is made in this Letter Agreement to a Section, such reference shall be to a Section of this Letter Agreement, unless otherwise indicated. The section headings contained in this Letter Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Letter Agreement. In this Letter Agreement, (i) the word “including” (in its various forms) means “including, without limitation,” (ii) the words “hereunder,” “hereof,” “hereto” and words of similar import are references to this Letter Agreement as a whole and not to any particular provision of this Letter Agreement and (iii) the word “or” is not exclusive. The word “will” shall be construed to have the same meaning as the word “shall.” The words “date hereof” will refer to the date of this Letter Agreement. The word “or” is not exclusive. The definitions contained in this Letter Agreement are applicable to the singular as well as the plural forms of such terms. Any agreement, instrument, law, rule or statute defined or referred to in this Letter Agreement means, unless otherwise indicated, such agreement, instrument, law, rule or statute as from time to time amended, modified or supplemented. For purposes of this Letter Agreement the terms “person” or “persons” shall mean any individual, corporation (including not-for-profit), general or limited partnership, limited liability or unlimited liability company, joint venture, estate, trust, association, organization or other entity of any kind or nature.

18. Termination of Company Obligations. The obligations of the Company and the Board prior to the Final Board Reconstitution Time hereunder shall terminate upon any breach by Mithaq of its obligation to disburse either the Initial Term Loan (as such term is defined in the Promissory Note) or the Delayed Draw Term Loan (as such term is defined in the Promissory Note) as and when it is obligated to do so pursuant to the Promissory Note, in each case which breach is not cured within five (5) business days following written notice from the Company or the Carryover Directors to Mithaq of such breach. For the avoidance of doubt, the provisions of Sections 8 through 18 hereof shall survive such termination.

*[Signature Page Follows]*

If the terms of this Letter Agreement are in accordance with your understanding, please sign below and this Letter Agreement will constitute a binding agreement among us.

**The Children's Place, Inc.**

By: /s/ Jared Shure  
Name: Jared Shure  
Title: Senior Vice President, General Counsel and  
Corporate Secretary

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

**Mithaq Capital SPC**

By: /s/ Turki Saleh A. AlRajhi  
Name: Turki Saleh A. AlRajhi  
Title: Director

*[Signature Page to Letter Agreement]*

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**THE CHILDREN'S PLACE ANNOUNCES \$78.6 MILLION OF INTEREST-FREE  
UNSECURED NEW FINANCING TO BE PROVIDED BY MITHAQ CAPITAL  
AND THE APPOINTMENT OF FOUR NEW DIRECTORS**

*Proceeds of the New Financing from the Company's Majority Shareholder to Be Used  
to Support Operations, Including Vendor and Service Provider Payments*

*Four New Mithaq Nominees Appointed to the Board, with Turki Saleh A. AlRajhi  
Named Chairman-Elect During Transition Period*

*Company Expects to Close Previously Announced \$130 Million Term Loan in March 2024;  
Continues to Explore Alternative Financing on No Less Favorable Terms*

**SECAUCUS, N.J., February 29, 2024** —**The Children's Place, Inc. (Nasdaq: PLCE)**, an omni-channel children's specialty portfolio of brands with an industry-leading digital-first model, today announced a new financing agreement with its majority shareholder Mithaq Capital SPC ("Mithaq") to provide \$78.6 million of interest-free, unsecured and subordinated term loans to strengthen the Company's liquidity position.

The Company also announced the appointment of four persons nominated by Mithaq to its Board of Directors ("the Board"): Turki Saleh A. AlRajhi, Muhammad Asif Seemab, Muhammad Umair and Hussan Arshad. In conjunction with these appointments, current directors Elizabeth Boland, Alicia Enciso, Katherine Kountze and Wesley McDonald have resigned from the Company's ten-member Board. Mr. AlRajhi has been appointed Chairman-Elect and is sharing the Chairman's duties with Norman Matthews during a transition period.

Additionally, the Board has formed a special committee – the Efficiency and Optimization Committee – comprised of Mithaq appointees Mr. Seemab and Mr. Umair, as well as Jane Elfers, President and CEO and Director. The purpose of the Committee is to identify and make recommendations to the Board with respect to increasing business competitiveness and the efficient cost management at the Company.

Pursuant to the financing agreement, Mithaq provided an initial tranche of \$30 million to the Company on February 29, 2024, in the form of an interest-free, unsecured and subordinated term loan (the "Initial Mithaq Term Loan"). Mithaq will also provide an additional \$48.6 million interest-free, unsecured and subordinated term loan to the Company (the "Second Mithaq Term Loan" and together with the Initial Mithaq Term Loan, the "Mithaq Term Loans") on or before March 29, 2024, subject to certain conditions. Upon funding of the Second Mithaq Term Loan, at least four of the remaining non-Mithaq appointed directors will resign and directors appointed by Mithaq will comprise a majority of the Board of Directors. The Company has secured certain minority shareholder protections. In addition, the governance agreement(s) require supermajority Board of Directors authorization for certain actions to be taken by the Company during the initial transition period.

The Company expects to be in a position to close the previously announced \$130 million term loan (the "Gordon Brothers Term Loan") in March 2024, as contemplated by the non-binding term sheet that the Company entered into with 1903P Loan Agent, LLC, and is continuing to pursue alternative financing on terms no less favorable in the aggregate to the Company.

Turki Saleh A. AlRajhi, Chairman and CEO of Mithaq, commented, “We are pleased to have reached this agreement, which provides substantial interest-free and unsecured funds to deliver products during the critical back-to-school season. I am also delighted to join The Children's Place Board as Chairman-Elect, and am grateful to the management team and the Board for their trust. I am fully committed to representing all fellow shareholders with unshakeable reliability.”

Mr. AlRajhi concluded: “We are taking the steps announced today to protect and compound at a reasonable rate of return the per-share intrinsic value of the total equity value for all fellow shareholders, with whom we are fully aligned. Our more than 54% equity stake in the Company demonstrates our belief that this can be accomplished.”

As the Company continues to work to improve its liquidity position and strengthen its balance sheet, certain of its vendors and service providers material to the business have informed the Company that they have halted or plan to halt service to the Company as a result of delayed payments. The Company is in ongoing dialogue with its vendors and service providers regarding paths forward to ensure continued service, and plans to use a portion of the proceeds from the financings described above to support operations, including payments to vendors and service providers to address overdue accounts payable.

As previously disclosed, Mithaq's acquisition of the Company's common stock triggered a change of control, thereby causing a default under the Company's Amended and Restated Credit Agreement (the “Credit Agreement”) with its bank lenders. As a result of this default, the Company is currently subject to cash dominion. The Company and its bank lenders have agreed to a forbearance agreement (the “Forbearance Agreement”) that, among other things, permits the Company's entry into the Mithaq Term Loans and pursuant to which the bank lenders have agreed to forbear from exercising certain rights and remedies under the Credit Agreement with respect to the above-mentioned default during a limited forbearance period. The Forbearance Agreement contemplates a permanent waiver of the change of control default upon the satisfaction of certain conditions, including the Company's receipt of proceeds from the financings described above.

The financings are subject to customary closing conditions. Additional details concerning the Mithaq Term Loans and the Forbearance Agreement may be found in the Form 8-K that is planned to be filed by the Company with the Securities and Exchange Commission on February 29, 2024.

#### **About The Children's Place**

The Children's Place is an omni-channel children's specialty portfolio of brands with an industry-leading digital-first model. Its global retail and wholesale network includes four digital storefronts, more than 500 stores in North America, wholesale marketplaces and distribution in 16 countries through six international franchise partners. The Children's Place is proud to be a women-led Company, including industry-leading gender diversity in senior management and throughout all levels of its workforce, and of its commitment to sustainable business practices that benefit its customers, associates, investors, suppliers and the communities it serves. The Children's Place designs, contracts to manufacture, and sells fashionable, high-quality apparel, accessories and footwear predominantly at value prices, primarily under its proprietary brands: “The Children's Place”, “Gymboree”, “Sugar & Jade”, and “PJ Place”. For more information, visit: [www.childrensplace.com](http://www.childrensplace.com) and [www.gymboree.com](http://www.gymboree.com) as well as the Company's social media channels on Instagram, Facebook, X, formerly known as Twitter, YouTube and Pinterest.

#### **About Mithaq**

Mithaq Capital SPC is an affiliate of Mithaq Holding Company, a decentralized family office headquartered in Saudi Arabia with investments in public equities, private equities, real estate, and income-producing assets in local and international markets. Mithaq follows a disciplined value investing approach with margin-of-safety as a principle. Mithaq is a strategic long-term shareholder with a history of owning high-quality businesses, supporting first-class management teams, and championing long-standing partnerships based primarily on trust. Mithaq is a segregated portfolio company existing under the laws of the Cayman Islands. For further information, visit [www.mithaqholding.com](http://www.mithaqholding.com).

**Forward-Looking Statements**

*This press release contains or may contain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements relating to the Mithaq Term Loans, the Gordon Brothers Term Loan, the Forbearance Agreement and the Governance Agreement. Forward-looking statements typically are identified by use of terms such as “may,” “will,” “should,” “plan,” “project,” “expect,” “anticipate,” “estimate” and similar words, although some forward-looking statements are expressed differently. These forward-looking statements are based upon the Company’s current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results and performance to differ materially. Some of these risks and uncertainties are described in the Company’s filings with the Securities and Exchange Commission, including in the “Risk Factors” section of its annual report on Form 10-K for the fiscal year ended January 28, 2023. Included among the risks and uncertainties that could cause actual results and performance to differ materially are the risk that the Company will be unsuccessful in gauging fashion trends and changing consumer preferences, the risks resulting from the highly competitive nature of the Company’s business and its dependence on consumer spending patterns, which may be affected by changes in economic conditions (including inflation), the risks related to the COVID-19 pandemic, including the impact of the COVID-19 pandemic on our business or the economy in general, the risk that the Company’s strategic initiatives to increase sales and margin are delayed or do not result in anticipated improvements, the risk of delays, interruptions, disruptions and higher costs in the Company’s global supply chain, including resulting from COVID-19 or other disease outbreaks, foreign sources of supply in less developed countries, more politically unstable countries, or countries where vendors fail to comply with industry standards or ethical business practices, including the use of forced, indentured or child labor, the risk that the cost of raw materials or energy prices will increase beyond current expectations or that the Company is unable to offset cost increases through value engineering or price increases, various types of litigation, including class action litigations brought under consumer protection, employment, and privacy and information security laws and regulations, the imposition of regulations affecting the importation of foreign-produced merchandise, including duties and tariffs, the uncertainty of weather patterns, the risk that we may be unable to consummate the Term Loans as anticipated, or at all, or obtain alternative financing. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they were made. The Company undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.*

**The Children’s Place Contact:** Investor Relations (201) 558-2400 ext. 14500

**Mithaq Contact:** [mithaq-capital@mithaqholding.com](mailto:mithaq-capital@mithaqholding.com)

Media Contact: [Mithaq@Longacresquare.com](mailto:Mithaq@Longacresquare.com)