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EXHIBIT A

Executed Version

TRANSACTION AGREEMENT

dated as of

February 20, 2020

between

SP VS BUYER LP

and

L BRANDS, INC.

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TRANSACTION AGREEMENT

TRANSACTION AGREEMENT (this "**Agreement**") dated as of February 20, 2020 between SP VS Buyer LP, a Delaware limited partnership ("**Buyer**"), and L Brands, Inc., a Delaware corporation ("**Parent**").

W I T N E S S E T H :

WHEREAS, Parent and its Subsidiaries are engaged in, among other things, the conduct of the Business;

WHEREAS, after the date hereof and prior to the Closing, Parent will form, or will cause to be formed, a wholly owned Subsidiary of Parent ("**VS Holdco**"), and a wholly owned Subsidiary of Parent that will be the general partner of VS Holdco (the "**VS Holdco GP**");

WHEREAS, as of immediately prior to the Closing, Parent and its Subsidiaries will be the record and beneficial owners of all of the equity interests of VS Holdco (the "**VS Holdco Interests**") and all of the equity interests of the VS Holdco GP (the "**VS Holdco GP Interests**");

WHEREAS, Parent desires to, and to cause its Subsidiaries to, sell to Buyer 55% of the VS Holdco Interests (the "**Sold VS Interests**") and 55% of the VS Holdco GP Interests (the "**Sold GP Interests**"), and Buyer desires to purchase the Sold VS Interests and the Sold GP Interests from Parent or one or more of its Subsidiaries, upon the terms and subject to the conditions hereinafter set forth; and

WHEREAS, Parent and its Subsidiaries desire to transfer to the Acquired Companies certain assets and liabilities of the Business, upon the terms and subject to the conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.01. *Definitions*. (a) As used herein, the following terms have the following meanings:

"**Acceptable Replacement Facility**" means a credit facility provided by, at the option of Parent, either (i) a third party commercial lender or financing source reasonably satisfactory to Buyer (an "**Acceptable Third Party Lender**") or (ii) Parent, in each case, on terms and conditions substantially the same as, and, in any event, no less favorable in the aggregate to the Acquired Companies that constitute obligors thereunder than, the China Facility as in effect on the date hereof; *provided* that (1) such Acceptable Replacement Facility will provide that on and following the Closing Date:

(A) there is revolving financing or other similar working capital financing that satisfies the Revolving Commitment Condition (as defined in clause (ii)(A) of Item 1 of Section 5.09(b) of the Parent Disclosure Schedule) in effect on the Closing Date; *provided further* that if Parent provides the Acceptable Replacement Facility but elects not to provide the revolving financing or similar working capital financing described in this clause (A), Parent covenants to take all necessary steps so that an Acceptable Third Party Lender satisfies the Revolving Commitment Condition on and following the Closing Date (otherwise, the Acceptable Replacement Facility provided by Parent on and following the Closing Date shall satisfy the Revolving Commitment Condition),

(B) there are term loans (or similar funded Indebtedness) outstanding on the Closing Date that satisfy the Funded Term Loan Financing Condition (as defined in clause (ii)(B) of Item 1 of Section 5.09(b) of the Parent Disclosure Schedule), which will be assumed by an Acquired Company in China designated by Buyer on the Closing Date in accordance with Section 2.04(d), and

(C) (1) there is a bank guarantee facility that satisfies the Bank Guarantee Commitment Condition (as defined in clause (iii) of Item 1 of Section 5.09(b) of the Parent Disclosure Schedule) in effect on the Closing Date; *provided further* that if Parent provides the Acceptable Replacement Facility and elects not to provide the bank guarantee facility described in this clause (C), Parent covenants to take all necessary steps so that an Acceptable Third Party Lender satisfies the Bank Guarantee Commitment Condition on and following the Closing Date (otherwise, the Acceptable Replacement Facility provided by Parent on and following the Closing Date shall satisfy the Bank Guarantee Commitment Condition), and (2) which credit facility shall be otherwise documented in a manner reasonably satisfactory to Buyer and, in the case of clause (ii), Parent (but only with respect to an Acceptable Replacement Facility described in the foregoing clauses (A), (B) and (C), which is provided by Parent).

"**Accounting Policies**" means (i) GAAP, and (ii) only to the extent consistent with GAAP, the accounting policies, principles, practices and methodologies used in the preparation of the Balance Sheet, in each case of clause (i) and (ii), subject to the specific policies, principles, practices and methodologies set forth in Exhibit E (the "**Specified Policies**"). In the event of a conflict between GAAP and the Specified Policies, the Specified Policies will control.

"**Acquired Companies**" means VS Holdco and the VS Holdco Subsidiaries.

"**Affiliate**" means, with respect to any Person, any other Person who, as of the relevant time for which the determination of affiliation is being made, directly or indirectly controls, is controlled by or is under common control with such Person; *provided* that, from and after the Closing, (i) no Acquired Company shall be considered an Affiliate of Parent or any of its Affiliates and (ii) none of Parent or any of its Affiliates shall be considered an Affiliate of any Acquired Company or any of its Affiliates. For purposes of this definition, "**control**" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly,

whether through the ownership of voting securities, by contract or otherwise, and the terms "**controlling**" and "**controlled**" have correlative meanings.

"**Applicable Law**" means, with respect to any Person, any transnational, domestic or foreign federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person.

"**Base Net Tangible Assets**" means $1,241,000,000.

"**Business**" means (i) the specialty retail business of Parent and its Subsidiaries (including the Acquired Companies) with respect to women's intimate and other apparel, accessories, beauty care products and fragrances that is conducted under the Victoria's Secret or PINK brands, and (ii) the global development, production and sourcing functions of Parent and its Subsidiaries (including the Acquired Companies) solely to the extent related to women's intimate and other apparel that is conducted under the Victoria's Secret or PINK brands, in each case, as conducted as of the date hereof (or, with respect to clause (ii), as contemplated to be conducted pursuant to the Transaction Documents) by VS Holdco and its Subsidiaries.

"**Business Day**" means a day, other than Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Applicable Law to close.

"**Buyer United States Shareholder**" means a Person if Buyer demonstrates to the reasonable satisfaction of Parent (i) that, at the close of the taxable year of each Acquired Company that includes the Closing Date, such Person was a United States Shareholder of an Acquired Company that was, at that time, a Controlled Foreign Corporation and (ii) the percentage of each Acquired Company's stock that such Person owned (within the meaning of Section 958(a) of the Code) for purposes of determining such Person's "pro rata share" (within the meaning of Section 951(a)(2)) in respect of such Acquired Company at such time (such Person's "**Ownership Percentage**" for an Acquired Company).

"**Buyer US Shareholder Corporate Percentage**" means, for each Acquired Company, the sum of the Ownership Percentages of the Buyer United States Shareholders for such Acquired Company that are treated as corporations for U.S. federal income tax purposes.

"**Buyer US Shareholder Individual Percentage**" means, for each Acquired Company, the sum of the Ownership Percentages of the Buyer United States Shareholders for such Acquired Company that are not treated as corporations for U.S. federal income tax purposes.

"**Buyer United States Shareholder Corporate Tax Amount**" means an amount (not less than $0) equal to the amount of U.S. federal, state and local income tax that a hypothetical corporation, resident in New York, NY and owning, directly, the Buyer US

Shareholder Corporate Percentage of each Acquired Company's stock on the Closing Date, would have been required to pay in respect of amounts includible in income under Sections 951 and 951A of the Code if (i) the taxable year of each Acquired Company closed on the Closing Date and (ii) such hypothetical corporation had no items of income, gain, loss or deduction for the taxable year, other than those attributable to its ownership of the Acquired Companies (but assuming such hypothetical corporation is subject to the highest marginal rate of tax permitted to be imposed on such income under relevant federal, state, and local Applicable Law).

"**Buyer United States Shareholder Individual Tax Amount**" means an amount (not less than $0) equal to the amount of U.S. federal, state and local income tax that a hypothetical individual, resident in New York, NY and owning, directly, the Buyer US Shareholder Individual Percentage of each Acquired Company's stock on the Closing Date, would have been required to pay in respect of amounts includible in income under Sections 951 and 951A of the Code if (i) the taxable year of each Acquired Company closed on the Closing Date and (ii) such hypothetical individual had no items of income, gain, loss or deduction for the taxable year, other than those attributable to its ownership of the Acquired Companies (but assuming such hypothetical individual is subject to the highest marginal rate of tax permitted to be imposed on such income under relevant federal, state, and local Applicable Law).

"**Buyer United States Shareholder Tax Amount**" means the sum of (i) the Buyer United States Shareholder Corporate Tax Amount and (ii) the Buyer United States Shareholder Individual Tax Amount.

"**Canadian Competition Act**" means Canada's Competition Act, (R.S.C. 1985, c. C-34).

"**Cash**" of any Person means, as of any time, all cash, cash equivalents, certificates of deposit, time deposits, marketable securities, negotiable instruments and short-term investments of such Person, but excluding cash or cash equivalents not freely distributable due to legal, regulatory or contractual constraints or otherwise of the type commonly referred to as restricted cash, calculated in accordance with the Accounting Policies. For the avoidance of doubt, Cash shall exclude (i) cash and cash equivalents held in store registers, bank accounts or investment accounts in China by the Acquired Companies or for the benefit of the Acquired Companies or by the Acquired Companies incorporated or formed in China (collectively, "**China Cash**"), (ii) cash in store registers and store bank accounts (collectively, **"Store Cash**"), and (iii) credit card receivables ("**Credit Card AR**").

"**China**" means the People's Republic of China, excluding Hong Kong and Macau.

"**China Facility**" means that certain China Credit Facility Agreement (as defined in Section 2.04(d) of the Parent Disclosure Schedule), including, for the avoidance of doubt, all related loan documents, schedules and exhibits entered into in connection therewith or otherwise related thereto.

"**Closing Cash**" means the amount of all Cash of the Acquired Companies as of immediately prior to the Closing; *provided* that Closing Cash shall (i) include the total amount of outstanding checks and drafts issued for the benefit of any Acquired Company but not yet cleared as of immediately prior to the Closing and (ii) calculated net of the total amount of outstanding checks and drafts issued by any Acquired Company but not yet cashed as of immediately prior to the Closing. Notwithstanding anything to the contrary contained herein, (A) the total amount of Closing Cash held by Acquired Companies incorporated or formed outside of the United States and in bank accounts and investment accounts located outside of the United States shall be the lesser of (x) the actual amount of such Closing Cash and (y) $20,000,000 and (B) in no event shall Closing Cash exceed the Maximum Cash Amount, and, for clarity, any determination of Closing Cash shall exclude any and all China Cash, Store Cash and Credit Card AR.

"**Closing Date**" means the date of the Closing.

"**Closing Indebtedness**" means the amount of all Indebtedness of the Acquired Companies as of immediately prior to the Closing; *provided* that Closing Indebtedness shall exclude (i) any intercompany obligations between any Acquired Company, on the one hand, and any other Acquired Company, on the other hand and (ii) any liabilities, obligations or indebtedness under the ABL Debt Facility.

"**Closing Net Tangible Assets**" means the amount of the Net Tangible Assets of the Acquired Companies as of immediately prior to the Closing; *provided* that Closing Net Tangible Assets shall not include (i) any amount expressly included in the definition of Closing Cash, (ii) any amount expressly included in the definition of Closing Indebtedness, (iii) any Excluded Asset, (iv) any Excluded Liability, (v) any Excluded Tax, (vi) any Restructuring Costs, (vii) any Transaction Expenses, (viii) the amount of any retention or stay bonuses granted by Parent or any of its Subsidiaries from the Retention Reserve Amount after the date hereof in accordance with Section 1.01(a)(i) of the Parent Disclosure Schedule, or (ix) any liabilities, obligations or indebtedness under the ABL Debt Facility.

"**COBRA**" means the U.S. Consolidated Omnibus Budget Reconciliation Act of 1985.

"**Collective Bargaining Agreement**" means any agreement, memorandum of understanding or other contractual obligation between any Acquired Company, on the one hand, and any labor organization or other authorized employee representative representing Service Providers, on the other hand.

"**Code**" means the U.S. Internal Revenue Code of 1986.

"**Confidentiality Agreement**" means the Confidentiality Agreement dated as of September 19, 2019 between Parent and Sycamore Partners Management, L.P., as amended.

"**Construction Management Agreement**" means the construction management agreement to be entered into on the Closing Date by and between Parent and VS Holdco

(or a Subsidiary of VS Holdco), on substantially the terms set forth in the Construction Management Agreement Term Sheet.

"**Construction Management Agreement Term Sheet**" means the term sheet attached hereto as Exhibit J.

"**Continuing Employee**" means each Service Provider who is employed by Parent or any of its Affiliates (including any Acquired Company) as of immediately prior to the Closing.

"**Controlled Foreign Corporation**" means "controlled foreign corporation" as defined under Section 957 of the Code.

"**DC2**" means Distribution Center 2 located at Two Limited Parkway, Columbus, Ohio, 43230.

"**DC2 Lease**" means the lease to be entered into on the Closing Date by and between Parent (or a Subsidiary of Parent), as landlord, and VS Holdco (or a Subsidiary of VS Holdco), as tenant, with respect to all of DC2, on substantially the terms set forth in the DC2 Lease Term Sheet.

"**DC2 Lease Term Sheet**" means the term sheet attached hereto as Exhibit K.

"**DC3**" means Distribution Center 3 located at Three Limited Parkway, Columbus, Ohio, 43230.

"**DC6**" means the real property commonly known as DC6, located at 3425 Morse Crossing, Columbus, Ohio, 43219, together with all buildings, structures, improvements and fixtures currently located or to be located thereon, and all easements and other rights and interests appurtenant thereto.

"**DC6 Construction Management Agreement**" means the construction management agreement attached hereto as Exhibit P.

"**DC 7**" means Distribution Center 7 located at Seven Limited Parkway, Reynoldsburg, Ohio, 43068.

"**DC7 Lease**" means the lease to be entered into on the Closing Date by and between VS Holdco (or a Subsidiary of VS Holdco), as landlord, and Parent (or a Subsidiary of Parent), as tenant, with respect to portions of the Reynoldsburg Campus, on substantially the terms set forth in the DC7 Lease Term Sheet.

"**DC7 Lease Term Sheet**" means the term sheet attached hereto as Exhibit L.

"**Employee Plan**" means any (i) "employee benefit plan" as defined in Section 3(3) of ERISA (whether or not subject to ERISA), (ii) compensation, employment, consulting, severance, termination protection, change in control, transaction bonus, retention or similar plan, agreement, arrangement, program or policy or (iii) other plan,

agreement, arrangement, program or policy providing for compensation, bonuses, profit-sharing, equity or equity-based compensation or other forms of incentive or deferred compensation, vacation benefits, insurance (including any self-insured arrangement), medical, dental, vision, prescription or fringe benefits, life insurance, relocation or expatriate benefits, perquisites, disability or sick leave benefits, employee assistance program, workers' compensation, supplemental unemployment benefits or post-employment or retirement benefits (including compensation, pension, health, medical or insurance benefits), in each case that is in force as of the date of this Agreement and is sponsored, maintained, administered, contributed to, or required to be contributed to, or entered into by Parent, any Acquired Company or any Affiliate of Parent or any Acquired Company for the current or future benefit of any current or former Service Provider (or with respect to which any such Person would reasonably be expected to have any liability (contingent or otherwise)).

"**Environmental Law**" means any Applicable Law that relates to pollution or public or worker health or safety (solely with respect to Hazardous Substances) or has as its principal purpose the protection of the environment.

"**Equity Commitment Letter**" means that certain Equity Commitment Letter, dated as of the date hereof, to Buyer from Sycamore Partners III, L.P., a Cayman Islands exempted limited partnership and Sycamore Partners III-A, L.P., a Cayman Islands exempted limited partnership (a copy of which was provided to Parent on the date hereof).

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

"**ERISA Affiliate**" means, with respect to any entity, any other entity that at the relevant time, together with such first entity, would be treated as a single employer under Section 414 of the Code.

"**Excluded Services**" means the services set forth on Section 5.22(i) of the Parent Disclosure Schedule.

"**Excluded Taxes**" means, without duplication, any and all (i) income Taxes of any Acquired Company for any Pre-Closing Tax Period or incurred in connection with the Restructuring Transactions, (ii) Taxes of Parent, its Subsidiaries (other than the Acquired Companies), or a Parent Tax Group, other than non-income Taxes taken into account in the calculation of Net Tangible Assets; (iii) Taxes related to compensation arrangements of Parent or its Subsidiaries with employees (including Continuing Employees) that are not being assumed by the Acquired Companies (including Taxes resulting from the exercise of an option to acquire Parent shares); (iv) Taxes set forth on Section 1.01(a)(ii) of the Parent Disclosure Schedule, in each case, excluding any Transfer Taxes to the extent included in Assumed Restructuring Costs; and (v) Taxes of the Acquired Companies resulting from any action taken on or prior to the Closing described in the last paragraph of Section 5.01 (including any upstream loans from an Acquired Company to another Acquired Company or Parent and its Affiliates made prior

to Closing to repatriate cash or the settlement of such loans prior to Closing) (other than non-income Taxes taken into account in Net Tangible Assets).

"**Formulas**" means any and all trade secrets and know-how (including formulas, manufacturing or production processes and techniques, recipes, innovations, concepts and other methodologies) relating to any and all beauty and personal care products (including moisturizers, lotions, oils, cosmetics, makeup, lip scrubs, body washes, soaps, sanitizers, body scrubs, face masks, face wipes and other body care) or fragrances (including perfumes and body sprays and mists).

"**Fragrance House Contracts**" means the contracts set forth in Section 2.02(f)(iv) of the Parent Disclosure Schedule.

"**Fraud**" means, with respect to any party to this Agreement, an actual and intentional fraud with respect to the making of representations and warranties contained in this Agreement and not with respect to any other matters; *provided* that such actual and intentional fraud of such party hereto shall only be deemed to exist if (i) such party or any of its Representatives had actual knowledge that the representations and warranties made by such party were actually inaccurate when made, (ii) such representations and warranties were made with the intent to induce another party to this Agreement to rely thereon (or with the expectation that such other party would rely thereon) and with the intent to induce such other party to act or refrain from acting in such context, (iii) such other party acted or refrained from acting in justifiable reliance on such representations and warranties, and (iv) such action or inaction resulted in actual damages to such other party.

"**GAAP**" means generally accepted accounting principles in the United States.

"**Governmental Authority**" means any transnational, domestic or foreign federal, state or local governmental, regulatory or administrative authority, department, court, agency or official, including any political subdivision thereof.

"**GP Agreement**" means the Amended and Restated Limited Liability Company Agreement of the VS Holdco GP substantially in the form attached hereto as Exhibit D.

"**GP Assignment Agreement**" means the Assignment and Assumption Agreement among each Selling Entity holding Sold GP Interests and Buyer, substantially in the form attached hereto as Exhibit C.

"**Hazardous Substance**" means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous substance or material, in each case that is regulated under any Environmental Law.

"**Home Campus**" means the real property and facilities at DC2 and DC3.

"**HSR Act**" means the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976.

“**Indebtedness**” of any Person means, as of any time, without duplication, (i) the outstanding principal amount of and accrued and unpaid interest (only to the extent in a liability position) in respect of (A) indebtedness of such Person for borrowed money, including indebtedness for borrowed money under either (x) the China Facility or (y) if Parent has replaced the China Facility with an Acceptable Replacement Facility, the Acceptable Replacement Facility, (B) indebtedness of such Person evidenced by notes, debentures, bonds or other similar instruments and (C) indebtedness of such Person evidenced by letters of credit, banker’s acceptances, bank guarantees, performance and surety bonds or similar credit instruments (in each case, solely to the extent drawn), (ii) all capitalized lease obligations that are required to be classified as a balance sheet liability of such Person in accordance with the Accounting Policies (excluding any real estate lease obligations required to be capitalized in accordance with the Financial Accounting Standards Codification Topic 842 and any leases or subleases that are Transaction Documents), (iii) the obligations of such Person for the deferred purchase price of businesses, properties, securities, goods or services (including any “earn-outs” to the extent required to be classified as a balance sheet liability in accordance with the Accounting Policies), excluding in each case of the foregoing any trade payables and any such obligations pursuant to any of the Transaction Documents, (iv) all liabilities for accrued but unpaid severance obligations for officers, employees and individual service providers of the Acquired Companies whose employment has terminated at or prior to the Closing, together with the employer portion of payroll Taxes related thereto, (v) all liabilities for accrued but unpaid bonuses, together with the employer portion of any payroll Taxes related thereto, (vi) all liabilities for compensation or benefit plan arrangements that come due (in whole or in part) as a result of the transactions contemplated by this Agreement (to the extent such amounts would not otherwise be due in the absence of the transactions contemplated by this Agreement) (excluding for all purposes of this clause (vi) the Retention Reserve Amount and the Restructuring Costs), in each case, together with the employer portion of any payroll Taxes related thereto, (vii) all liabilities accrued as of immediately prior to the Closing under the SRP with respect to Continuing Employees to whom the Acquired Companies are obligated to make payment pursuant to Section 7.11, the aggregate amount of which shall be no less than the amount set forth on Section 1.01(a)(iii) of the Parent Disclosure Schedule, together with the employer portion of any payroll Taxes related thereto, (viii) all obligations of another Person secured by any Lien on any property or asset of such first Person (whether or not such obligation is assumed by such first Person), and (ix) in each case of clauses (i) through (viii) including any and all prepayment fees and penalties payable in connection with any prepayment of amounts that become payable solely as a result of the transactions contemplated by this Agreement.

“**Intellectual Property Right**” means any Trademark, mask work, invention, patent, copyright, trade secrets and know-how (such as formulas, manufacturing or production processes and techniques, methods, schematics, technical data and designs) or rights in software, data, databases, and any other similar or other type of proprietary or intellectual property right worldwide, including any registrations or applications for registration of any of the foregoing.

“**International Plan**” means any Employee Plan that is not a US Plan.

"**IRS**" means the U.S. Internal Revenue Service.

"**Knowledge of Parent**" or any other similar knowledge qualification in this Agreement means to the actual knowledge of the persons set forth in Section 1.01(a)(iv) of the Parent Disclosure Schedule.

"**Lien**" means, with respect to any property or asset, any mortgage, deed of trust, lien, pledge, charge, security interest, license or encumbrance in respect of such property or asset.

"**Material Adverse Effect**" means any state of facts, circumstance, condition, event, change, development, occurrence, result or effect (i) that would prevent, materially delay or materially impede the performance by Parent of its obligations under this Agreement or Parent's consummation of the transactions contemplated by this Agreement; or (ii) that has a material adverse effect on the financial condition, business, assets, or results of operations of the Business, excluding, in the case of clause (ii), any state of facts, circumstance, condition, event, change, development, occurrence, result or effect to the extent directly or indirectly resulting from (A) national, international, foreign, domestic or regional social or political conditions (including changes therein) or events in general, including the results of any primary or general elections, or any statements or other proclamations of public officials, or changes in policy related thereto, (B) changes in any economic, financial, monetary, debt, credit, capital or banking markets or conditions (including any disruption thereof) or trends, (C) changes in interest, currency or exchange rates or the price of any commodity, security or market index, (D) changes in legal or regulatory conditions, including changes or proposed changes to Applicable Law (including any proposed Applicable Law), GAAP or other accounting principles or requirements applicable to the Business, or standards, interpretations or enforcement thereof, (E) changes or conditions generally affecting the industry of the Business, (F) changes in, or any failure of the Business to meet, or the publication of any report regarding, any internal or public projections, forecasts, budgets or estimates of or relating to the Business for any period, including with respect to revenue, earnings, cash flow or cash position (it being understood that the underlying causes of such change or failure may, if they are not otherwise excluded from the definition of Material Adverse Effect, be taken into account in determining whether a Material Adverse Effect has occurred), (G) the occurrence, escalation, outbreak or worsening of any hostilities, war, civil unrest, police action, acts of terrorism, cyberattacks or military conflicts, whether or not pursuant to the declaration of an emergency or war, (H) the existence, occurrence or continuation of any pandemics, tsunamis, typhoons, hail storms, blizzards, tornadoes, droughts, cyclones, earthquakes, floods, hurricanes, tropical storms, fires or other natural or manmade disasters or acts of God or any national, international or regional calamity, (I) the execution, announcement, performance or existence of this Agreement, the identity of the parties hereto or any of their respective Affiliates or Representatives, the taking of any action to the extent expressly required or contemplated by this Agreement (including the Restructuring Transactions) or the pendency or contemplated consummation of the transactions contemplated by this Agreement, including any actual or potential loss or impairment after the date hereof of any agreement or contract or any customer, supplier, investor, landlord, partner, employee or other business relation due to

any of the foregoing in this subclause (I), it being understood that this clause (I) shall not apply to the representations and warranties and related conditions contained in this Agreement that are primarily intended to address the consequences of the execution, announcement, performance or consummation of this Agreement or the transactions contemplated by this Agreement, or (J) actions taken, or not taken, at the written request of Buyer, except in the case of clauses (A) through (D), (G) and (H) to the extent (and only to the extent) that the Business is materially and disproportionately adversely affected thereby as compared to similarly situated businesses in the industry of the Business.

"**Maximum Cash Amount**" means $50,000,000 in the aggregate.

"**Multiemployer Plan**" means a "multiemployer plan" as defined in Section 3(37) or Section 4001(3) of ERISA.

"**Net Tangible Assets**" means, as of any time, the amount calculated by subtracting (i) the total liabilities of the Acquired Companies as determined in accordance with the Accounting Policies (*provided* that such liabilities shall be limited to the line items set forth under the "Liabilities" header of Appendix I) from (ii) the total assets of the Acquired Companies as determined in accordance with the Accounting Policies (*provided* that such assets shall be limited to the line items set forth under the "Assets" header of Appendix I).

"**Organizational Documents**" of any Person means the articles of formation, limited liability company agreement, operating company agreement, certificate of incorporation, bylaws and other similar organizational documents of such Person.

"**Parent Disclosure Schedule**" means the disclosure schedule dated as of the date hereof regarding this Agreement that has been provided by Parent to Buyer.

"**Parent Employee Plan**" means any Employee Plan in force as of the date of this Agreement that is sponsored, maintained, contributed to, required to be contributed to, or entered into by Parent or any Affiliate of Parent, other than an Acquired Company.

"**Parent Member**" means each Subsidiary of Parent, designated by Parent prior to the Closing Date, that will hold any Retained VS Holdco Interests as of after the Closing.

"**Parent Tax Group**" means any affiliated, consolidated, combined or unitary group (including any affiliated group of corporations as defined in Section 1504(a) of the Code) of which Parent or any of its Affiliates is a member.

"**PBGC**" means the U.S. Pension Benefit Guaranty Corporation.

"**Permitted Lien**" means (i) Liens for Taxes, assessments or other governmental charges or levies that (A) are not yet delinquent, (B) may be paid without penalty or (C) are being contested by appropriate proceedings and for which appropriate reserves have been established in the Balance Sheet to the extent required by the Accounting Policies;

(ii) mechanics', carriers', warehousemens', materialmens', workers', repairers', landlords' and similar Liens arising or incurred in the ordinary course of business that (A) are not yet delinquent or (B) are being contested by appropriate proceedings and for which appropriate reserves have been established in the Balance Sheet to the extent required by the Accounting Policies; (iii) Liens incurred or deposits made in connection with workers' compensation, unemployment insurance or other types of social security; (iv) zoning, entitlement and other land use regulations imposed by any Governmental Authority which are not violated by the current use or occupancy of any real property or the operation of the Business thereon; (v) easements, declarations, covenants, variances, rights-of-way and other restrictions that do not and would not reasonably be expected to, individually or in the aggregate, materially impair the continued use of the applicable real property or which are imposed in connection with subdividing the Transferred Distribution Centers; (vi) any Lien that an accurate up-to-date land survey would show; (vii) any right, title or interest of a lessor, sublessor or licensor of any leased property; (viii) with respect to any leased property, any Lien to which the fee simple interest (or any superior leasehold interest) is subject; (ix) limitations or restrictions on the ownership or transfer of equity interests under applicable securities laws; (x) licenses of, covenants not to sue under or other rights to use Intellectual Property Rights to any third party, in each case, in the ordinary course of business; (xi) imperfections of title that do not and would not reasonably be expected to, individually or in the aggregate, materially impair the continued use of the applicable property; (xii) Liens disclosed on or reflected in the Balance Sheet; or (xiii) any memorandum of lease or sublease of the leases or sublease being entered into in connection with this Agreement.

"**Person**" means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a Governmental Authority.

"**Personal Information**" means "personal information," "personally identifiable information", "personal data" or any term of similar intent (including attributable payment card information and the like), in each case as defined under Applicable Law pertaining to data privacy, including, as and to the extent applicable, (i) any "personal information" as defined under the California Consumer Privacy Act and (ii) any "personal data" as defined under the E.U. General Data Protection Regulation.

"**Post-Closing Tax Period**" means any taxable period beginning after the Closing Date, and for any Straddle Period, the portion of such Straddle Period beginning after the Closing Date.

"Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date, and for any Straddle Period, the portion of such Straddle Period up to and including the Closing Date.

"**Prepaid Restructuring Costs**" means all Restructuring Costs actually paid by Parent or any of its Subsidiaries (including the Acquired Companies) prior to the Closing.

"**Reference Date**" means November 2, 2019.

"**Reimbursement Agreement**" means the Reimbursement Agreement between Parent, on the one hand, and either VS Holdco or the Applicable VS Subsidiary, on the other hand, substantially in the form attached hereto as Exhibit I.

"**Representatives**" of any Person means the officers, directors, employees, attorneys, accountants, financial advisors and other agents of such Person.

"**Restructuring Costs**" means all liabilities, fees, costs and expenses incurred or paid by Parent or any of its Subsidiaries (including the Acquired Companies) in connection with the Restructuring Transactions, including any Transfer Taxes but excluding (i) Excluded Taxes and (ii) any Taxes included in Net Tangible Assets.

"**Restructuring Plan**" means, (i) Appendix II-A, if Parent elects Appendix II-A pursuant to the procedures set forth in Section 2.07(a), and (ii) Appendix II-B, if Parent elects Appendix II-B pursuant to the procedures set forth in Section 2.07(a), in each case, as may be amended from time to time in accordance with the provisions of Section 2.07(a).

"**Retained Marks**" means any and all Trademarks and other source or business identifiers incorporating or including any Trademark not included in the Transferred IP, along with any variations or derivatives thereof and any names, marks, logos or other identifiers similar to any of the foregoing and not included in the Transferred IP. For the avoidance of doubt, the "Retained Marks" include the Trademarks set forth on Section 2.03(f) of the Parent Disclosure Schedule.

"**Retained VS Holdco Interests**" means the VS Holdco Interests other than the Sold VS Interests.

"**Retention Reserve Amount**" shall mean the amount set forth on and administered in accordance with Section 1.01(a)(i) of the Parent Disclosure Schedule.

"**Reverse Transition Services Agreement**" means the Reverse Transition Services Agreement between Parent, on the one hand, and either VS Holdco or the Applicable VS Subsidiary, on the other hand, substantially in the form attached hereto as Exhibit G.

"**Reynoldsburg Campus**" means the real property and facilities, including DC4, DC5 and DC7, which is more particularly described in Exhibit N.

"**Selling Entity**" means each Subsidiary of Parent identified on the Restructuring Plan that will hold any of the Sold VS Interests immediately prior to the Closing, and each Subsidiary of Parent that will hold any of the Sold GP Interests immediately prior to the Closing.

"**Service Provider**" means any officer or employee of Parent or any of its Affiliates (including any Acquired Company) engaged to provide services primarily relating to the Business.

"**Shipping Building Sublease**" means the sublease to be entered into on the Closing Date by and between VS Holdco (or a Subsidiary of VS Holdco), as sublandlord, and Parent (or a Subsidiary of Parent), as subtenant, with respect to the portion of DC2 designated as the "Shipping Building", on substantially the terms set forth in the Shipping Building Sublease Term Sheet.

"**Shipping Building Sublease Term Sheet**" means the term sheet attached hereto as Exhibit M.

"**Sold VS Interests Assignment Agreement**" means the Deed of Assignment and Assumption of Limited Partnership Units among each Selling Entity holding Sold VS Interests, Buyer and the VS Holdco GP substantially in the form attached hereto as Exhibit A.

"**Straddle Period**" means any taxable period beginning on, or prior to, and ending after the Closing Date.

"**Subsidiary**" means, with respect to any Person, any entity of which (i) a majority of the voting securities or (ii) securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions, are at the time directly or indirectly owned by such first Person; *provided* that, from and after the Closing, no Acquired Company shall be considered a Subsidiary of Parent or any of its Subsidiaries.

"**Tax**" means (i) any tax or other like assessment or charge in the nature of a tax (including estimated taxes and any withholding on amounts paid to or by any Person), together with any interest, penalty, addition to tax or additional amount imposed with respect thereto and (ii) in the case of any Acquired Company, liability for the payment of any amount of the type described in the immediately preceding clause (i) as a result of the Acquired Company being (or having been) before the Closing a member of (or leaving) any Parent Tax Group (other than any such Parent Tax Group the only members of which were Acquired Companies).

"**Taxing Authority**" means the IRS and any other Governmental Authority having jurisdiction with respect to Taxes.

"**Tax Return**" means any report, form, return, declaration, claim for refund, election, disclosure, estimate, information report or return or statement required to be or otherwise supplied to a Taxing Authority in connection with Taxes, including any schedule or attachment thereto or amendment thereof.

"**Trademark**" means trademarks, service marks, trade names, service names, domain names, social media identifiers and accounts, trade dress, logos, slogans and other identifiers of same, including all goodwill associated therewith, and all common law rights, and registrations and applications for registration thereof, all rights therein provided by international treaties or conventions, and all reissues, extensions and renewals of any of the foregoing.

"**Transaction Documents**" means this Agreement, the VS Holdco Operating Agreement, the GP Agreement, the Confidentiality Agreement, the Sold VS Interests Assignment Agreement, the GP Assignment Agreement, the Transition Services Agreement, the Reverse Transition Services Agreement, the Reimbursement Agreement, the Construction Management Agreement Term Sheet, the Construction Management Agreement, the DC2 Lease Term Sheet, the DC2 Lease, the DC7 Lease Term Sheet, the DC7 Lease, the Shipping Building Sublease Term Sheet, the Shipping Building Sublease, the DC6 Construction Management Agreement, the Advisory Agreements (as such term is defined in the VS Holdco Operating Agreement), the Equity Commitment Letter and the Limited Guaranty.

"**Transferred Distribution Centers**" means the following distribution centers and offices of Parent and its Subsidiaries: (i) DC7, (ii) Distribution Center 4 located at Four Limited Parkway, Reynoldsburg, Ohio, 43068 ("**DC4**"), (iii) Distribution Center 5 located at Five Limited Parkway, Reynoldsburg, Ohio, 43068 ("**DC5**"), and (iv) DC6. Locations of the Transferred Distribution Centers are shown on Exhibit O, with each Transferred Distribution Center identified thereon.

"**Transferred IP**" means all Intellectual Property Rights included in the Transferred Assets.

"**Transition Services Agreement**" means the Transition Services Agreement between Parent, on the one hand, and either VS Holdco or the Applicable VS Subsidiary, on the other hand, substantially in the form attached hereto as Exhibit F.

"**United States Shareholder**" means "United States shareholder" as defined under Section 951(b) of the Code.

"**US Person**" means a "United States person" within the meaning of Code Section 7701(a)(30).

"**US Plan**" means any Employee Plan that covers Service Providers located primarily within the United States.

"**VS Holdco Employee Plan**" means any Employee Plan in force as of the date of this Agreement that is sponsored or maintained by any Acquired Company.

"**VS Holdco Operating Agreement**" means the Amended and Restated Agreement of Exempted Limited Partnership of VS Holdco substantially in the form attached hereto as Exhibit B.

"**VS Holdco Subsidiary**" means each Transferred Entity and any other Person that is or will be a Subsidiary of VS Holdco as of the Closing, as set forth on the Restructuring Plan.

"**WARN**" means the U.S. Worker Adjustment and Retraining Notification Act and any comparable foreign, state or local law.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	**Section**
ABL Debt Facility	Section 5.19(b)
ABL Debt Financing	Section 5.19(b)
ABL Funded Adjustment Amount	Section 2.13(a)
Acceptable Third Party Lender	1.01(a)
Acquired Companies SRP Termination	7.11
Agreement	Preamble
Allocation	6.05(b)
Allocation Notice	6.05(b)
Allocation Principles	6.05(a)
Allocation Schedule	6.05(b)
Anti-Corruption Laws	3.13(b)(i)
Applicable Senior Liens	Section 5.09(c)
Applicable VS Subsidiary	2.09(a)(vi)
Assumed Liabilities	2.04
Assumed Restructuring Costs	2.04(f)
Balance Sheet	3.08
Buyer	Preamble
Buyer Indemnified Parties	9.02(a)
Buyer Related Parties	10.02
Buyer Released Parties	5.12(b)
Buyer Releasing Parties	5.12(a)
Cap	10.02
Cash Incentives	7.09
China Cash	Section 1.01(a)
China Revolver	2.14
Chosen Courts	11.06
Closing	2.09
Closing Statement	2.10
Commerce	3.13(b)(vii)
Company’s FSA	7.06
Continuation Period	7.01
control	1.01(a)
Credit Card AR	Section 1.01(a)
Current Representation	5.10
D&O Indemnitees	5.11(a)
Damages	9.02

Term	Section
DC2	1.01(a)
DC4	1.01(a)
DC5	1.01(a)
DC6	1.01(a)
DC7	1.01(a)
Designated Person	5.10
Downward Adjustment Amount	Section 2.13(b)
Draft Delivery Date	6.02(b)
Draft Review Period	6.02(b)
e-mail	11.01
Equity Financing	4.05
Equity Value	2.01
Estimated Equity Value	Section 2.10
Estimated Purchase Price	Section 2.10
Excluded Assets	2.03
Excluded Distribution Center Equipment	2.02(d)
Excluded Liabilities	2.05
Final Equity Value	Section 2.12
Final Purchase Price	Section 2.12
Financial Statements	3.08
Fully Insured Parent Plan	7.05
Indemnified Party	9.03
Indemnifying Party	9.03
Independent Accountant	2.11(c)
Insurance Policies	3.17
Leases	Section 5.25(a)
Licensed IP	5.18(a)
Limited Guaranty	4.05(b)
Material Contract	3.11(b)
Material Permits	3.18
New Company Plans	7.05
New Fragrance House Contract	Section 5.26
OFAC	3.13(b)(iii)
Ownership Percentage	1.01(a)
Parent	Preamble
Parent Disputed Items	2.11(b)
Parent Insurance Policies	5.14(a)
Parent Released Parties	5.12(a)
Parent Releasing Parties	5.12(b)
Parent Savings Plans	7.08
Parent’s FSA	7.06
Post-Closing DC Plan	Section 7.08
Post-Closing Occurrences	5.14(a)

Term	Section
Post-Closing Representation	5.10
Post-Closing Statement	2.11(a)
Pre-Closing Occurrences	5.14(b)
Preliminary Allocation	6.05(a)
Purchase Price	2.01
Related Party Agreements	3.11(a)(xvi)
Released Parties	5.12(b)
Releasing Parties	5.12(b)
Remaining Disputed Items	2.11(c)
Restructuring Transactions	2.07(a)
Retained Records	2.03(d)
Sanctions	3.13(b)(v)
Scheduled Guarantees	5.09(a)
Selling Agent	6.05(a)
Severance Scheme	7.03
Shared Contract	2.06(a)
Shared Formulas	Section 5.26
Sold GP Interests	Recitals
Sold VS Interests	Recitals
Solvent	4.09
Specified Guarantee	5.09(a)
Specified Policies	1.01(a)
SRP	Section 7.11
Store Cash	Section 1.01(a)
Subdivision Outside Date	5.25(a)(ii)
Subdivision Transaction	5.25(a)(ii)
Surviving Related Party Agreement	5.05
Termination Date	10.01(d)
Third Party Claim	9.03
Trade Controls	3.13(b)(vii)
Transaction Expenses	11.03
Transferred Assets	2.02
Transferred Contracts	2.02(f)(iv)
Transferred Entities	2.02(a)
Transferred Equity Interests	2.02(a)
Transferred Formulas	2.02(b)
Transfer Taxes	5.13
Transition Date	7.01
USRPIs	6.07
Upward Adjustment Amount	Section 2.13(a)
VS Holdco	Recitals
VS Holdco GP	Recitals
VS Holdco GP Interests	Recitals

Term	Section
VS Holdco Interests	Recitals
VS Holdco GP Securities	3.05(c)
VS Holdco Securities	3.05(b)
VSS LLC	5.09(a)(ii)
VS Subsidiary Securities	3.07(b)

Section 1.02. *Other Definitional and Interpretative Provisions*. The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits, Appendices and Schedules are to Articles, Sections, Exhibits, Appendices and Schedules of this Agreement unless otherwise specified. All Exhibits, Appendices and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit, Appendix or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to "law", "laws" or to a particular statute or law shall be deemed also to include any and all Applicable Law. The word "or" means "and/or" unless the context provides otherwise. References to "dollars" or "$" shall mean U.S. dollars, and whenever conversion of values to or from any currency other than U.S. dollars for a particular date shall be required, such conversion shall be made using the closing rate provided by Bloomberg as of the date that is one Business Day prior to such date. References to one gender shall be held to include the other gender as the context requires. To the extent any agreement to be entered into pursuant to this Agreement indicates that such agreement will be entered into by VS Holdco (or a Subsidiary of VS Holdco), the determination of whether such agreement will be entered into by VS Holdco (or a Subsidiary of VS Holdco) shall be made by Buyer.

ARTICLE 2
PURCHASE AND SALE

Section 2.01. *Purchase and Sale*. Upon the terms and subject to the conditions of this Agreement, at the Closing, Parent shall cause the Selling Entities to sell to Buyer, and Buyer shall purchase from the Selling Entities, the Sold VS Interests and the Sold GP Interests, in each case, free and clear of all Liens (except for any Liens on the ownership or transfer of the Sold VS Interests or Sold GP Interests under applicable securities laws or pursuant to the Organizational Documents of VS Holdco or the VS Holdco GP). The aggregate purchase price for the Sold VS Interests and the Sold GP Interests is an amount equal to 55% of the Equity Value in cash (the "**Purchase Price**"). The "**Equity Value**" is an amount equal to (i) $1,168,000,000.00, *plus* (ii) the amount, if any, by which the Closing Net Tangible Assets exceeds the Base Net Tangible Assets (which amount is a positive number), *minus* (iii) the amount, if any, by which the Base Net Tangible Assets exceeds the Closing Net Tangible Assets (which amount is a positive number), *plus* (iv) Closing Cash, *minus* (v) Closing Indebtedness, *minus* (vi) the Retention Reserve Amount. The Purchase Price shall be paid as provided in Section 2.09 (subject to Section 2.13, as applicable), and shall be subject to adjustment as provided in Section 2.12.

Section 2.02. *Transferred Assets*. Except as otherwise provided below, upon the terms and subject to the conditions of this Agreement, at or prior to the Closing, Parent shall, or shall cause its Subsidiaries (other than the Acquired Companies) to, convey, transfer, assign and deliver to the Acquired Companies, in each case, free and clear of all Liens (other than Permitted Liens and Liens in respect of obligations for Indebtedness included in Closing Indebtedness and not being repaid at the Closing):

(a) all of Parent's and its Subsidiaries' right, title and interest in, to and under (i) the equity interests of the entities set forth on Section 2.02(a)(i) of the Parent Disclosure Schedule (which shall be deemed amended from time to time to reflect amendments made to the Restructuring Plan in accordance with Section 2.07) (or any successor entity thereof) (such entities, the "**Transferred Entities**") and (ii) the equity interests of the entities set forth on Section 2.02(a)(ii) of the Parent Disclosure Schedule (which shall be deemed amended from time to time to reflect amendments made to the Restructuring Plan in accordance with Section 2.07) (or any successor entity thereof) (the equity interests described in clauses (i) and (ii) the "**Transferred Equity Interests**");

(b) (i) all Trademarks owned by Parent or any of its Subsidiaries and primarily used in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date (including the Trademarks set forth on Section 2.02(b) of the Parent Disclosure Schedule, but expressly excluding all Trademarks set forth on Section 2.03(f) of the Parent Disclosure Schedule) together with all corresponding rights that may be secured throughout the world with respect to any of the foregoing and (ii) Formulas owned by Parent or any of its Subsidiaries and exclusively used in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date (the "**Transferred Formulas**");

(c) the Cash included in Closing Cash, the assets included in Closing Net Tangible Assets (including Store Cash and Credit Card AR), and all China Cash (regardless of whether such China Cash is included in Closing Net Tangible Assets);

(d) fee or leasehold interests, as the case may be, in, to and under the Transferred Distribution Centers, together with all buildings, fixtures and improvements erected thereon, and all equipment (excluding (i) information technology hardware and (ii) the equipment set forth on Section 2.02(d) of the Parent Disclosure Schedule (the "**Excluded Distribution Center Equipment**")) located at the Transferred Distribution Centers;

(e) all (i) information technology hardware (A) owned by Parent or any of its Subsidiaries and (B) physically located within the Business' retail stores, including any point-of-sale terminals or equipment and (ii) Parent's and its Subsidiaries' right, title and interest in and to any personal computers and cellular phones assigned to any Continuing Employee who is employed by an Acquired Company as of the Closing Date; and

(f) all right, title and interest of Parent and its Subsidiaries in, to and under the assets, properties, rights and businesses of Parent and its Subsidiaries to the extent owned, held or used in each case primarily in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date, including the following:

(i) all leases of, and other interests in, real property, in each case together with all buildings, fixtures and improvements erected thereon, that are owned, held or used in each case primarily in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date;

(ii) all personal property and interests therein that are owned, held or used in each case primarily in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date;

(iii) all raw materials, work-in-process, finished goods, supplies and other inventories that are owned, held or used in each case primarily in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date;

(iv) all (A) contracts, agreements, leases, licenses, commitments, sales and purchase orders (other than the Fragrance House Contracts) that are owned, held or used in each case primarily in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date and (B) all Fragrance House Contracts but solely to the extent such contracts exclusively relate to the Transferred Formulas (clauses (A) and (B) collectively (the "**Transferred Contracts**"));

(v) all accounts, notes, claims and other receivables and rights of recovery that are owned, held or used in each case primarily in or to the extent attributable to the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date;

(vi) all prepaid expenses, including *ad valorem* taxes, leases and rentals that are owned, held or used in each case primarily in or to the extent attributable to the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date;

(vii) all Intellectual Property Rights (excluding all Intellectual Property Rights set forth on Section 2.03(f) of the Parent Disclosure Schedule, all Trademarks (except as set forth in Section 2.02(b)(i) above) and all Formulas (except the Transferred Formulas)), together with all corresponding rights that may be secured throughout the world with respect to any of the foregoing, that are owned, held or used in each case primarily in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date;

(viii) all transferable licenses, permits or other governmental authorizations that are owned, held or used in each case primarily in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date;

(ix) all books, records, files and papers, other than the Retained Records, that are owned, held or used in each case primarily in the conduct of the Business by Parent and its Subsidiaries as the same shall exist on the Closing Date; and

(x) except with respect to the litigation matters set forth in Section 2.05 of the Parent Disclosure Schedule, all rights under warranties, indemnitees, guarantees, refunds, causes of action, rights of recovery, and similar rights of Parent and its Subsidiaries against third parties, in each case, to the extent related to the Business or arising out of or related to any Transferred Asset or Assumed Liability.

(the items in clauses (a) through (d) above, the "**Transferred Assets**"), it being understood and agreed that Parent shall transfer each Transferred Asset to the Acquired Companies in a manner consistent with the Restructuring Plan (to the extent set forth in the Restructuring Plan). Notwithstanding anything to the contrary herein, nothing in this Agreement shall require Parent or any of its Subsidiaries to convey, transfer, assign or deliver to any Acquired Company any Transferred Asset that is held or owned by an Acquired Company as of the date hereof, which will continue to be an asset, property or business, as applicable, of such Acquired Company.

Section 2.03. *Excluded Assets*. Each of Buyer and VS Holdco, on behalf of itself and each other Acquired Company, expressly understands and agrees that (i) all assets, properties and businesses of Parent and its Subsidiaries that are not included in the

Transferred Assets and (ii) the following assets, properties and businesses of Parent and its Subsidiaries (regardless of whether they are owned, held or used in each case primarily in the conduct of the Business) (the items in clauses (i) and (ii), the "**Excluded Assets**") shall be excluded from the Transferred Assets:

(a) all of the equity interests of any Person, other than the Transferred Equity Interests and the equity interests of any Acquired Company;

(b) except as set forth in Section 2.02(c), all Cash of Parent and its Subsidiaries;

(c) all insurance policies of Parent and its Subsidiaries;

(d) all books, records, files and papers, whether in hard copy or computer format, prepared in connection with this Agreement or the transactions contemplated hereby and all minute books and corporate records of Parent and its Subsidiaries (the "**Retained Records**");

(e) all rights of Parent arising under this Agreement or the transactions contemplated hereby;

(f) all Intellectual Property Rights owned by Parent or any of its Subsidiaries that are not included in the Transferred IP, including all Retained Marks and the Intellectual Property Rights set forth on Section 2.03(f) of the Parent Disclosure Schedule;

(g) subject to Section 5.01(b), any Transferred Assets sold or otherwise disposed of in the ordinary course of business during the period from the date hereof until the Closing Date;

(h) the assets, properties and businesses set forth on Section 2.03(h) of the Parent Disclosure Schedule; and

(i) the Excluded Distribution Center Equipment.

Section 2.04. *Assumed Liabilities*. Upon the terms and subject to the conditions of this Agreement, at or prior to the Closing, Parent shall, or shall cause its Subsidiaries to, convey, transfer, assign and deliver to the Acquired Companies, and Parent shall cause the Acquired Companies to assume from Parent and its Subsidiaries, all debts, obligations, contracts and liabilities of Parent and its Subsidiaries (or any predecessor of Parent or any of its Subsidiaries or any prior owner of all or part of their respective businesses and assets) of any kind, character or description (whether known or unknown, accrued, absolute, contingent or otherwise) to the extent arising out of the Transferred Assets or to the extent relating to or to the extent arising out of the conduct of the Business (as currently or formerly conducted) (collectively, the "**Assumed Liabilities**"), it being understood and agreed that with respect to each Assumed Liability, Parent shall cause each Assumed Liability to be assumed by the Acquired Companies in a manner consistent with the Restructuring Plan (to the extent set forth in the Restructuring Plan).

Notwithstanding anything to the contrary herein, the Assumed Liabilities shall also include (regardless of whether they relate to or arise out of the Transferred Assets or the conduct of the Business, but in any event, excluding Excluded Taxes):

(a) all Indebtedness included in Closing Indebtedness and not being repaid at or prior to the Closing;

(b) all liabilities and obligations of Parent and its Subsidiaries arising under the Transferred Contracts;

(c) all liabilities and obligations relating to any products manufactured or sold by the Business on or prior to the Closing Date;

(d) the debts, obligations, contracts and liabilities set forth on Section 2.04(d) of the Parent Disclosure Schedule;

(e) the Assumed Liabilities that are assumed by any Acquired Company as set forth in Article 7;

(f) the Restructuring Costs (other than the Prepaid Restructuring Costs), in aggregate amount not to exceed $5,000,000 (the "**Assumed Restructuring Costs**"); and

(g) the liabilities included in Closing Net Tangible Assets.

Notwithstanding anything to the contrary herein, nothing in this Agreement shall require Parent or any of its Subsidiaries to convey, transfer, assign or deliver to any Acquired Company any Assumed Liability that is held by an Acquired Company as of the date hereof, which will continue to be a debt, obligation, contract or liability, as applicable, of such Acquired Company; it being understood and agreed that Parent shall cause each Acquired Company to convey, transfer, assign and deliver effective as of the Closing, to one or more of Parent or its Subsidiaries (other than the Acquired Companies), and Parent shall cause one or more of its Subsidiaries (other than the Acquired Companies) to assume, in each case, effective as of the Closing, all debts, obligations, contracts and liabilities of the Acquired Companies (or any predecessor of any of them or any prior owner of all or part of their respective businesses and assets) of any kind, character or description (whether known or unknown, accrued, absolute, contingent or otherwise) that are not Assumed Liabilities (all of which shall be Excluded Liabilities).

Section 2.05. *Excluded Liabilities*. Parent agrees that the Acquired Companies shall assume only the Assumed Liabilities and shall not assume or otherwise be responsible for any other liability or obligation of Parent or its Subsidiaries of whatever nature, whether presently in existence or arising hereafter, including those liabilities set forth on Section 2.05 of the Parent Disclosure Schedule. All such other liabilities and obligations shall be retained by and remain obligations and liabilities of Parent and its Subsidiaries (other than the Acquired Companies) (all such retained liabilities and obligations, including those liabilities set forth on Section 2.05 of the Parent Disclosure Schedule, being herein referred to as the "**Excluded Liabilities**").

Section 2.06. *Shared Contracts*. (a) Any Transferred Contract to be conveyed, transferred, assigned and delivered in accordance with Section 2.02(f)(iv) or Section 2.02(f)(i) that does not exclusively relate to the Business (each, a "**Shared Contract**") shall be conveyed, transferred, assigned and delivered only with respect to (and preserving the meaning of) those parts that relate to the Business, to an Acquired Company, if so assignable, transferrable or conveyable, or appropriately amended prior to, on or after the Closing, so that an Acquired Company shall be entitled to the rights and benefit of those parts of such Shared Contract that relate to the Business and shall assume the related liabilities with respect to such Shared Contract, as contemplated by Section 2.02(f)(iv), Section 2.02(f)(i) and Section 2.04(b), respectively; *provided* that (i) in no event shall any Person be required to convey, transfer, assign or deliver (or amend), either in whole or in part, any Shared Contract that is not assignable (or cannot be amended) by its terms without the consent or approval of any other Person and (ii) if any Shared Contract cannot be so partially assigned by its terms or otherwise, or cannot be amended, without such consent or approval, (A) until such time that such consent or approval is obtained, Parent will cooperate with VS Holdco to establish an agency type or other similar arrangement reasonably satisfactory to Parent and VS Holdco intended to both (x) provide an Acquired Company, to the fullest extent practicable under such Shared Contract, the claims, rights and benefits of those parts that relate to the Business and (y) cause such Acquired Company to bear the related costs and liabilities thereunder from and after the Closing in accordance with this Agreement (including by means of any subcontracting, sublicensing or subleasing arrangement) and in furtherance of the foregoing, VS Holdco shall, or shall cause another Acquired Company to, and Buyer shall cause VS Holdco or another Acquired Company to, promptly pay, perform or discharge when due any such debt, obligation or liability (including any liability for Taxes (other than Excluded Taxes)) arising after the Closing Date, and (B) the failure to so assign or amend such Shared Contract prior to the Closing shall not, in and of itself, be deemed to be a failure of the closing conditions set forth in Article 8 or delay the Closing.

(b) For so long as Parent or any of its Affiliates are parties to any Shared Contract and provide any Acquired Company any claims, rights and benefits of any such Shared Contract pursuant to an arrangement described in Section 2.06(a), (x) such Acquired Company shall indemnify Parent and its Affiliates against and shall hold each of them harmless from any and all Damages actually suffered by Parent or any of its Affiliates arising out of Parent's or such Affiliate's post-Closing direct or indirect ownership, management or operation of any such Shared Contract (to the extent that such Damages relate to the Business) and (y) Parent shall indemnify VS Holdco and its Affiliates against and shall hold each of them harmless from any and all Damages actually suffered by VS Holdco or any of its Affiliates arising out of Parent's or its Affiliates' breach of any such Shared Contract (to the extent that such Damages relate to Parent's and its Affiliates' business(es), other than the Business).

(c) Notwithstanding anything in this Section 2.06 to the contrary, with respect to the Fragrance House Contracts, the obligations and rights set forth in this Section 2.06 shall apply to the Fragrance House Contracts solely to the extent they exclusively relate to the Transferred Formulas (it being understood that Section 5.26 shall apply with respect to the treatment of Shared Formulas).

Section 2.07. *Restructuring Transactions*. (a) As promptly as reasonably practicable after the date hereof but in any event no later than 30 days after the date hereof, Parent shall designate one of Appendix II-A and Appendix II-B to be the Restructuring Plan by delivering written notice of such designation to Buyer. From and after the delivery of the notice described in the preceding sentence, Parent shall use reasonable best efforts to take, and shall cause its Affiliates to use reasonable best efforts to take, any and all actions necessary to effect the transactions contemplated by Section 2.02 through Section 2.06 and the other transactions detailed on the Restructuring Plan, including conveying, transferring, assigning and delivering any Transferred Asset or Assumed Liability from Parent or any of its Subsidiaries to any Acquired Company, conveying, transferring, assigning and delivering any Excluded Asset or Excluded Liability from any Acquired Company to Parent or any of its Subsidiaries (other than an Acquired Company), creating new Persons that will be Acquired Companies or changing the form of any Acquired Company, in each case, in a manner consistent with the Restructuring Plan (to the extent set forth in the Restructuring Plan) (the Restructuring Plan and the foregoing transactions collectively, together with the actions set forth in Article 7 to be taken by Parent or any of its Subsidiaries as of or prior to the Closing, and after taking into account any amendments, modifications or deviations described in the next sentence, the "**Restructuring Transactions**") as promptly as reasonably practicable; *provided* that Parent and its Affiliates shall not be required to effect any transaction detailed on the Restructuring Plan that would result in a violation of any Applicable Law. Further, Parent and its Affiliates may amend, modify and deviate from any of the Restructuring Transactions detailed in the Restructuring Plan so long as Parent and/or its Affiliates obtain Buyer's prior written consent (email being sufficient) with respect to any such amendment, modification or deviation (such consent not to be unreasonably withheld, conditioned or delayed) and which consent shall be required for any such amendment, modification or deviation notwithstanding anything to the contrary contained in this Agreement. For clarity, it is understood and agreed (by way of example and not limitation) that it shall be reasonable for Buyer to withhold, condition or delay its consent with respect to any amendment, modification or deviation to or from the Restructuring Plan described on Section 2.07 of the Parent Disclosure Schedule. For the avoidance of doubt, any amendment, modification or deviation from the Restructuring Transactions detailed in the Restructuring Plan for which Buyer provides prior written consent shall not be considered a breach of this Section 2.07.

(b) Notwithstanding anything herein to the contrary, in no event shall any Person be required to take, effect or complete any action or transaction contemplated by the Restructuring Transactions (i) that requires the consent or approval of any other Person until such consent or approval has been received, or (ii) in a chronological order that differs from that set forth in the Restructuring Plan.

Section 2.08. *Assignment of Contracts and Rights*. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Transferred Asset or Excluded Asset or any right thereunder or any Assumed Liability or Excluded Liability if an attempted assignment, without the consent of a third party, would constitute a breach or in any way adversely affect the rights of Parent or any of its Subsidiaries or any Acquired Company thereunder. If such consent is not obtained,

the failure to obtain such consent shall not in and of itself be deemed to be a breach of any provision of this Agreement or a failure of any of the closing conditions set forth in Article 8 or delay the Closing, and Parent and Buyer will cooperate in a mutually agreeable arrangement under which the applicable party would obtain the benefits and assume the obligations thereunder in accordance with this Agreement.

Section 2.09. *Closing*. The closing (the "**Closing**") of the purchase and sale of the Sold VS Interests and the Sold GP Interests hereunder shall take place at the offices of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York, as soon as possible, but in no event later than five Business Days, after satisfaction or, to the extent permissible, waiver by the party or parties hereto entitled to the benefit of the conditions set forth in Article 8 (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permissible, waiver of those conditions at the Closing), or at such other time or place as Buyer and Parent may agree. If the Closing occurs, the Closing shall be deemed to be effective at 12:01 a.m. Eastern Time on the Closing Date. At the Closing:

(a) Buyer shall deliver (or cause to be delivered) to Parent:

(i) for the benefit of the Selling Entities, subject to Section 2.13(a), the Estimated Purchase Price in immediately available funds by wire transfer to one or more accounts of Parent or any of its Subsidiaries designated by Parent, by notice to Buyer, which notice shall be delivered not later than two Business Days prior to the Closing Date;

(ii) a signature page to the Sold VS Interests Assignment Agreement, duly executed by Buyer;

(iii) a signature page to the GP Assignment Agreement, duly executed by Buyer;

(iv) a signature page to the VS Holdco Operating Agreement, duly executed by Buyer;

(v) a signature page to the GP Agreement, duly executed by Buyer;

(vi) signature pages to the Transition Services Agreement, duly executed either by VS Holdco or by the Subsidiary of VS Holdco set forth on Section 2.09(a) of the Parent Disclosure Schedule (the "**Applicable VS Subsidiary**");

(vii) signature pages to the Reverse Transition Services Agreement, duly executed either by VS Holdco or by the Applicable VS Subsidiary;

(viii) a signature page to the Reimbursement Agreement, duly executed by either VS Holdco or by the Applicable VS Subsidiary; and

(ix) a signature page to the DC6 Construction Management Agreement, duly executed by VS Holdco or a Subsidiary of VS Holdco.

(b) Parent shall deliver, or cause to be delivered, to Buyer:

(i) a signature page to the Sold VS Interests Assignment Agreement, duly executed by each Selling Entity holding Sold VS Interests;

(ii) a signature page to the GP Assignment Agreement, duly executed by each Selling Entity holding Sold GP Interests;

(iii) a signature page to the VS Holdco Operating Agreement, duly executed by each Parent Member that will hold Retained VS Holdco Interests as of after the Closing;

(iv) a signature page to the GP Agreement, duly executed by each Parent Member that will hold Retained VS Holdco Interests as of after the Closing;

(v) a signature page to the Transition Services Agreement, duly executed by Parent;

(vi) a signature page to the Reverse Transition Services Agreement, duly executed by Parent;

(vii) a signature page to the Reimbursement Agreement, duly executed by Parent;

(viii) a signature page to the DC6 Construction Management Agreement, duly executed by Parent; and

(ix) the payoff letters referred to in Section 2.14.

Section 2.10. *Determination of Estimated Purchase Price.* Not less than three Business Days prior to the Closing Date, Parent shall deliver to Buyer a statement (the "**Closing Statement**") setting forth (i) its good faith estimates of (A) Closing Net Tangible Assets, (B) Closing Cash, and (C) Closing Indebtedness, and (ii) using the amounts set forth in the preceding clause (i) and the Retention Reserve Amount, a calculation of the Purchase Price (the "**Estimated Purchase Price**" and the calculation of the Equity Value contained therein, the "**Estimated Equity Value**"), in each case of the foregoing determined solely based on the definitions in and the provisions of this Agreement.

Section 2.11. *Post-Closing Adjustments*. (a) As promptly as practicable, but no later than 90 days, after the Closing Date, Buyer will cause to be prepared and delivered to Parent a statement (the "**Post-Closing Statement**") setting forth (i) its calculations of (A) Closing Net Tangible Assets, (B) Closing Cash, and (C) Closing Indebtedness, and (ii) using the amounts set forth in the preceding clause (i) and the Retention Reserve

Amount, a calculation of the Purchase Price, in each case of the foregoing determined solely based on the definitions in and the provisions of this Agreement.

(b) If Parent disagrees with Buyer's calculation of the Purchase Price delivered pursuant to Section 2.11(a), Parent may, within 30 days after delivery of the Post-Closing Statement, deliver a notice to Buyer disagreeing with such calculation and specifying the items and amounts in the Post-Closing Statement with which Parent disagrees (the "**Parent Disputed Items**"), Parent's calculation of each Parent Disputed Item and the resulting Purchase Price and, in reasonable detail, Parent's grounds for such disagreement, in each case of the foregoing determined solely based on the definitions in and the provisions of this Agreement.

(c) If a notice of disagreement shall be duly delivered pursuant to Section 2.11(b), Buyer and Parent shall, during the 30 days following such delivery, use their reasonable best efforts to reach agreement on the Parent Disputed Items in order to determine, as may be required, the Purchase Price, which amount shall not be more than the amount thereof shown in Parent's calculations in Section 2.11(b) nor less than the amount thereof shown in Buyer's calculation in the Post-Closing Statement. If Buyer and Parent are unable to reach such agreement on all of the Parent Disputed Items during such period, they shall promptly thereafter cause independent accountants of nationally recognized standing reasonably satisfactory to Buyer and Parent (who shall not have any material relationship with Buyer or Parent) (the "**Independent Accountant**"), promptly to review this Agreement and the remaining Parent Disputed Items on which Parent and Buyer were not able to reach agreement pursuant to the first sentence of this Section 2.11(c) (the "**Remaining Disputed Items**") for the purpose of calculating the Purchase Price. Parent and Buyer shall (i) submit only the Remaining Disputed Items to the Independent Accountant and (ii) each prepare a written submission to the Independent Accountant containing such Person's proposed resolution with respect to each Remaining Disputed Item together with reasonable supporting detail. In making its calculation of the Purchase Price, the Independent Accountant shall be instructed by Buyer and Parent to, and shall, (A) consider only the Remaining Disputed Items, (B) with respect to each Remaining Disputed Item, determine an amount that shall not be in excess of the higher, nor less than the lower, of the amounts proposed by Parent and Buyer in their written submission to the Independent Accountant, and (C) determine the amount of each Remaining Disputed Item solely based on whether each such item was calculated in accordance with the definitions in and provisions of this Agreement. The Independent Accountant shall deliver to Buyer and Parent, as promptly as practicable, a report setting forth its calculation of the Purchase Price in accordance with the foregoing. Such report shall be final and binding upon Buyer and Parent. The cost of such review and report shall be borne (i) by Parent if the difference between the Final Purchase Price and Parent's calculation of the Purchase Price delivered pursuant to Section 2.11(b) is greater than the difference between the Final Purchase Price and Buyer's calculation of the Purchase Price delivered pursuant to Section 2.11(a), (ii) by Buyer if the first such difference is less than the second such difference and (iii) otherwise equally by Buyer and Parent.

(d) Buyer and Parent agree that they will, and agree to cause their respective independent accountants and each Acquired Company to, cooperate and assist in the preparation of the Post-Closing Statement and the calculation of the Purchase Price and in the conduct of the reviews referred to in this Section 2.11, including the making available to the extent necessary of books, records, work papers (subject to customary confidentiality agreements and access letters if requested by the independent accountants) and personnel. Buyer agrees that, from and after the Closing until such time that the Final Purchase Price has been finally determined pursuant to this Section 2.11, it shall not, and shall cause the Acquired Companies not to, take any actions with respect to any accounting books, records, policies, practices or procedures on which the Post-Closing Statement is to be based, that are inconsistent with the Accounting Policies. Without limiting the foregoing, Buyer and Parent agree that any changes resulting from the consummation of the transactions contemplated by this Agreement, including any plans, transactions or changes which Buyer intends to initiate or make or actually causes to be initiated or made, in each case, from and after the Closing with respect to the Acquired Companies, shall be disregarded for purposes of determining the Final Purchase Price pursuant to this Section 2.11.

Section 2.12. *Adjustment of Purchase Price*. (a) If the Estimated Purchase Price exceeds the Final Purchase Price, Parent shall pay, or cause to be paid, to VS Holdco, as an adjustment to the Purchase Price, in the manner and with interest as provided in Section 2.12(b), the amount of the excess of the Estimated Equity Value over the Final Equity Value. If the Final Purchase Price exceeds the Estimated Purchase Price, VS Holdco shall pay to Parent (or a Subsidiary of Parent designated by Parent), in the manner and with interest as provided in Section 2.12(b), the amount of the excess of the Final Equity Value over the Estimated Equity Value. The "**Final Purchase Price**" means the Purchase Price (and the "**Final Equity Value**" means the Equity Value) (i) as shown in the Post-Closing Statement, if no notice of disagreement with respect thereto is duly delivered pursuant to Section 2.11(b); or (ii) if such a notice of disagreement is delivered, (A) as agreed by Buyer and Parent pursuant to Section 2.11(c) or (B) in the absence of such agreement, as shown in the Independent Accountant's calculation delivered pursuant to Section 2.11(c); *provided* that in no event shall the Final Purchase Price be more than Parent's calculation of the Purchase Price delivered pursuant to Section 2.11(b) or less than Buyer's calculation of the Purchase Price delivered pursuant to Section 2.11(a).

(b) Any payment pursuant to Section 2.12(a) shall be made at a mutually convenient time and place within 10 days after the Final Purchase Price has been determined, in immediately available funds to an account of the recipient party designated by such recipient party. The amount of any payment to be made pursuant to this Section 2.12 shall bear interest from and including the Closing Date to but excluding the date of payment at a rate per annum equal to the prime rate as published in the *Wall Street Journal, Eastern Edition* in effect from time to time during the period from the Closing Date to the date of payment. Such interest shall be payable at the same time as the payment to which it relates and shall be calculated daily on the basis of a year of 365 days and the actual number of days elapsed.

Section 2.13. *Funding of Purchase Price Adjustments.*

(a) In the event that the Upward Adjustment Amount is a positive number, then, in Buyer's sole discretion, but solely to the extent the ABL Debt Facility is then effective, Buyer may cause any portion of the Upward Adjustment Amount to be funded on the Closing Date through the incurrence by VS Holdco of indebtedness under the ABL Debt Facility; *provided* that Buyer notifies Parent in writing no less than one Business Day prior to the Closing Date that Buyer intends to cause VS Holdco to pay the ABL Funded Adjustment Amount to Parent pursuant to this Section 2.13(a) and the amount of the ABL Funded Adjustment Amount. In such case, (i) Buyer shall cause VS Holdco or a direct or indirect Subsidiary thereof to draw upon the ABL Debt Facility (and, in the case of a direct or indirect Subsidiary of VS Holdco, cause such Subsidiary to distribute or otherwise transfer such debt proceeds to VS Holdco) in an aggregate amount equal to any such portion of the Upward Adjustment Amount as determined by Buyer in its sole discretion (any such portion, the "**ABL Funded Adjustment Amount**"); (ii) Buyer shall cause VS Holdco or such Subsidiary to pay the ABL Funded Adjustment Amount to Parent; and (iii) subject to compliance with this Section 2.13(a), Buyer may make a payment of the Estimated Purchase Price to Parent pursuant to Section 2.09(a)(i) that is calculated based on the Estimated Equity Value minus any amounts reflecting (A) the difference between Closing Net Tangible Assets and Base Net Tangible Assets and (B) Closing Cash, in each case of clauses (A) and (B) to the extent that such amounts are reflected in the ABL Funded Adjustment Amount on a dollar-for-dollar basis. The "**Upward Adjustment Amount**" means the sum of (1) Closing Net Tangible Assets *minus* (2) Base Net Tangible Assets *plus* (3) Closing Cash, in each case of clauses (1), (2) and (3) as reflected in the Closing Statement, plus (4) $50,000,000.

(b) In the event that the sum of (1) Closing Net Tangible Assets *minus* (2) Base Net Tangible Assets, as reflected in the Closing Statement, is a negative number (such sum, expressed as a positive number, the "**Downward Adjustment Amount**"), then, Buyer may, in its sole discretion, require that each of Buyer and Parent contribute to VS Holdco up to its pro rata portion of the Downward Adjustment Amount (i.e., 55% of the Downward Adjustment Amount in the case of Buyer and 45% thereof in the case of Parent), in which case, (i) Buyer shall promptly contribute to VS Holdco an amount (which amount shall be determined by Buyer in its sole discretion) up to 55% of the Downward Adjustment Amount and (ii) Parent shall promptly contribute to VS Holdco its corresponding pro rata percentage, not to exceed 45%, of the Downward Adjustment Amount. Payments to be made pursuant to this Section 2.13(b), if any, shall be made in immediately available funds by wire transfer to one or more accounts of VS Holdco, in each case, by notice to Buyer, which notice shall be delivered not later than two Business Days prior to the Closing Date.

(c) For the avoidance of doubt, (i) none of the capital contributions to VS Holdco pursuant to or any of the debt proceeds drawn by VS Holdco under the ABL Debt Facility pursuant to this Section 2.13 shall be taken into account when determining Final Purchase Price or Final Equity Value, or comparing Final Purchase Price and Final Equity Value to Estimated Purchase Price and Estimated Equity Value, respectively, and (ii) upon the determination of the Upward Adjustment Amount and/or the Downward

Adjustment Amount, as applicable, either Section 2.13(a) or Section 2.13(b), as determined by Buyer in its sole discretion, but not both, shall apply.

Section 2.14. *Payment of Indebtedness*. At or prior to the Closing, Parent shall or shall cause its Subsidiaries to repay all indebtedness for borrowed money outstanding as of immediately prior to the Closing under that certain Amended and Restated Revolving Credit Agreement, dated as of August 2, 2019, among Mast Commercial Trading (Shanghai) Company Limited, L Brands Trading (Shanghai) Company Limited, L Brands Management (Shanghai) Company Limited, the Borrowing Subsidiaries party thereto, the Lenders party thereto, and Bank of America, N.A. Shanghai Branch, as Administrative Agent and Collateral Agent, and certain other parties thereto (the "**China Revolver**"), including any obligations related thereto (including any accrued interest or prepayment penalties) (other than contingent obligations and obligations that by their terms survive the termination of the China Revolver), all in accordance with a customary payoff letter, which payoff letter shall be in form and substance reasonably satisfactory to Buyer.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF PARENT

Except (i) as set forth in the Parent Disclosure Schedule (subject to Section 11.11), or (ii) other than with respect to the representations and warranties set forth in Section 3.02, Section 3.05, Section 3.09(a) or the first sentence of Section 3.14(b), as set forth in or qualified by any matter set forth in the filings of Parent with the U.S. Securities and Exchange Commission filed on or after January 1, 2018 and prior to the date hereof (and excluding any disclosures set forth in such filings under the captions "Risk Factors" or "Forward-Looking Statements" or words of similar import), Parent represents and warrants to Buyer as of the date hereof and as of the Closing Date that:

Section 3.01. *Corporate Existence and Power*. Each of Parent and each Selling Entity is an entity duly organized, validly existing and in good standing (with respect to jurisdictions that recognize such concept) under the laws of its jurisdiction of organization and has all corporate or limited liability company powers required to carry on its business as now conducted and as contemplated to be conducted immediately prior to the Closing. As of the Closing, each of VS Holdco and the VS Holdco GP will be an entity duly organized, validly existing and in good standing (with respect to jurisdictions that recognize such concept) under the laws of its jurisdiction of organization and will have all corporate powers required to carry on its business as then conducted. As of the Closing, each of VS Holdco and the VS Holdco GP will be duly qualified to do business as a foreign entity and will be in good standing (with respect to jurisdictions that recognize such concept) in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified will not have and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.02. *Corporate Authorization*. The execution, delivery and performance by Parent of this Agreement and the consummation of the transactions

contemplated hereby by Parent are within Parent's corporate powers and have been duly authorized by all necessary corporate action on the part of Parent. The consummation of the transactions contemplated hereby are within each Selling Entity's corporate powers and have been duly authorized by all necessary corporate action on the part of each Selling Entity. This Agreement constitutes a valid and binding agreement of Parent enforceable against Parent in accordance with its terms (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws affecting creditors' rights generally and general principles of equity).

Section 3.03. *Governmental Authorization*. The execution, delivery and performance by Parent of this Agreement and the consummation of the transactions contemplated hereby by Parent and each Selling Entity require no action by or in respect of, or filing with, any Governmental Authority other than (i) compliance with any applicable requirements of the HSR Act, (ii) compliance with the requirements of the Applicable Laws set forth on Section 3.03 of the Parent Disclosure Schedule and (iii) any such action or filing the failure of which to obtain or make would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.04. *Noncontravention*. The execution, delivery and performance by Parent of this Agreement and the consummation of the transactions contemplated hereby by Parent and each Selling Entity do not and will not (with or without the passage of time or notice or both) (i) conflict with, breach or violate the Organizational Documents of Parent, such Selling Entity or any Acquired Company, (ii) assuming compliance with the matters referred to in Section 3.03, result in a breach of or violate any Applicable Law, (iii) require any consent or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or give rise to any right of termination, cancellation or acceleration of any right or obligation of any Acquired Company or to a loss of any benefit to which any Acquired Company is entitled under, any provision of any Material Contract, or (iv) result in the creation or imposition of any Lien on any equity securities of any Acquired Company or any Transferred Asset, other than Permitted Liens, except, in the case of clauses (ii) through (iv), as would not reasonably be expected to be, individually or in the aggregate, material to the Business or the Acquired Companies (taken as a whole), or prevent or materially delay the ability of Parent or any Selling Entity to enter into and perform its obligations under this Agreement.

Section 3.05. *Capitalization*. (a) As of the Closing, all of the issued and outstanding equity interests of VS Holdco will be owned, directly or indirectly, by Parent as set forth in the Restructuring Plan.

(b) As of the Closing, all outstanding equity interests of VS Holdco will be duly authorized and validly issued. Except as set forth in Section 3.05(a) and except for VS Holdco GP's interest in VS Holdco solely in its capacity as the general partner of VS Holdco, as of the Closing there will be no outstanding (i) shares of capital stock, voting securities or equity interests of VS Holdco, (ii) securities of VS Holdco convertible into or exchangeable for shares of capital stock, voting securities or equity interests of VS Holdco or (iii) options or other rights to acquire from VS Holdco, or other obligation of

VS Holdco to issue, any capital stock, voting securities or equity interests or securities convertible into or exchangeable for capital stock, voting securities or equity interests of VS Holdco (the items in clauses (i), (ii) and (iii) being referred to collectively as the "**VS Holdco Securities**"). As of the Closing, there will be no outstanding obligations of VS Holdco to repurchase, redeem or otherwise acquire any VS Holdco Securities except pursuant to the Organizational Documents of VS Holdco. Except for this Agreement, the Organizational Documents of VS Holdco, agreements relating to the creation of VS Holdco as a wholly owned Subsidiary of Parent and a Subsidiary of one or more Subsidiaries of Parent and the agreements and instruments to the extent necessary to consummate the Restructuring Transactions, there are no agreements or other instruments relating to the issuance, sale or transfer of any capital stock, voting securities or equity interests of VS Holdco.

(c) As of the Closing, all of the issued and outstanding equity interests of the VS Holdco GP will be owned, directly or indirectly, by Parent as set forth in the Restructuring Plan. As of the Closing, all outstanding equity interests of the VS Holdco GP will be duly authorized and validly issued. Except as set forth in the first sentence of this Section 3.05(c), as of the Closing there will be no outstanding (i) shares of capital stock, voting securities or equity interests of the VS Holdco GP, (ii) securities of the VS Holdco GP convertible into or exchangeable for shares of capital stock, voting securities or equity interests of the VS Holdco GP or (iii) options or other rights to acquire from the VS Holdco GP, or other obligation of the VS Holdco GP to issue, any capital stock, voting securities or equity interests or securities convertible into or exchangeable for capital stock, voting securities or equity interests of the VS Holdco GP (the items in clauses (i), (ii) and (iii) being referred to collectively as the "**VS Holdco GP Securities**"). As of the Closing, there will be no outstanding obligations of the VS Holdco GP to repurchase, redeem or otherwise acquire any VS Holdco GP Securities except pursuant to the Organizational Documents of the VS Holdco GP. Except for this Agreement, the Organizational Documents of the VS Holdco GP, agreements relating to the creation of the VS Holdco GP as a wholly owned Subsidiary of Parent and a Subsidiary of one or more Subsidiaries of Parent and the agreements and instruments to the extent necessary to consummate the Restructuring Transactions, there are no agreements or other instruments relating to the issuance, sale or transfer of any capital stock, voting securities or equity interests of the VS Holdco GP.

Section 3.06. *Ownership of Shares*. As of the Closing, the Selling Entities (i) will be the record and beneficial owners of the Sold VS Interests and of the Sold GP Interests as set forth in the Restructuring Plan, in each case, free and clear of any Lien and any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of the Sold VS Interests or the Sold GP Interests), except for any such limitation or restriction on the ownership or transfer of the Sold VS Interests or the Sold GP Interests under applicable securities laws or pursuant to the Organizational Documents of VS Holdco or the VS Holdco GP, (ii) will have the right, authority and power to sell, assign and transfer the Sold VS Interests and the Sold GP Interests to Buyer free and clear of all Liens (except for any such limitation or restriction on the ownership or transfer of the Sold VS Interests or the Sold GP Interests under applicable securities laws or pursuant to the Organizational Documents of VS Holdco or the VS

Holdco GP), and (iii) will transfer and deliver to Buyer at the Closing good, valid and marketable title to the Sold VS Interests and the Sold GP Interests, in each case, free and clear of any Lien and any such limitation or restriction, except for any such limitation or restriction on the ownership or transfer of the Sold VS Interests or the Sold GP Interests under applicable securities laws or pursuant to the Organizational Documents of VS Holdco or the VS Holdco GP.

Section 3.07. *Subsidiaries*. (a) Each VS Holdco Subsidiary that exists as of the date hereof is, and as of the Closing each VS Holdco Subsidiary will be, an entity duly organized, validly existing and in good standing (with respect to jurisdictions that recognize such concept) under the laws of its jurisdiction of organization and has, or will have as of the Closing, as applicable, all necessary power and authority to carry on its business as conducted now or as of the Closing, as applicable (except where failure to so exist and be in good standing would not reasonably be expected to be, individually or in the aggregate, material to the Business or the Acquired Companies (taken as a whole)). Each VS Holdco Subsidiary that exists as of the date hereof is, and as of the Closing each VS Holdco Subsidiary will be, duly qualified to do business as a foreign entity, and each VS Holdco Subsidiary that exists as of the date hereof is, and as of the Closing each VS Holdco Subsidiary will be, in good standing (with respect to jurisdictions that recognize such concept), in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified or in good standing (with respect to jurisdictions that recognize such concept) would not reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole).

(b) As of the date hereof, all of the outstanding shares of capital stock, voting securities and equity interests of each VS Holdco Subsidiary that exists as of the date hereof are owned by Parent, directly or indirectly, free and clear of any Lien and any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock, voting securities or equity interests), except for any such limitation or restriction on the ownership or transfer of such capital stock, voting securities or equity interests under applicable securities laws or pursuant to the Organizational Documents of such VS Holdco Subsidiary. Except as set forth in this first sentence of this Section 3.07(b) or resulting from the consummation of the Restructuring Transactions, there are no outstanding (i) shares of capital stock, voting securities or equity interests of any VS Holdco Subsidiary, (ii) securities of any Acquired Company convertible into or exchangeable for shares of capital stock, voting securities or equity interests of any VS Holdco Subsidiary or (iii) options or other rights to acquire from any Acquired Company, or other obligation of any Acquired Company to issue, any capital stock, voting securities or equity interests or securities convertible into or exchangeable for capital stock, voting securities or equity interests of any VS Holdco Subsidiary (the items in clauses (i), (ii) and (iii) being referred to collectively as the "**VS Holdco Subsidiary Securities**"). There are no outstanding obligations of any Acquired Company to repurchase, redeem or otherwise acquire any VS Holdco Subsidiary Securities except pursuant to the Organizational Documents of any Acquired Company or the Restructuring Transactions. Except for this Agreement, the Organizational Documents of the VS Holdco Subsidiaries and the agreements and instruments to the extent necessary

to consummate the Restructuring Transactions, there are no agreements or other instruments relating to the issuance, sale or transfer of any capital stock, voting securities or equity interests of any VS Holdco Subsidiary. As of the Closing, all of the outstanding capital stock, voting securities and equity interests of (i) the VS Holdco Subsidiaries that are owned, directly or indirectly, by Parent as of the date hereof, and (ii) the VS Holdco Subsidiaries that are formed after the date hereof pursuant to the Restructuring Transactions will, except for changes since the date hereof resulting from transactions or actions taken with Buyer's prior written consent pursuant to Section 5.01(b) or pursuant to the Restructuring Transactions, be owned, directly or indirectly, by VS Holdco as set forth in the Restructuring Plan, free and clear of all Liens and any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock, voting securities or equity interests), except for any such limitation or restriction on the ownership or transfer of such capital stock, voting securities or equity interests under applicable securities laws or pursuant to the Organizational Documents of the applicable VS Holdco Subsidiary. Except as set forth on Section 3.07(b) of the Parent Disclosure Schedule, as of the Closing, VS Holdco will not own any equity interests in any Person other than a VS Holdco Subsidiary.

Section 3.08. *Financial Statements*. Section 3.08 of the Parent Disclosure Schedule sets forth (a) the unaudited balance sheet of the Business as of November 2, 2019 (the "**Balance Sheet**") and the related unaudited statement of income for the nine-month period ended November 2, 2019, and (b) the unaudited balance sheet of the Business as of February 2, 2019 and the related unaudited statement of income for the fiscal year ended February 2, 2019 (collectively, the "**Financial Statements**"). The Financial Statements fairly present, in all material respects, in conformity with GAAP applied on a consistent basis, subject to the exceptions set forth in Section 3.08(i) of the Parent Disclosure Schedule, the financial position of the Business as of the dates thereof and the results of operations for the Business for the periods then ended (subject to, with respect to interim financial statements, normal and recurring year-end adjustments which are not material individually or in the aggregate), except for the absence of footnote disclosures (which if presented would not materially alter the financial position of the Business as of the dates thereof and the results of operations for the Business for the periods then ended); *provided* that the Financial Statements and the foregoing representations and warranties are qualified by the fact that the Financial Statements include allocations for costs for the corporate and administrative services provided by Parent or its Subsidiaries (other than the Acquired Companies), which allocations may not be indicative of the costs that would have resulted if the Business were operated as a standalone entity.

Section 3.09. *Absence of Certain Changes*. (a) Since the Reference Date, there has not been any state of facts, circumstance, condition, event, change, development, occurrence, result or effect that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Since the Reference Date, except for transactions contemplated by this Agreement (including the Restructuring Transactions), as set forth on Section 5.01(a) of the Parent Disclosure Schedule or for transactions undertaken with the prior written

consent of Buyer, the Business has been conducted in the ordinary course of business consistent with past practice in all material respects.

(c) Since the Reference Date, except for the Restructuring Transactions, transactions set forth on Section 5.01(b) of the Parent Disclosure Schedule, and transactions undertaken with the prior written consent of Buyer, there has not been any action taken by Parent or any of its Subsidiaries (including any Acquired Company) that, if taken during the period from the date of this Agreement through the Closing Date without Buyer's consent, would constitute a material breach of Section 5.01(b).

Section 3.10. *No Undisclosed Material Liabilities.* Except as set forth on Section 3.10 of the Parent Disclosure Schedule, there are no liabilities of the Business or any Acquired Company of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, other than:

(a) the Assumed Liabilities;

(b) liabilities provided for in the Balance Sheet or disclosed in the notes thereto;

(c) liabilities incurred in the ordinary course of business since the Reference Date (none of which arises out of or relates to any breach of contract, breach of warranty, tort, infringement or violation of Applicable Law);

(d) Excluded Liabilities;

(e) executory obligations under Material Contracts set forth on Section 3.11(a) of the Parent Disclosure Schedule or under Material Contracts entered into in the ordinary course of business which are not required to be disclosed on Section 3.11(a) of the Parent Disclosure Schedule (which liabilities are not liabilities for any breach of any such Material Contract); and

(f) other undisclosed liabilities which are not, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole).

Section 3.11. *Material Contracts*. (a) Except as set forth on Section 3.11(a) of the Parent Disclosure Schedule, as of the date of this Agreement, with respect to the Business, none of Parent or any of its Subsidiaries is a party to or bound by any of the following leases or agreements:

(i) any lease of real property providing for annual fixed base rent of $2,000,000 or more payable by the Acquired Companies;

(ii) any lease of personal property providing for annual rentals of $1,000,000 or more payable by the Acquired Companies;

(iii) any agreement for the purchase of materials, supplies, goods, services, equipment or other assets providing for (A) annual payments by the Acquired Companies of $1,000,000 or more or (B) aggregate payments by the Acquired Companies of $5,000,000 or more, in each case (x) that cannot be terminated on not more than one year's notice without payment of any material penalty and (y) excluding purchases of inventory in the ordinary course of business;

(iv) any franchise or similar agreement pursuant to which the Acquired Companies receive (A) annual payments of $1,000,000 or more or (B) aggregate payments of $5,000,000 or more;

(v) any material agency, dealer, sales representative, marketing or other similar agreement;

(vi) any agreement relating to capital expenditures that requires, following the Closing, (A) annual payments by Parent and/or its Subsidiaries of $1,000,000 or more or (B) aggregate payments by Parent and/or its Subsidiaries of $5,000,000 or more;

(vii) (A) any agreement relating to indebtedness for borrowed money or the deferred purchase price of property, except any such agreement or contract with an aggregate outstanding principal amount not exceeding $1,000,000 (with respect to the obligations of the Acquired Companies) and which may be prepaid on not more than 30 days' notice without the payment of any penalty, (B) letters of credit incurred or entered into in the ordinary course of business in excess of $1,000,000 (with respect to the obligations of the Acquired Companies) or (C) any agreement pursuant to which any Acquired Company with respect to the Business lends money to any supplier and that has an aggregate outstanding committed principal amount in excess of $1,000,000;

(viii) any agreement pursuant to which Parent or any of its Subsidiaries has made or is required to make any loan, advance or capital contribution to, or investment in, any Person (other than Parent or any of its Subsidiaries), in each case in excess of $1,000,000 individually or $5,000,000 in the aggregate, other than (A) advances to employees for business expenses in the ordinary course of business, (B) transactions with customers or suppliers on credit in the ordinary course of business or (C) advances to directors, officers or employees in respect of indemnity obligations;

(ix) any material partnership or joint venture agreement;

(x) any agreement relating to the acquisition or disposition of any business or Person (whether by merger, sale of stock, sale of assets or otherwise) that is not yet consummated or pursuant to which Parent or any of its Subsidiaries has an obligation with respect to an "earn out", contingent purchase price, or similar contingent payment obligation in each case that has not been paid;

(xi) any agreement material to the Business pursuant to which Parent or any of its Subsidiaries receives or grants an exclusive license to any material Transferred IP;

(xii) any agreement for the employment or engagement of any Continuing Employee or independent contractor providing services to the Business on a full-time, part-time, consulting or other basis (A) providing annual base compensation in excess of $500,000, (B) not terminable by Parent or its Subsidiaries without notice of less than 12 months or severance payment or liability of less than $500,000, or (C) providing for payments or benefits triggered solely by the transactions contemplated by this Agreement;

(xiii) any agreement with any director or officer of any Acquired Company, other than Employee Plans or indemnification agreements entered into in the ordinary course of business;

(xiv) any material Collective Bargaining Agreement;

(xv) any agreement that limits the freedom of Parent or any of its Subsidiaries to compete in any line of business or with any Person or in any area or which would so limit the freedom of any Acquired Company or any of its Affiliates after the Closing Date, excluding (A) any real property leases to the extent containing customary radius restrictions and (B) any such agreement to the extent such limitations arise solely from employee non-solicitation covenants contained in non-disclosure or other similar agreements entered into in the ordinary course of business;

(xvi) any (A) material agreement pursuant to which Parent or any of its Subsidiaries grants any "most favored nation" provision to a third party or (B) material "requirements" contract in favor of a third party; or

(xvii) any agreement between Parent or any of its Subsidiaries (other than an Acquired Company), on the one hand, and an Acquired Company, on the other hand (the "**Related Party Agreements**").

(b) Each agreement or lease disclosed in Section 3.11(a) of the Parent Disclosure Schedule or required to be disclosed in Section 3.11(a) of the Parent Disclosure Schedule (each, a "**Material Contract**") is a valid and binding agreement of Parent or its applicable Subsidiary and is in full force and effect (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws affecting creditors' rights generally and general principles of equity), other than such agreements or leases that have expired or terminated in accordance with their terms. None of Parent or any of its Subsidiaries or, to the Knowledge of Parent, any other party thereto is in material default or material breach under the terms of any Material Contract, and no event or circumstance has occurred that, with or without notice or lapse of time or both, would constitute any material event of

default thereunder. Parent has heretofore delivered to Buyer true and complete copies in all material respects of each Material Contract.

(c) Prior to the Closing, Parent will deliver to Buyer true and complete copies of the Organizational Documents of VS Holdco as then in effect. As of the Closing, VS Holdco will not be in violation of any of the provisions of its Organizational Documents in any material respect.

Section 3.12. *Litigation*. There is no, and since January 1, 2018 there has not been any, action, suit or proceeding or, investigation or audit pending against, or to the Knowledge of Parent threatened against, or affecting the Business or any Acquired Company or any of their respective properties before (or, in the case of threatened actions, suits, proceedings or investigations, would be before) any Governmental Authority or arbitrator which, if determined or resolved adversely in accordance with the plaintiff's demands, would reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole) or which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the consummation of the transactions contemplated by this Agreement.

Section 3.13. *Compliance with Laws and Court Orders*. (a) None of Parent or any of its Subsidiaries is, or since January 1, 2018 has been, in violation of any Applicable Law relating to the Transferred Assets or the conduct of the Business, except for violations that have not been and would not reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole). There is no, and since January 1, 2018 there has not been any, judgment, decree, injunction, rule or order of any Governmental Authority or arbitrator outstanding against Parent or any of its Subsidiaries relating to the Transferred Assets or the conduct of the Business that have been or would reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole) or that in any manner seeks to prevent, enjoin, alter or materially delay the consummation of the transactions contemplated by this Agreement.

(b) Except as has not been and would not reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole), with respect to the Business, Parent and its Subsidiaries and (except for clause (i) below), to the Knowledge of Parent, their Representatives:

(i) have in place policies, procedures and controls that are reasonably designed to promote and ensure compliance with the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act 2010 and other applicable anti-bribery laws (collectively, "**Anti-Corruption Laws**");

(ii) in the past three years (A) have not offered, promised, given or authorized the giving of money or anything else of value, whether directly or indirectly, to (x) any government official or (y) any other Person with the actual knowledge that all or any portion of such money or thing of value will be offered or given to a government official, in each case of clauses (x) and (y) for the

purpose of unlawfully influencing any action or decision of the government official in his official capacity; and (B) have not made any unlawful payments or transfers of value which have the purpose or effect of commercial bribery;

(iii) are not and have not in the past three years been in violation of any laws imposing economic sanctions that are administered by the U.S. Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**") or Her Majesty's Treasury or otherwise;

(iv) are not and have not in the past three years been Persons that are designated as a Specially Designated National or Blocked Person by OFAC;

(v) are not and have not in the past three years been (A) the subject of economic sanctions administered by OFAC or the U.S. Department of State, the United Nations Security Council or the European Union (collectively, "**Sanctions**"), or (B) located, organized or resident in a country or territory that is the subject of Sanctions (currently Crimea, Cuba, Iran, North Korea, Venezuela and Syria);

(vi) are not and have not in the past three years been engaged in any dealings or transactions with any Person that, at the time of the dealing or transaction, was the subject of Sanctions, in each case to the extent prohibited by Sanctions;

(vii) are not and have not in the past three years been in violation of (A) any Applicable Law relating to the importation of goods, including U.S. import laws administered by U.S. Customs and Border Protection, (B) any applicable export control laws, including the Export Administration Regulations administered by the U.S. Department of Commerce ("**Commerce**"), or (C) the anti-boycott regulations administered by Commerce and the U.S. Department of the Treasury (collectively, "**Trade Controls**"); and

(viii) are not and have not been in the past three years the subject of any investigation, inquiry or enforcement proceedings by any Governmental Authority regarding any offense or alleged offense under Anti-Corruption Laws, Sanctions or Trade Controls (including by virtue of having made any disclosure relating to any offense or alleged offense), and, no such investigation, inquiry or proceedings are pending or, to the Knowledge of Parent, threatened.

Section 3.14. *Properties*. (a) As of the Closing, except as set forth on Section 2.07, the Acquired Companies will have good and marketable, indefeasible, fee simple title to, or in the case of leased property and assets valid and enforceable leasehold or subleasehold interests in, all property and assets (whether real, personal, tangible or intangible) reflected on the Balance Sheet or acquired after the Reference Date, except for properties and assets sold since the Reference Date in the ordinary course of business, and will be in possession of the properties purported to be leased, subleased or licensed under such leased or subleased property, except as would not be material to VS Holdco

and its Subsidiaries. None of such property or assets is subject to any Lien (other than Permitted Liens, Liens in respect of obligations for Indebtedness included in Closing Indebtedness, and Liens that will be released at the Closing), except as would not be material to VS Holdco and its Subsidiaries. With respect to the leases that are Material Contracts, the Acquired Companies are not in material breach or material default under such leases, and no event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute such a material breach or material default, or permit the termination, modification or acceleration of any material amount of rent under such lease.

(b) The property and assets (other than Intellectual Property Rights) that will be owned or leased by the Acquired Companies as of the Closing, together with the property and assets that they will otherwise have the right to use as of the Closing and the rights and services to be provided to the Acquired Companies pursuant to the Transition Services Agreement, and taking into account Section 2.06, Section 2.07 and the exclusion of the Excluded Services, and subject to Section 2.08 constitute all of the property and assets (other than Intellectual Property Rights) used in or necessary for the conduct of the Business substantially as conducted as of the date hereof and as of the Closing in all material respects and will be adequate to conduct the Business substantially as conducted as of the date hereof and as of the Closing in all material respects.

(c) With respect to the Business, none of Parent or any of its Subsidiaries is a party to any agreement or option to purchase any material real property or interest therein that is not set forth on Section 3.11(a) of the Parent Disclosure Schedule.

(d) None of Parent, any of its Subsidiaries or any of their directors or named executive officers (or, to the Knowledge of Parent, based solely upon responses received by Parent to its directors' and officers' questionnaires for the fiscal year ended February 2, 2019, as of the time of such responses, such director's or named executive officer's spouse, descendants (by birth or adoption), any trust solely for the benefit of such Person and/or such Person's spouse and/or descendants (by birth or adoption), parents, dependents, or charitable trust the grantor of which is such Person) is party to any Material Contract (other than employment agreements, indemnification agreements, restricted stock agreements, option agreements or other agreements that will be terminated at the Closing) with any Acquired Company or has any material interest in any material asset or property used by any Acquired Company.

Section 3.15. *Products*. Each of the products produced or sold by the Business is, and since January 1, 2018 has been, (i) in compliance in all material respects with all Applicable Laws and (ii) fit for the ordinary purposes for which it is intended to be used.

Section 3.16. *Intellectual Property*. Section 3.16 of the Parent Disclosure Schedule contains a true and complete list of all material registrations and applications for registration of Intellectual Property Rights included in the Transferred IP. Except as set forth on Section 3.16 of the Parent Disclosure Schedule (i) Parent or one or more of its Subsidiaries are, and one or more of the Acquired Companies will be at the Closing, the exclusive owners of all right, title and interest to the Transferred IP, free and clear of

any Lien (other than Permitted Liens, Liens in respect of obligations for Indebtedness included in Closing Indebtedness, and Liens that will be released at the Closing), and all such Intellectual Property Rights are valid, subsisting and, to the Knowledge of Parent, enforceable, (ii) there is no pending or, to the Knowledge of Parent, threatened, action, suit or proceeding (including any lawsuit, opposition, cancellation, interference, inter partes review or re-examination) that challenges the validity, enforceability or ownership of any material Transferred IP or alleging that the conduct of the Business is infringing or misappropriating the valid and enforceable Intellectual Property Rights of any third party in any material respect, (iii) the conduct of the Business is not infringing or misappropriating, and since January 1, 2018 has not infringed or misappropriated, the Intellectual Property Rights of any third party in any material respect, (iv) to the Knowledge of Parent, no third party is infringing, misappropriating or otherwise violating any Transferred IP, (v) as of the Closing, subject to Section 2.06 and Section 2.08, and taking into account the Transition Services Agreement (and the rights granted and services to be performed thereunder), Section 5.17, Section 5.18, and the exclusion of the Excluded Services, the Acquired Companies will own, or otherwise have sufficient rights to all Intellectual Property Rights necessary to conduct the Business substantially as conducted as of the date hereof and as of the Closing, which such Intellectual Property Rights will be adequate in all material respects to conduct the Business substantially as conducted as of the date hereof and as of the Closing, (vi) the Acquired Companies and Parent and its Subsidiaries (but solely with respect to the Business) have taken commercially reasonable steps to maintain and protect the Transferred IP (including to maintain the secrecy of any trade secrets included in the Transferred IP) and to secure ownership of any Transferred IP, whether by employees or contractors, (vii) except as would not reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole), since January 1, 2018, the Acquired Companies and Parent and its Subsidiaries (but solely with respect to the Business) (A) have complied in all material respects with all Applicable Laws, their own privacy policies, the Payment Card Industry Data Security Standard and any applicable contractual obligations, in each case with respect to the collection, use, processing, transfer or disposition of Personal Information, and (B) have not experienced any data breaches or security incidents involving the unauthorized access to, or use or theft of, any Personal Information, and (viii) the information technology systems included in the Transferred Assets or used to provide services under the Transition Services Agreement are reasonably sufficient for the operation of the Business in all material respects and since January 1, 2018 there have been no outages, disruptions or other incidents with respect to such systems that have resulted in any material disruption to the conduct of the Business.

Section 3.17. *Insurance Coverage*. Section 3.17 of the Parent Disclosure Schedule provides a true and complete list of all material insurance policies relating to the Transferred Assets and the business, title, operations, employees, officers or directors of the Business (the "**Insurance Policies**"). There is no material claim relating to the Business pending under any Insurance Policy as to which coverage has been questioned, denied or disputed by the underwriters of such policies. All premiums payable under all Insurance Policies have been timely paid and the Insurance Policies remain in full force and effect, except as would not be material to the Business and the Acquired Companies

(taken as a whole), and neither Parent nor any of its Subsidiaries is in default with respect to its obligations under any of such Insurance Policies, except where such defaults would not have a Material Adverse Effect. The Insurance Policies are in all material respects of the type and in amounts customarily carried by Persons conducting businesses similar to the Business.

Section 3.18. *Licenses and Permits*. As of the Closing, except as provided in Section 2.07, all material licenses, permits, certificates, approvals or other similar authorizations from a Governmental Authority that are necessary for the lawful conduct of the Business (the "**Material Permits**") will be held by an Acquired Company, except where the absence of any such Material Permit is not, and would not reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole). Except as set forth on Section 3.18 of the Parent Disclosure Schedule, (i) each Material Permit is valid and is in full force and effect, (ii) none of Parent or any of its Subsidiaries is in default or breach under the terms of any Material Permit, and no condition exists that with or without notice or lapse of time or both would constitute any event of default under any Material Permit, and (iii) no Material Permit will be terminated or impaired as a result of the transactions contemplated hereby, except in each case of clauses (i) through (iii) as is not, and would not reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole).

Section 3.19. *Finders' Fees*. Except for PJT Partners LP and BridgePark Advisors LLC whose fees will be paid by Parent, there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of Parent or any of its Subsidiaries who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

Section 3.20. *Tax Matters.* (a) All income and other material Tax Returns required by Applicable Law to be filed with any Taxing Authority by, or on behalf of, the Acquired Companies (or otherwise relating to the Business or Transferred Assets) have been filed when due in accordance with all Applicable Law, and all such Tax Returns are, or shall be at the time of filing, true and complete in all material respects.

(b) All material Taxes required to be paid by the Acquired Companies (or otherwise relating to the Business or Transferred Assets) have been timely paid (whether or not shown on Tax Returns), except for those that are being contested by appropriate proceedings as set forth on the Parent Disclosure Schedule and for which appropriate reserves have been established in the Balance Sheet. Parent and its Subsidiaries have timely paid all Taxes required to be paid by Parent and its Subsidiaries (other than the Acquired Companies), the non-payment of which would result in a Lien (other than a Permitted Lien) on any asset of any Acquired Company or any Transferred Asset.

(c) The unpaid non-income Taxes of the Acquired Companies (or otherwise relating to the Business or Transferred Assets), other than any Taxes described in Section 1.01(a)(iii) of the Parent Disclosure Schedule, do not exceed the amounts set forth on the Balance Sheet (without regard to deferred tax items and as adjusted for the passage of

time between the date of the Balance Sheet and the Closing), and since the date of the Balance Sheet no non-income Tax, other than any Tax described in Section 1.01(a)(iii) of the Parent Disclosure Schedule, has been incurred by an Acquired Company (or otherwise with respect to the Business or Transferred Assets) in connection with any transaction engaged in outside of the ordinary course of business other than those contemplated by the Restructuring Transactions.

(d) No extensions or waivers of statutes of limitations have been given or requested in respect of Taxes of any Acquired Company (or otherwise relating to the Business or Transferred Assets).

(e) There is no claim, audit, action, suit, proceeding or, to the Knowledge of Parent, investigation, now pending or, to the Knowledge of Parent, threatened against or with respect to any Acquired Company (or otherwise relating to the Business or Transferred Assets) in respect of any material Tax or Tax asset.

(f) No Acquired Company has received any written claim from any Taxing Authority in a jurisdiction where such Acquired Company does not file Tax Returns that such Acquired Company is or may be subject to taxation by, or required to file any Tax Return in, that jurisdiction.

(g) During the two-year period ending on the date hereof, none of the Acquired Companies was a distributing corporation or a controlled corporation in a transaction intended to be governed by Section 355 of the Code.

(h) None of the Acquired Companies has participated in a "listed transaction" within the meaning of the Treasury Regulation Section 1.6011-4(b).

(i) The Acquired Companies have (i) withheld and timely paid all material Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, equity holder or other Person, and (ii) correctly classified those individuals performing services as common law employees, leased employees, independent contractors, or agents.

(j) All sales, use, valued added and similar Taxes with respect to sales or leases made or services provided to customers by an Acquired Company or in connection with the Business have been properly collected and remitted. For all sales, leases or provision of services made by an Acquired Company or with respect to the Business for which sales, use, valued added or similar Taxes were not remitted or charged, such transactions were exempt from such Taxes, and the applicable Acquired Company (or other applicable Person), received and retained any appropriate Tax exemption certificates and other documentation qualifying such sale, lease or provision of services as exempt.

(k) There are no Liens for Taxes upon the assets or properties of any Acquired Company or the Transferred Assets, except for Permitted Liens.

(l) As of the Closing, each Selling Entity will be a separate regarded entity (or owned by a separate regarded entity) such that, as of the Closing, VS Holdco will be

classified as a partnership, and will have been for its entire existence, classified as a partnership or a disregarded entity, in each case, for U.S. federal (and relevant state) income tax purposes, no election will be pending with respect to the income tax classification of VS Holdco and no Person will have been designated as a "partnership representative" or "designated individual" for VS Holdco within the meaning of Section 6223 and the Treasury Regulations thereunder. The U.S. federal (and relevant state) income Tax classification of each Acquired Company as of the date hereof and following the completion of the Restructuring Transactions is set forth on the Parent Disclosure Schedule and, except as required to effect the Restructuring Transactions in accordance with the Restructuring Plan, no election is pending to change the income Tax classification of any Acquired Company.

(m) No closing agreements, private letter rulings, technical advance memoranda or similar agreements or rulings have been entered into, requested, or issued by any Taxing Authority with respect to any of the Acquired Companies that will have a material impact on the Tax liabilities (or the net taxable income or loss) of the Acquired Companies after Closing.

(n) No Acquired Company will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (i) change in or use of an improper method of accounting for a taxable period (or portion thereof) ending on or prior to the Closing Date, (ii) intercompany transactions occurring at or prior to the Closing Date, (iii) installment sale or open transaction disposition made on or prior to the Closing Date, (iv) agreements with any Taxing Authority, or (v) prepaid amount received or deferred revenue accrued on or prior to the Closing Date.

(o) No Acquired Company (i) has been a member of an affiliated, consolidated, combined, unitary or other group filing a combined, consolidated, unitary or similar Tax Return (other than a Parent Tax Group), or (ii) has any material liability for the Taxes of any Person as a transferee, successor, or other provision of Applicable Law.

(p) No Acquired Company is a party to any Tax sharing, indemnification or similar agreement pursuant to which it could have a material liability for Taxes of any other Person (including Parent or its Subsidiaries) other than (i) pursuant to typical arrangements included in agreements entered into in the ordinary course of business for which Taxes are not the principal subject matter, (ii) agreements solely between Acquired Companies, or (iii) agreements that will be terminated on or prior to the Closing such that no Acquired Company will have any liability under such agreement after the Closing. No Acquired Company is subject to any agreement requiring it to share any Tax benefits with any other Person.

(q) The Acquired Companies and Business are in compliance in all material respects with Applicable Laws relating to abandoned or unclaimed property or escheat, including, to the extent required by Applicable Laws, reporting and remitting all amounts held, due or owing by the Acquired Companies or the Business that remain unclaimed or unpaid.

(r) Parent and its Subsidiaries have complied in all material respects with all performance agreements included in any "enterprise zone tax incentive" agreement governing DC2, DC4, DC5, or DC6 or other material property owned by, or leased to, an Acquired Company.

Section 3.21. *Employee Benefit Plans.* (a) Section 3.21(a) of the Parent Disclosure Schedule contains a true and complete list of each material Employee Plan and marks with an asterisk (*) those Employee Plans that are VS Holdco Employee Plans. For each material VS Holdco Employee Plan, Parent has made available to Buyer (i) a copy of such plan (or a description, if such plan is not written) and all amendments thereto; (ii) the most recent annual returns/reports (Form 5500) and accompanying schedules and attachments thereto; (iii) all trust agreements, insurance contracts or other funding arrangements and amendments thereto; (iv) the current prospectus or summary plan description and all summaries of material modifications; (v) the most recent favorable determination or opinion letter from the IRS; (vi) the most recently prepared actuarial reports and the three most recently prepared financial statements; (vii) all documents and correspondence relating thereto received from or provided to the IRS, the U.S. Department of Labor, the PBGC or any other Governmental Authority or the plan sponsor of any Multiemployer Plan during the past two years; (viii) all current employee handbooks, manuals and policies; and (ix) if such plan is an International Plan, documents that are substantially comparable (taking into account differences in Applicable Law and practices) to the documents required to be provided in clauses (ii) through (viii). For each material Employee Plan that is not a VS Holdco Employee Plan, Parent has made available to Buyer the documents listed in items (i) and (ii) and (v) of this Section 3.21(a).

(b) No Employee Plan is, and no Acquired Company (or any predecessor of any such entity) sponsors, maintains, administers or contributes to (or has any obligation to contribute to), or otherwise has any liability with respect to, any plan that is or was subject to Title IV or Section 302 of ERISA or Sections 412 or 430 of the Code, including any Multiemployer Plan, or is reasonably expected to have any direct or indirect material liability with respect to any such plan at any time sponsored, maintained or contributed to by any ERISA Affiliate of an Acquired Company prior to the Closing.

(c) None of the Acquired Companies have any current or projected liability for, and no Employee Plan provides or promises, any post-employment or post-retirement medical, dental, disability, hospitalization, life or similar benefits (whether insured or self-insured) to any current or former Service Provider (other than coverage mandated by Applicable Law, including COBRA, for which the covered Person pays the full cost of coverage (except in the case of temporary COBRA subsidies under severance benefit arrangements)).

(d) With respect to each Employee Plan covered by Subtitle B, Part 4 of Title I of ERISA or Section 4975 of the Code, no non-exempt prohibited transaction has occurred that has caused or would reasonably be expected to cause any Acquired Company or any of its Affiliates to incur any material liability under ERISA or the Code.

(e) Each Employee Plan has been established, funded (to the extent required to be funded), operated and maintained in material compliance with its terms and Applicable Law, including ERISA and the Code. No action, suit, audit, proceeding, investigation or claim (other than routine claims for benefits) is pending or, to the Knowledge of Parent, threatened against or threatened with respect to or involving, any Employee Plan before any arbitrator or Governmental Authority, including the IRS, the U.S. Department of Labor or the PBGC.

(f) Each Employee Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination or opinion letter from the IRS or has applied to the IRS for such a letter within the applicable remedial amendment period or such period has not expired and, to the Knowledge of Parent, no circumstances exist that would reasonably be expected to result in any such letter being revoked or not being issued or reissued or a penalty under the IRS Closing Agreement Program if discovered during an IRS audit or investigation. Each trust created under any such Employee Plan is exempt from Tax under Section 501(a) of the Code and has been so exempt since its creation.

(g) To the Knowledge of Parent, no events have occurred with respect to any Employee Plan that would reasonably be expected to result in the assessment of any material excise tax against any Acquired Company with respect to any Employee Plan. None of the Acquired Companies has incurred (whether or not assessed) or would reasonably be expected to incur any material Tax or penalty under Sections 4980B, 4980D, 4980H, 6721 or 6722 of the Code.

(h) Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby (either alone or together with any other event) could (directly or indirectly) (i) entitle any current or former Service Provider to any payment (whether in cash, property or the vesting of property) or benefit, including any bonus, retention, severance, retirement or job security payment or benefit or (ii) accelerate the time of payment or vesting, trigger any payment or funding (through a grantor trust or otherwise) of compensation or benefits due, or increase the amount of any compensation or benefits due, to any current or former Service Provider.

(i) No Employee Plan or other compensation or benefit arrangement, individually or collectively, would reasonably be expected to result in the payment to any current or former Service Provider of any amount or provision of any benefit that would not be deductible under Section 280G of the Code or would be subject to the imposition of an excise tax under Section 4999 of the Code, in each case, by reason of being an "excess parachute payment" within the meaning of Section 280G of the Code. No Employee Plan provides any current or former Service Provider with any gross up, reimbursement or indemnification rights in respect of any taxes and/or penalties under Section 409A or 4999 of the Code for which any Acquired Company has any liability in connection with the transactions contemplated under this Agreement or otherwise.

(j) Each International Plan (i) is in compliance with its terms and Applicable Law, (ii) if intended to qualify for special tax treatment, meets all the requirements for

such treatment, (iii) if required, to any extent, to be funded, book-reserved or secured by an insurance policy, is fully funded, book-reserved or secured by an insurance policy, as applicable, based on reasonable actuarial assumptions in accordance with applicable accounting principles, and (iv) is not a "defined benefit plan" (as defined in Section 3(35) of ERISA, whether or not subject to ERISA) except in case of clauses (i) through (iii) as has not had and would not reasonably be expected to result in material liability to any of the Acquired Companies.

Section 3.22. *Labor Matters*. (a) Each of the Acquired Companies is, and since January 1, 2018 has been, in compliance in all material respects with all Applicable Laws relating to the conduct of the Business relating to labor and employment, including those relating to labor management relations, wages, hours, overtime, employee classification, discrimination, sexual harassment, civil rights, affirmative action, work authorization, immigration, safety and health, information privacy and security, workers compensation, continuation coverage under group health plans, wage payment and the payment and withholding of Taxes.

(b) None of the Acquired Companies are a party to or subject to, or is currently negotiating in connection with entering into, any Collective Bargaining Agreement, no current Service Providers are represented by any labor union, works council or other labor organization, and, to the Knowledge of Parent, there is not, and has not been any pending or threatened organizational campaign, petition or other unionization activity seeking recognition of a collective bargaining unit relating to any Service Provider.

(c) There are no material unfair labor practice complaints pending or, to the Knowledge of Parent, threatened against any Acquired Company before the U.S. National Labor Relations Board or any other Governmental Authority or any current union representation questions involving Service Providers.

(d) There is, and for the past three years there has been, no material labor strike, slowdown, stoppage, picketing, interruption of work, lockout, or other material labor dispute pending or, to the Knowledge of Parent, threatened against or affecting any Acquired Company.

(e) Each Acquired Company is in compliance with WARN in all material respects and has no material liabilities or other obligations thereunder.

(f) To the Knowledge of Parent as of the date of this Agreement, no senior executive of any Acquired Company intends to terminate his or her employment or relationship with any Acquired Company within the first 12 months following the Closing. To the Knowledge of Parent as of the date of this Agreement, no senior executive of any Acquired Company is a party to or bound by any confidentiality, non-competition, proprietary rights or other agreement that would materially restrict the performance of such person's current job duties or otherwise materially affect the operations of any Acquired Company's business following the Closing (except to the extent that such restrictions may be waived and are waived by Parent and its Affiliates as of the Closing).

Section 3.23. *Environmental Matters*. Except as set forth on Section 3.23 of the Parent Disclosure Schedule, or as would not reasonably be expected to be, individually or in the aggregate, material to the Business and the Acquired Companies (taken as a whole):

(a) Parent and its Subsidiaries are, and since January 1, 2018 have been, in compliance with all Environmental Laws relating to the Transferred Assets or the Business and all Material Permits required by Environmental Laws;

(b) no unresolved written notice, order, request for information, complaint or penalty relating to the Transferred Assets or Business has been received by Parent or any of its Subsidiaries, and there are no pending, or to the Knowledge of Parent threatened, judicial or administrative actions, suits or proceedings, in each case, that allege a violation by or liability of the Business (or with respect to the Transferred Assets) of or under any Environmental Law; and

(c) no Hazardous Substance has been released and there has been no contamination by, or exposure of any Person to, any Hazardous Substance, including by Parent or any of its Subsidiaries at, on or under any real property or facility currently owned, leased or operated by Parent or such Subsidiary, in each case, that has given or would give rise to any liability under Environmental Laws with respect to the Transferred Assets or the Business.

Section 3.24. *No Other Representations*. (a) Except for the representations and warranties set forth in this Article 3, no representation or warranty of any kind whatsoever, express or implied, at law or in equity, is made or shall be deemed to have been made by or on behalf of Parent to Buyer, and Parent hereby disclaims any such representation or warranty, notwithstanding the delivery or disclosure to Buyer, or any of its Representatives or Affiliates of any documentation or other information by Parent or any of its Representatives or Affiliates.

(b) Parent makes no representation or warranty with respect to any projections, forecasts or other estimates, plans or budgets of future revenues, expenses or expenditures, future results of operations (or any component thereof), future cash flows (or any component thereof) or future financial condition (or any component thereof) of the Business or any Acquired Company or the future business, operations or affairs of the Business or any Acquired Company heretofore or hereafter delivered to or made available to Buyer or any of its Representatives or Affiliates.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Parent as of the date hereof and as of the Closing Date that:

Section 4.01. *Corporate Existence and Power*. Buyer is a limited partnership duly formed, validly existing and in good standing (with respect to jurisdictions that

recognize such concept) under the laws of the State of Delaware and has all corporate powers required to carry on its business as now conducted.

Section 4.02. *Corporate Authorization*. The execution, delivery and performance by Buyer of this Agreement and the consummation of the transactions contemplated hereby by Buyer are within Buyer's corporate powers and have been duly authorized by all necessary corporate action on the part of Buyer. This Agreement constitutes a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws affecting creditors' rights generally and general principles of equity).

Section 4.03. *Governmental Authorization*. The execution, delivery and performance by Buyer of this Agreement and the consummation of the transactions contemplated hereby by Buyer require no action by or in respect of, or filing with, any Governmental Authority other than (i) compliance with any applicable requirements of the HSR Act, (ii) compliance with the requirements of the Applicable Laws set forth on Section 3.03 of the Parent Disclosure Schedule and (iii) any other action or filing the failure of which to obtain or make would not reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the performance by Buyer of its obligations under this Agreement or Buyer's consummation of the transactions contemplated by this Agreement.

Section 4.04. *Noncontravention*. The execution, delivery and performance by Buyer of this Agreement and the consummation of the transactions contemplated hereby by Buyer do not and will not (i) violate the Organizational Documents of Buyer, (ii) assuming compliance with the matters referred to in Section 4.03, violate any Applicable Law, (iii) require any consent or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or give rise to any right of termination, cancellation or acceleration of any right or obligation of Buyer or to a loss of any benefit to which Buyer is entitled under, any provision of any material agreement binding upon Buyer or (iv) result in the creation or imposition of any Lien on any asset of Buyer, except, in the case of clauses (ii) through (iv), as would not reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the performance by Buyer of its obligations under this Agreement or Buyer's consummation of the transactions contemplated by this Agreement.

Section 4.05. *Financing; Guaranty*. (a) Buyer has delivered to Parent true and complete copies of the Equity Commitment Letter confirming their commitment to provide Buyer with equity financing in connection with the transactions contemplated hereby in the amounts set forth therein (the "**Equity Financing**"). The Equity Commitment Letter is in full force and effect and is a valid and binding obligation of Buyer and the other parties thereto. As of the date hereof, (i) the Equity Commitment Letter has not been amended or modified in any respect, and the respective commitments contained therein have not been withdrawn, rescinded or otherwise modified in any respect and (ii) no event has occurred that, with or without notice, lapse of time or both,

would constitute a default or a material breach thereunder on the part of Buyer or the other parties thereto. There are no conditions precedent to the funding of the full amount of the Equity Financing other than the conditions that are expressly set forth in the Equity Commitment Letter, and, as of the date hereof, Buyer has no reason to believe that it will not be able to satisfy any term or condition of closing of the Equity Financing that is required to be satisfied as a condition of the Equity Financing, or that the Equity Financing will not be made available to Buyer on the Closing Date. Subject to the terms and conditions of the Equity Commitment Letter, the aggregate proceeds of the Equity Financing are in an amount sufficient to enable Buyer to make payment of the Purchase Price and any other amounts to be paid by it at the Closing hereunder.

(b) Concurrently with the execution of this Agreement, Buyer has delivered to Parent the Limited Guaranty executed by Sycamore Partners III, L.P., a Cayman Islands exempted limited partnership, and Sycamore Partners III-A, L.P., a Cayman Islands exempted limited partnership (the "**Limited Guaranty**"). The Limited Guaranty is in full force and effect and is a valid and binding obligation of the parties thereto and no event has occurred that, with or without notice, lapse of time or both, would constitute a default or a material breach thereunder on the part of the parties thereto.

Section 4.06. *Purchase for Investment*. Buyer is purchasing the Sold VS Interests and the Sold GP Interests for investment for its own account and not with a view to, or for sale in connection with, any distribution thereof. Buyer (either alone or together with its advisors) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Sold VS Interests and the Sold GP Interests and is capable of bearing the economic risks of such investment.

Section 4.07. *Litigation*. As of the date hereof, there is no action, suit or proceeding or, to the knowledge of Buyer, investigation, pending against, or to the knowledge of Buyer, threatened against or affecting, Buyer or any of its properties before (or, in the case of threatened actions, suits, proceedings or investigations, would be before) any Governmental Authority or arbitrator which, if determined or resolved adversely in accordance with the plaintiff's demands, would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the performance by Buyer of its obligations under this Agreement or Buyer's consummation of the transactions contemplated by this Agreement or which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

Section 4.08. *Finders' Fees*. There is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Buyer or any of its Affiliates who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

Section 4.09. *Solvency*. Assuming (i) the satisfaction of the conditions to Buyer's obligation to consummate the transactions contemplated by this Agreement, (ii) the accuracy of the representations and warranties set forth in Article 3 (disregarding, for

this purpose any "material," Material Adverse Effect, "knowledge" or other qualifications or limitations therein) and (iii) that the Acquired Companies (including VS Holdco) on a consolidated basis are Solvent immediately prior to the Closing, immediately after giving effect to the transactions contemplated by this Agreement, including the ABL Debt Financing and the Equity Financing, VS Holdco on a consolidated basis will be Solvent. For purposes of this Agreement, "**Solvent**" when used with respect to any Person, means that, as of any date of determination, (A) the amount of the "fair saleable value" of the assets and properties of such Person will, as of such date, exceed (x) the amount of all "liabilities of such Person, including a reasonable estimate of the amount of contingent and other liabilities," as of such date, as such quoted terms are generally determined in accordance with applicable federal laws governing determinations of the insolvency of debtors, and (y) the amount that will be required to pay the probable and foreseeable liabilities of such Person on its existing debts (including a reasonable estimate of the amount of contingent liabilities) as such debts become absolute and matured, (B) such Person will not have, as of such date, an unreasonably small amount of capital for the operation of the businesses in which it is engaged and (C) such Person will be able to pay its liabilities, including a reasonable estimate of the contingent and other liabilities, as they mature.

Section 4.10. *Inspections; No Other Representations*. Buyer is an informed and sophisticated purchaser, and has engaged expert advisors, experienced in the evaluation and purchase of businesses such as the Business and companies such as the Acquired Companies as contemplated hereunder. Buyer has undertaken such investigation and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make an informed and intelligent decision with respect to the execution, delivery and performance of this Agreement. Buyer acknowledges that Parent has given Buyer access to the key employees, documents and facilities of the Business and the Acquired Companies. Buyer will undertake prior to Closing such further investigation and request such additional documents and information as it deems necessary. Buyer agrees to accept the Sold VS Interests, the Sold GP Interests, the Business and the Acquired Companies in the condition they are in on the Closing Date based upon its own inspection, examination and determination with respect thereto as to all matters. Buyer is not relying (and Buyer has not relied) on any express or implied representations or warranties of any nature (including as to the accuracy or completeness of any information provided to Buyer) made by or on behalf of, or imputed to Parent, except as expressly set forth in Article 3. Without limiting the generality of the foregoing, Buyer acknowledges that Parent makes no representation or warranty with respect to (i) any projections, forecasts or other estimates, plans or budgets delivered to or made available to Buyer or any of its Representatives or Affiliates of future revenues, expenses or expenditures, future results of operations (or any component thereof), future cash flows or future financial condition (or any component thereof) of the Business or the Acquired Companies or the future business, operations or affairs of the Business or any Acquired Company or (ii) any other information or documents made available to Buyer or any of its Representatives or Affiliates with respect to the Business or the Acquired Companies or their respective businesses or operations (including as to the accuracy and completeness of any such information), except as expressly set forth in Article 3.

ARTICLE 5
COVENANTS

Section 5.01. *Conduct of the Company*. (a) From the date hereof until the Closing Date, except as contemplated by this Agreement or pursuant to the Restructuring Transactions, as required by Applicable Law or any Governmental Authority, as disclosed on Section 5.01(a) of the Parent Disclosure Schedule or as consented to in writing by Buyer (such consent not to be unreasonably withheld, conditioned or delayed), Parent shall and shall cause its Subsidiaries to conduct the Business in the ordinary course consistent with past practice and to use their reasonable best efforts to preserve intact the business organizations of the Business and the relationships of the Business with third parties and to keep available the services of the Business's present officers and employees; *provided* that no action by Parent or any of its Subsidiaries that is set forth on Section 5.01(b) of the Parent Disclosure Schedule or consented to in writing by Buyer in accordance with Section 5.01(b) shall be deemed to be a breach of this Section 5.01(a).

(b) Without limiting the generality of the foregoing, from the date hereof until the Closing Date, except as contemplated by this Agreement or pursuant to the Restructuring Transactions, as required by Applicable Law or any Governmental Authority, as disclosed on Section 5.01(b) of the Parent Disclosure Schedule or as consented to in writing by Buyer (such consent not to be unreasonably withheld, conditioned or delayed), Parent shall not, and shall cause its Subsidiaries not to, in each case solely with respect to the Business or the Acquired Companies:

(i) adopt or propose any change to any Organizational Document of any Acquired Company;

(ii) issue, deliver, transfer, pledge, encumber, or sell, or authorize the issuance, delivery, transfer, pledge, encumbrance or sale of, any VS Holdco Securities, VS Holdco GP Securities or VS Holdco Subsidiary Securities, other than (A) the issuance of any VS Holdco Subsidiary Securities to VS Holdco or any other VS Holdco Subsidiary pursuant to the Restructuring Transactions or in respect of a capital contribution in the ordinary course of business, and (B) the issuance, delivery, transfer and sale of VS Holdco Securities in connection with the formation and creation of VS Holdco as a wholly owned Subsidiary of Parent and as a Subsidiary of one or more Subsidiaries of Parent, (C) the issuance, delivery, transfer and sale of VS Holdco GP Securities in connection with the formation and creation of the VS Holdco GP as a wholly owned Subsidiary of Parent and as a Subsidiary of one or more Subsidiaries of Parent and (D) the issuance, delivery, transfer and sale of VS Holdco Securities to the VS Holdco GP as the general partner of VS Holdco pursuant to the Restructuring Transactions;

(iii) merge or consolidate any Acquired Company with any other Person, other than the merger of any VS Holdco Subsidiary into VS Holdco or any other VS Holdco Subsidiary pursuant to the Restructuring Transactions, or permit VS Holdco or any VS Holdco Subsidiary to acquire assets in excess of $2,500,000 in the aggregate from any other Person other than another Acquired

Company pursuant to the Restructuring Transactions (other than (A) pursuant to the Restructuring Transactions, (B) pursuant to existing contracts disclosed in the Parent Disclosure Schedule, or (C) the acquisition of inventory, materials or supplies in the ordinary course of business);

(iv) with respect to VS Holdco or any VS Holdco Subsidiary, adopt a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization or file for bankruptcy;

(v) incur or guarantee any additional indebtedness for borrowed money (as compared to the aggregate indebtedness for borrowed money as of the date hereof) in excess of $30,000,000 in the aggregate, other than indebtedness of an Acquired Company, on the one hand, to an Acquired Company, on the other hand;

(vi) (A) incur any additional capital expenditures (excluding the capital expenditures contemplated to be made pursuant to clause (B)), other than capital expenditures not exceeding $2,500,000 individually or $12,500,000 in the aggregate, or (B) fail to make capital expenditures in accordance with the capital expenditures budget set forth on Section 5.01(b)(vi)(B) of the Parent Disclosure Schedule;

(vii) make any loans, advances or capital contributions to, or investments in, any Person (other than an Acquired Company pursuant to the Restructuring Transactions or an Acquired Company in the ordinary course of business), other than (A) pursuant to an agreement in effect as of the date hereof and set forth on the Parent Disclosure Schedule, (B) advances to employees for business expenses in the ordinary course of business, (C) transactions with customers or suppliers on credit in the ordinary course of business, (D) advances to directors, officers or employees in respect of indemnity obligations pursuant to indemnity agreements entered into in the ordinary course of business, (E) loans between Parent or any of its Subsidiaries (excluding the Acquired Companies) on the one hand, and an Acquired Company, on the other hand; *provided* that such loans are fully paid off or discharged for equivalent value prior to the Closing Date without any adverse consequences to any Acquired Company (other than an Excluded Tax or other Excluded Liability), and (F) loans solely among the Acquired Companies in the ordinary course of business or set forth in the Restructuring Plan or solely among Acquired Companies that are in non-U.S. jurisdictions that are entered into to facilitate the distribution of excess cash;

(viii) sell, assign, transfer, convey, encumber or otherwise dispose of, or mortgage or subject to any Lien (other than Permitted Liens), any Transferred Assets (other than Intellectual Property Rights) in excess of $2,500,000 in the aggregate, other than (A) sales of inventory in the ordinary course of business, (B) disposition of obsolete inventory in the ordinary course of business consistent with past practice, (C) pursuant to an agreement in effect as of the date hereof and set forth on the Parent Disclosure Schedule, or (D) sales, transfers or dispositions

between an Acquired Company on the one hand, and an Acquired Company, on the other hand;

(ix) sell, assign, transfer, convey, encumber, license, permit to expire or lapse, abandon or otherwise dispose of, or mortgage, pledge or subject to any Lien (other than Permitted Liens), any Transferred IP material to the Business, other than (A) in the ordinary course of business, (B) for the purpose of disposing of obsolete or worthless assets, or (C) pursuant to an agreement in effect as of the date hereof and set forth on Section 5.01(b)(ix) of the Parent Disclosure Schedule;

(x) (A) grant any severance, retention, termination, change-in-control or transaction pay or benefits to, or enter into or amend any severance, retention, termination, employment, consulting, bonus, change-in-control, transaction bonus or severance agreement with, any current or former Service Provider or other individual service provider (other than, in connection with a termination not prohibited by clause (G)(y) of this Section 5.01(b)(x), providing severance no more favorable to the applicable Service Provider or other individual service provider than that required under the Severance Guidelines (as defined in the Parent Disclosure Schedule)), (B) increase the compensation or benefits payable or provided to any current or former Service Provider (other than increases in base compensation in the ordinary course of business consistent with past practice of not more than 3.5% of base compensation payroll as of the date hereof and competitive and seasonal increases for hourly employees at distribution centers and other facilities), (C) grant any equity or equity-based awards to, or discretionarily accelerate the vesting or payment of any such awards held by, any current or former Service Provider (except for equity award grants relating to Parent securities made in the ordinary course of business consistent with past practice), (D) accelerate the time of payment or vesting or trigger any payment or funding (through a grantor trust or otherwise) of compensation or benefits under, or increase the amount payable or trigger any other obligation under, any Employee Plan, (E) establish, adopt, enter into or amend or terminate any Employee Plan or Collective Bargaining Agreement (or any plan, program, policy, agreement or arrangement that would be an Employee Plan or Collective Bargaining Agreement if in effect as of the date hereof), other than (x) any amendment with respect to any broad-based Employee Plan disclosed on Section 3.21(a) of the Parent Disclosure Schedule that (I) applies uniformly to Service Providers and other individual service providers of Parent and its Affiliates and (II) is not targeted at, and does not materially increase the benefits or compensation provided or to be provided to, Service Providers or (y) as required by the existing terms of any Employee Plan existing on the date hereof and disclosed on Section 3.21(a) of the Parent Disclosure Schedule, (F) through negotiations or otherwise, recognize or certify any labor union, works council or other labor organization, or make any commitment to incur any material liability to any labor organization, except as required by Applicable Law, or (G) (x) hire any Service Provider (or independent contractor) with annual base compensation or fees in excess of $400,000 other than to fill vacancies arising due to terminations of employment of a Service Provider (or engagement of an

independent contractor) or (y) terminate the employment of any Service Provider (or engagement of an independent contractor) whose annual base compensation or fees are in excess of $400,000 other than for cause;

(xi) (1) enter into (A) any Material Contract of the type described in Section 3.11(a)(xv) or (2) renew, materially amend or terminate any Material Contract of the type described in Section 3.11(a)(i) (for this purpose, the reference to "$2,000,000 or more" in this clause shall be replaced with "$1,000,000 or more or aggregate rentals of $5,000,000 or more"), Section 3.11(a)(iii) (for this purpose, the reference to "$1,000,000" in this clause shall be replaced with "$5,000,000" and the reference to "$5,000,000" in this clause shall be replaced with "$10,000,000"), Section 3.11(a)(iv) (for this purpose, the reference to "$1,000,000" in this clause shall be replaced with "$5,000,000" and the reference to "$5,000,000" in this clause shall be replaced with "$10,000,000"), Section 3.11(a)(ix), Section 3.11(a)(x), Section 3.11(a)(xi), Section 3.11(a)(xi), or Section 3.11(a)(xvi) of this Agreement or enter into any contract that if in effect on the date hereof would be a Material Contract of the type described in Section 3.11(a)(i) (for this purpose, the reference to "$1,000,000" in this clause shall be replaced with "$5,000,000"), Section 3.11(a)(iii) (for this purpose, the reference to "$1,000,000" in this clause shall be replaced with "$5,000,000" and the reference to "$5,000,000" in this clause shall be replaced with "$10,000,000"), Section 3.11(a)(iv) (for this purpose, the reference to "$1,000,000" in this clause shall be replaced with "$5,000,000" and the reference to "$5,000,000" in this clause shall be replaced with "$10,000,000"), Section 3.11(a)(ix), Section 3.11(a)(x), Section 3.11(a)(xi), Section 3.11(a)(xi), or Section 3.11(a)(xvi) of this Agreement;

(xii) settle or offer to settle any action, suit or proceeding, other than (A) any such settlement that (x) involves solely money damages less than $2,500,000, and (y) does not contain any admission of fault, (B) between Buyer, on the one hand, and Parent or any of its Affiliates, on the other hand, that relates to the transactions contemplated by this Agreement;

(xiii) (A) make or change any material Tax election, (B) adopt or change any accounting method for Tax purposes that has a material effect on Taxes, (C) agree to any extension or waiver of the statute of limitations relating to a material amount of Taxes, (D) file any amendment to any Tax Return in respect of a material amount of Taxes, (E) take any action to surrender any right to claim a material Tax refund or (F) settle or compromise any material Tax liability, in each case, if taking such action could reasonably be expected to increase the liability of any Acquired Company for Taxes that are not (x) Excluded Taxes or (y) taken into account in the calculation of the Final Purchase Price;

(xiv) implement or announce any employee layoffs that would be reasonably likely to implicate WARN (other than employee layoffs pursuant to the Restructuring Transactions);

(xv) (x) change any financial accounting policies, practices, principles or methodologies used with respect to the Business or (y) change any cash management policies, practices, principles or methodologies used with respect to the Business (including with respect to cash of the type included in Closing Net Tangible Assets and described in items 13, 14 and 15 of the Specified Policies), in each case of clauses (x) and (y), unless required by GAAP or Applicable Law; or

(xvi) agree or commit to do any of the foregoing.

Notwithstanding anything to the contrary in this Agreement (except for, and subject to, the following sentence), prior to the Closing, nothing in this Agreement shall prohibit or otherwise restrict any Acquired Company from declaring and paying any dividends or distributions of cash and cash equivalents of any Acquired Company, from repaying any Indebtedness of any Acquired Company or from repaying any loans solely among the Acquired Companies or between Parent or any of its Subsidiaries (other than an Acquired Company), on the one hand, and an Acquired Company, on the other hand. Notwithstanding the foregoing, to the extent any action described in this paragraph is inconsistent with the Restructuring Plan (to the extent set forth in the Restructuring Plan), such act shall only be permitted if it complies with Section 2.07.

Section 5.02. *Reasonable Best Efforts; Further Assurances*. (a) Subject to the terms and conditions of this Agreement, each of Buyer and Parent shall use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under Applicable Law to consummate the transactions contemplated by this Agreement, including (i) preparing and filing as promptly as practicable with any Governmental Authority all filings, notices, petitions, statements, registrations, submissions of information, applications and other documents required in connection with the consummation of the transactions contemplated by this Agreement, (ii) supplying as promptly as practicable any additional information and documentary material that may be requested from any Governmental Authority in connection with this Agreement or the transactions contemplated by this Agreement and (iii) obtaining and maintaining all approvals, consents, waivers, permits, authorizations, orders and other confirmations required to be obtained from any Governmental Authority that are necessary, proper or advisable to consummate the transactions contemplated by this Agreement. Buyer shall not take or cause to be taken any action that it is aware or should reasonably be aware would have the effect of delaying, impairing or impeding the receipt of any approval, consent, waiver, permit, authorization, order or confirmation of any Governmental Authority referred to in the preceding sentence. Without limiting the generality of the foregoing, Buyer shall not, and shall cause its controlled Affiliates not to, acquire or agree to acquire (by merging or consolidating with, or by purchasing a substantial portion of the assets of or equity in, or by any other manner), any Person or portion thereof, if the entering into a definitive agreement relating to, or the consummation of, such acquisition, merger or consolidation would reasonably be expected to (A) impose any material delay in the obtaining of, or materially increase the risk of not obtaining, any approval, consent, waiver, permit, authorization, order or other confirmation of any Governmental Authority necessary to consummate the transactions contemplated by this Agreement or the expiration or termination of any applicable

waiting period, (B) materially increase the risk of any Governmental Authority entering an order prohibiting the consummation of the transactions contemplated by this Agreement, or (C) materially delay the consummation of the transactions contemplated by this Agreement.

(b) In furtherance and not in limitation of Section 5.02(a), each of Buyer and Parent shall make (i) an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated hereby as promptly as practicable and in any event within ten Business Days of the date hereof, and (ii) an appropriate filing pursuant to the Canadian Competition Act with respect to the transactions contemplated hereby as promptly as practicable and in any event within 15 Business Days of the date thereof, and shall supply as promptly as practicable any additional information and documentary material that may be requested pursuant to the HSR Act or the Canadian Competition Act and to take all other actions necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act and the Canadian Competition Act as soon as practicable.

(c) Without limiting the generality of Section 5.02(a), Buyer shall take, or cause to be taken, all actions and do, or cause to be done, all things necessary or desirable to avoid or eliminate each and every impediment that may be asserted by any Governmental Authority with respect to the transactions contemplated by this Agreement so as to enable the Closing to occur expeditiously after the date hereof, including (i) the defense through litigation on the merits of any claim asserted in any court, agency or other proceeding by any Governmental Authority seeking to, and the appeal of, and posting of a bond required by, any injunction or other order, decree, decision, determination or judgment that would, delay, restrain, prevent, enjoin or otherwise prohibit consummation of such transactions and (ii) proposing, negotiating, committing to, effecting or entering into any settlement, undertaking, consent decree, stipulation or agreement with any Governmental Authority to (A) sell, lease, license, divest or otherwise hold separate (including by establishing a trust or otherwise), the businesses, assets or properties of any Acquired Company or Buyer or any of its controlled Affiliates, in each case after the Closing, (B) terminate, modify or extend any existing relationships or contractual rights and obligations of any Acquired Company or Buyer or any of its controlled Affiliates, in each case after the Closing, (C) establish or create relationships and contractual rights and obligations of any Acquired Company or Buyer or any of its controlled Affiliates, in each case after the Closing or (D) make any other change to or restructuring of the Acquired Companies after the Closing, in each case of clauses (A) through (D) as may be required in order to obtain any approval, consent, waiver, permit, authorization, order or other confirmation of any Governmental Authority in connection with the transactions contemplated by this Agreement or avoid the entry of, or to effect the dissolution of, any injunction, order, decree, decision, determination or judgment in any action, suit or proceeding which would otherwise have the effect of materially delaying or preventing the consummation of the transactions contemplated by this Agreement under Applicable Law. Buyer shall be responsible for all filing fees and payments to any Governmental Authority in order to obtain any approvals, consents, waivers, permits, orders or other confirmations pursuant to this Section 5.02.

(d) Notwithstanding anything to the contrary in this Agreement, Buyer and Parent shall not be required to commit to or effect any action contemplated by this Section 5.02 that is not conditioned upon the consummation of the transactions contemplated by this Agreement.

(e) Each of Buyer and Parent shall, to the extent permitted by Applicable Law, (i) (A) promptly inform the other upon its receipt of any material communication from any Governmental Authority regarding any of the transactions contemplated by this Agreement, and (B) (x) in the case of such a communication that is written, provide the other with a copy of any such communication or (y) in the case of such a communication that is oral, notify the other of the substance of such communication, (ii) not participate in any meeting or engage in any material substantive conversation with any Governmental Authority without first giving the other (A) reasonable prior notice of the meeting or conversation and (B) unless prohibited by such Governmental Authority, the opportunity to attend or participate in such meeting or conversation, and (iii) provide the other with a reasonable advance opportunity to discuss, review and comment upon, and consider in good faith the views of the other in connection with, all proposed filings and communications with any Governmental Authority regarding the transactions contemplated by this Agreement; *provided* that, with respect to clauses (i)(B) and (iii), valuation, privileged and/or confidential information may be redacted.

(f) Each of Buyer and Parent may, as it deems advisable and necessary, designate any competitively sensitive materials provided to the other under this Section 5.02 as “outside counsel only”, and any such materials so designated and the information contained therein shall be given only to outside counsel of the receiving party and will not be disclosed by such outside counsel to employees, officers, or directors of the receiving party without the advance written consent of the Person providing such materials.

(g) Each of Parent and Buyer agree to, and Parent, prior to the Closing, and Buyer, after the Closing, agree to cause each Acquired Company to, execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be necessary or desirable in order to consummate or implement expeditiously the transactions contemplated by this Agreement, including, without limitation, such documents reasonably requested by Buyer’s title company in connection with the conveyance of any real property pursuant to the terms of this Agreement.

Section 5.03. *Certain Consents*. Parent and Buyer shall cooperate with each other (i) in determining whether any actions, consents, approvals or waivers are required to be obtained from any third parties (other than any Governmental Authority) in connection with the consummation of the transactions contemplated by this Agreement and (ii) in taking actions to obtain any such actions, consents, approvals or waivers; *provided* that no party hereto shall be obligated to pay any consideration in any form, grant any accommodation (financial or otherwise, regardless of any provision to the contrary in any applicable agreement) or provide any security or guarantee to any Person from whom any such action, consent, approval or waiver is requested, or commence or

participate in any litigation to obtain any such action, consent, approval or waiver, except for Buyer's obligations pursuant to Section 5.02.

Section 5.04. *Access to Information*. (a) From the date hereof until the Closing, Parent will use reasonable best efforts to (i) give, and cause each Selling Entity and Acquired Company to use reasonable best efforts to give, Buyer and its Representatives and Affiliates reasonable access during normal business hours to the offices, properties and books and records of the Acquired Companies and to the books and records of Parent and the Selling Entities relating to the Acquired Companies as reasonably requested by Buyer, and (ii) furnish, and cause each Acquired Company to use reasonable best efforts to furnish, to Buyer and its Representatives and Affiliates such information relating to the Business or any Acquired Company or to the services contemplated under the Transition Services Agreement (including with respect to associated personnel, systems, resources, third-party providers, costs and historical allocations, in each case, to the extent relating to the Business) as reasonably requested by Buyer. Any access pursuant to this Section shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of Parent, the Selling Entities or any Acquired Company. Notwithstanding the foregoing, Buyer shall not (A) have access to personnel records of the Acquired Companies relating to individual performance or evaluation records, medical histories or other information which in Parent's good faith opinion is sensitive or the disclosure of which could subject Parent or any of its Affiliates to risk of liability or (B) conduct or cause to be conducted any sampling, testing or other invasive investigation of the air, soil, soil gas, surface water, groundwater, building materials or other environmental media at any real property or facility owned, leased or operated by the Business or any Acquired Company.

(b) For a period of five years from and after the Closing, Parent will, and will cause the Selling Entities to, use reasonable best efforts to give Buyer and its Representatives and Affiliates reasonable access during normal business hours to the books and records of Parent and the Selling Entities relating to the Acquired Companies in respect of any period ending on or before the Closing Date to the extent necessary for Buyer in connection with any audit, investigation, dispute or litigation, or as required for any financial reporting or Tax purposes, as reasonably requested by Buyer; *provided* that Parent and the Selling Entities shall not be required to provide any such access with respect to any dispute or litigation between Parent or any of its Affiliates, on the one hand, and Buyer or any of its Affiliates, on the other hand. Any access pursuant to this Section shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of Parent or any of its Affiliates.

(c) For a period of five years from and after the Closing, Buyer will cause each Acquired Company to use reasonable best efforts to give Parent and its Representatives and Affiliates reasonable access during normal business hours to the books and records of the Acquired Companies in respect of any period ending on or before the Closing Date to the extent necessary for Parent in connection with any audit, investigation, dispute or litigation, or as required for any financial reporting and Tax purposes; *provided* that Buyer shall not be required to provide any such access with respect to any dispute or litigation between Parent or any of its Affiliates, on the one hand, and Buyer or any of its

Affiliates, on the other hand. Any access pursuant to this Section shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the Acquired Companies.

(d) Nothing in this Section 5.04 shall require any Person or any of its Affiliates to disclose information to the extent such disclosure (i) may result in a waiver of attorney-client privilege, work product doctrine or similar privilege or (ii) may violate any Applicable Law or any confidentiality obligation of such Person (including any privacy policy); *provided* that such Person shall use commercially reasonable efforts to provide the requesting party, to the extent possible, with access to the relevant information in a manner that would not reasonably be expected to result in the waiver of any such attorney-client privilege, work product doctrine or similar privilege or a violation of such confidentiality obligations.

Section 5.05. *Intercompany Arrangements*. Prior to the Closing, except for the Transaction Documents and the transactions contemplated thereunder, and except for those arrangements set forth on Section 5.05 of the Parent Disclosure Schedule (each, a "**Surviving Related Party Agreement**"), Parent shall, and shall cause its Subsidiaries to, (i) settle all intercompany accounts (including any loans referred to in clause (E) of Section 5.01(b)(vii)) between Parent or any of its Subsidiaries (other than an Acquired Company), on the one hand, and an Acquired Company, on the other hand, and (ii) terminate all Related Party Agreements, in each case of clauses (i) and (ii) without further liability or obligation of any party thereunder.

Section 5.06. *Resignations*. On or prior to the Closing Date, Parent will use reasonable best efforts to deliver to Buyer the resignations of all officers and directors of each Acquired Company who will be officers, directors or employees of Parent or any of its Subsidiaries after the Closing Date from their positions with each Acquired Company.

Section 5.07. *Notices of Certain Events*. Each of Parent and Buyer shall promptly notify the other of:

(a) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; and

(b) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement.

Section 5.08. *Public Announcements*. Each of Buyer and Parent agrees to consult with the other before issuing any press release or making any public statement with respect to this Agreement or the transactions contemplated hereby and, except for any press releases and public announcements the making of which may be required by Applicable Law or any listing agreement with any national securities exchange, will not issue any such press release or make any such public statement prior to such consultation; *provided* that each of Buyer and Parent agrees to consult with the other on the initial press release with respect to this Agreement and the transactions contemplated hereby.

Section 5.09. *Guarantees; China Facility*.

(a)

(i) From and after the date hereof, VS Holdco shall use reasonable best efforts to cause Parent and its Affiliates to be unconditionally released, in respect of any and all obligations of Parent or any of its Affiliates under any guarantee, letter of credit, keepwell, surety or performance bond, indemnity, support agreement or other similar arrangement provided by Parent or any of its Affiliates in respect of any contract or other liability of any Acquired Company set forth on Section 5.09 of the Parent Disclosure Schedule (the "**Scheduled Guarantees**") and marked with an asterisk (*), in each case effective as of or after the Closing (it being understood and agreed that in no event shall Buyer or any Acquired Company be obligated to pay any consideration in any form to any Person to obtain any such unconditional release, grant any accommodation (financial or otherwise, regardless of any provision to the contrary in any applicable agreement) or provide any security or guarantee to any Person from whom any such unconditional release is requested, or commence or participate in any litigation to obtain any such unconditional release, and in no event will the failure of Parent or any of its Affiliates to be substituted as a guarantor in respect of, or in substitution for, any such arrangements in order to obtain any such unconditional release in and of itself be deemed to be a breach of this Agreement). From and after the Closing, VS Holdco shall, and shall cause its Subsidiaries to, jointly and severally indemnify Parent and its Affiliates against any and all liabilities and other Damages incurred or suffered by Parent or any of its Affiliates arising out of or resulting from the exercise by any third party of its rights against Parent or any of its Affiliates after the Closing under any Scheduled Guarantee solely to the extent related to the Business or any of the Transferred Assets. With respect to the foregoing, VS Holdco shall be entitled to participate in and control any such matter in the same manner as provided in Section 9.03. Except as expressly set forth in this Section 5.09(a)(i) with respect to the Scheduled Guarantees or in Section 5.09(a)(ii) below with respect to the Specified Guarantee, VS Holdco shall have no obligations in respect of any other obligations of Parent or any of its Affiliates under any other guarantee, letter of credit, keepwell, surety or performance bond, indemnity, support agreement or other similar arrangement provided by Parent or any of its Affiliates.

(ii) With respect to the obligations of Parent or any of its Affiliates under the guarantee identified as the "Specified Guarantee" set forth on Section 5.09 of the Parent Disclosure Schedule (the "**Specified Guarantee**"), (A) Buyer shall cause Victoria's Secret Stores LLC or its predecessor (collectively, "**VSS LLC**") not to (x) amend or modify the agreement (as amended) that is the subject of the Specified Guarantee in a manner that would adversely affect the release of the Specified Guarantee or (y) knowingly cause or create any breach or default under such agreement, in each case of clauses (x) and (y), during the 30-day period from and after the Closing Date, and (B) Buyer shall, and shall cause VSS LLC to, take all actions reasonably requested by Parent to cause the conditions for

the release of the Specified Guarantee to be satisfied and that do not have an adverse effect on Buyer or any of its Affiliates (it being understood and agreed that in no event shall VS Holdco or VSS LLC be obligated to pay any money to any Person or substitute any Person as guarantor in respect of, or in substitution for, the Specified Guarantee in order to obtain any such release), and will not take any action during the 30-day period from and after the Closing Date that may reasonably be expected to cause the conditions for the release of the Specified Guarantee not to be satisfied, or that would reasonably be expected to cause the release of the Specified Guarantee to be invalid after the Closing.

(iii) Notwithstanding anything to the contrary contained herein, for purposes of Section 5.09(a)(ii), it is understood and agreed that any modification or changes to the Restructuring Plan which require Buyer's prior written consent and/or for which Buyer may reasonably withhold, condition or delay its consent hereunder, including in accordance with Section 2.07 of the Parent Disclosure Schedule, shall be deemed to have an adverse effect on Buyer.

(b) Parent agrees to the covenants, agreements and undertakings set forth on Section 5.09(b) of the Parent Disclosure Schedule. From and after the date hereof until the earlier of the Closing Date and the date on which Parent has delivered evidence (which is reasonably satisfactory to Buyer) to Buyer that an Acceptable Replacement Facility will be in full force and effect on the Closing Date in accordance with the terms and conditions described herein, Parent and its applicable Affiliates shall take all steps reasonably necessary, including, obtaining any consents from the lenders under the China Facility and to the extent reasonably requested by Buyer, entering into such amendments and/or other modifications to the China Facility so that at and immediately following the Closing, either (i) the China Facility is in full force and effect, or (ii) an Acceptable Replacement Facility is in full force and effect, in each case, on the terms and conditions set forth in Item 1 of Section 5.09(b) of the Parent Disclosure Schedule and in any event, on terms and conditions reasonably satisfactory to Buyer; *provided* that Buyer shall use commercially reasonable efforts to provide cooperation reasonably requested by Parent for the purpose of obtaining consents from the lenders under the China Facility for the purposes of clause (i), or for the purpose of obtaining an Acceptable Replacement Facility from an Acceptable Third Party Lender for the purposes of clause (ii). In connection with the foregoing, to the extent necessary to satisfy the covenant set forth in Item 1 of Section 5.09(b) of the Parent Disclosure Schedule, Parent and its applicable Affiliates shall enter into any amendments or modifications to the China Facility necessary to cause the guarantee provided by Parent under the China Facility as in effect on the date hereof to remain in full force and effect at and immediately following the Closing on terms and conditions substantially the same as the applicable guarantee in effect on the date hereof, and otherwise on terms and conditions no less favorable in the aggregate to Parent and the Acquired Companies that constitute obligors thereunder, or as may otherwise be agreed by Buyer in writing. Notwithstanding the foregoing, no such amendment, modification, consent or other arrangement contemplated by this Section 5.09(b) shall be required to become effective prior to the Closing.

(c) From and after the Closing, Buyer and VS Holdco shall not, and shall cause their respective Affiliates not to, encumber, mortgage or subject to any Lien, any assets, properties, rights or businesses of any Acquired Company incorporated or formed in China or of the Business that is located in China, other than (1) any Liens that secure the China Facility or an Acceptable Replacement Facility (provided that if an Acceptable Third Party Lender provides all or a portion of the Acceptable Replacement Facility (as described in the definition thereof), then the Liens securing the Acceptable Replacement Facility provided such Acceptable Third Party Lender shall be senior (such senior liens, "**Applicable Senior Liens**") to any Liens granted in favor of Parent to the extent Parent provides a portion of the Acceptable Replacement Facility (and Parent hereby agrees to subordinate (and/or release) any Liens granted in favor of it to permit the Applicable Senior Liens and in connection therewith enter into customary intercreditor and/or subordination documentation reasonably requested by such Acceptable Third Party Lender) and (2) Liens that secure financing provided by Affiliates of Buyer, which may be secured on any assets, properties, rights or businesses of any Acquired Company incorporated or formed in China or of the Business that is located in China on a junior basis (subject to Lien subordination terms reasonably satisfactory to Parent (to the extent Parent provides such Acceptable Replacement Facility)) to the Liens securing the Acceptable Replacement Facility; *provided* that, for the avoidance of doubt, an Acceptable Replacement Facility shall not be required to be any more permissive with respect to the ability to grant subordinated Liens than the China Facility (as in effect on the date hereof) (other than, with respect to an Acceptable Replacement Facility or any portion thereof, in each case, provided by Parent, as described in this clause (2)).

Section 5.10. *Waiver of Conflicts Regarding Representation; Nonassertion of Attorney-Client Privilege*. (a) Buyer waives and shall not assert, and, after the Closing, shall cause each Acquired Company to waive and not to assert, any conflict of interest arising out of or relating to the representation, after the Closing (the "**Post-Closing Representation**"), of Parent or any of its Affiliates or any equity holder, officer, employee or director of any Acquired Company (any such Person, a "**Designated Person**") in any matter involving this Agreement or any other agreements or transactions contemplated hereby, including any action, suit or other proceeding between or among Buyer or any of its Affiliates (including any Acquired Company), on the one hand, and any Designated Person, on the other hand, by any legal counsel currently representing any Acquired Company in connection with this Agreement or any other agreements or transactions contemplated hereby (whether or not such legal counsel also represented Parent) (the "**Current Representation**"), even though the interests of such Designated Person may be directly adverse to Buyer or such Affiliate.

(b) It is the intention of the parties hereto that all rights to any attorney-client privilege applicable to communications between any legal counsel currently representing any Acquired Company in connection with the Current Representation (whether or not such legal counsel also represented Parent) shall be retained solely by Parent (and not any Acquired Company); *provided* that the foregoing waiver and acknowledgement of retention shall not extend to any communication not involving this Agreement or any other agreements or transactions contemplated hereby; *provided further*, that in the event of a dispute between Parent or any of its Affiliates and a third party (other than Buyer or

any of its Affiliates), Parent and its Affiliates shall not waive such privilege without the prior written consent of Buyer (not to be unreasonably withheld, conditioned or delayed). Accordingly, no Acquired Company shall have access to any such communications, or to the files of any legal counsel currently representing such Acquired Company (whether or not such legal counsel also represented Parent) in connection with the Current Representation, from and after the Closing. Without limiting the generality of the foregoing, upon and after the Closing, (i) Parent and its Affiliates shall be the sole holders of the attorney-client privilege with respect to the Current Representation, and no Acquired Company shall be the holder thereof, and (ii) to the extent that files of any legal counsel currently representing any Acquired Company in connection with the Current Representation (whether or not such legal counsel also represented Parent) constitute property of a client, only Parent and its Affiliates shall hold such property rights.

(c) Buyer agrees, on its own behalf and on behalf of its Affiliates (including, after the Closing, the Acquired Companies), that in the event of a dispute between Parent or any of its Affiliates, on the one hand, and any Acquired Company, on the other hand, arising out of or relating to any matter in which any legal counsel currently representing any Acquired Company in connection with the Current Representation jointly represented both Parent and such Acquired Company, neither the attorney-client privilege, the expectation of client confidence, nor any right to any other evidentiary privilege or any work product doctrine will protect against or prevent disclosure by any legal counsel currently representing an Acquired Company in connection with the Current Representation to Parent or any of its Affiliates of any information or documents developed or shared during the course of any such joint representation.

(d) In the event that any third party shall seek to obtain from Buyer or its Affiliates (including, after the Closing, the Acquired Companies) attorney-client communications involving any legal counsel currently representing any Acquired Company in connection with the Current Representation, then Buyer shall notify Parent of such application sufficiently in advance of any hearing on the application to permit Parent to participate in any such proceedings.

Section 5.11. *Directors and Officers*. (a) From and after the Closing and for a period of six years from the Closing Date, Buyer shall cause the Acquired Companies to not repeal, amend or modify the rights to indemnification, advancement of expenses, exculpation and other limitations on liability in a manner adverse to any current or former director or officer of any Acquired Company (including any predecessors thereof) (such directors and officers, the "**D&O Indemnitees**") under, and the D&O Indemnitees shall continue to be entitled to such rights on terms no less favorable than those contained in, the Organizational Documents of the Acquired Companies in effect on the date of this Agreement to the fullest extent permitted by Applicable Law.

(b) In the event that Buyer or any Acquired Company or any of their respective successors or assigns (i) consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any Person, then in each such case, proper provision shall be made so that the successors and assigns of

Buyer or such Acquired Company, as the case may be, shall succeed to and be bound by the obligations set forth in this Section 5.11.

(c) The obligations of Buyer under this Section 5.11 shall not be terminated or modified in such a manner as to materially and adversely affect any D&O Indemnitee without the written consent of such affected D&O Indemnitee (it being expressly agreed that each D&O Indemnitee shall be a third-party beneficiary of this Section 5.11).

Section 5.12. *Releases*. (a) Effective as of the Closing, except for any rights or obligations under this Agreement, any other Transaction Document, any Surviving Related Party Agreement or any indemnification, exculpation or related advancement of expenses provision in any Organizational Document of Parent or any of its Affiliates, and except for claims for Fraud, Buyer, on behalf of itself and its Affiliates (including the Acquired Companies), and each of its and their respective past, present or future officers, directors, employees, agents, general or limited partners, managers, management companies, members, advisors, stockholders, equity holders, controlling Persons, other Representatives or Affiliates, or any heir, executor, administrator, successor or assign of any of the foregoing in each case solely in their capacity as such (collectively, the "**Buyer Releasing Parties**"), hereby irrevocably and unconditionally releases and forever discharges Parent and its Subsidiaries, and each of the foregoing's respective past, present or future officers, directors, employees, agents, general or limited partners, managers, management companies, members, advisors, stockholders, equity holders, controlling Persons, other Representatives or Affiliates, or any heir, executor, administrator, successor or assign of any of the foregoing in each case solely in their capacity as such (collectively, the "**Parent Released Parties**") of and from any and all actions, causes of action, suits, proceedings, executions, judgments, duties, debts, dues, accounts, bonds, contracts, agreements and covenants (whether express or implied), and claims and demands whatsoever whether in law or in equity (whether based upon contract, tort or otherwise) that the Buyer Releasing Parties may have against each of the Parent Released Parties, now or in the future, in each case in respect of any cause, matter or thing relating to any Acquired Company or the Business or any actions taken or failed to be taken by any of the Parent Released Parties in any capacity related to any Acquired Company or the Business occurring or arising prior to the Closing.

(b) Effective as of the Closing, except for any rights or obligations under this Agreement, any other Transaction Document, any Surviving Related Party Agreement or any indemnification, exculpation or related advancement of expenses provision in any Organizational Document of any Acquired Company, Parent, on behalf of itself and its Subsidiaries and each of its and their respective past, present or future officers, directors, employees, agents, general or limited partners, managers, management companies, members, advisors, stockholders, equity holders, controlling Persons, other representatives or Affiliates, or any heir, executor, administrator, successor or assign of any of the foregoing in each case solely in their capacity as such (collectively, the "**Parent Releasing Parties**" and, together with the Buyer Releasing Parties, the "**Releasing Parties**"), hereby irrevocably and unconditionally releases and forever discharges Buyer and its Affiliates (including the Acquired Companies), and each of the foregoing's respective past, present or future officers, directors, employees, agents,

general or limited partners, managers, management companies, members, advisors, stockholders, equity holders, controlling Persons, other representatives or Affiliates, or any heir, executor, administrator, successor or assign of any of the foregoing in each case solely in their capacity as such (collectively, the "**Buyer Released Parties**" and, together with the Parent Released Parties, the "**Released Parties**") of and from any and all actions, causes of action, suits, proceedings, executions, judgments, duties, debts, dues, accounts, bonds, contracts, agreements and covenants (whether express or implied), and claims and demands whatsoever whether in law or in equity (whether based upon contract, tort or otherwise) that the Parent Releasing Parties may have against each of the Buyer Released Parties, now or in the future, in each case in respect of any cause, matter or thing relating to any Acquired Company or the Business or any actions taken or failed to be taken by any of the Buyer Released Parties in any capacity related to any Acquired Company or the Business occurring or arising prior to the Closing.

(c) The foregoing releases extend to any and all claims of any nature whatsoever, whether known, unknown or capable or incapable of being known as of the Closing or thereafter, and includes any and all claims, actions, demands, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, agreements, controversies, agreements, promises, variances, trespasses, damages, judgments, expenses, executions, affirmative defenses, demands and other obligations or liabilities whatsoever, in law or equity. As of the Closing, each Releasing Party (in its capacity as such) hereby irrevocably agrees to refrain from, directly or indirectly, asserting, commencing, instituting or causing to be commenced, any action, suit or proceeding of any kind against any applicable Released Party, based upon any matter purported to be released hereby.

Section 5.13. *Transfer Taxes*. All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with the transactions contemplated by this Agreement (including, for the avoidance of doubt, the Restructuring Transactions) including any real property transfer Tax and any similar Tax (collectively, the "**Transfer Taxes**") shall be borne 100% by VS Holdco. For sake of clarity, Transfer Taxes shall exclude any Taxes imposed on income or gains (and such Taxes shall be treated as income Taxes).

Section 5.14. *Insurance*. (a) From the date hereof until the Closing Date, Parent shall, and shall cause its Affiliates to, use reasonable efforts to maintain their respective insurance policies in effect as of the date hereof that provide coverage for the properties, assets, business, operations, employees, officers or directors of the Business and/or any Acquired Company, in each case, with such coverage amounts and scope consistent in all material respects with those in effect as of the date hereof. From and after the Closing, the Acquired Companies shall cease to be insured by the current and historical insurance policies or programs of Parent or any of its Subsidiaries (other than an Acquired Company), whether provided by a third-party insurer, "captive insurer", self-insurance or a co-insurance program (the "**Parent Insurance Policies**"), in each case in respect of events, acts, errors, accidents, omissions, incidents, injuries or other forms of occurrences to the extent relating to any Acquired Company or the properties, assets, business, operations, employees, officers or directors of any Acquired Company that, in each case,

occur after the Closing (collectively, the "**Post-Closing Occurrences**"). No Acquired Company shall have any access, right, title or interest to or in any Parent Insurance Policy (including to any claims or rights to make claims or any rights to proceeds) to cover any Post-Closing Occurrences.

(b) After the Closing, (i) Parent shall use commercially reasonable efforts to report in good faith to the applicable third-party insurance provider, if applicable, all events, acts, errors, accidents, omissions, incidents, injuries or other forms of occurrences to the extent relating to any Acquired Company or the properties, assets, business, operations, employees, officers or directors of the Business or any Acquired Company that, in each case, occur at or prior to the Closing (collectively, the "**Pre-Closing Occurrences**") reasonably requested by Buyer to the extent covered by an occurrence-based Parent Insurance Policy, (ii) Buyer shall cause such Acquired Company to comply with the terms of any such Parent Insurance Policy, and (iii) Parent shall, and shall cause its applicable Subsidiaries to, use commercially reasonable efforts to obtain the benefit of the applicable insurance coverage under any such Parent Insurance Policy and pay such benefit to the applicable Acquired Company, net of (A) any deductibles, co-payments, self-insured amounts payable by Parent or any of its Subsidiaries, premium increases (to the extent attributable directly to the applicable benefit to such Acquired Company) or other out-of-pocket costs and expenses (including reasonable legal fees and expenses, if any) actually and reasonably incurred by Parent or any of its Subsidiaries in seeking such insurance proceeds and (B) any Taxes imposed on Parent or any of its Subsidiaries in respect of the receipt or accrual of such insurance proceeds; *provided* that the Acquired Companies shall be fully liable for all uninsured or self-insured amounts (including any such amounts payable by Parent or any of its Subsidiaries) in respect of any Pre-Closing Occurrence.

Section 5.15. *Payments*. (a) Parent shall, or shall cause its applicable Subsidiary to, promptly pay or deliver to Buyer (or its designated Affiliate) any monies or checks that have been sent to Parent or any of its Subsidiaries after the Closing Date by customers, suppliers or other contracting parties of any Acquired Company to the extent that they are in respect of a Transferred Asset or Assumed Liability or are for the account of an Acquired Company.

(b) Buyer shall, or shall cause its applicable Affiliate to, promptly pay or deliver to Parent (or its designated Subsidiary) any monies or checks that have been sent to Buyer or any of its Affiliates (including any Acquired Company) after the Closing Date by customers, suppliers or other contracting parties of Parent or any of its Subsidiaries to the extent that they are in respect of an Excluded Asset or Excluded Liability or are for the account of Parent or any of its Subsidiaries.

Section 5.16. *Misallocated Assets*. (a) If, following the Closing, any right, property or asset not included in the Transferred Assets is found to have been transferred to, or retained by, an Acquired Company in error, either directly or indirectly (including as a result of the Restructuring Transactions), Buyer shall transfer, or shall cause its Affiliates (including the Acquired Companies) to transfer, at no additional cost to Parent, such right, property or asset as soon as practicable to Parent or its designated Subsidiary.

(b) If, following the Closing, any right, property or asset included in the Transferred Assets is found to have been retained by Parent or any of its Subsidiaries in error, either directly or indirectly (including as a result of the Restructuring Transactions), Parent shall transfer, or shall cause its Subsidiaries to transfer, at no additional cost to Buyer, such right, property or asset as soon as practicable to Buyer or its designated Affiliate.

Section 5.17. *Name Changes; Parent Marks*. (a) As soon as reasonably practicable after the Closing, but in no event later than 90 days after the Closing Date, Buyer shall and shall cause its Subsidiaries (including the Acquired Companies) to (i) cease any and all use of the Retained Marks, (ii) take any and all actions necessary (including the filing of amended Organizational Documents and any other required documentation with the relevant Governmental Authorities) to initiate a change to the corporate name, "doing business as" name, trade name and any other similar corporate identifier of each of the Acquired Companies to a corporate name, "doing business as" name, trade name or any other similar corporate identifier that does not contain any Retained Marks, and (iii) destroy or remove any and all Retained Marks from any and all materials in their possession or control that contain or incorporate the Retained Marks.

(b) Buyer agrees that (i) the Retained Marks are, as of the date of this Agreement, and shall continue to be following the Closing, owned by Parent or an Affiliate of Parent, as applicable, (ii) neither Buyer nor any Affiliate of Buyer (including following the Closing, any Acquired Company) has any rights in, and shall not use in any manner, any of the Retained Marks after the 90-day period set forth in Section 5.17(a), and (iii) neither Buyer nor any Affiliate of Buyer (including following the Closing, any Acquired Company) shall contest the ownership, enforceability or validity of any rights of Parent or any Affiliate of Parent in or to any of the Retained Marks.

Section 5.18. *Intellectual Property License*. (a) Effective from and after the Closing, Parent (on behalf of itself and its Subsidiaries) hereby grants to the Acquired Companies a non-exclusive, worldwide, perpetual, irrevocable, fully paid-up, royalty-free, non-transferable, non-sublicensable (except as set forth in Section 5.18(d)) license under the Intellectual Property Rights (other than any and all Trademarks, Formulas and Personal Information) (i) that are owned by Parent or its Subsidiaries as of the Closing and (ii) that have been used or held for use in the Business on or prior to the Closing but are not included in the Transferred IP (collectively, the "**Licensed IP**"), in each case, to use, reproduce, create derivative works of, modify, distribute, make, have made, sell, offer for sale, import or otherwise commercially exploit products and services solely in connection with the operation of the Business and any reasonable evolution thereof.

(b) Effective from and after the Closing, Buyer (on behalf of itself and the Acquired Companies) hereby grants to Parent and its Subsidiaries a non-exclusive, worldwide, perpetual, irrevocable, fully paid-up, royalty-free, non-transferable, non-sublicensable (except as set forth in Section 5.18(d)) license under the Transferred IP (other than any and all Trademarks, Formulas and Personal Information) that has been used or held for use by Parent or its Subsidiaries in the operation of any business of Parent or its Subsidiaries (other than the Business) on or prior to the Closing, in each

case, to use, reproduce, create derivative works of, modify, distribute, make, have made, sell, offer for sale, import or otherwise commercially exploit products and services solely in connection with the operation of any business of Parent or its Subsidiaries and any reasonable evolution thereof (other than the Business).

(c) Notwithstanding the assignment provision in Section 11.04, Parent and Buyer may assign their respective licenses set forth in this Section 5.18, in whole or in part, in connection with a merger, consolidation or sale of all or substantially all of, or any portion of the assets of, their respective businesses to which the licenses relate.

(d) Parent and Buyer may sublicense their respective licenses set forth in this Section 5.18 to (i) their vendors, consultants, contractors and suppliers, in connection with the provision of services to their respective businesses to which the licenses relate and (ii) their distributors, customers and end-users, in connection with the distribution, licensing, offering and sale of the current and future products and services of their respective businesses to which the licenses relate.

(e) Each license granted in this Section 5.18 is, and will otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, a license of rights to "intellectual property" (as defined under Section 101 of the United States Bankruptcy Code), and Parent and Buyer will retain and may fully exercise all of their respective rights and elections under the United States Bankruptcy Code (or any similar foreign law) with respect thereto.

(f) For the avoidance of doubt, this Section 5.18 shall survive in perpetuity.

Section 5.19. *Financing*. (a) Buyer hereby affirms that it is not a condition to the Closing or to any of its obligations under this Agreement that Buyer (or any of its Affiliates) obtain financing for the transactions contemplated by this Agreement.

(b) Prior to the Closing, Parent and its Subsidiaries (including the Acquired Companies) shall, and shall cause their respective Representatives to, use their commercially reasonable efforts (except to the extent it would reasonably be expected to unreasonably interfere with the ongoing operations of Parent and its Subsidiaries (including the Acquired Companies)) to provide on a timely basis cooperation that is necessary in connection with the arrangement, implementation, consummation, obtaining and establishment of an asset-based (including any asset-based term loan) debt financing facility (the "**ABL Debt Facility**") by Buyer (or any of its Affiliates) in connection with the transactions contemplated by this Agreement (the "**ABL Debt Financing**") as Buyer (or any of its Affiliates) may reasonably request from time to time, including (in each case, solely relating to the Business or the Acquired Companies) (i) facilitating the pledging of collateral and executing and delivering definitive documentation (including security documentation) with respect to such ABL Debt Financing; *provided* that, any such pledges, executions and deliveries shall become effective only at, or as of, the Closing, (ii) take actions reasonably requested by Buyer (or any of its Affiliates) necessary to permit prospective debt financing sources to evaluate the Business' inventory, current assets, intellectual property, cash management systems, real property

and furniture, fixtures and equipment for the purpose of establishing collateral arrangements (including, without limitation, sufficient access to allow such prospective debt financing sources to complete field exams and conduct appraisals of such assets), (iii) delivering or causing to be delivered to Buyer the unaudited balance sheet of the Business as of the date ending on the last date of each fiscal quarter that commences after the fiscal quarter ended November 2, 2019 and that ends on or prior to 45 days prior to the Closing Date, the related unaudited statement of income for the Business for the period ending on such fiscal quarter and such other pertinent and customary information, to the extent reasonably available to Parent or any of its Subsidiaries, regarding the Business as may be reasonably requested by Buyer in order to consummate the arrangement of the ABL Debt Financing, in each case, together with customary authorization letters for use of such financial information in any marketing of the ABL Debt Financing, if any, and (iv) reasonably cooperating with marketing efforts, if any, with respect to such ABL Debt Financing.

(c) Buyer shall promptly, upon request by Parent, reimburse Parent for all reasonable and documented out-of-pocket costs and expenses (including reasonable attorneys' fees) incurred by Parent or any of its Subsidiaries in connection with the cooperation of Parent and its Subsidiaries contemplated by Section 5.19(b) and shall indemnify and hold harmless Parent, its Subsidiaries and their respective Representatives from and against any and all Damages actually suffered or incurred by any of them in connection with the arrangement of any ABL Debt Financing and any information used in connection therewith, except with respect to any information prepared or provided by Parent or any of its Subsidiaries or any of their respective Representatives or to the extent such Damages result from the gross negligence, willful misconduct or bad faith of, or a material breach of this Agreement, by Parent, any of its Subsidiaries or their respective Representatives.

Section 5.20. *Confidentiality*. Buyer acknowledges that the information being provided to it in connection with the transactions contemplated by this Agreement is subject to the terms of the Confidentiality Agreement, the terms of which are incorporated herein by reference. Effective upon the Closing, the provisions in the Confidentiality Agreement relating to the use and disclosure of Confidential Information (as such term is defined in the Confidentiality Agreement) will terminate with respect to such Confidential Information (as such term is defined in the Confidentiality Agreement) relating solely to the Business or the Acquired Companies; *provided, however,* that Buyer acknowledges that any and all other information provided to it by Parent, its Affiliates, or its Representatives concerning Parent or any of its Affiliates (other than the Acquired Companies with respect to the Business) shall remain subject to the terms and conditions of the Confidentiality Agreement after the Closing Date.

Section 5.21. *VS Holdco Obligations*. After the date hereof and prior to the Closing, Parent shall (i) form, or cause to be formed, VS Holdco, as a wholly owned Subsidiary of Parent (whether direct or indirect), and (ii) cause VS Holdco to execute a joinder to this Agreement to become a party to this Agreement and become entitled to, and subject to, all of the rights and obligations of "VS Holdco" under this Agreement, and Buyer consents in all respects to each of the foregoing actions.

Section 5.22. *Service Schedules*. Parent and Buyer acknowledge and agree that: (i) as of the date hereof, the Service Schedules (as defined in the Transition Services Agreement and Reverse Transition Services Agreement, respectively) reflect the material terms and conditions regarding the Services (as defined in the Transition Services Agreement and Reverse Transition Services Agreement, respectively) and shall be binding on the parties, subject to the remaining clauses (ii) - (iv) of this sentence; (ii) the parties shall continue to negotiate in good faith the Service Schedules during the period between the date hereof and the Closing Date and shall update such Service Schedules with such additional details regarding the Services (including the scope thereof and the allocation of ownership of any newly developed Intellectual Property created for the benefit of the Business that is not otherwise addressed in Section 2.09(d) of the Transition Services Agreement) upon which they mutually agree, in which case, such updated Service Schedules shall become the Service Schedules referred to in the Transition Services Agreement and Reverse Transition Services Agreement, as applicable; (iii) if, during the period between the date hereof and the Closing Date, Parent or Buyer learns of (A) any additional services (other than the Excluded Services) provided by the Service Provider Parties (as defined in the Transition Services Agreement) to the Business during the Reference Period (as defined in the Transition Services Agreement), or (B) any changes to the Services set forth on the Service Schedules that are reasonably necessary to reflect the services (other than Excluded Services) provided by the Service Provider Parties to the Business during the Reference Period (as defined in the Transition Services Agreement), in each case that are needed by the Service Recipients (as defined in the Transition Services Agreement) during the term of the Transition Services Agreement to operate the Business in substantially the same manner as the Business had been operated during the Reference Period (as defined in the Transition Services Agreement), then the parties shall add such additional services and changes to the Service Schedules and such additional services and changes shall be billed consistent with the billing methods used by Parent and its Affiliates for the applicable services to the Business during the Reference Period (or, with respect to any such changes pursuant to clause (B) with respect to (1)(t) Treasury & Cash Management, (u) Insurance, (v) Financial Reporting, (w) Internal Audit, (x) transition or migration related Services or (y) 8% Administrative Charge applied to landed cost of Beauty receipts, consistent with the allocation and billing methodologies used to determine the estimated costs set forth in Annex C to the Transition Services Agreement or (2) Tax, consistent with the hourly rate set forth in the "Tax" Service Schedule to the Transition Services Agreement); and (iv) during the period between the date hereof and the Closing Date, Parent and Buyer agree to the covenants, agreements and undertakings set forth on Section 5.22(iv) of the Parent Disclosure Schedule. Notwithstanding anything to the contrary herein, in no event shall Parent be required to include in the Service Schedules, or provide to Service Recipients, any Excluded Services.

Section 5.23. *Other Matters*. Each of Parent and Buyer agrees to the covenants, agreements and undertakings set forth on Section 5.23 of the Parent Disclosure Schedule.

Section 5.24. *Payments to Parent*. Any payment to Parent pursuant to this Agreement shall be made to Parent or any Subsidiary of Parent, as directed by Parent;

provided that if no recipient of such payment is specified by Parent, such payment shall be made to the Parent Members pro rata in respect of their interests in VS Holdco.

Section 5.25. *Real Estate Matters*.

(a) Campus Distribution Centers Transfer Plan.

(i) Prior to the Closing, Parent shall, and shall cause its Subsidiaries to, convey fee title to the Reynoldsburg Campus to the Subsidiary of VS Holdco set forth on Section 5.25(c) of the Parent Disclosure Schedule. Between the date hereof and the Closing, the parties hereto shall each use commercially reasonable efforts to negotiate in good faith the terms and conditions of the DC2 Lease, the DC7 Lease and the Shipping Building Sublease (collectively, the "**Leases**"); *provided* that the Closing shall not be conditioned upon or delayed pending the entry into any Lease (and the failure to do so shall not constitute the failure in and of itself of any condition to be satisfied on the Closing Date), and the parties hereto agree that the DC7 Lease Term Sheet, the DC2 Lease Term Sheet and the Shipping Building Sublease Term Sheet contain all material terms necessary to the transactions contemplated by each such term sheet and each such term sheet shall be binding on the applicable parties from and after the Closing, in each case, unless and until the applicable Lease has been executed and delivered in accordance with this Agreement. The parties hereto shall continue to use reasonable best efforts to execute and deliver the definitive Leases, as applicable, to the extent not executed at or prior to the Closing.

(ii) Commencing on the date hereof, and continuing until the earlier to occur of the consummation of a Subdivision Transaction and the date that is 30 months after the Closing Date (the "**Subdivision Outside Date**"), the parties hereto shall in good faith work together to effectuate a mutually agreeable subdivision of both the Home Campus and the Reynoldsburg Campus (the "**Subdivision Transaction**"). If the Subdivision Transaction is completed, (A) Parent and VS Holdco shall, and shall cause their respective Subsidiaries to, terminate the DC7 Lease, (B) VS Holdco shall, and shall cause its Subsidiaries to, convey fee title to DC7 to Parent or a Subsidiary of Parent designated by Parent "as is", subject only to Permitted Liens, (C) Parent and VS Holdco shall, and shall cause their respective Subsidiaries to, terminate the DC2 Lease and (D) Parent shall, and shall cause its Subsidiaries to, convey fee title to DC2 to VS Holdco or a Subsidiary of VS Holdco designated by VS Holdco "as is", subject only to Permitted Liens; *provided* that, for the avoidance of doubt, the Shipping Building Sublease shall remain in full force and effect following the completion of the Subdivision Transaction. If the completion of the Subdivision Transaction does not occur by the Subdivision Outside Date, then the Leases shall remain in full force and effect. For the avoidance of doubt, the Subdivision Transaction means both (and not just one) of the Home Campus and the Reynoldsburg Campus have been subdivided. For the avoidance of doubt, in no event shall the Subdivision Transaction be deemed to be a transaction contemplated by the Restructuring Plan.

(b) DC6 Construction. Prior to the Closing, Parent shall convey fee simple title to DC6 to the Subsidiary of VS Holdco set forth on Section 5.25(c) of the Parent Disclosure Schedule. Notwithstanding any provision to the contrary in this Agreement, Parent shall pay all Transfer Taxes in connection with the conveyance of DC6 to VS Holdco (or one of its Subsidiaries designated by Buyer). At the Closing, Parent and VS Holdco (or one of its Subsidiaries designated by Buyer) shall enter into a construction management agreement, in substantially the form attached hereto as Exhibit P.

(c) Other Real Estate Matters.

(i) Each of Parent and Buyer agrees to the covenants, agreements and undertakings set forth on Section 5.25(c) of the Parent Disclosure Schedule.

(ii) Parent and Buyer acknowledge and agree that: (A) the parties hereto shall use commercially reasonable efforts to negotiate in good faith and finalize the Construction Management Agreement in accordance with the Construction Management Agreement Term Sheet, and (B) if the parties hereto are unable to reach agreement on the Construction Management Agreement such that a definitive Construction Management Agreement is not executed and delivered at the time of Closing, the Closing shall not be delayed (and the failure to execute a definitive Construction Management Agreement shall not in and of itself constitute the failure of any condition to be satisfied on the Closing Date) but instead (x) the Construction Management Agreement Term Sheet shall become a binding obligation on VS Holdco or a Subsidiary of VS Holdco designated by Buyer and Parent and shall remain in effect until a definitive agreement replacing such Construction Management Agreement Term Sheet has been mutually negotiated and executed by Parent and VS Holdco or a Subsidiary of VS Holdco designated by Buyer. The parties hereto shall continue to use commercially reasonable efforts to execute and deliver the definitive Construction Management Agreement to the extent not executed at or prior to the Closing.

Section 5.26. *Shared Formulas*. From and after the date hereof until the expiration or termination of the "Production and Sourcing Support (Beauty and Home)" Service Schedule set forth in the Service Schedules (as defined in the Transition Services Agreement) in accordance with the Transition Services Agreement, Parent shall, and shall cause its Subsidiaries to, use commercially reasonable efforts to assist VS Holdco and its Subsidiaries to obtain a New Fragrance House Contract for each of the Formulas that are (i) owned by Parent or any of its Subsidiaries, (ii) used in the conduct of the Business at Closing by Parent and its Subsidiaries (as the same shall exist on the Closing Date), and (iii) not included in the Transferred Formulas ("**Shared Formulas**"). In furtherance of the foregoing, Parent shall, and shall cause its Subsidiaries to, waive all exclusivity commitments or other restrictions imposed upon Parent and/or its Subsidiaries by the fragrance houses or suppliers of the Shared Formulas to the extent necessary to enable VS Holdco and its Subsidiaries to obtain such New Fragrance House Contracts. In the event that VS Holdco and/or its Subsidiaries are unable to obtain a New Fragrance House Contract with respect to any material Shared Formula prior to the expiration or termination of the "Production and Sourcing Support (Beauty and Home)" Service

Schedule under the Transition Services Agreement, then Parent and VS Holdco (and/or their respective Subsidiaries) shall negotiate in good faith an arrangement (e.g., a supply agreement or other commercial agreement) pursuant to which Parent and its Subsidiaries will continue to provide VS Holdco and its Subsidiaries with access to such Shared Formula until the date on which VS Holdco and/or its Subsidiaries are able to obtain a New Fragrance House Contract for such Shared Formula. A "**New Fragrance House Contract**" shall mean, with respect to a Shared Formula, a contract entered into by an Acquired Company and the applicable fragrance house or other supplier of such Shared Formula, on terms and conditions comparable to the terms and conditions of the applicable Fragrance House Contracts with such fragrance house or supplier and on such other terms as are reasonably satisfactory to such Acquired Company.

ARTICLE 6
TAX MATTERS

Section 6.01. *Intended Tax Treatment*.

(a) The parties agree to treat the transactions described in Section 2.01 for U.S. federal income tax and applicable state income tax purposes as an acquisition of a partnership interest in VS Holdco by Buyer from each of the Selling Entities (or if a Selling Entity is disregarded, from its regarded owner) in a transaction governed by Sections 741, 751 and 743 of the Code (and any similar provisions of applicable state law).

(b) Each party hereto agrees not to treat the formation of VS Holdco pursuant to the Restructuring Transactions as governed by Code Section 721(c).

(c) The parties agree to treat, for U.S. federal income tax and applicable state income tax purposes, (i) any payment by VS Holdco to Parent pursuant to Section 2.13(a) or Section 2.12 as a distribution of 45% of such amount to Parent and as a distribution of 55% of such amount to Buyer immediately followed by a payment of such amount to Parent as an adjustment to the purchase price Buyer paid to Parent for its interests in VS Holdco, and (ii) any payment by Parent to VS Holdco pursuant to Section 2.12 as a payment of 45% of such amount to VS Holdco as contribution and as a payment of 55% of such amount to Buyer as an adjustment to the purchase price paid by Buyer for its interests in VS Holdco immediately followed by a contribution of such amount to VS Holdco.

(d) The parties agree to treat, for U.S. federal income tax and applicable state income tax purposes, (i) DC4, DC5, DC6 and DC2 as having been contributed to VS Holdco prior to the Closing and (ii) any capital expenditures of Parent pursuant to the DC6 Construction Management Agreement that occur following the Closing as having occurred immediately prior to the Closing.

(e) The parties agree to treat, for U.S. federal income tax and applicable income tax purposes, DC7 as having been retained by Parent (or its Affiliates).

(f) The parties agree to treat, for U.S. federal income tax and applicable state income tax purposes, the financial arrangements between Parent and VS Holdco pursuant to the Construction Management Agreement and the Reimbursement Agreement as a loan from Parent to VS Holdco.

(g) None of Parent, Buyer and VS Holdco shall (or shall permit any of their respective Affiliates) to take any position inconsistent with the provisions of this Section 6.01 on any applicable Tax Return or in any proceeding before any Taxing Authority.

Section 6.02. *Tax Returns*.

(a) Parent shall prepare or cause to be prepared all Tax Returns that any Acquired Company files jointly with Parent or any of its Affiliates (excluding, for the avoidance of doubt, any Acquired Company). Any Taxes shown as due and payable on any Tax Return described in this clause (a) shall be paid by Parent.

(b) Parent shall prepare or cause to be prepared, at its expense, all income Tax Returns for the Acquired Companies for any taxable period that ends on or before the Closing Date the due date of which is after the Closing Date (taking into account applicable extensions). Each such Tax Return shall be prepared by treating items on such Tax Return in a manner consistent with the past practices of Parent and the Acquired Companies with respect to such items, except as required by Applicable Law. Parent shall deliver to Buyer and VS Holdco, for Buyer and VS Holdco's review and comment, a draft of each such Tax Return no later than the Draft Delivery Date for such Tax Return. Buyer and VS Holdco shall have the Draft Review Period for such Tax Return to provide comments, and Parent shall consider Buyer and VS Holdco's comments in good faith. Buyer shall cause such Tax Return, as prepared by Parent in accordance with this Section 6.02(b), to be filed at Parent's direction. For this purpose, (i) "**Draft Delivery Date**" means 45 days prior to the earlier of the due date for such Tax Return (taking into account any applicable extensions) and the date such Tax Return is actually filed, and (ii) the "**Draft Review Period**" means 30 days. Any Taxes shown as due and payable on any Tax Return described in this clause (b) shall be timely paid by Parent or, to the extent any Acquired Company has paid such Tax, promptly reimbursed by Parent.

(c) VS Holdco shall prepare or cause to be prepared, at its expense, all income Tax Returns for the Acquired Companies for any Straddle Period. Each such Tax Return shall be prepared by treating items on such Tax Return in a manner consistent with the past practices of Parent and the Acquired Companies with respect to such items, except as required by Applicable Law. VS Holdco shall deliver to Buyer and Parent, for Buyer and Parent's review and comment, a draft of each such Tax Return no later than 45 days prior to the earlier of the due date for such Tax Return (taking into account any applicable extensions) and the date such Tax Return is actually filed. Buyer and Parent shall have 30 days to provide comments, and VS Holdco shall consider Buyer and Parent's comments in good faith. Without limiting the foregoing, provided Parent has submitted timely comments to the draft copy of such Tax Return and such comments have not been fully incorporated or otherwise omitted after good faith discussions, VS Holdco shall not file, or permit to be filed, any Tax Return described in this Section 6.02(c) without Parent's

prior written consent (not to be unreasonably withheld, conditioned or delayed). Any Tax shown on any such Tax Return that is attributable to a Pre-Closing Tax Period shall be timely paid by Parent or, to the extent any Acquired Company has paid such Tax, promptly reimbursed by Parent.

(d) From and after the Closing, VS Holdco shall not, and shall not permit any of its Affiliates (including, for the avoidance of doubt, the Acquired Companies), to amend any income Tax Return with respect to any Pre-Closing Tax Period if such action could (i) increase (A) Parent's liability for Taxes for a Pre-Closing Tax Period or (B) the amount of any indemnification obligation of Parent pursuant to this Agreement or (ii) reduce the amount of any Tax refund to which Parent is entitled pursuant to this Agreement, in each case without Parent's prior written consent, unless required by Applicable Law (either as agreed to between Parent and VS Holdco or based on advice that VS Holdco has received from an accounting firm or law firm of recognized standing in the jurisdiction in which the amendment is to be filed that such amendment is more likely than not required to be filed under Applicable Law). To the extent that VS Holdco or any Acquired Company determines that it is required under Applicable Law to amend any income Tax Return, VS Holdco shall give to Parent reasonable notice of such determination and consider in good faith any comments of Parent to such determination, and shall deliver a draft of such amendments at least 45 days prior to its intended filing and shall incorporate all reasonable comments of Parent prior to filing.

Section 6.03. *Tax Refunds*. From and after the Closing, VS Holdco shall promptly (i) pay to Parent the amount of any refunds or credits received by the Acquired Companies in respect of any Excluded Tax and (ii) without duplication, reimburse Parent for any estimated tax payment made by Parent or any Acquired Company prior to the Closing to the extent, and at the time, such payment (or any portion thereof) is refunded to any Acquired Company or is used to offset or reduce any Tax liability of Buyer or any of its Affiliates (including, for the avoidance of doubt, any Acquired Company) with respect to any Post-Closing Tax Period (in each case, net of any Taxes imposed thereon or Taxes imposed on any Acquired Company or any other direct or indirect equity holders (other than Parent) on repatriating the amount of such refund to Buyer and any reasonable third-party out-of-pocket expenses incurred by Buyer or the Acquired Companies, as the case may be, in obtaining such refund or credit). Notwithstanding the foregoing, VS Holdco shall have no obligation to pay to Parent any amount of a refund or credit with respect to a Tax that was paid by an Acquired Company after the Closing Date and for which Parent has not provided indemnification for such Tax. Any refunds of any Transfer Taxes shall be for the sole benefit of VS Holdco and to the extent Buyer or Parent or their respective Affiliates (other than any Acquired Company) receives any such refund, such refund (net of any Taxes imposed thereon and reasonable third-party costs borne by such party to obtain such refund) shall be promptly paid to VS Holdco.

Section 6.04. *Allocation of Straddle Period Taxes*. For purposes of this Agreement, in the case of any Straddle Period, all income Taxes shall be apportioned between the Pre-Closing Tax Period, on the one hand, and the Post-Closing Tax Period, on the other hand, as though such taxable period terminated as of the close of business on the Closing Date; *provided*, that any exemptions, allowances or deductions that are

calculated on an annual basis or benefits of graduated rates, shall be apportioned between the two periods on a daily basis.

Section 6.05. *Purchase Price Allocation.*

(a) Prior to the Closing Date, Parent and Buyer shall agree on an allocation of the Estimated Purchase Price among the Selling Entities, determined in accordance with the principles set forth on Section 6.05 of the Parent Disclosure Schedule (the "**Preliminary Allocation**" and such principles, the "**Allocation Principles**"); *provided* that if Parent and Buyer have not agreed on such an allocation prior to the date on which the Closing otherwise would occur, then (i) the failure to so agree shall not constitute the failure of any condition to be satisfied on the Closing Date, the Closing shall occur and, pending the Independent Accountant's determination of the Preliminary Allocation as provided in the following clause (ii), any and all payments which otherwise would be made to or by, the Selling Entities pursuant to this Agreement shall instead be made to or by an Affiliate of Parent (which Affiliate shall be designated by Parent by written notice to Buyer) acting as agent of the Selling Entities (the "**Selling Agent**"), (ii) the matter shall be referred to the Independent Accountant for prompt determination (the costs of which shall be borne equally by Parent and Buyer, with each of Parent and Buyer paying its own costs and expenses), (iii) the Preliminary Allocation shall be the allocation as determined by the Independent Accountant and (iv) promptly following the Independent Accountant's determination of the Preliminary Allocation, (A) the Selling Agent shall disburse to the appropriate Selling Entities any amounts received by it in its capacity as such and (B) the appropriate Selling Entities shall reimburse the Selling Agent for any amounts paid by the Selling Agent on their respective behalves.

(b) Not later than 90 days after the Final Equity Value is determined pursuant to Section 2.11, VS Holdco shall deliver to Buyer and Parent a schedule allocating the Final Purchase Price and any other applicable amounts required for Tax purposes, among the assets of VS Holdco (and its Subsidiaries that are disregarded entities), in a manner consistent with the Preliminary Allocation, the Allocation Principles and applicable Tax law (such schedule, the "**Allocation Schedule**"). If Buyer or Parent disagree with any aspect of the Allocation Schedule, such party may, within 20 days after delivery of the Allocation Schedule, deliver a notice (the "**Allocation Notice**") to VS Holdco and Buyer or Parent, as the case may be, to such effect, specifying those items as to which such party disagrees, the basis for such disagreement, and setting forth such party's proposed allocation. If an Allocation Notice is duly and timely delivered, Parent, Buyer and VS Holdco shall, during the 20 days following such delivery, use commercially reasonable efforts to reach agreement on the disputed items or amounts to determine the allocation of the Final Purchase Price and any other amounts properly included for Tax purposes. If Parent, Buyer and VS Holdco are unable to reach such agreement, they shall promptly thereafter jointly retain and cause the Independent Accountant (the costs of which shall be borne equally by Parent and Buyer with each of Parent and Buyer paying its own costs and expenses) to resolve any remaining disputes in a manner that is consistent with the Preliminary Allocation and the Allocation Principles. The allocation, as prepared by VS Holdco if no Allocation Notice has been given, as adjusted pursuant to any agreement between Parent, Buyer and VS Holdco, or as determined by the Independent Accountant,

as applicable (the "**Allocation**"), shall be conclusive, final and binding on the parties. The Allocation Schedule, the Allocation Notice and the Allocation (and any adjustments thereto) each shall be prepared consistently with the Preliminary Allocation and in accordance with the Allocation Principles and Sections 751, 755 and 1060 of the Code and the Treasury Regulations promulgated thereunder.

(c) None of Parent, Buyer or VS Holdco shall (and they shall cause their respective Affiliates not to) take any position inconsistent with the Allocation on any Tax Return or in any proceeding before any Governmental Authority, in each case, except to the extent otherwise required by Applicable Law.

Section 6.06. *Cooperation*. Parent and Buyer shall cooperate fully, as and to the extent reasonably requested by the other party or VS Holdco, in connection with the preparation and filing of any Tax Return, any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other party's reasonable request) the provision of records and information that are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Parent, Buyer and VS Holdco agree (i) to retain all books and records with respect to Tax matters pertinent to Acquired Companies relating to any Pre-Closing Tax Period until the expiration of any applicable statute of limitations, and to abide by all record retention agreements entered into with any Governmental Authority for all periods required by such Governmental Authority, and (ii) to use commercially reasonable efforts to provide the other party with at least 30 days' prior written notice before destroying any such books and records, during which period the party receiving the notice can elect to take possession, at its own expense, of such books and records. Notwithstanding anything to the contrary in this Agreement, in no event shall Parent be required to deliver a copy of, or information in respect of, any Tax Return of a Parent Tax Group (other than a group that consists exclusively of Acquired Companies).

Section 6.07. *Withholding Certificates*.

(a) Prior to the Closing Date, Parent shall deliver to Buyer (i) a properly executed IRS Form W-9 or certificate of non-foreign status in form and substance required under Code Sections 1445 and 1446 from a Selling Entity that is a US Person (or for a Selling Entity that is disregarded as an entity separate from its owner and is owned by a regarded entity that is a US Person, from such US Person); (ii) a certificate duly executed by VS Holdco in form and substance required under Treasury Regulations Section 1.1445-11T, stating that either (A) 50% or more of the value of the gross assets of VS Holdco does not consist of U.S. real property interests within the meaning of Section 897 of the Code and the Treasury Regulations thereunder ("**USRPIs**"), or (B) 90% or more of the value of the gross assets of VS Holdco does not consist of USRPIs plus cash or cash equivalents; and (iii) one or more certifications in form and substance required under IRS Notice 2018-29 or Proposed Treasury Regulations Section 1.1446(f)-2 (or any replacement authority that supersedes IRS Notice 2018-29 and/or Proposed Treasury Regulations Section 1.1446(f)-2 after the date hereof) upon which Buyer can properly rely (in Buyer's reasonable discretion) to avoid or reduce withholding under

Section 1446(f)(1) of the Code with respect to any Selling Entity which is not a US Person.

(b) In connection with preparing any certification pursuant to Section 6.07(a)(iii), or determining whether any such certification can reasonably be relied on to avoid or reduce withholding under Section 1446(f)(1) of the Code, each of Parent and Buyer shall, and shall cause each of its Affiliates and VS Holdco to, treat Cayman Co2 (as defined in the Restructuring Plan) as not engaged in the conduct of a trade or business within the United States within the meaning of Section 864 of the Code.

(c) Notwithstanding anything in this Agreement to the contrary, Buyer, its Affiliates and the Acquired Companies will be entitled to withhold and deduct from any amounts otherwise payable pursuant to this Agreement such amounts as any such Person is required to deduct and withhold with respect to the making of such payment under the Code or any provision of Applicable Law. Any amounts deducted and withheld in accordance with this Section 6.07(c) will be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made. To the extent that Buyer determines it is required to withhold (other than from the failure to provide any certificates under Section 6.07(a) that exempt the transactions contemplated by this Agreement from withholding under Sections 1445 and 1446 of the Code), it shall give prompt notice to Parent of such requirement and shall work in good faith to avoid or reduce such withholding in accordance with Applicable Law

Section 6.08. *Buyer United States Shareholder*. If Buyer demonstrates, on or prior to March 31, 2021 (or the Independent Accountant makes a determination after such date or Buyer and Parent enter into a settlement in respect of a matter referred to the Independent Accountant after such date) that Buyer or any of its direct or indirect equityholders is a Buyer United States Shareholder, Parent shall promptly pay to Buyer (or its designees) the Buyer United States Shareholder Tax Amount (if any). If Buyer and Parent are unable to agree as to whether a Person is a Buyer United States Shareholder or the Buyer United States Shareholder Tax Amount for any Buyer United States Shareholder, Buyer and Parent shall work in good faith to resolve their differences; *provided* that if they are unable to resolve their differences by March 31, 2021, then Parent and Buyer shall retain the Independent Accountant (the costs of which shall be borne equally by Parent and Buyer) to resolve their differences. The determination of the Independent Accountant regarding any such disputes shall be binding on Parent, Buyer and VS Holdco for purposes of this Agreement.

Section 6.09. *Push-Out Elections*. To the extent permitted by Applicable Law, Buyer, Parent, and the Selling Entities will cause (and will cooperate in connection with causing) any Acquired Company treated as a partnership for U.S. federal income tax purposes on or prior to the Closing to make "push-out" elections pursuant to Code Section 6226 and the Treasury Regulations promulgated thereunder with respect to any Pre-Closing Tax Periods.

Section 6.10. *Tax Sharing Agreements*. Prior to Closing, Parent shall take all actions necessary to terminate each Acquired Company's obligations under any Tax

sharing, Tax indemnity, or similar agreement to indemnify or pay the obligations of Parent or its Subsidiaries (other than any Acquired Company) such that no Acquired Company shall have any obligation to pay or reimburse Parent or its Subsidiaries (other than any Acquired Company) for any Taxes after the Closing (other than as contemplated by this Agreement).

ARTICLE 7
EMPLOYEE BENEFITS

Section 7.01. *Continuation of Employment of Service Providers.* Parent and its Affiliates, and at all times the Acquired Companies, shall take all necessary and appropriate actions to provide for (i) in the case of each Continuing Employee who is employed by an Acquired Company as of the Closing Date, the continuation of such Continuing Employee's employment with such Acquired Company following the Closing, and (ii) in the case of each Continuing Employee who is employed between the date hereof and the Closing by Parent or an Affiliate of Parent other than an Acquired Company, the transfer of such Continuing Employee's employment to an appropriate Acquired Company effective on or before the Closing Date or, subject to the terms and conditions of the Transition Services Agreement, effective as of such later date agreed in writing between Parent and the Acquired Companies (the Closing Date, or such later date as relates to any such Continuing Employee, the Continuing Employee's "**Transition Date**"). The terms of employment of each such Continuing Employee with the Acquired Companies as of and after such Continuing Employee's Transition Date shall be consistent with the terms and conditions set out in this Article 7; *provided*, that for each such Continuing Employee the Acquired Companies will take all measures that are required or appropriate in order to (i) effectuate any such continuation or transfer of employment of any such Continuing Employee and (ii) avoid and mitigate to the maximum extent possible the triggering of a termination of employment or the incurrence of any severance obligations or termination-related obligations (including, without limitation, by the provision of all appropriate notices, assurances, offers of employment and the assignment and assumption of obligations or undertakings with respect to the employment, compensation, benefits, protections or other obligations relating to any such Continuing Employee). To the extent relevant and practicable, with respect to each Continuing Employee, Parent and the Acquired Companies shall (i) treat the Acquired Companies as a "successor employer" and Parent and its other Affiliates as "predecessors," within the meaning of Sections 3121(a)(1) and 3306(b)(1) of the Code, for purposes of taxes imposed under the U.S. Federal Unemployment Tax Act or the U.S. Federal Insurance Contributions Act, and (ii) cooperate and use reasonable best efforts to implement the alternate procedure described in Section 5 of Revenue Procedure 2004-53. Notwithstanding any other provision of this Article 7, neither Buyer nor any of its Affiliates (including the Acquired Companies) shall be obligated to continue to employ any Continuing Employee for any specific period following such Continuing Employee's Transition Date, subject to Applicable Law and any applicable contractual obligations; *provided*, *however*, that VS Holdco shall assume and pay and shall indemnify and hold Parent and its Affiliates (not including the Acquired Companies) harmless for any severance obligations or termination-related obligations that arise in part or in whole

from the failure of any Acquired Company to take the measures required (to the extent permitted by Applicable Law) of the Acquired Companies under this Article 7. Except as otherwise expressly provided herein and under the Transition Services Agreement, effective as of the Closing the Acquired Companies shall assume or retain, as the case may be, any and all liabilities (contingent or otherwise) relating to, arising out of, or resulting from the employment or services, or termination of employment or services, of such Continuing Employee, whether arising before, on or after the Closing Date of such Continuing Employee.

Section 7.02. *Maintenance of Compensation and Benefits*. For the period beginning on the Closing Date and ending on the 12-month anniversary thereof (or, if earlier, until the date of termination of the relevant Continuing Employee) (the "**Continuation Period**"), Buyer shall cause the Acquired Companies to provide each Continuing Employee with (i) a base salary or wage rate and target incentive compensation opportunity that, in each case, is no less favorable than the base salary, wage rate and target incentive compensation opportunity provided to such Continuing Employee immediately prior to the Closing Date or, if later, such Continuing Employee's Transition Date, (ii) the benefits set forth on Section 7.02 of the Parent Disclosure Schedule, and (iii) employee benefits, other than severance, defined benefit pension or post-termination or retiree welfare benefits, nonqualified deferred compensation, excess benefit plans, and transaction-related compensation provided by Parent and its Affiliates in connection with the transactions contemplated by this Agreement, that are substantially comparable in the aggregate to the employee benefits (subject to the same exclusions) provided to such Continuing Employee immediately prior to the Closing Date or, if later, such Continuing Employee's Transition Date, in each case, pursuant to the existing terms of the Employee Plans. Buyer shall cause the Acquired Companies to allocate and administer the Retention Reserve Amount in accordance with Section 1.01(a)(i) of the Parent Disclosure Schedule.

Section 7.03. *Severance*. Buyer shall cause the Acquired Companies to provide to each Continuing Employee whose employment is terminated in a qualifying termination (as determined pursuant to the applicable Severance Scheme (as defined below)) during the Continuation Period severance payments and benefits equal to the aggregate value of the severance payments and benefits that such Continuing Employee would have received under (i) the severance plan or other similar contractual or discretionary practice, policy or employment agreement listed on Section 7.03 of the Parent Disclosure Schedule applicable to the Continuing Employee immediately prior to the Closing or, if later, such Continuing Employee's Transition Date or (ii) if more favorable to the Continuing Employee, any applicable statutory or regulatory scheme applicable to such Continuing Employee (in each case, the "**Severance Scheme**"); *provided* that the Acquired Companies' provision of such severance benefits may be subject to such Continuing Employee's execution, delivery and non-revocation of a general release in favor of the Acquired Companies, Parent and their respective Affiliates, if permitted under Applicable Law.

Section 7.04. *Assumption of Continuing Employee Agreements.* Parent and its Affiliates, and at all times the Acquired Companies, shall take all necessary and

appropriate actions to provide for the assignment to and retention and assumption by the Acquired Companies of each employment, retention, termination, severance, indemnification or similar agreement relating to each Continuing Employee set forth on Section 7.04 of the Parent Disclosure Schedule and the assumption, payment and fulfillment of all obligations under and in accordance with such agreements by the Acquired Companies, in each case as of and after such Continuing Employee's Transition Date, which such obligations and related liabilities shall be Assumed Liabilities. Without limiting the foregoing, effective as of the Closing Date, VS Holdco shall assume all obligations and liabilities of Parent and its Affiliates under the employment agreements listed on Section 7.04 of the Parent Disclosure Schedule (other than, for the avoidance of doubt, obligations and liabilities under Parent Employee Plans).

Section 7.05. *Allocation of Employee and Benefit Liabilities.* Except as otherwise expressly provided under the Transition Services Agreement, the Acquired Companies shall be responsible for all liabilities incurred after the Closing relating to any employee benefit with respect to any Continuing Employee (other than those pursuant to a Parent Employee Plan under which the liabilities are fully funded by a third-party insurer (in each case, a "**Fully Insured Parent Plan**")), and VS Holdco shall indemnify and hold Parent and its Affiliates (other than the Acquired Companies) harmless for any cost, expense or liability of Parent or its Affiliates (other than the Acquired Companies) arising from the failure of the Acquired Companies to assume and defray such employee benefit liabilities. Except as expressly assumed by VS Holdco under this Article 7 or otherwise expressly provided in the Transition Services Agreement, Parent and its Affiliates shall be responsible for and shall indemnify and hold Buyer, its Affiliates and the Acquired Companies harmless for any cost or expense and any and all liabilities under all Parent Employee Plans accrued or incurred (i) prior to the Closing or (ii) after the Closing under a Fully Insured Parent Plan, in each case with respect to any Continuing Employee. For purposes of this Section 7.05 (i) a medical, dental or vision benefit claim shall be "incurred" when the relevant service is provided or item purchased and (ii) other benefit claims shall be "incurred" when payable in accordance with the terms of the relevant Employee Plan, regardless of the time of the circumstance or event giving rise to such claims. Parent and its Affiliates shall be responsible for and shall indemnify and hold Buyer, its Affiliates and the Acquired Companies harmless from and against any cost or expense and any and all liabilities related to any person claiming that (A) prior to Closing they were improperly classified as an independent contractor of an Acquired Company rather than an employee of the Acquired Company or (B) as of Closing their employment relationship should have continued with an Acquired Company but Parent caused that not to occur, by withholding or transferring the person out of the Acquired Company and not making the person available for hire by the Acquired Company.

Section 7.06. *Benefit Plans; Flexible Spending.* With respect to any employee benefit plan maintained by Buyer or any of its Affiliates (the "**New Company Plans**") that replaces a Parent Employee Plan and in which any Continuing Employee becomes eligible to participate on or after the Closing Date (or, if later, the end of the applicable transition period under the Transition Services Agreement), Buyer shall cause the Acquired Companies to: (i) recognize the service with Parent or its Affiliates of such

Continuing Employees accrued prior to the Closing Date or, if later, a Continuing Employee's Transition Date for purposes of eligibility to participate and vesting and, solely with respect to paid-time off, sick leave, and severance, level of benefits under any New Company Plan in which any such Continuing Employee may be eligible to participate after the Closing Date or, if later, such Continuing Employee's Transition Date (excluding any plans or arrangements providing for defined benefit pension or post-retirement or retiree health or welfare benefits); *provided* that (x) such service was recognized prior to the Closing Date or, if later, such Continuing Employee's Transition Date, under the analogous Parent Employee Plan and (y) in no event shall any credit be given to the extent it would result in the duplication of benefits for the same period of service, (ii) use commercially reasonable efforts to waive all pre-existing conditions, exclusions and waiting periods with respect to participation and coverage requirements applicable to such Continuing Employee under any New Company Plan in which such Continuing Employee may be eligible to participate after the Closing Date, except to the extent such pre-existing condition, exclusion or waiting period would have applied to such individual under such corresponding Parent Employee Plan immediately prior to the date on which such Continuing Employee becomes eligible to participate in the applicable New Company Plan, and (iii) credit such Continuing Employee for any coinsurance or deductibles paid prior to the date such Continuing Employee becomes a participant in the New Company Plans, if any, with respect to the plan year falling within the calendar year in which such participation commences. Such dollar credit, if any, shall be given to the same extent and for the same purpose as credited under the corresponding Parent Employee Plan providing group health benefits for purposes of satisfying any applicable coinsurance or deductible requirements under any of the corresponding New Company Plans in which such Continuing Employee is eligible to participate after the Closing Date (or, if later, the end of the applicable transition period under the Transition Services Agreement). Except as otherwise expressly provided under the Transition Services Agreement, as of the Closing Date, VS Holdco (or an Acquired Company) shall establish flexible spending accounts for medical and dependent care expenses under a new or existing plan ("**Company's FSA**") for each Continuing Employee who, on or prior to the Closing Date or, if later, a Continuing Employee's Transition Date or the date on which Company's FSA is established, is a participant in a flexible spending account for medical and dependent care expenses under an Employee Plan ("**Parent's FSA**") or who elects to participate in Company's FSA. Subject to Buyer and VS Holdco being provided all information reasonably necessary to permit the administrator of Company's FSA to accommodate the inclusion of the Continuing Employees in Company's FSA on the basis described herein, VS Holdco shall credit or debit, as applicable, effective as of the Closing Date or, if later, the Continuing Employee's Transition Date or the date on which Company's FSA is established, the applicable account of each Continuing Employee under Company's FSA with an amount equal to the balance of each such Continuing Employee's account under Parent's FSA as of immediately prior to such date. As soon as practicable after the Closing or, if later, a Continuing Employee's Transition Date or the date on which Company's FSA is established, with respect to the affected Continuing Employees Parent shall pay to Buyer (or its designee) the net aggregate amount of the account balances credited under Company's FSA, if such amount is positive, and VS Holdco shall pay to Parent the net aggregate amount of the

account balances credited under Company's FSA, if such amount is negative. Buyer covenants that, with respect to Continuing Employees, the New Company Plans shall not treat any transaction contemplated hereby as an event which, in and of itself, would cause any Continuing Employees to be subject to any preexisting condition limitation and shall otherwise satisfy the requirements of Section 4980B(f) of the code with respect to any "qualifying events" (as such term is defined under Section 4980B(f)(3) of the Code) for purposes of Section 4980B of the Code or any similar state law that occur under the New Company Plans on or after the Closing Date. Parent, and not Buyer, VS Holdco or any of Buyer's or VS Holdco's ERISA Affiliates or their Subsidiaries, shall be responsible for providing health continuation benefits under COBRA or similar state law to all individuals who are "M&A Qualified Beneficiaries" as defined in Treas. Reg. Section 54.4980B-9 with respect to any Employee Plan as a result of any termination of employment of any Continuing Employee in respect of the transactions contemplated by this Agreement. Parent and its Affiliates shall be responsible for ensuring that each Service Provider who, prior to the Closing Date, became disabled as defined in the Parent Employee Plans that provide short- and long-term disability benefits shall continue to receive or be entitled to receive such disability benefits under such Parent Employee Plan until the end of the benefit period described in such plan.

Section 7.07. *Workers Compensation.* Effective as of the Closing or, if later, a Continuing Employee's Transition Date, all workers' compensation liabilities relating to, arising out of or resulting from any claim by any Continuing Employee that result from an accident or from an occupational disease incurred before, on or after the Closing Date or, if later, a Continuing Employee's Transition Date shall be assumed by the Acquired Companies and shall constitute Assumed Liabilities. The parties shall cooperate with respect to any notification to appropriate Governmental Authorities of the disposition and the issuance of new, or the transfer of existing, workers' compensation insurance policies and contracts governing the handling of claims.

Section 7.08. *Savings and Retirement Plans.* Effective as of the Closing Date, Parent shall amend each of the tax-qualified defined contribution plans in which Continuing Employees participate (the "**Parent Savings Plans**") to cause the active participation of each Continuing Employee in the Parent Savings Plans to cease as of the Closing Date or, if later, such Continuing Employee's Transition Date. Parent shall take any steps necessary to (i) cause each Continuing Employee to be fully vested in their account balances under the relevant Parent Savings Plan as of the Closing Date or, if later, such Continuing Employee's Transition Date, (ii) make the matching, profit sharing and any other employer contributions to the Parent Savings Plans on behalf of the Service Providers employed with an Acquired Company as of the Closing for all periods prior to the Closing (including those that would have been made irrespective of any end-of-year service requirements otherwise applicable to such contributions, prorated for the portion of the plan year ending on the Closing Date), and (iii) permit the Continuing Employees to receive a distribution of their account balances under each of the Parent Savings Plans as a result of the transactions contemplated by this Agreement. As of the Closing Date, a tax-qualified savings plan established or maintained by Buyer or one of its Affiliates, including VS Holdco or any of the Acquired Companies, (the "**Post-Closing DC Plan**") shall be in operation to facilitate post-Closing deferrals from electing Continuing

Employees and shall, if elected by Continuing Employees, accept individual rollovers of Continuing Employees' distributions from the Parent Savings Plans in cash and participant loan notes. Parent and Buyer further agree to reasonably cooperate to amend the Parent Savings Plans and/or the Post-Closing DC Plan (as necessary) in order to accommodate the rollover of outstanding loan notes.

Section 7.09. *Cash Incentives.* As of the Closing or, if later, the Continuing Employee's Transition Date, the Acquired Companies shall assume all obligations of Parent and any of its Affiliates to each Continuing Employee pursuant to any cash incentive plan or program set forth on Section 3.21(a) of the Parent Disclosure Schedule, including, without limitation, any seasonal incentive, store incentive or sales- or commission-based programs with respect to the Continuing Employee's service with Parent or its Affiliates (including the Acquired Companies), including with respect to any performance period or cycle continuing as of the Closing or, if later, the Continuing Employee's Transition Date (collectively, the "**Cash Incentives**"). Each Continuing Employee participating in any Cash Incentive with respect to any performance period continuing as of the Closing or, if later, the Continuing Employee's Transition Date, shall remain eligible to receive the appropriate cash bonus with respect to such performance period in accordance with the terms of the Cash Incentive; *provided*, that Parent may at its discretion modify and adjust such Cash Incentive to reduce or prorate the amount payable under such Cash Incentive or, after good faith consultation with the Acquired Companies, adjust the applicable performance conditions in light of the transactions contemplated by the Agreement. Any Cash Incentive payable to a Continuing Employee will be paid by the Acquired Companies on behalf of Parent in accordance with the terms of such Cash Incentive (as so modified or adjusted in accordance with this Section 7.09 and including terms relating to the timing of payment), which such obligations and amounts shall constitute Assumed Liabilities. To the extent any Cash Incentive relating to any performance period or cycle continuing as of the Closing or, if later, the Continuing Employee's Transition Date requires the determination of performance against any qualitative component or individual performance goal, the achievement of such component or performance shall be determined by Parent in its sole discretion after good faith consultation with the Acquired Companies and such determination shall be applied by in the calculation and payment of the relevant Cash Incentive.

Section 7.10. *Paid Time Off*. Except where the payment of accrued but unused paid time off is required under Applicable Law, effective as of the Closing or, if later, a Continuing Employee's Transition Date, the Acquired Companies shall assume or retain, as the case may be, all obligations of Parent and its Affiliates for the accrued, unused paid time off for such Continuing Employee, which such obligations and amounts shall be Assumed Liabilities. Following the Closing or, if later, a Continued Employee's Transition Date, the Acquired Companies shall administer such accrued and unused paid time off rights for the benefit of such Continuing Employee in a manner no less favorable to such Continuing Employee than under the programs of Parent and its Affiliates in place as of the Closing or, if later, the Continuing Employee's Transition Date.

Section 7.11. *Supplemental Retirement Plan*. Following the date of this Agreement, Parent will take action to terminate the Parent Supplemental Retirement Plan

(the "**SRP**") (i) on or prior to the Closing as it relates to all participants in the SRP who are employees of the Acquired Companies (the "**Acquired Companies SRP Termination**") and (ii) within six months following the date hereof or, if later, on the date that the Acquired Companies SRP Termination occurs, as it relates to all other participants in the SRP, in each case, in accordance with applicable regulations under Section 409A of the Code. Subject to the foregoing, the parties hereto shall coordinate and cooperate in good faith with respect to the timing and effectuation of such termination and the distribution of the related plan participant SRP account balances with the objective of maintaining reasonably equitable treatment as amongst the employees of the Acquired Companies, on the one hand, and the employees of Parent, on the other, it being agreed that such amounts will be paid out to the applicable plan participants by the Acquired Companies (in the case of plan participants who are employees of the Acquired Companies) and Parent (in the case of plan participants who are employees of Parent), as applicable, within the required periods applicable under Section 409A of the Code. Buyer shall cause the appropriate Acquired Companies to cooperate and coordinate with Parent to facilitate and execute the payment of the SRP distributions due to the employees of the Acquired Companies prior to and in connection with the termination of the SRP as directed by Parent, including the making of such distribution payments through the payroll of the appropriate Acquired Company, the withholding and payment of applicable employee and employer payroll Tax withholding and the required tax reporting with respect to such payments.

Section 7.12. *Necessary Action*. Parent and Buyer agree to take all action, or cause such action to be taken, which may be necessary in order to effectuate the transactions contemplated by this Article 7, including, without limitation, adopting any necessary amendments to the Employee Plans and making all filings and submissions to the appropriate governmental agencies required to be made in connection with the events and actions contemplated or triggered by this Agreement as relates to employees and employee benefit matters.

Section 7.13. *No Third Party Beneficiaries*. Without limiting the generality of Section 11.08, nothing in this Article 7, express or implied, (i) is intended to or shall confer upon any Person other than the parties hereto and their respective successors and assigns, including any current or former Service Provider or Continuing Employee, any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement, (ii) shall establish or constitute an amendment, termination or modification of, or an undertaking to establish, amend, terminate or modify, any benefit plan (including any Employee Plan), program, agreement or arrangement, or (iii) shall create any obligation on the part of any of the parties hereto to employ any Service Provider for any period of time following the Closing or (iv) shall prevent the amendment, modification or termination of any Employee Plan or prohibit Buyer or any of its Affiliates (including, following the Closing, the Acquired Companies) from terminating the employment of any Continuing Employee at any time following the Closing.

Section 7.14. *Employee Matters*. Notwithstanding anything to the contrary contained in this Agreement, Parent, Buyer and VS Holdco shall take, and shall cause

their respective Affiliates to take, the actions set forth on Section 7.14 of the Parent Disclosure Schedule.

ARTICLE 8
CONDITIONS TO CLOSING

Section 8.01. *Conditions to Obligations of Buyer and Parent*. The obligations of Buyer and Parent to consummate the Closing are subject to the satisfaction (or, to the extent permissible, waiver by the party or parties hereto entitled to the benefit of the following conditions) of the following conditions:

(a) Any applicable waiting period under the HSR Act relating to the transactions contemplated hereby shall have expired or been terminated.

(b) The approvals set forth on Section 3.03(ii)(A) of the Parent Disclosure Schedule shall have been obtained.

(c) No provision of any Applicable Law shall prohibit the consummation of the Closing.

(d) The transactions contemplated by the Restructuring Plan shall have been completed.

Section 8.02. *Conditions to Obligation of Buyer*. The obligation of Buyer to consummate the Closing is subject to the satisfaction (or, to the extent permissible, waiver by Buyer) of the following further conditions:

(a) (i) Parent shall have performed in all respects all of its obligations under Item 1 of Section 5.09(b) of the Parent Disclosure Schedule and Buyer shall have received evidence thereof (reasonably satisfactory to Buyer) and (ii) Parent shall have performed in all material respects all of its other obligations hereunder required to be performed by it on or prior to the Closing Date.

(b) (i) The representations and warranties of Parent contained in Section 3.09(a) shall be true and correct at and as of the Closing Date, as if made at and as of such date, (ii) the representations and warranties of Parent contained in Section 3.01, Section 3.02, Section 3.05, Section 3.06 and Section 3.19 (determined without regard to any qualification or exception contained therein relating to "material", "materiality", "Material Adverse Effect" or any similar qualification or standard) shall be true and correct in all material respects at and as of the Closing Date, as if made at and as of such date (except with respect to representations and warranties that are made expressly as of a specific date, which representations and warranties shall be true and correct in all material respects as of such date), and (iii) the representations and warranties of Parent contained in Article 3 other than Section 3.09(a), Section 3.01, Section 3.02, Section 3.05, Section 3.06 and Section 3.19 (determined without regard to any qualification or exception contained therein relating to "material", "materiality", "Material Adverse Effect" or any similar qualification or standard) shall be true and correct at and as of the

Closing Date, as if made at and as of such date (except with respect to representations and warranties that are made expressly as of a specific date, which representations and warranties shall be true and correct as of such date), in the case of this clause (iii) with only such exceptions as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(c) Buyer shall have received a certificate signed by an officer of Parent certifying as to the matters set forth in Section 8.02(a) and Section 8.02(b).

(d) Buyer shall have received evidence (reasonably satisfactory to Buyer) of (i) the release of all Liens on the Transferred Assets and equity interests of the Acquired Companies (other than Permitted Liens and Liens in respect of obligations for Indebtedness included in Closing Indebtedness and not being repaid at the Closing) under each of the Contracts set forth on Section 8.02(d)(i) of the Parent Disclosure Schedule and (ii) the release of all guarantees by the Transferred Entities in favor of Parent under each of the Contracts set forth on Section 8.02(d)(ii) of the Parent Disclosure Schedule.

(e) All of the payments and deliveries to be made by Parent to Buyer or VS Holdco, if applicable, pursuant to Section 2.09 and, if applicable Section 2.13, shall have been made or shall be made concurrently with the Closing.

Section 8.03. *Conditions to Obligation of Parent*. The obligation of Parent to consummate the Closing is subject to the satisfaction (or, to the extent permissible, waiver by Parent) of the following further conditions:

(a) Buyer shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Closing Date.

(b) (i) The representations and warranties of Buyer contained in Section 4.01, Section 4.02 and Section 4.08 (determined without regard to any qualification or exception contained therein relating to “material”, “materiality” or any similar qualification or standard) shall be true and correct in all material respects at and as of the Closing Date, as if made at and as of such date (except with respect to representations and warranties that are made expressly as of a specific date, which representations and warranties shall be true and correct in all material respects as of such date), and (ii) the representations and warranties of Buyer contained in Article 4 other than Section 4.01, Section 4.02 and Section 4.08 (determined without regard to any qualification or exception contained therein relating to “material”, “materiality” or any similar qualification or standard) shall be true and correct at and as of the Closing Date, as if made at and as of such date (except with respect to representations and warranties that are made expressly as of a specific date, which representations and warranties shall be true and correct as of such date), in the case of this clause (ii) with only such exceptions as would not reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the performance by Buyer of its obligations under this Agreement.

(c) Parent shall have received a certificate signed by an officer of Buyer certifying as to the matters set forth in Section 8.03(a) and Section 8.03(b).

(d) All of the payments and deliveries to be made by Buyer to Parent or VS Holdco and/or by VS Holdco to Parent, as applicable, pursuant to Section 2.09 and, if applicable Section 2.13, shall have been made or shall be made concurrently with the Closing.

ARTICLE 9
SURVIVAL; INDEMNIFICATION

Section 9.01. *Survival*. None of the representations and warranties of the parties hereto contained in this Agreement shall survive the Closing. The (i) covenants and agreements of the parties hereto contained in this Agreement that by their terms relate only to a period between the date of this Agreement and the Closing shall survive the Closing until the date that is one year after the Closing Date, (ii) covenants and agreements of the parties hereto contained in Article 6 shall survive for the full period of all applicable statutes of limitations and (iii) any other covenants and agreements of the parties hereto contained in this Agreement that by their terms relate to the period after the Closing shall survive the Closing indefinitely or for the shorter period explicitly specified therein. Notwithstanding the preceding sentences, any breach of covenant or agreement in respect of which indemnity may be sought under this Agreement shall survive the time at which it would otherwise terminate pursuant to the preceding sentences, if notice of the inaccuracy or breach thereof giving rise to such right of indemnity shall have been given in accordance with Section 9.03 or 9.04 as applicable to the party hereto against whom such indemnity may be sought prior to such time.

Section 9.02. *Indemnification*. (a) Effective at and after the Closing, Parent hereby indemnifies Buyer and its Affiliates (excluding the Acquired Companies) (the "**Buyer Indemnified Parties**") against and agrees to hold each of them harmless from any and all damage, loss, liability and expense (including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding whether involving a third party claim or a claim solely between the parties hereto) ("**Damages**") actually incurred or suffered by any Buyer Indemnified Party arising out of (i) any breach of covenant or agreement made or to be performed by Parent pursuant to this Agreement, and (ii) any Excluded Liability; *provided* that for the avoidance of doubt, it is understood that the foregoing indemnification in clauses (i) and (ii) with respect to the Buyer Indemnified Parties is intended to indemnify the Buyer Indemnified Parties (A) for Damages arising out of any and all Excluded Liabilities that may be claimed or determined to be liabilities of any Acquired Company and (B) only for Damages suffered or incurred by them directly (and nothing in this proviso shall limit any Buyer Indemnified Party's right to seek indemnification from Parent hereunder for Damages suffered or incurred by such Buyer Indemnified Party directly), and shall in no event be deemed to provide for any duplicative recovery with respect to Damages suffered by any Acquired Company and indemnified pursuant to Section 9.02(c) (and nothing in this proviso shall limit any Acquired Company's right to seek indemnification from Parent hereunder for such Damages).

(b) Effective at and after the Closing, Buyer hereby indemnifies Parent and its Affiliates against and agrees to hold each of them harmless from any and all Damages actually incurred or suffered by Parent or any of its Affiliates arising out of any breach of covenant or agreement made or to be performed by Buyer pursuant to this Agreement; *provided* that Buyer's maximum liability under this Section 9.02(b) shall not exceed the Purchase Price, *plus* the amount of any capital contributions made by Parent to VS Holdco pursuant to Section 2.13(b).

(c) Effective at and after the Closing, Parent hereby indemnifies the Acquired Companies against and agrees to hold each of them harmless from any and all Damages actually incurred or suffered by any Acquired Company arising out of (i) any breach of covenant or agreement made or to be performed by Parent pursuant to this Agreement and (ii) any Excluded Liability, it being understood that the indemnification in this Section 9.02(c) is intended to indemnify the Acquired Companies for Damages arising out of any and all Excluded Liabilities that may be claimed or determined to be liabilities of any Acquired Company and shall in no event be deemed to provide for any duplicative recovery with respect to Damages suffered by any Buyer Indemnified Party and indemnified pursuant to Section 9.02(a).

(d) Effective at and after the Closing, VS Holdco hereby indemnifies Parent and its Affiliates against and agrees to hold each of them harmless from any and all Damages actually incurred or suffered by Parent or any of its Affiliates arising out of (i) any breach of covenant or agreement made or to be performed by VS Holdco pursuant to this Agreement from and after the Closing, and (ii) any breach or default by VS Holdco or any of its Subsidiaries of the DC7 Lease or the DC7 Lease Term Sheet, or the rejection of the DC7 Lease or the DC7 Lease Term Sheet under applicable bankruptcy laws, in each case, in connection with any insolvency, bankruptcy, liquidation or similar proceeding of the lessor (or any successor thereto) party to the DC7 Lease or the DC7 Lease Term Sheet VS Holdco or any of its Subsidiaries; *provided*, *however*, that no breach, default or rejection so occurring in connection with such proceedings shall be subject to indemnification pursuant to this Section 9.02(d)(ii) if Parent and/or the tenant (or any successor or assignee thereof) fails to (1) in the case of a sale, (x) timely elect, pursuant to Section 365(h) of the United States Bankruptcy Code to retain possession for the remaining term of such lease and any extensions permitted under such lease, and, timely seek adequate protection in the form of such Section 365(h) protection, and (y) use its reasonable best efforts to enforce that election, and (2) in the case of a rejection, (x) timely elect, pursuant to Section 365(h) of the United States Bankruptcy Code to retain possession for the remaining term of such lease and any extensions permitted under such lease, and, timely seek adequate protection in the form of such Section 365(h) protection, and (y) use its reasonable best efforts to enforce that election. Effective at and after the Closing, each Acquired Company hereby indemnifies Parent and its Affiliates against and agrees to hold each of them harmless from any and all Damages actually incurred or suffered by Parent or any of its Affiliates arising out of any Assumed Liability of such Acquired Company, and at or prior to Closing, Parent shall cause each of the Acquired Companies to execute and deliver to Parent the written agreement of such Acquired Company to the foregoing and to its indemnification obligations under Section 2.06(b).

(e) Parent's maximum liability in the aggregate under Section 9.02(a)(i) and Section 9.02(c)(i) shall not exceed the Purchase Price, plus the amount of any capital contributions made by Buyer to VS Holdco pursuant to Section 2.13(b).

(f) Notwithstanding anything to the contrary contained herein, (i) Parent's indemnification obligations set forth in Section 9.02(a)(ii) and Section 9.02(c)(ii) shall not be limited in any way by the non-survival of any of the representations and warranties set forth in Article 3, it being agreed that any Buyer Indemnified Party and Acquired Company shall be entitled to recover Damages with respect to any Excluded Liability in accordance with this Article 9 notwithstanding the fact that the subject matter of the Excluded Liability for which Parent has an indemnification obligation may be covered by one or more of the representations and warranties set forth in Article 3, and (ii) with respect to Parent's indemnification obligations set forth in Section 9.02(a) and Section 9.02(c) arising out of or relating to the matters set forth in Item 5 of Section 2.05 of the Parent Disclosure Schedule, "Damages" shall not include any amounts for any consequential or similar damages (including lost profits and diminution of value).

Section 9.03. *Third Party Claim Procedures*. (a) The party seeking indemnification under Section 9.02 (the "**Indemnified Party**") agrees to give prompt notice in writing to the party against whom indemnity is to be sought (the "**Indemnifying Party**") of the assertion of any claim or the commencement of any suit, action or proceeding by any third party ("**Third Party Claim**") in respect of which indemnity may be sought under such Section. Such notice shall set forth in reasonable detail such Third Party Claim and the basis for indemnification (taking into account the information then available to the Indemnified Party). The failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent such failure shall have adversely prejudiced the Indemnifying Party.

(b) The Indemnifying Party shall be entitled to participate in the defense of any Third Party Claim and, subject to the limitations set forth in this Section, shall be entitled to control and appoint lead counsel for such defense, in each case at its own expense; *provided* that for any Third Party Claim with respect to Excluded Taxes for any Parent Tax Group (other than that made up exclusively of Acquired Companies), Parent shall assume control of such Third Party Claim at its own expense.

(c) If the Indemnifying Party shall assume the control of the defense of any Third Party Claim in accordance with the provisions of this Section 9.03, (i) the Indemnifying Party shall obtain the prior written consent of the Indemnified Party (which shall not be unreasonably withheld, conditioned or delayed) before entering into any settlement of such Third Party Claim, if the settlement does not release the Indemnified Party and its Affiliates from all liabilities and obligations with respect to such Third Party Claim or the settlement imposes injunctive or other equitable relief against the Indemnified Party or any of its Affiliates and (ii) the Indemnified Party shall be entitled to participate in the defense of any Third Party Claim and to employ separate counsel of its choice for such purpose; *provided* that Buyer or its Affiliates shall not be entitled to participate in the defense of any Third Party Claim to the extent relating solely to Taxes of (A) any Parent Tax Group (other than any Parent Tax Group made up exclusively of

the Acquired Companies) or (B) Parent and/or any of its Affiliates (excluding, for the avoidance of doubt, any Acquired Company). The fees and expenses of such separate counsel shall be paid by the Indemnified Party.

(d) Each party hereto shall cooperate, and cause their respective Affiliates to cooperate, in the defense or prosecution of any Third Party Claim and shall furnish or cause to be furnished such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials or appeals, as may be reasonably requested in connection therewith.

Section 9.04. *Direct Claim Procedures*. In the event an Indemnified Party has a claim for indemnity under Section 9.02 against an Indemnifying Party that does not involve a Third Party Claim, the Indemnified Party agrees to give prompt notice in writing of such claim to the Indemnifying Party. Such notice shall set forth in reasonable detail such claim and the basis for indemnification (taking into account the information then available to the Indemnified Party). The failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent such failure shall have materially and adversely prejudiced the Indemnifying Party. If the Indemnifying Party does not notify the Indemnified Party within 30 days following the receipt of a notice with respect to any such claim that the Indemnifying Party disputes its indemnity obligation to the Indemnified Party for any Damages with respect to such claim, such Damages shall be conclusively deemed a liability of the Indemnifying Party and the Indemnifying Party shall promptly pay to the Indemnified Party any and all Damages arising out of such claim. If the Indemnifying Party has timely disputed its indemnity obligation for any Damages with respect to such claim, the parties shall proceed in good faith to negotiate a resolution of such dispute and, if not resolved through negotiations, such dispute shall be resolved by litigation in an appropriate court of jurisdiction determined pursuant to Section 11.06.

Section 9.05. *Calculation of Damages*. (a) The amount of any Damages payable under Section 9.02 by the Indemnifying Party shall be net of (i) any amounts recovered by the Indemnified Party under applicable insurance policies or from any other Person alleged to be responsible therefor (net of (A) any deductibles, co-payments, self-insured amounts payable by the Indemnified Party or its Subsidiaries, premium increases (to the extent attributable directly to the applicable benefit to the Indemnified Party) or other out-of-pocket costs and expenses (including reasonable legal fees and expenses, if any) actually and reasonably incurred by the Indemnified Party in seeking such insurance proceeds and (B) any Taxes imposed on the Indemnified Party or any of its Subsidiaries in respect of the receipt or accrual of such insurance proceeds) and (ii) the Indemnified Party's share of any actual reduction in cash Taxes payable that are not Excluded Taxes (or increase in the cash Tax refunds receivable that are not for the benefit of Parent pursuant to Section 6.03) realized within three years of the Closing by any of the Acquired Companies as a consequence of, or in connection with, the circumstances giving rise to the Damages subject to indemnification under this Article 9 (calculated on a "with and without" basis). If the Indemnified Party receives any amounts under applicable insurance policies, or from any other Person alleged to be responsible for any Damages, subsequent to an indemnification payment by the Indemnifying Party, then

such Indemnified Party shall promptly reimburse the Indemnifying Party for any payment made or expense incurred by such Indemnifying Party in connection with providing such indemnification payment up to the amount received by the Indemnified Party, net of any expenses incurred by such Indemnified Party in collecting such amount.

(b) The Indemnifying Party shall not be liable under Section 9.02 for any Damages relating to any matter to the extent that such Damages are reflected, recorded or included in the Purchase Price on a dollar-for-dollar basis.

Section 9.06. *Exclusivity*. From and after the Closing Date, except with respect to the Transaction Documents or pursuant to Section 2.12 and Section 11.12, this Article 9 will provide the exclusive remedy for any claim arising out of this Agreement or the transactions contemplated hereby, other than any claim for Fraud; *provided* that this Section 9.06 shall not operate to limit or impede Buyer's or its Affiliates' right to recover under any representations and warranties insurance policy obtained by Buyer with respect to this Agreement.

ARTICLE 10
TERMINATION

Section 10.01. *Grounds for Termination*. This Agreement may be terminated at any time prior to the Closing:

(a) by mutual written agreement of Parent and Buyer;

(b) by Buyer (if Buyer is not then in material breach of its representations, warranties, covenants or agreements under this Agreement), upon written notice to Parent, if there has been a violation, breach or inaccuracy of any representation, warranty, covenant or agreement of Parent contained in this Agreement, which violation, breach or inaccuracy would cause any of the conditions set forth in Section 8.02(a) or Section 8.02(b) not to be satisfied, and such violation, breach or inaccuracy has not been waived by Buyer or cured by Parent within 20 days after receipt by Parent of written notice thereof from Buyer or is not capable of being cured;

(c) by Parent (if Parent is not then in material breach of its representations, warranties, covenants or agreements under this Agreement), upon written notice to Buyer, if there has been a violation, breach or inaccuracy of any representation, warranty, agreement or covenant of Buyer contained in this Agreement, which violation, breach or inaccuracy would cause any of the conditions set forth in Section 8.03(a) or Section 8.03(b) not to be satisfied, and such violation, breach or inaccuracy has not been waived by Parent or cured by Buyer within 20 days after receipt by Buyer of written notice thereof from Parent or is not capable of being cured;

(d) by either Buyer or Parent, upon written notice to the other, if the Closing has not occurred on or before August 20, 2020 (the "**Termination**

Date"); *provided* that if on the Termination Date, all of the conditions to Closing set forth in Article 8 have been satisfied (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permissible, waiver of those conditions at the Closing) other than the condition set forth in Section 8.01(d) (to the extent resulting in whole or in part to the pendency of any approval, consent, notice, filing or other action by any Governmental Authority), then either Buyer or Parent may, by written notice to the other, cause the Termination Date to be November 20, 2020; *provided, further* that (i) Buyer shall not have the right to terminate this Agreement pursuant to this Section 10.01(d) if Buyer is then in material breach of its representations, warranties, covenants or agreements under this Agreement which breach is a principal cause of, or resulted in the failure of the Closing to have occurred by the Termination Date, and (ii) Parent shall not have the right to terminate this Agreement pursuant to this Section 10.01(d) if Parent is then in material breach of its representations, warranties, covenants or agreements under this Agreement which breach is a principal cause of, or resulted in the failure of the Closing to have occurred by the Termination Date; or

(e) by either Parent or Buyer, upon written notice to the other, if consummation of the transactions contemplated hereby would violate any nonappealable final order, decree or judgment of any Governmental Authority having competent jurisdiction.

Section 10.02. *Effect of Termination*. If this Agreement is terminated as permitted by Section 10.01, such termination shall be without liability of any party to this Agreement (or any stockholder, director, officer, employee, agent, consultant or representative of such party) to the other party to this Agreement; *provided* that if such termination shall result from the willful breach by a party hereto of any covenant or agreement contained herein, such party shall be fully liable for any and all Damages incurred or suffered by the other party as a result of such failure or breach; *provided further* that, notwithstanding anything to the contrary contained in this Agreement, but without limiting Parent's rights to an injunction or injunctions or specific performance pursuant to Section 11.12, in no event shall Buyer or any of its representatives (including any investment banker, financial advisors, attorneys, accountants or other advisors) or any of their respective Affiliates or any of their Affiliates' respective direct or indirect, former, current or future general or limited partners, stockholders, equityholders, securityholders, financing sources, managers, members, directors, officers, representatives, employees, controlling persons, agents or assignees (collectively, the "**Buyer Related Parties**") have any liability for any loss or damage arising out of or in connection with any breach or failure to perform under this Agreement or any other agreement or instrument entered into in connection with this Agreement or any of the other Transaction Documents, any of the transactions contemplated hereby or thereby (or abandonment or termination thereof), the failure of any of the transactions contemplated by this Agreement or any of the other Transaction Documents to be consummated or any matters forming the basis for any such failure, in an aggregate amount in excess of $40,000,000.00 (the "**Cap**"), and in no event shall Parent or any of its Affiliates seek or be entitled to recover any amounts in connection with the foregoing except solely Parent

in an aggregate amount not to exceed the Cap. In no event shall Parent or any of its Affiliates seek to recover monetary damages from any Buyer Related Party (other than as specified in the Limited Guaranty). For the avoidance of doubt, (i) under no circumstances shall Parent be permitted or entitled to receive both a grant of specific performance pursuant to Section 11.12, on the one hand, and monetary damages (whether pursuant to this Agreement or the Limited Guaranty), on the other hand, and (ii) nothing in this Section 10.02 shall limit Buyer's indemnification obligations set forth in Article 9 from and after the Closing or Parent's rights and remedies under the Confidentiality Agreement. The provisions of Sections 11.03, 11.05, 11.06 and 11.07 shall survive any termination hereof pursuant to Section 10.01.

ARTICLE 11
MISCELLANEOUS

Section 11.01. *Notices*. All notices, requests and other communications to any party hereunder shall be in writing (including electronic mail ("**e-mail**") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to Buyer, to:

SP VS Buyer LP
c/o Sycamore Partners Management, L.P.
9 West 57th Street, 31st Floor
New York, NY 10019
Attention: Stefan L. Kaluzny
E-mail: skaluzny@sycamorepartners.com

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

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Attention: Sean Rodgers, P.C., Hamed Meshki, P.C. and Karen E. Flanagan
E-mail: sean.rodgers@kirkland.com, hamed.meshki@kirkland.com; karen.flanagan@kirkland.com

if to Parent, to:

L Brands, Inc.
Three Limited Parkway
Columbus, Ohio 43230
Attention: Tim Faber
E-mail: TFaber@lb.com

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

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attention: William H. Aaronson
E-mail: william.aaronson@davispolk.com

or such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

Section 11.02. *Amendments and Waivers*. (a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement, or in the case of a waiver, by the party against whom the waiver is to be effective.

(b) No failure or delay by any party hereto 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 other right, power or privilege. Except as set forth in Section 9.06, the rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 11.03. *Expenses*. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense; *provided* that, at or promptly following the Closing, Buyer and Parent shall cause VS Holdco to (i) reimburse each of Buyer and Parent for all reasonable out-of-pocket costs and expenses incurred by each of them as of the Closing in connection with the negotiation, preparation, execution and delivery of the Transaction Documents and the evaluation and consummation of the transactions contemplated hereby and thereby (collectively the "**Transaction Expenses**"); *provided further*, that (A) the aggregate reimbursement of Transaction Expenses to be paid by VS Holdco to Buyer shall not exceed $30,000,000; *provided* that the costs and expenses incurred by Buyer (or any direct or indirect Subsidiary of VS Holdco) in connection with the ABL Debt Financing shall not be taken into account for purposes of the foregoing limitation; and (B) the aggregate reimbursement of Transaction Expenses to be paid by VS Holdco to Parent shall not exceed $25,000,000, and (ii) reimburse Parent for any Prepaid Restructuring Costs; *provided* that the aggregate amount of reimbursement in respect of Prepaid Restructuring Costs shall not exceed $5,000,000 *minus* the Assumed Restructuring Costs.

Section 11.04. *Successors and Assigns*. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors

and assigns; *provided* that no party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto; *provided* that, notwithstanding the foregoing, Buyer may assign any of its rights hereunder to any of its Subsidiaries, it being agreed that no such assignment shall relieve Buyer from any of its obligations set forth in this Agreement; *provided* further that, notwithstanding the foregoing, VS Holdco and each of its Subsidiaries may assign any of their rights set forth in this Agreement for collateral security purposes to any third party financing source.

Section 11.05. *Governing Law*. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware, without regard to the conflicts of law rules of such state.

Section 11.06. *Jurisdiction*. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the Chancery Court of the State of Delaware and any state appellate court therefrom within the State of Delaware (or if the Chancery Court of the State of Delaware declines to accept jurisdiction over a particular matter, any federal or state court sitting in the State of Delaware and any federal or state appellate court therefrom) (the "**Chosen Courts**"), and each of the parties hereto hereby irrevocably consents to the jurisdiction of the Chosen Courts in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party hereto anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party hereto agrees that service of process on such party as provided in Section 11.01 shall be deemed effective service of process on such party.

Section 11.07. *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 11.08. *Counterparts; Effectiveness; Third Party Beneficiaries*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other party hereto. Until and unless each party hereto has received a counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations, or liabilities hereunder upon any Person other than the parties hereto and

their respective successors and assigns, except for the Persons entitled to indemnification under Article 9 and the D&O Indemnitees as set forth in Section 5.11(c).

Section 11.09. *Entire Agreement*. This Agreement and the other Transaction Documents constitute the entire agreement between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement.

Section 11.10. *Severability*. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such a determination, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 11.11. *Disclosure Schedules*. Parent has set forth information on the Parent Disclosure Schedule in a section thereof that corresponds to the section of this Agreement to which it relates. A matter set forth in one section of the Parent Disclosure Schedule need not be set forth in any other section so long as its relevance to such other section of the Parent Disclosure Schedule or section of the Agreement is reasonably apparent on the face of the information disclosed therein to the Person to which such disclosure is being made. The parties hereto acknowledge and agree that (i) the Parent Disclosure Schedule may include certain items and information solely for informational purposes for the convenience of Buyer, (ii) the disclosure by Parent of any matter in the Parent Disclosure Schedule shall not be deemed to constitute an acknowledgment by Parent that the matter is required to be disclosed by the terms of this Agreement or that the matter is material, (iii) the disclosure by Parent of any matter in the Parent Disclosure Schedule shall not be construed as or constitute an admission, evidence or agreement that a violation, right of termination, default, non-compliance, liability or other obligation of any kind exists with respect to any item, gives rise to a material adverse effect, or is outside the ordinary course of business, (iv) with respect to the enforceability of contracts with third parties, the existence or non-existence of third-party rights, the absence of breaches or defaults by third parties, or similar matters or statements, is intended only to allocate rights and risks among the parties hereto and is not intended to be admissions against interests, give rise to any inference or proof of accuracy, be admissible against any party hereto by any Person who is not a party hereto, or give rise to any claim or benefit to any Person who is not a party hereto, and (v) the Parent Disclosure Schedule shall not be deemed or interpreted to broaden Parent's representations and warranties.

Section 11.12. *Specific Performance*. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties hereto shall be entitled to an

injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the Chosen Courts; *provided* that under no circumstance shall Parent be permitted or entitled to receive both a grant of specific performance pursuant to this Section 11.12, on the one hand, and monetary damages (whether pursuant to this Agreement or the Limited Guaranty), on the other hand.

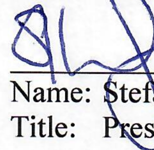
Section 11.13. *Bulk Sales Laws*. Buyer, Parent and VS Holdco each hereby waive compliance by Parent with the provisions of the "bulk sales", "bulk transfer" or similar laws of any state.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

SP VS BUYER LP

By: SP VS GP LLC
Its: General Partner

By: 
Name: Stefan L. Kaluzny
Title: President

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

L BRANDS, INC.

By:

Name: Stuart B. Burgdoerfer
Title: Executive Vice President and Chief Financial Officer