

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

AMENDMENT NO. 2
TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

MRC GLOBAL INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

5084
(Primary Standard Industrial
Classification Code Number)
2 Houston Center
909 Fannin, Suite 3100
Houston, Texas 77010
(877) 294-7574

20-5956993
(I.R.S. Employer
Identification Number)

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

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

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

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

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

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

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee
Common Stock, \$0.01 par value	26,136,364	\$23.00	\$601,136,372	\$68,892(3)

(1) Includes shares of common stock which the underwriters have the option to purchase.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) of the Securities Act of 1933, as amended.

(3) \$57,300 previously paid in respect of an aggregate offering price of \$500,000,000 based on the registration fee at the time. \$11,592 included with this filing in respect of the additional \$101,136,372 of common stock being hereby registered.

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

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated March 28, 2012

22,727,273 Shares



MRC Global Inc.

Common Stock

This is an initial public offering of shares of common stock of MRC Global Inc. MRC Global Inc. is offering 17,045,455 shares of common stock and the selling stockholder named in this prospectus is offering 5,681,818 shares of common stock. We will not receive any proceeds from the sale of the shares by the selling stockholder.

Prior to this offering, there has been no public market for our common stock. It is currently estimated that the initial public offering price per share will be between \$21.00 and \$23.00. Our common stock has been approved for listing on the New York Stock Exchange under the symbol "MRC," subject to official notice of issuance.

You should consider carefully the "[Risk Factors](#)" beginning on page 22 of this prospectus.

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

	Per Share	Total
Initial public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds to us before expenses	\$	\$
Proceeds, before expenses, to the selling stockholder	\$	\$

To the extent that the underwriters sell more than 22,727,273 shares of common stock, the underwriters have the option to purchase up to an additional 3,409,091 shares from the selling stockholder at the initial public offering price less the underwriting discount.

The underwriters expect to deliver the shares against payment in New York, New York on _____, 2012.

Goldman, Sachs & Co.
BofA Merrill Lynch
Raymond James

Baird

William Blair & Company

Barclays
Wells Fargo Securities

Stephens Inc.

Prospectus dated _____, 2012.

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Proud of Our Past. Prepared for Our Future.

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Through and including _____, 2012 (the 25th day after the date of this prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus or any free writing prospectus that we, or somebody on our behalf, have prepared. None of the Company, the selling stockholder, or any underwriter takes responsibility for, or can provide assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares that we and the selling stockholder are offering in this prospectus, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

This prospectus contains registered and unregistered trademarks and service marks of MRC Global Inc. and its affiliates, as well as trademarks and service marks of third parties. All brand names, trademarks and service marks appearing in this prospectus are the property of their respective holders.

PROSPECTUS SUMMARY

The following prospectus summary contains a summary of basic information contained elsewhere in this prospectus. It does not contain all the information that may be important to you. For a more complete understanding, we encourage you to read this entire prospectus carefully, including the "Risk Factors" section and the financial statements and related notes. Unless otherwise indicated or the context otherwise requires, all references to "the Company", "MRC", "we", "us", and "our" refer to MRC Global Inc. and its consolidated subsidiaries.

Our Company

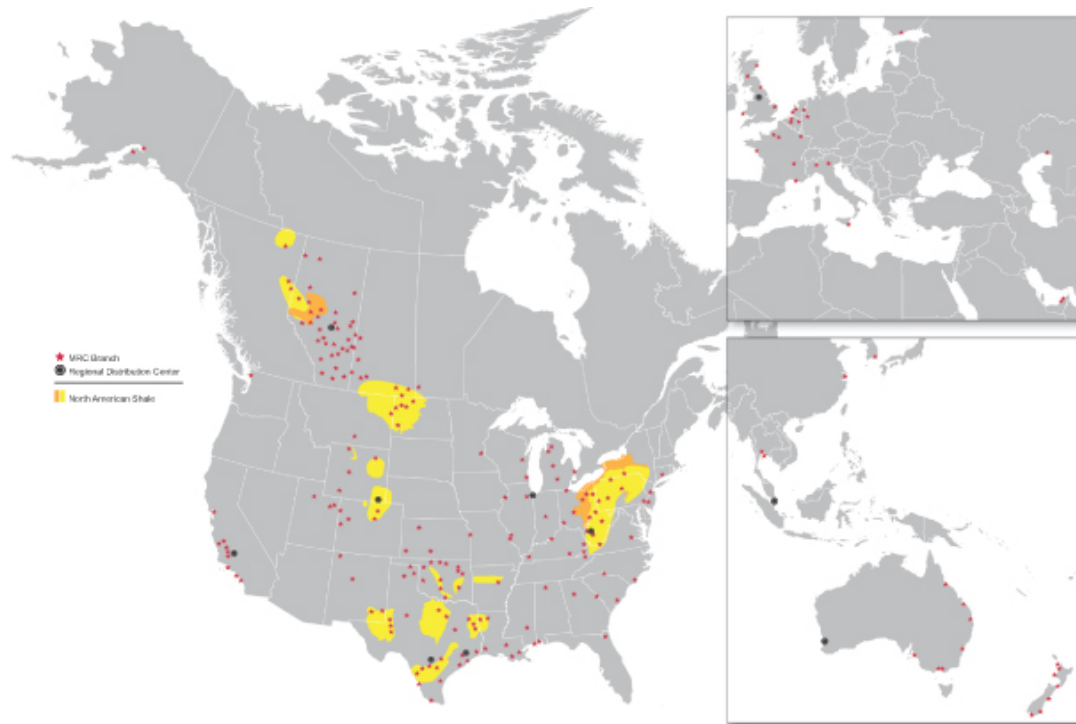
We are the largest global industrial distributor of pipe, valves and fittings ("PVF") and related products and services to the energy industry based on sales and hold the leading position in our industry across each of the upstream, midstream and downstream sectors. We offer more than 150,000 stock keeping units ("SKUs"), including an extensive array of PVF, oilfield supply, automation, instrumentation and other general and specialty industry supply products from over 12,000 suppliers. Through our North American and International segments, we serve more than 12,000 customers through over 400 service locations throughout North America, Europe, Asia and Australasia.

Our PVF and oilfield supplies are used in mission critical process applications that require us to provide a high degree of product knowledge, technical expertise and value added services to our customers. We seek to provide best-in-class service and a one-stop shop for our customers by satisfying the most complex, multi-site needs of many of the largest companies in the energy and industrial sectors as their primary PVF supplier. We provide services such as product testing, manufacturer assessments, multiple daily deliveries, volume purchasing, inventory and zone store management and warehousing, technical support, just-in-time delivery, truck stocking, order consolidation, product tagging and system interfaces customized to customer and supplier specifications for tracking and replenishing inventory, which we believe result in deeply integrated customer relationships. We believe the critical role we play in our customers' supply chain, together with our extensive product offering, broad global presence, customer-linked scalable information systems and efficient distribution capabilities, serve to solidify our long-standing customer relationships and drive our growth. As a result, we have an average relationship of over 20 years with our largest 25 customers.

We believe that growth in PVF and industrial supply spending within the energy industry is likely to continue. Several factors have driven the long-term growth in spending, including underinvestment in North American energy infrastructure, production and capacity constraints, and market expectations of future improvements in the oil, natural gas, refined products, petrochemical and other industrial sectors. In addition, the products we distribute are often used in extreme operating environments, leading to the need for a regular replacement cycle. Approximately two-thirds of our sales are attributable to multi-year maintenance, repair and operations ("MRO") arrangements. Our average annual retention rate for these contracts since 2000 is 95%. We consider MRO arrangements to be normal, generally repetitive business that primarily addresses the recurring maintenance, repair or operational work to existing energy infrastructure. Project activities, including facility expansions, exploration or new construction projects, are more commonly associated with a customer's capital expenditures budget. Such projects can be more sensitive to global oil and natural gas prices and general economic conditions.

We distribute products globally, including in PVF intensive, rapidly expanding oil and natural gas exploration and production ("E&P") areas such as the Bakken, Barnett, Eagle Ford, Fayetteville, Haynesville, Marcellus, Niobrara and Utica shales in North America. Furthermore, our Canadian subsidiary Midfield Supply ULC ("MRC Midfield"), one of the two largest Canadian PVF distributors based on sales, provides PVF products to oil and natural gas companies operating primarily in

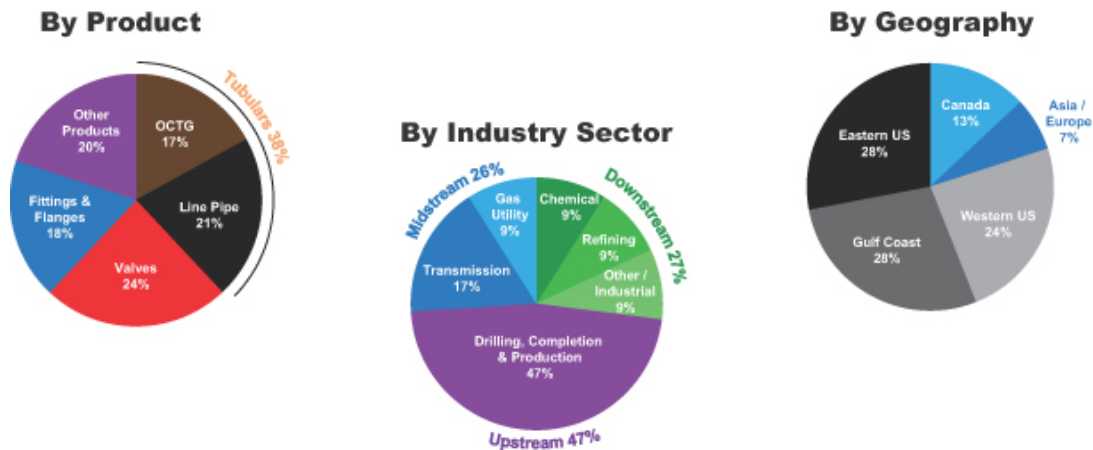
Western Canada, including the Western Canadian Sedimentary Basin, Alberta Oil Sands and heavy oil regions. These regions are still in the early stages of infrastructure investment with numerous companies seeking to facilitate the long-term harvesting of difficult to extract and process crude oil. Beyond North America, our acquisitions of Transmark Fcx Group BV (together with its subsidiaries, "MRC Transmark") and Stainless Pipe and Fittings Australia Pty Ltd. ("MRC SPF") have provided us with a well-established and integrated platform for international growth and further positioned us to be the leading global PVF distributor to the energy industry. The following map illustrates our global presence:



MRC Locations – 18 Countries

Australia	Kazakhstan
Belgium	Netherlands
Canada	New Zealand
China	Singapore
Finland	South Korea
France	Thailand
Germany	United Arab Emirates
Indonesia	United Kingdom
Italy	United States

Our business is characterized by diversity in the industry sectors and regions we serve and in the products we supply. The following charts summarize our revenue by sector, geography and product, across both our North American and International segments, for the year ended December 31, 2011:



Due to the demanding operating conditions in the energy industry, high costs and safety risks associated with equipment failure, customers prefer highly reliable products and vendors with established qualifications, reputation and experience. As our PVF products typically are mission critical yet represent a fraction of the total cost of the project, our customers often place a premium on service and high reliability given the high cost to them of maintenance or project delays. Our products are typically used in high-volume, high-stress and abrasive applications or in high-pressure, extreme temperature and high-corrosion applications.

With over 400 global service locations servicing the energy and industrial sectors, we are an important link between our more than 12,000 customers and our more than 12,000 suppliers. We add value to our customers and suppliers in a number of ways:

- ☞ **Broad Product Offering and High Customer Service Levels:** The breadth and depth of our product offering enables us to provide a high level of service to our energy and industrial customers. Given our global inventory coverage and branch network, we are able to fulfill orders more quickly, including orders for less common and specialty items, and provide our customers with a greater array of value added services than if we operated on a smaller scale or only at a local or regional level. These value added services include multiple daily deliveries, volume purchasing, product testing, manufacturer assessments, inventory management and warehousing, technical support, just-in-time delivery, order consolidation, product tagging and tracking and system interfaces customized to customer and supplier specifications.
- ☞ **Approved Manufacturer List (“AML”) Services:** Our customers rely on us to provide a high level of quality control for their PVF products. We do this by regularly auditing many of our suppliers for quality assurance through our Supplier Registration Process (“SRP”). We use our resulting Approved Supplier List (the “MRC ASL”) to supply products across many of the industries we support, particularly for downstream and midstream customers. Increasingly, many of our customers rely on the MRC ASL and our AML services to help devise and maintain their own approved manufacturer listings.
- ☞ **Customized and Integrated Service Offering:** We offer our customers integrated supply services, including product procurement, quality assurance, physical warehousing and

inventory management and analysis, using our proprietary information technology (“IT”) platform. This is part of an overall strategy to provide a “one stop” solution for PVF purchases across the upstream-midstream-downstream spectrum through integrated supply agreements and MRO contracts. This enables our customers to focus on their core operations, generate cost savings and increase the overall efficiency of their businesses.

Our Industry

We primarily serve the global oil and natural gas industry, generating approximately 90% of our sales from supplying products and various services to customers throughout the energy industry. In each of 2010 and 2011, as part of the broader global economic recovery, our customers’ capital and operating expenditures increased as compared to 2009, although overall oil and natural gas drilling and completion spending still remained below 2006 and 2007 levels. Over the longer term, we expect to continue to see customer spending increase due to a variety of global supply and demand fundamentals, a slowly improving global economy, shale E&P activity and longer term outlooks for oil and natural gas prices.

During the last several years, the global energy industry has experienced a number of favorable supply and demand dynamics that have led our customers to make substantial investments to expand their physical infrastructure and processing capacities. On the demand side, world energy markets are benefiting from:

- increased consumption of energy, caused in part by the industrialization of China, India and other countries that are not members of the Organization for Economic Cooperation and Development (“non-OECD countries”);
- a slow recovery in economic growth in OECD countries from the severe downturn in 2009 and 2010;
- continued global energy infrastructure expansion; and
- increased use of natural gas, as opposed to coal, in power generation.

At the same time, global energy supply has been generally constrained due to increasing scarcity of natural resources, declining excess capacity of existing energy assets, geopolitical instability, natural and other unforeseen disasters and more stringent regulatory, safety and environmental standards. These demand and supply dynamics underscore the need for investment in energy infrastructure and increases in global exploration, extraction, production, transportation, refining and processing of energy inputs. Within the U.S., the energy industry has benefited from technological developments that have enabled more recent significant increases in U.S. oil production and natural gas supply. The U.S. Energy Information Administration (“EIA”) expects that U.S. crude oil production, which increased 2.1% in 2010 and 2.1% in 2011, will increase by a further 4.3% in 2012, driven by increased oil-directed drilling activity, particularly in unconventional shale formations. EIA expects that U.S. marketed natural gas production, which increased by 3.5% in 2010 and 7.8% in 2011, will grow further by 2.2% in 2012. Finally, as companies in the energy industry, both in North America and internationally, continue to focus on improving operating efficiencies, they have been increasingly looking to outsource their procurement and related administrative functions to distributors such as MRC.

Our Strengths

Global Market Leader with Worldwide Branch Network and Significant Scale. We are the leading global industrial distributor of PVF and related products to the energy industry based on sales, with nearly twice the sales of our nearest competitor in 2011. The benefits of our size and international presence include:

- the ability to act as a single-source supplier to large, multi-national customers operating across the various segments of the global energy industry;
- the ability to commit significant financial resources to further develop and invest in our operating infrastructure and provide a strong platform for future expansion;
- the ability to secure improved access, service and volume purchasing benefits from our suppliers; and
- the ability to leverage our global inventory coverage to provide greater overall breadth and depth of product offerings.

Proven Track Record of Successfully Identifying, Executing and Integrating Acquisitions. We have demonstrated our ability to successfully integrate acquired companies in 26 acquisitions since 2000, collectively representing approximately \$1.8 billion in sales in the respective years of acquisition, in addition to the business combination between McJunkin Corporation and Red Man Pipe & Supply Co. ("Red Man") in October 2007 (which had approximately \$2 billion of revenue in the year of merger). Our operating scale and integration capabilities have also enabled us to realize important synergies, while minimizing execution risk. All of our North American acquisitions have been integrated onto a single IT platform, which facilitates more efficient pricing, sourcing and inventory management.

High Level of Integration and MRO Contracts with a Global Energy Customer Base. We have a diversified global customer base with over 12,000 active customers. We serve as the sole or primary supplier in all sectors or in specified sectors or geographies for many of our customers. Our largest 25 customers, with whom we have had relationships for more than 20 years on average, accounted for approximately half of our sales for 2011, while no single customer accounted for more than 6% of our sales during that period. We enjoy fully integrated relationships, including interconnected technology systems and daily communication, with many of our customers, and we provide an extensive range of integrated and outsourced supply services, allowing us to market a "total transaction value" concept as opposed to individual product prices. We sell products to our major customers through multi-year MRO contracts, which are typically renegotiated every three to five years. Although there are typically no guaranteed minimum purchase amounts under these contracts, these MRO customers, representing approximately two-thirds of our 2011 sales with an average annual retention rate of over 95% since 2000, provide a relatively stable revenue stream and help mitigate the effect of industry downturns on our business.

Business and Geographic Diversification in High-Growth Areas. We are well diversified across the upstream, midstream and downstream operations of the energy industry, as well as through our participation in selected industrial sectors. This diversification affords us some measure of protection in the event of a downturn in any one sector while providing us the ability to offer a "one stop" solution for our integrated energy customers. In our North American operating segment, our more than 175 branch locations are located near major hydrocarbon and refining regions, including rapidly expanding oil and natural gas E&P areas, such as the Bakken, Barnett, Eagle Ford, Fayetteville, Haynesville, Marcellus, Niobrara and Utica shales. In these non-conventional shale areas, a typical well can produce three to five times the revenue for us than a conventional well due to the greater length and the higher quality of pipe and related PVF products we furnish. In our International

operating segment, we have a network of over 30 branch locations throughout Europe, Asia and Australasia in close proximity to major projects in liquefied natural gas (“LNG”), mining and mineral processing and other high-growth energy and infrastructure development areas.

Strategic Supplier Relationships. We have extensive relationships with our suppliers and have key supplier relationships dating back in certain instances over 60 years. Approximately 50% of our total purchases for the year ended December 31, 2011 were from our largest 25 suppliers. We believe our customers view us as an industry leader in part due to the formal processes we use to evaluate vendor performance and product quality. We employ individuals who specialize in conducting manufacturer assessments both domestically and internationally and who are certified by the International Registry of Certificated Auditors. Our Supplier Registration Process, which allows us to maintain the MRC ASL, serves as a significant strategic advantage to us in developing, maintaining and institutionalizing key supplier relationships. For our suppliers, inclusion on the MRC ASL represents an opportunity for them to increase their product sales to our customers. The SRP also adds value to our customers, as they collaborate with us regarding specific manufacturer performance, our past experiences with products and the results of our on-site manufacturer assessments.

IT Platform Focused on Customer Service. Our proprietary, integrated, scalable, customer-linked and highly customized information systems support our business. A wide area network links these systems and our more than 4,000 employees. We operate a single information and operating system (“SIMS”) for all of our North American locations and a separate, Oracle-based system for our other international locations (other than those we have recently acquired). This enables real-time access to our business resources, including customer order processing, purchasing and material requests, distribution requirements planning, warehousing and receiving, inventory control and accounting and financial functions. In 2011, we had over 1.6 million electronic data interchange customer transactions (including purchase orders, advance ship notices, electronic funds transfer and internet ordering), compared to less than 700,000 in 2000. We have over 4 million customer part numbers cross referenced and integrated into MRC’s IT systems. Significant elements of our systems include firm-wide pricing controls, resulting in disciplined pricing strategies, advanced scanning and customized bar-coding capabilities, allowing for efficient warehousing activities at customer as well as our own locations, and significant levels of customer-specific integrations. We believe that the customized integration of our customers’ systems into our own information systems has increased customer retention by reducing our customers’ expenses, resulting in switching costs when our customers compare us to alternative sources of supply. Typically, smaller regional and local competitors do not have IT capabilities that are as advanced as ours, which we believe further differentiates us from our competition.

Highly Efficient, Flexible Operating Structure Drives Significant Free Cash Flow Generation. We place a particular emphasis on practicing financial discipline as evidenced by our strong focus on return on net assets, minimal maintenance capital expenditures and high free cash flow generation. Our disciplined cost control, coupled with our active asset management strategies and IT and services capabilities, result in a business model exhibiting a high degree of operating leverage. As is typical with the flexibility associated with a distribution operating model, our variable cost base includes substantially all of our cost of goods sold and a large portion of our operating costs. Furthermore, our total capital expenditures were approximately 0.4% of our sales for the year ended December 31, 2011. This cost structure allows us to adjust effectively to changing industry dynamics.

Experienced and Motivated Management Team. Our executive management team averages approximately 30 years of experience in the oilfield and industrial supply business, the majority of which has been with MRC or its predecessors. Employees own approximately 8% of our Company, including approximately 5% that is owned by executive and senior management, either directly or indirectly through their equity interests in PVF Holdings LLC (“PVF Holdings”), our largest shareholder.

Our Strategy

Our goal is to grow our market position as the largest global industrial distributor of PVF and related products to the energy industry.

Increase Market Share Organically and Grow Business with Current Customers. We are committed to expanding existing deep relationships with our current customer base while concurrently striving to secure new customers. To accomplish this, we are focused on providing a global “one stop” PVF procurement solution across the upstream, midstream and downstream sectors of the energy industry, maximizing bundling opportunities by leveraging our extensive product offering and increasing our penetration of existing customers’ new multi-year projects. Since 2000, we have retained in excess of 95% of our MRO contracts.

The migration of existing customer relationships to sole or primary sourcing arrangements is a core strategic focus. We seek to position ourselves as the sole or primary provider of a broad complement of PVF products and services for a particular customer, often by sector or region, or in certain instances across all of a customer’s global upstream, midstream and downstream operations. Several of our largest customers have recently switched to sole or primary sourcing contracts with us. Additionally, we believe that other significant opportunities exist to expand our deep customer and supplier relationships and thereby increase our market share. There is also a significant opportunity to extend our current North American MRO contracts internationally as well as bundle certain products, most notably pipe, flanges, fittings and other products (“PFF”), into MRC Transmark’s existing customer base, branch network and more valve-focused product platform.

We also aim to increase our penetration of our existing customers’ new projects. For example, while we often provide nearly 100% of the PVF products for certain customers under MRO contracts, increased penetration of those customers’ new downstream and midstream projects remains a strategic priority.

Increase Recurring Revenues through Integrated Supply and MRO Contracts. We have entered into, and continue to pursue, integrated supply and MRO contracts with certain of our customers. Under these arrangements, we are typically the sole or primary source provider of the upstream, midstream or downstream requirements of our customers. In certain instances, we are the sole or primary source provider for our customers across all the energy sectors or North American geographies within which the customer operates. We will seek to extend these contracts internationally.

In addition, our customers have, over time, increasingly moved toward centralized PVF procurement management at the corporate level rather than at individual local units. These developments are partly due to significant consolidation among our customer base. Sole or primary sourcing arrangements allow customers to focus on their core operations and provide economic benefits by generating immediate savings for the customer through administrative cost and working capital reductions, while providing for increased volumes, more stable revenue streams and longer term visibility for us. We believe we are well positioned to obtain these arrangements due to our leadership position and technical expertise, geographically diverse branch network, breadth of available product lines, value added services and scale in purchasing and existing deep relationships with customers and suppliers.

We also have both exclusive and non-exclusive MRO contracts in place. Our customers are increasing their capital and operating spending, which is being driven by aging infrastructure, increasing regulatory, safety and environmental requirements, the increased utilization of existing facilities and the decreasing quality of energy feedstocks. Our customers benefit from MRO arrangements through lower inventory investment and the reduction of transaction costs associated

with the elimination of the bid submission process, and our Company benefits from the recurring revenue stream that occurs with an MRO contract in place. We believe there are additional opportunities to utilize MRO arrangements through our “one-stop” PVF solution, both in North America and globally, for servicing the requirements of our customers. We are actively pursuing such opportunities.

Capitalize on Significant Growth in U.S. Shale Activity. The development of shale oil and gas in the U.S. has been rapid over the past several years. Natural gas is a major source of energy in the U.S., providing about 25% of total U.S. energy according to the Department of Energy. Shale gas, as a percentage of total natural gas production, has, in turn, rapidly increased from less than 2% of total U.S. natural gas production in 2001 to 30% in 2011 and is projected to increase to 49% by 2035 according to the EIA. Over the past ten years, technological advances in directional drilling and fracturing technologies have enabled the production of oil and natural gas products in previously underdeveloped U.S. oil and natural gas shale basins. As a result, unconventional E&P activity in shale regions has accelerated significantly and production levels have increased. We believe that PVF expenditures for unconventional shale plays can amount to as much as five times that required for comparable conventional plays and have positioned ourselves to benefit from this increase in unconventional E&P and midstream infrastructure activity by investing in these shale regions.

In addition, we are well positioned to continue to benefit from the more recent marked shift in E&P activity in the U.S. towards oil production. During 2007, approximately 17% of E&P activity in the U.S. consisted of oil drilling and 83% consisted of natural gas drilling. During the fourth quarter of 2011, approximately 55% of E&P activity in the U.S. consisted of oil drilling and 45% consisted of natural gas drilling. This is the highest percentage of oil drilling in the U.S. in approximately two decades.

Capitalize on Anticipated Midstream MRO Activity. Our major midstream customers face new safety regulations requiring additional inspection and hydro-testing requirements for U.S. pipelines. On January 3, 2012, the Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011 (the “Pipeline Act”) was enacted into law. The Pipeline Act is expected to accelerate PVF testing and replacement as well as require midstream participants to install additional automatic or remote-controlled shut-off valves and excess flow valves in new or replaced transmission pipelines. In addition, approximately 60% of the 178,000 miles of pipeline in the U.S. is over 40 years old. Recent initiatives from several of our major customers suggest a longer term trend towards continued replacement of this aged pipeline infrastructure and related MRO spending. Our acquisition of LaBarge Pipe & Steel Company (“LaBarge”), along with our increased focus and investments in line pipe and its attendant PVF and industrial supply products, uniquely positions us to benefit from increased pipeline replacement and MRO spending in the midstream sector over the next 10 years.

Further Penetrate the Canadian Oil Sands, Particularly the Downstream Sector. The Canadian Oil Sands region and its attendant downstream sector represent long-term growth areas for our Company. The Canadian Association of Petroleum Producers and Energy Resources Conservation Board estimate that Oil Sands capital expenditures increased by approximately 18% in 2010 to \$13 billion and projects that expenditures will increase to approximately \$20 billion by 2016, a compound annual growth rate (“CAGR”) of 7.4%, which we believe will generate significant PVF expenditures. While MRC Midfield has historically focused on the upstream and midstream sectors in Canada, we believe that a significant opportunity exists to continue to penetrate the Canadian Oil Sands and downstream industries, which include the upgrader, refinery, petrochemical and other industrial processing sectors. Our sales to the Canadian Oil Sands region and downstream sectors increased by 45% to \$361 million from 2010 to 2011. Additionally, we believe there is also a significant opportunity to penetrate the Canadian Oil Sands extraction sector involving in-situ recovery methods. We have made targeted inventory and facility investments in Canada, including a 74,000 square foot distribution center located near Edmonton and a 16,000 square foot warehouse near Fort McMurray, to address this opportunity.

Expanding Globally Through Positioning on EPC Projects. Projects are a growing part of our business and represent approximately one-third of our sales. In 2011, 15% of our revenue was derived from infrastructure projects through engineering, procurement and construction (“EPC”) firms and 19% was derived from drilling/production projects. These projects can be either brownfield or greenfield in nature, with the latter representing new construction and the former representing projects that are more refurbishment or replacement in scope. Infrastructure projects are an important part of all the sectors we serve but are typically more active in our downstream and midstream sectors. Due to our strong MRO position in these sectors, we are often our customers’ choice for brownfield expansion in these facilities. We are actively looking to increase our participation in new greenfield projects both domestically and internationally by working closely with both end customers and EPC contractors.

Expand into New Geographies and Adjacent Sectors. We intend to continue to selectively establish new branches to facilitate our expansion into new geographies and enter adjacent sectors where extreme operating environments generate high PVF product replacement rates. We continue to evaluate establishing branches and service and supply centers in select domestic and international regions as well as identifying existing branches for overlap and strategic elimination.

We believe that an attractive opportunity exists to further expand our International operating segment. We continue to actively evaluate opportunities to selectively establish new branches in order to grow with our existing global customer base or to develop new customer relationships and extend our offering to key international markets, particularly in Asia, Europe, Australasia and the Middle East. The current installed base of energy infrastructure internationally, including the upstream, midstream and downstream sectors, is significantly larger than in North America, and, as a result, we believe represents an attractive long term opportunity for us. Since 2006, when 100% of our revenues were generated in the U.S., we have expanded into Canada, Europe, Asia and Australasia. In the year ended December 31, 2011, approximately 20% of our revenues were generated outside the U.S.

We also believe opportunities exist for expansion into new and under-penetrated sectors where PVF products are used in specialized or highly corrosive applications. These sectors include pulp and paper, waterworks, food and beverage and other general industrial sectors, in addition to other energy sectors such as power generation, mining and mineral processing, solar, LNG, coal, nuclear, ethanol and desalination facilities.

Pursue Selective Strategic Acquisitions and Investments. We continue to seek opportunities to strengthen our franchise through selective acquisitions and strategic investments. In particular, we will consider investments that enhance our presence in the energy infrastructure sector and enable us to leverage our existing operations, either through acquiring new branches or by acquiring companies offering complementary products or geographic breadth. Our industry remains highly fragmented while our customers and suppliers continue to consolidate. We believe a significant number of small and larger acquisition opportunities remain that offer favorable synergy potential and attractive growth characteristics. We intend to focus on utilizing our global operating scale and integration capabilities to further realize important synergies while minimizing execution risk.

Continued Focus on Operational Efficiency. We strive for continued operational excellence. Our branch managers, regional management and corporate leadership team continually examine branch profitability, working capital management and return on managed assets and utilize this information to optimize global, regional and local strategies, reduce operating costs and maximize cash flow generation.

To improve efficiencies and profitability, we work to leverage operational best practices, optimize our vendor relationships, purchasing and inventory levels, and source inventory internationally when appropriate. As part of this strategy, we have integrated our purchasing functions into a central procurement function and believe we have developed strong relationships with vendors that value our international footprint, large sales force and volume purchasing capabilities. Because of this, we are often considered the preferred distribution channel.

Recent Developments

Preliminary First Quarter 2012 Results

We expect to report the following results for each of sales, net income, Adjusted EBITDA and total indebtedness for the three months ending March 31, 2012 and as of March 31, 2012, as applicable:

- **Sales.** We expect to report sales of between approximately \$1.30 billion and \$1.34 billion for the three months ending March 31, 2012, as compared to sales of \$991.8 million for the three months ended March 31, 2011.
- **Net income.** We expect to report net income of between approximately \$30 million and \$36 million for the three months ending March 31, 2012, as compared to a net loss of \$(1.1) million for the three months ended March 31, 2011.
- **Adjusted EBITDA.** We expect to report Adjusted EBITDA of between approximately \$101 million and \$111 million for the three months ending March 31, 2012, as compared to Adjusted EBITDA of \$60 million for the three months ended March 31, 2011.
- **Total indebtedness.** We expect that our total indebtedness outstanding at March 31, 2012 will be approximately \$1.6 billion to \$1.7 billion, as compared to \$1.53 billion of total indebtedness as of December 31, 2011.

Expected results for the three months ending March 31, 2012 primarily reflect continued strength in each of the upstream, midstream and downstream sectors of our business, including strong drilling activity in North America, particularly in the shale and conventional oil regions. The results estimated above include an approximately \$1.7 million write-off of deferred financing costs, which we expect to record in the three months ending March 31, 2012 in connection with the refinancing of our ABL Credit Facility. The expected increase in total indebtedness at March 31, 2012 primarily reflects the acquisition of OneSteel Piping Systems and working capital growth.

Management has prepared the estimates presented above in good faith based upon our internal reporting and expectations as of and for the three months ending March 31, 2012. These estimated ranges are preliminary, unaudited, subject to completion, reflect our current good faith estimates and may be revised as a result of results posted during the remainder of the quarter and management's further review of our results. We and our auditors have not completed our normal quarterly review procedures as of and for the three months ending March 31, 2012, and there can be no assurance that our final results for this quarterly period will not differ from these estimates. Any such changes could be material. During the course of the preparation of our consolidated financial statements and related notes as of and for the three months ending March 31, 2012, we may identify items that would require us to make material adjustments to the preliminary financial information. These estimates should not be viewed as a substitute for full interim financial statements prepared in accordance with GAAP. In addition, these preliminary estimates as of and for the three months ending March 31, 2012 are not necessarily indicative of the results to be achieved for the remainder of 2012 or any future period. Our consolidated financial statements and related notes as of and for three months ending March 31, 2012 are not expected to be filed with the SEC until after this offering is completed.

Adjusted EBITDA is a non-GAAP measure within the rules of the SEC. The most closely comparable GAAP measure is net income. The following table reconciles Adjusted EBITDA to net income for the ranges presented above for the three months ending March 31, 2012 (estimated) and for the three months ended March 31, 2011 (actual). For more information about our use of Adjusted EBITDA, see footnote 2 to "—Summary Consolidated Financial Information" included elsewhere in this prospectus.

	Three Months Ended March 31,		
	2012 (Estimated Low)	2012 (Estimated High)	2011 (Actual)
	(\$ in millions)		
Net income (loss)	\$ 30.0	\$ 36.1	\$ (1.1)
Income tax (benefit) expense	16.9	20.3	(0.7)
Interest expense	33.5	33.9	33.5
Depreciation and amortization	4.1	4.2	4.0
Amortization of intangibles	12.1	12.2	12.4
Change in fair value of derivative instruments	(2.1)	(1.9)	(1.9)
Share based compensation expense	1.8	1.9	1.5
Legal and consulting expenses	(1.1)	(0.9)	1.2
Increase in LIFO Reserve	5.0	5.2	10.1
Other noncash expenses (1)	(0.9)	(1.3)	1.0
Deferred financing costs	1.7	1.7	—
Adjusted EBITDA	<u>\$ 101.0</u>	<u>\$ 111.4</u>	<u>\$ 60.0</u>

(1) For the three months ended March 31, 2012, estimated to include foreign exchange gains and losses. For the three months ended March 31, 2011, included transaction-related expenses, pre-acquisition EBITDA of MRC SPF and other items added back to net income pursuant to our then existing ABL credit facility.

Global ABL Facility

On March 27, 2012, we entered into a new multi-currency Global ABL Facility (the "Global ABL Facility") which replaced our existing North American ABL Credit Facility, our European Transmark term loan and revolving credit facility and our UK overdraft facility. The administrative agent and collateral agent for the Global ABL Facility is Bank of America, N.A., and the co-syndication agents of the Global ABL Facility are Barclays Bank PLC and Wells Fargo Capital Finance LLC. The five-year Global ABL Facility contains up to US\$1.25 billion of total revolving credit facilities, including US\$1.025 billion in the United States, US\$145 million in Canada, US\$12 million in the United Kingdom, US\$52 million in Australia, US\$9 million in the Netherlands and US\$7 million in Belgium. The facility also contains an accordion feature that allows us to increase the principal amount of the facility by up to US\$300 million.

The Global ABL Facility is primarily secured by all of our receivables, inventory and related assets in the relevant countries. Our ability to borrow in each jurisdiction under the facility is limited by a borrowing base in that jurisdiction equal to 85% of eligible receivables, plus the lesser of 70% of eligible inventory and 85% of appraised net orderly liquidation value of the inventory. The facility initially bears interest at LIBOR plus an initial margin of 1.75%, though from and after September 1, 2012 the margin will vary between 1.50% and 2.00% based on our fixed charge coverage ratio. For additional information about the Global ABL Facility, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Description of Our Indebtedness—Global ABL Facility."

The Goldman Sachs Funds

Certain affiliates of The Goldman Sachs Group, Inc., including GS Capital Partners V Fund, L.P., GS Capital Partners VI Fund, L.P. and related entities, or the Goldman Sachs Funds, are the majority owners of PVF Holdings, our largest shareholder.

Since 1986, the Goldman Sachs Merchant Banking Division ("GS MBD"), which manages The Goldman Sachs Funds, has raised 16 private equity and principal debt investment funds aggregating over \$78 billion of

capital and invested in over 500 companies globally. GS Capital Partners VI is the current private equity vehicle through which Goldman Sachs conducts its large, privately negotiated, corporate equity investment activities. With six offices in five countries around the world, GS MBD is one of the largest managers of private capital globally.

Since 1998, GS MBD has invested over \$8 billion in over 20 companies in the energy and industrial distribution sectors. Investments include, but are not limited to, Bill Barrett Corporation (natural gas exploration and production in the Rocky Mountain region of the U.S.), CCS Corporation (provider of integrated energy and environmental waste management services), Cobalt International Energy (deepwater Gulf of Mexico and West Africa oil exploration), CVR Energy (U.S. mid-continent based oil refinery), EF Energy Holdings, LLC (start-up upstream oil and gas company), Expro International (market leader in deepwater well testing and commissioning services), Horizon Wind Energy (one of the largest developers of wind power projects in North America), Kenan Advantage Group (largest provider of "last mile" fuel delivery services on a dedicated basis in the U.S.), Nalco Corporation (global provider of integrated water treatment and process improvement services), OIG Offshore Installation Group (provider of offshore mooring and subsea installation, module handling and logistics services), Associated Asphalt (largest asphalt terminalling operation in the U.S. and Ahlsell Sverige (industrial distributor in the Nordic region).

Risk Factors

Our business faces various risks. For example, decreased capital and operating expenditures in the energy industry could lead to decreased demand for our products and services and could therefore have a material adverse effect on our business, results of operations and financial condition. We face other risks including, among others, fluctuations in steel prices, particularly for our tubular product category, volatility of oil and natural gas prices, economic downturns, our lack of long-term contracts with many of our customers and suppliers and the absence of minimum purchase obligations under the long-term customer contracts that we do have. Additionally, we have significant indebtedness. As of December 31, 2011, we had total debt outstanding of \$1,526.7 million, borrowing availability of \$583.7 million under our credit facilities and total liquidity (borrowing capacity plus cash on hand) of \$629.8 million, representing leverage of 4.1x as of December 31, 2011 under the terms of our then existing asset-based revolving credit facility (the "ABL Credit Facility"). Our significant indebtedness could limit our ability to obtain additional financing, our ability to use operating cash flow in other areas of our business, and our ability to compete with other companies that are less leveraged, and could have other negative consequences. See "Risk Factors" for a more detailed discussion of these risks and other risks associated with our business.

MRC Global Inc. was incorporated in Delaware on November 20, 2006. Our principal executive office is located at 2 Houston Center, 909 Fannin, Suite 3100, Houston, Texas 77010. Our telephone number is (877) 294-7574. Our website address is www.mrcpvf.com. Information contained on our website or on other external websites mentioned throughout this prospectus is expressly not incorporated by reference into this prospectus.

	The Offering
Issuer	MRC Global Inc.
Common stock offered by us	17,045,455 shares.
Common stock offered by the selling stockholder	5,681,818 shares.
Option to purchase additional shares of common stock from the selling stockholder	3,409,091 shares.
Common stock outstanding immediately after the offering	101,487,198 shares.
Use of proceeds	<p>We estimate that the net proceeds we will receive from the sale of 17,045,455 shares of our common stock in this offering, after deducting underwriter discounts and commissions and estimated offering expenses payable by us (assuming the shares are sold at the midpoint of the range on the cover of the prospectus), will be approximately \$349.9 million. We intend to use the net proceeds from this offering to repay indebtedness. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholder in this offering (including any shares sold by the selling stockholder pursuant to the underwriters' option to purchase additional shares). See "Use of Proceeds".</p>
Conflicts of Interest	<p>Because Goldman, Sachs & Co., one of the participating underwriters, beneficially owns in excess of 10% of our issued and outstanding common stock, the Financial Industry Regulatory Authority ("FINRA") deems Goldman, Sachs & Co. to be our "affiliate" and to have a "conflict of interest" with us within the meaning of FINRA Rule 5121 ("Rule 5121"), as administered by FINRA. Additionally, because we may use more than 5% of the net proceeds from the sale of our common stock to repay indebtedness under our Global ABL Facility owed by us to affiliates of Goldman, Sachs & Co., Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC and Raymond James & Associates, FINRA deems these underwriters to have a "conflict of interest" with us within the meaning of Rule 5121, as administered by FINRA. Therefore, this offering will be conducted in accordance with Rule 5121, which requires that a qualified independent underwriter ("QIU"), as defined in Rule 5121, participate in the preparation of the registration statement of which this prospectus forms a part and perform its usual standard of due diligence with respect thereto. Robert W. Baird & Co. Incorporated has agreed to act as QIU for this offering. We have agreed to indemnify Robert W. Baird & Co. Incorporated against certain liabilities incurred in connection with acting as QIU for this offering, including liabilities under the Securities Act of 1933, as amended (the "Securities Act"). In</p>

accordance with Rule 5121, these underwriters who are deemed to have a "conflict of interest" with us will not sell our common stock to a discretionary account without receiving the written approval from the account holder.

Proposed New York Stock Exchange ("NYSE") symbol "MRC".

Risk Factors

See "Risk Factors" beginning on page 21 of this prospectus for a discussion of factors that you should carefully consider before deciding to invest in shares of our common stock.

The number of shares of common stock to be outstanding after the offering:

• gives effect to a two-for-one reverse split of our common stock which occurred on February 29, 2012;

• excludes 2,845,126 shares of common stock issuable upon the exercise of stock options granted to certain of our employees and directors pursuant to our 2007 Stock Option Plan; and

• excludes 127,301 shares of non-vested restricted stock awarded to certain of our employees pursuant to our 2007 Restricted Stock Plan.

The data included in this prospectus regarding the industrial and oilfield PVF distribution industry, including trends in the market and our position and the position of our competitors within this industry, are based on our estimates which have been derived from management's knowledge and experience in the areas in which our business operates, and information obtained from customers, suppliers, trade and business organizations, internal research, publicly available information, industry publications and surveys and other contacts in the areas in which our business operates. We have also cited information compiled by industry publications, governmental agencies and publicly available sources.

Depending on market conditions at the time of pricing of this offering and other considerations, we may sell fewer or more shares than the number set forth on the cover page of this prospectus. If we sell fewer shares of common stock without an increase in the anticipated price per share, or if we sell the same number of shares but at a lower price per share, the amount of proceeds we receive in this offering will be reduced, the amount of indebtedness we are able to repay will be reduced, and our leverage will be higher. As a result, the risks associated with our indebtedness and leverage will be greater than they would have been if we had repaid the amount of debt that we anticipated repaying. In addition, if we or the selling stockholder sells fewer shares of common stock, then the percentage of our shares controlled by affiliates of Goldman, Sachs & Co. will be higher. As a result, the risks associated with the control of our company by affiliates of Goldman Sachs will be greater than they would have been if these affiliates owned a smaller percentage of our company.

In this prospectus, unless otherwise indicated, foreign currency amounts are converted into U.S. dollar amounts at the exchange rate in effect on December 31, 2011, the last day of our fiscal year. Income statement figures are converted on a monthly basis, using each month's average conversion rate.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

On January 31, 2007, MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), an affiliate of The Goldman Sachs Group, Inc., acquired a majority of the equity of the entity now known as McJunkin Red Man Corporation (then known as McJunkin Corporation) (the "GS Acquisition"). In this prospectus, the term "Predecessor" refers to McJunkin Corporation and its subsidiaries prior to January 31, 2007 and the term "Successor" refers to the entity now known as MRC Global Inc. and its subsidiaries on and after January 31, 2007. As a result of the change in McJunkin Corporation's basis of accounting in connection with the GS Acquisition, Predecessor's financial statement data for the one month ended January 30, 2007 and earlier periods are not comparable to Successor's financial data for the eleven months ended December 31, 2007 and subsequent periods.

McJunkin Corporation completed a business combination transaction with Red Man (the "Red Man Transaction") on October 31, 2007. At that time, McJunkin Corporation was renamed McJunkin Red Man Corporation. Operating results for the eleven-month period ended December 31, 2007 include the results of MRC Global Inc. for the full period and the results of Red Man for the two months after the business combination on October 31, 2007. Accordingly, our historical results for the years ended December 31, 2011, 2010, 2009 and 2008 and the 11 months ended December 31, 2007 are not comparable to McJunkin Corporation's historical results for the one month ended January 30, 2007.

The summary consolidated financial information presented below under the captions Statement of Operations Data and Other Financial Data for the years ended December 31, 2011, 2010, 2009 and 2008, and the summary consolidated financial information presented below under the caption Balance Sheet Data as of December 31, 2011 and December 31, 2010, have been derived from the consolidated financial statements of MRC Global Inc. included elsewhere in this prospectus that Ernst & Young LLP, our independent registered public accounting firm, has audited. The summary consolidated financial information presented below under the captions Statement of Operations Data and Other Financial Data for the one month ended January 30, 2007 and the eleven months ended December 31, 2007, and the summary consolidated financial information presented below under the caption Balance Sheet Data as of December 31, 2009, December 31, 2008 and December 31, 2007, have been derived from the consolidated financial statements of MRC Global Inc. not included in this prospectus that Ernst & Young LLP has audited.

All information in this prospectus gives effect to the two-for-one reverse split of our common stock which occurred on February 29, 2012.

The historical data presented below has been derived from financial statements that have been prepared using United States generally accepted accounting principles (“GAAP”). This data should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and related notes included elsewhere in this prospectus.

	Successor					Predecessor
	Year Ended December 31,				Eleven Months Ended December 31,	One Month Ended January 30,
	2011	2010	2009	2008	2007	2007
	(In millions, except per share and share information)					
Statement of Operations Data:						
Sales	\$4,832.4	\$3,845.5	\$3,661.9	\$5,255.2	\$ 2,124.9	\$ 142.5
Cost of sales	4,124.2	3,327.0	3,067.4	4,273.1	1,761.9	114.9
Inventory write-down	—	0.4	46.5	—	—	—
Gross margin	708.2	518.1	548.0	982.1	363.0	27.6
Selling, general and administrative expenses	513.6	451.7	411.6	482.1	218.5	15.9
Goodwill and intangibles impairment charge	—	—	386.1	—	—	—
Operating income (loss)	194.6	66.4	(249.7)	500.0	144.5	11.7
Other (expense) income						
Interest expense	(136.8)	(139.6)	(116.5)	(84.5)	(61.7)	(0.1)
Write off of debt issuance costs	(9.5)	—	—	—	—	—
Change in fair value of derivative instruments	7.0	(4.9)	8.9	(6.2)	—	—
Other, net	0.5	2.9	2.5	(2.6)	(0.8)	(0.4)
Total other (expense) income	(138.8)	(141.6)	(105.1)	(93.3)	(62.5)	(0.5)
Income (loss) before income taxes	55.8	(75.2)	(354.8)	406.7	82.0	11.2
Income taxes	26.8	(23.4)	(15.0)	153.2	32.1	4.6
Net income (loss)	\$ 29.0	\$ (51.8)	\$ (339.8)	\$ 253.5	\$ 49.9	\$ 6.6
Earnings per share, basic (in thousands)	\$ 0.34	\$ (0.61)	\$ (4.30)	\$ 3.26	\$ 1.44	
Earnings per share, diluted (in thousands)	\$ 0.34	\$ (0.61)	\$ (4.30)	\$ 3.26	\$ 1.44	
Weighted average shares, basic	84,417	84,384	79,067	77,646	34,663	
Weighted average share, diluted	84,655	84,384	79,067	77,828	34,731	
Other Financial Data:						
Net cash provided by (used in) operations	\$ (102.9)	\$ 112.7	\$ 505.5	\$ (137.4)	\$ 110.2	\$ 6.6
Net cash provided by (used in) investing activities	(48.0)	(16.2)	(66.9)	(314.2)	(1,788.9)	(0.2)
Net cash provided by (used in) financing activities	140.6	(98.2)	(393.9)	452.0	1,687.2	(8.3)
Adjusted Gross Margin(1)	849.6	663.2	493.5	1,164.0	400.6	27.9
Adjusted EBITDA(2)	360.5	224.2	218.5	744.4	344.9	26.0
Adjusted EBITDA RONA(3)	24.1%	19.6%	18.6%			

	Successor As of December 31,				
	2011	2010	2009	2008	2007
Balance Sheet Data:					
Cash and cash equivalents	\$ 46.1	\$ 56.2	\$ 56.2	\$ 12.1	\$ 10.1
Working capital(4)	1,074.7	842.6	930.2	1,208.0	674.1
Total assets	3,227.7	2,991.2	3,083.2	3,919.7	3,083.8
Total debt(5)	1,526.7	1,360.2	1,452.6	1,748.6	868.4
Stockholders' equity	720.9	689.8	743.9	987.2	1,262.7

- (1) We define Adjusted Gross Margin as sales, less cost of sales, plus depreciation and amortization, plus amortization of intangibles, and plus or minus the impact of our last in, first out ("LIFO") inventory costing methodology. We present Adjusted Gross Margin because we believe it is a useful indicator of our operating performance and facilitates a meaningful comparison to our peers. We believe this for the following reasons:
- Our management uses Adjusted Gross Margin for planning purposes, including the preparation of our annual operating budget and financial projections. This measure is also used to assess the performance of our business.
 - Investors use Adjusted Gross Margin to measure a company's operating performance without regard to items, such as depreciation and amortization, and amortization of intangibles, that can vary substantially from company to company depending upon the nature and extent of transactions they have been involved in. Similarly, the impact of the LIFO inventory costing method can cause results to vary substantially from company to company depending upon whether those companies elect to utilize the LIFO method and depending upon which LIFO method they may elect.
 - Securities analysts can use Adjusted Gross Margin as a supplemental measure to evaluate overall operating performance of companies.

In particular, we believe that Adjusted Gross Margin is a useful indicator of our operating performance because Adjusted Gross Margin measures our Company's operating performance without regard to acquisition transaction-related amortization expenses.

However, Adjusted Gross Margin does not represent and should not be considered an alternative to gross margin or any other measure of financial performance calculated and presented in accordance with GAAP. Our Adjusted Gross Margin may not be comparable to similar measures that other companies report because other companies may not calculate Adjusted Gross Margin in the same manner as we do. Although we use Adjusted Gross Margin as a measure to assess the operating performance of our business, Adjusted Gross Margin has significant limitations as an analytical tool because it excludes certain material costs. For example, it does not include depreciation and amortization expense. Because we use capital assets, depreciation expense is a significant element of our costs and impacts our ability to generate revenue. In addition, the omission of amortization expense associated with our intangible assets further limits the usefulness of this measure. Furthermore, Adjusted Gross Margin does not account for our LIFO inventory costing methodology and, therefore, to the extent that recently purchased inventory accounts for a relatively large portion of our sales, Adjusted Gross Margin may overstate our operating performance. Because Adjusted Gross Margin does not account for certain expenses, its utility as a measure of our operating performance has material limitations. Because of these limitations, management does not view Adjusted Gross Margin in isolation or as a primary performance measure and also uses other measures, such as net income and sales, to measure operating performance.

The following table reconciles Adjusted Gross Margin to gross margin (in millions):

	Successor					Predecessor
	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Eleven Months Ended December 31, 2007	One Month Ended January 31, 2007
Gross margin	\$ 708.2	\$ 518.1	\$ 548.0	\$ 982.1	\$ 363.0	\$ 27.6
Depreciation and amortization	17.0	16.6	14.5	11.3	5.4	0.3
Amortization of intangibles	50.7	53.9	46.6	44.4	21.9	—
Increase (decrease) in LIFO reserve	73.7	74.6	(115.6)	126.2	10.3	—
Adjusted Gross Margin	<u>\$ 849.6</u>	<u>\$ 663.2</u>	<u>\$ 493.5</u>	<u>\$ 1,164.0</u>	<u>\$ 400.6</u>	<u>\$ 27.9</u>

(2) We define Adjusted EBITDA as net income plus interest, income taxes, depreciation and amortization, amortization of intangibles, other non-recurring and non-cash charges (such as gains/losses on the early extinguishment of debt, changes in the fair value of derivative instruments and goodwill impairment) and plus or minus the impact of our LIFO inventory costing methodology. We present Adjusted EBITDA because it is an important measure used to determine the interest rate and commitment fee we pay under our Global ABL Facility. In addition, we believe it is a useful factor indicator of our operating performance. We believe this for the following reasons:

- Our management uses Adjusted EBITDA for planning purposes, including the preparation of our annual operating budget and financial projections, as well as for determining a significant portion of the compensation of our executive officers.
- Adjusted EBITDA is widely used by investors to measure a company's operating performance without regard to items, such as interest expense, income tax expense and depreciation and amortization, that can vary substantially from company to company depending upon their financing and accounting methods, the book value of their assets, their capital structures and the method by which their assets were acquired.
- Securities analysts use Adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of companies.

In particular, we believe that Adjusted EBITDA is a useful indicator of our operating performance because Adjusted EBITDA measures our Company's operating performance without regard to certain non-recurring, non-cash or transaction-related expenses.

Adjusted EBITDA, however, does not represent and should not be considered as an alternative to net income, cash flow from operations or any other measure of financial performance calculated and presented in accordance with GAAP. Our Adjusted EBITDA may not be comparable to similar measures that other companies report because other companies may not calculate Adjusted EBITDA in the same manner as we do. Although we use Adjusted EBITDA as a measure to assess the operating performance of our business, Adjusted EBITDA has significant limitations as an analytical tool because it excludes certain material costs. For example, it does not include interest expense, which has been a significant element of our costs. Because we use capital assets, depreciation expense is a significant element of our costs and impacts our ability to generate revenue. In addition, the omission of the amortization expense associated with our intangible assets further limits the usefulness of this measure. Adjusted EBITDA also does not include the payment of certain taxes, which is also a significant element of our operations. Furthermore, Adjusted EBITDA does not account for our LIFO inventory costing

methodology, and therefore, to the extent that recently purchased inventory accounts for a relatively large portion of our sales, Adjusted EBITDA may overstate our operating performance. Because Adjusted EBITDA does not account for certain expenses, its utility as a measure of our operating performance has material limitations. Because of these limitations, management does not view Adjusted EBITDA in isolation or as a primary performance measure and also uses other measures, such as net income and sales, to measure operating performance.

The calculation of Adjusted EBITDA is consistent with the computation of Consolidated Cash Flow, as defined in the indenture governing the Notes, except for the change in the LIFO reserve, which would not be an adjustment in determining Consolidated Cash Flow.

The following table reconciles Adjusted EBITDA with our net income (loss), as derived from our financial statements (in millions):

	Successor					Predecessor
	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Eleven Months Ended December 31, 2007	One Month Ended January 31, 2007
Net income (loss)	\$ 29.0	\$ (51.8)	\$ (339.8)	\$ 253.5	\$ 49.9	\$ 6.6
Income tax expense (benefit)	26.8	(23.4)	(15.0)	153.2	32.1	4.6
Interest expense	136.8	139.6	116.5	84.5	61.7	0.1
Write off of debt issuance costs	9.5	—	—	—	—	—
Depreciation and amortization	17.0	16.6	14.5	11.3	5.4	0.3
Amortization of intangibles	50.7	53.9	46.6	44.4	21.9	—
Amortization of Purchase Price						
Accounting	—	—	15.7	2.4	—	—
Change in fair value of derivative instruments	(7.0)	4.9	(8.9)	6.2	—	—
Closed locations	—	(0.7)	1.4	4.4	—	—
Share based compensation expense	8.4	3.7	7.8	10.2	3.0	—
Franchise taxes	0.4	0.7	1.4	1.5	—	—
Gain on early extinguishment of debt	—	—	(1.3)	—	—	—
Goodwill and intangibles impairment charge	—	—	386.1	—	—	—
Inventory write-down	—	0.4	46.5	—	—	—
IT system conversion costs	—	—	2.4	1.4	—	—
M&A transaction & integration expenses	0.5	1.4	17.5	30.4	12.7	—
Midway pre-acquisition contribution	—	—	—	—	2.8	1.0
Legal and consulting expenses	9.9	4.2	1.9	0.4	—	—
Joint venture termination	1.7	—	—	—	—	—
Provision for uncollectible accounts	0.4	(2.0)	1.0	7.7	0.4	—
Red Man pre-acquisition contribution	—	—	—	—	142.2	13.1
Severance and related costs	1.1	3.2	4.4	—	—	—
MRC Transmark pre-acquisition contribution	—	—	38.5	—	—	—
LIFO	73.7	74.6	(115.6)	126.2	10.3	—
Other non-cash expenses	1.6	(1.1)	(3.1)	6.7	2.5	0.3
Adjusted EBITDA	<u>\$ 360.5</u>	<u>\$ 224.2</u>	<u>\$ 218.5</u>	<u>\$ 744.4</u>	<u>\$ 344.9</u>	<u>\$ 26.0</u>

- (3) We define Adjusted EBITDA Return on Net Assets (“Adjusted EBITDA RONA”) as (a) Adjusted EBITDA divided by (b) accounts receivable, plus inventory, plus the LIFO reserve, plus property, plant & equipment, net, less accounts payable. The calculation of Adjusted EBITDA RONA is set forth below (dollars in thousands):

	Year Ended December 31,		
	2011	2010	2009
Adjusted EBITDA	\$ 360,465	\$ 224,124	\$ 218,496
Accounts receivable	\$ 791,280	\$ 596,404	\$ 506,194
Inventory at LIFO	899,064	765,367	871,653
LIFO Reserve	175,122	101,419	26,862
Property, plant & equipment, net	107,430	104,725	111,480
Accounts payable	(479,584)	(426,632)	(338,512)
Total adjusted net assets	<u>\$1,493,312</u>	<u>\$1,141,283</u>	<u>\$1,177,677</u>
Adjusted EBITDA RONA	24.1%	19.6%	18.6%

We present Adjusted EBITDA RONA because we believe it is a useful indicator of our operating performance. Management believes that Adjusted EBITDA RONA provides meaningful supplemental information regarding our performance by excluding certain income and expense items and assets and liabilities that may not be indicative of the core business operating results and may help in comparing current period results with those of prior periods as well as with our peers. Our management uses Adjusted EBITDA RONA for determining a significant portion of the compensation of our executive officers. In addition, Adjusted EBITDA RONA is a useful indicator of our operating performance because it measures our performance without regard to acquisition transaction-related assets such as intangibles and goodwill.

However, Adjusted EBITDA RONA does not represent and should not be considered an alternative to other GAAP measures of performance such as net income. Also, our definition of Adjusted EBITDA RONA may not be comparable to similar measures that other companies report. Further, Adjusted EBITDA RONA has certain limitations, such as excluding our LIFO inventory costing methodology. In addition, the omission of our substantial intangible assets and goodwill further limits the usefulness of this measure. As a result, management does not view Adjusted EBITDA RONA in isolation or as a primary performance measure and uses other measures such as net income and sales to measure operating performance.

Management believes that the GAAP-based measure which is most comparable to Adjusted EBITDA RONA is a percentage with net income in the numerator and stockholders' equity in the denominator. We believe Adjusted EBITDA is a useful measure of performance as compared to net income for the reasons stated above in note 2. We believe that for our Company total adjusted net assets (as calculated above) is a more useful measure than stockholders' equity for purposes of a RONA calculation because, among other things, our calculation omits intangible assets and goodwill arising from acquisitions. Given the Company's history of making numerous acquisitions in recent years, the Company believes that the measure it uses is more comparable to similar measures used by other companies if the effects of acquisitions are eliminated.

For a reconciliation of Adjusted EBITDA (the numerator in our calculation of Adjusted EBITDA RONA) to net income, see footnote 2 above. For a reconciliation of total adjusted net assets (the denominator in our calculation of Adjusted EBITDA RONA) to stockholders' equity, see the following table:

	Year Ended December 31,		
	2011	2010	2009
	(dollars in thousands)		
Stockholders' equity	\$ 720,862	\$ 689,758	\$ 743,898
Long term debt	1,526,740	1,360,241	1,452,610
Deferred taxes, net	357,195	373,719	377,948
Other liabilities	143,306	140,844	170,188
Intangible assets	(1,333,137)	(1,366,549)	(1,425,721)
LIFO Reserve	175,122	101,419	26,862
Other assets	(50,649)	(101,947)	(111,864)
Cash	(46,127)	(56,202)	(56,244)
Total adjusted net assets	\$ 1,493,312	\$ 1,141,283	\$ 1,177,677

The following table summarizes (1) the numerator and denominator in our calculation of Adjusted EBITDA RONA and (2) the numerator (net income) and denominator (stockholders' equity) in the most comparable GAAP-based measure.

	Year Ended December 31,		
	2011	2010	2009
	(dollars in thousands)		
Adjusted EBITDA	\$ 360,465	\$ 224,124	\$ 218,496
Total adjusted net assets	\$1,493,312	\$1,141,283	\$1,177,677
Adjusted EBITDA RONA	24.1%	19.6%	18.6%
Net income (loss)	\$ 28,984	\$ (51,824)	\$ (339,771)
Stockholders' equity	\$ 720,862	\$ 689,758	\$ 743,898
Net income / stockholders' equity	4.02%	(7.5)%	(45.7)%

(4) Working capital is defined as current assets less current liabilities.

(5) Includes current portion.

RISK FACTORS

Before investing in the securities offered through this prospectus, you should carefully consider the following risk factors as well as the other information that this prospectus provides. If one or more of these risks or uncertainties actually occurs, they could materially and adversely affect our business, financial condition and operating results. In this prospectus, unless the context expressly requires a different reading, when we state that a factor could “adversely affect us”, have a “material adverse effect”, “adversely affect our business” and similar expressions, we mean that the factor could materially and adversely affect our business, financial condition and operating results.

Risks Related to Our Business

Decreased capital and other expenditures in the energy industry, which can result from decreased oil and natural gas prices, among other things, can adversely impact our customers’ demand for our products and our revenue.

A large portion of our revenue depends upon the level of capital and operating expenditures in the oil and natural gas industry, including capital and other expenditures in connection with exploration, drilling, production, gathering, transportation, refining and processing operations. Demand for the products we distribute and services we provide is particularly sensitive to the level of exploration, development and production activity of, and the corresponding capital and other expenditures by, oil and natural gas companies. A material decline in oil or natural gas prices could depress levels of exploration, development and production activity and, therefore, could lead to a decrease in our customers’ capital and other expenditures. If our customers’ expenditures decline, our business will suffer.

Volatile oil and gas prices affect demand for our products.

Prices for oil and natural gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and natural gas, market uncertainty and a variety of other factors that are beyond our control. For example, oil and natural gas prices during much of 2008 were at levels much higher than historical long term averages, and worldwide oil and natural gas drilling and exploration activity during much of 2008 was also at record high levels. Oil and natural gas prices decreased during the second half of 2008 and during 2009. This sustained decline in oil and natural gas prices resulted in decreased capital expenditures in the oil and natural gas industry and had an adverse effect on our business, results of operations and financial condition. Any sustained decrease in capital expenditures in the oil and natural gas industry could have a material adverse effect on us.

Many factors affect the supply of and demand for energy and, therefore, influence oil and natural gas prices, including:

- the level of domestic and worldwide oil and natural gas production and inventories;
- the level of drilling activity and the availability of attractive oil and natural gas field prospects, which governmental actions may affect, such as regulatory actions or legislation, or other restrictions on drilling, including those related to environmental concerns (e.g., the temporary moratorium on deepwater drilling in the Gulf of Mexico following the Deepwater Horizon drilling rig accident and subsequent oil spill);
- the discovery rate of new oil and natural gas reserves and the expected cost of developing new reserves;
- the actual cost of finding and producing oil and natural gas;
- depletion rates;
- domestic and worldwide refinery overcapacity or undercapacity and utilization rates;

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- the availability of transportation infrastructure and refining capacity;
- increases in the cost of products and services that the oil and gas industry uses, such as those that we provide, which may result from increases in the cost of raw materials such as steel;
- shifts in end-customer preferences toward fuel efficiency and the use of natural gas;
- the economic or political attractiveness of alternative fuels, such as coal, hydrocarbon, wind, solar energy and biomass-based fuels;
- increases in oil and natural gas prices or historically high oil and natural gas prices, which could lower demand for oil and natural gas products;
- worldwide economic activity including growth in non-OECD countries, including China and India;
- interest rates and the cost of capital;
- national government policies, including government policies that could nationalize or expropriate oil and natural gas exploration, production, refining or transportation assets;
- the ability of the Organization of Petroleum Exporting Countries (“OPEC”) to set and maintain production levels and prices for oil;
- the impact of armed hostilities, or the threat or perception of armed hostilities;
- environmental regulation;
- technological advances;
- global weather conditions and natural disasters;
- currency fluctuations; and
- tax policies.

Oil and natural gas prices have been and are expected to remain volatile. This volatility has historically caused oil and natural gas companies to change their strategies and expenditure levels from year to year. We have experienced in the past, and we will likely experience in the future, significant fluctuations in operating results based on these changes. In particular, volatility in the oil and natural gas sectors could adversely affect our business.

General economic conditions may adversely affect our business.

U.S. and global general economic conditions affect many aspects of our business, including demand for the products we distribute and the pricing and availability of supplies. General economic conditions and predictions regarding future economic conditions also affect our forecasts. A decrease in demand for the products we distribute or other adverse effects resulting from an economic downturn may cause us to fail to achieve our anticipated financial results. General economic factors beyond our control that affect our business and customers include interest rates, recession, inflation, deflation, customer credit availability, consumer credit availability, consumer debt levels, performance of housing markets, energy costs, tax rates and policy, unemployment rates, commencement or escalation of war or hostilities, the threat or possibility of war, terrorism or other global or national unrest, political or financial instability, and other matters that influence our customers’ spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency or increase in magnitude. In addition, worldwide economic conditions, including those associated with the current European sovereign debt crisis, could have an adverse effect on our business, prospects, operating results, financial condition and cash flows going forward. The global economic downturn in 2009 and 2010 significantly adversely affected our business, results of operations and financial condition. Continued adverse economic conditions would have an adverse effect on us.

We may be unable to compete successfully with other companies in our industry.

We sell products and services in very competitive markets. In some cases, we compete with large oilfield services providers with substantial resources. In other cases, we compete with smaller regional players that may increasingly be willing to provide similar products and services at lower prices. Competitive actions, such as price reductions, consolidation in the industry, improved delivery and other actions, could adversely affect our revenue and earnings. We could experience a material adverse effect to the extent that our competitors are successful in reducing our customers' purchases of products and services from us. Competition could also cause us to lower our prices, which could reduce our margins and profitability. Furthermore, consolidation in our industry could heighten the impacts of competition on our business and results of operations discussed above, particularly if such consolidation results in competitors with stronger financial and strategic resources, and could also result in increases to the prices we are required to pay for acquisitions we may make in the future.

Demand for the products we distribute could decrease if the manufacturers of those products were to sell a substantial amount of goods directly to end users in the sectors we serve.

Historically, users of PVF and related products have purchased certain amounts of these products through distributors and not directly from manufacturers. If customers were to purchase the products that we sell directly from manufacturers, or if manufacturers sought to increase their efforts to sell directly to end users, we could experience a significant decrease in profitability. These or other developments that remove us from, or limit our role in, the distribution chain, may harm our competitive position in the marketplace and reduce our sales and earnings.

We may experience unexpected supply shortages.

We distribute products from a wide variety of manufacturers and suppliers. Nevertheless, in the future we may have difficulty obtaining the products we need from suppliers and manufacturers as a result of unexpected demand or production difficulties that might extend lead times. Also, products may not be available to us in quantities sufficient to meet our customer demand. Our inability to obtain products from suppliers and manufacturers in sufficient quantities, or at all, could adversely affect our product offerings and our business.

We may experience cost increases from suppliers, which we may be unable to pass on to our customers.

In the future, we may face supply cost increases due to, among other things, unexpected increases in demand for supplies, decreases in production of supplies or increases in the cost of raw materials or transportation. Any inability to pass supply price increases on to our customers could have a material adverse effect on us. For example, we may be unable to pass increased supply costs on to our customers because significant amounts of our sales are derived from stocking program arrangements, contracts and MRO arrangements, which provide our customers time limited price protection, which may obligate us to sell products at a set price for a specific period. In addition, if supply costs increase, our customers may elect to purchase smaller amounts of products or may purchase products from other distributors. While we may be able to work with our customers to reduce the effects of unforeseen price increases because of our relationships with them, we may not be able to reduce the effects of the cost increases. In addition, to the extent that competition leads to reduced purchases of products or services from us or a reduction of our prices, and these reductions occur concurrently with increases in the prices for selected commodities which we use in our operations, including steel, nickel and molybdenum, the adverse effects described above would likely be exacerbated and could result in a prolonged downturn in profitability.

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We do not have contracts with most of our suppliers. The loss of a significant supplier would require us to rely more heavily on our other existing suppliers or to develop relationships with new suppliers. Such a loss may have an adverse effect on our product offerings and our business.

Given the nature of our business, and consistent with industry practice, we do not have contracts with most of our suppliers. We generally make our purchases through purchase orders. Therefore, most of our suppliers have the ability to terminate their relationships with us at any time. Approximately 50% of our total purchases during the year ended December 31, 2011 were from our 25 largest suppliers. Although we believe there are numerous manufacturers with the capacity to supply the products we distribute, the loss of one or more of our major suppliers could have an adverse effect on our product offerings and our business. Such a loss would require us to rely more heavily on our other existing suppliers or develop relationships with new suppliers, which may cause us to pay higher prices for products due to, among other things, a loss of volume discount benefits currently obtained from our major suppliers.

Price reductions by suppliers of products that we sell could cause the value of our inventory to decline. Also, these price reductions could cause our customers to demand lower sales prices for these products, possibly decreasing our margins and profitability on sales to the extent that we purchased our inventory of these products at the higher prices prior to supplier price reductions.

The value of our inventory could decline as a result of manufacturer price reductions with respect to products that we sell. We have been selling the same types of products to our customers for many years and, therefore, do not expect that our inventory will become obsolete. However, there is no assurance that a substantial decline in product prices would not result in a write-down of our inventory value. Such a write-down could have an adverse effect on our financial condition.

Also, decreases in the market prices of products that we sell could cause customers to demand lower sales prices from us. These price reductions could reduce our margins and profitability on sales with respect to the lower-priced products. Reductions in our margins and profitability on sales could have a material adverse effect on us.

A substantial decrease in the price of steel could significantly lower our gross profit or cash flow.

We distribute many products manufactured from steel. As a result, the price and supply of steel can affect our business and, in particular, our tubular product category. When steel prices are lower, the prices that we charge customers for products may decline, which affects our gross profit and cash flow. At times pricing and availability of steel can be volatile due to numerous factors beyond our control, including general domestic and international economic conditions, labor costs, sales levels, competition, consolidation of steel producers, fluctuations in the costs of raw materials necessary to produce steel, steel manufacturers' plant utilization levels and capacities, import duties and tariffs and currency exchange rates. Currently, steel pipe producers in the Western Hemisphere are in the process of adding more than two million tons of welded and seamless production capacity, most of which is due to come on line over the next three years. The increase in capacity could put pressure on the prices we receive for our tubular products. When steel prices decline, customer demands for lower prices and our competitors' responses to those demands could result in lower sale prices and, consequently, lower gross profit or cash flow.

If steel prices rise, we may be unable to pass along the cost increases to our customers.

We maintain inventories of steel products to accommodate the lead time requirements of our customers. Accordingly, we purchase steel products in an effort to maintain our inventory at levels that

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we believe to be appropriate to satisfy the anticipated needs of our customers based upon historic buying practices, contracts with customers and market conditions. Our commitments to purchase steel products are generally at prevailing market prices in effect at the time we place our orders. If steel prices increase between the time we order steel products and the time of delivery of the products to us, our suppliers may impose surcharges that require us to pay for increases in steel prices during the period. Demand for the products we distribute, the actions of our competitors and other factors will influence whether we will be able to pass on steel cost increases and surcharges to our customers, and we may be unsuccessful in doing so.

We do not have long-term contracts or agreements with many of our customers. The contracts and agreements that we do have generally do not commit our customers to any minimum purchase volume. The loss of a significant customer may have a material adverse effect on us.

Given the nature of our business, and consistent with industry practice, we do not have long-term contracts with many of our customers. In addition, our contracts, including our MRO contracts, generally do not commit our customers to any minimum purchase volume. Therefore, a significant number of our customers, including our MRO customers, may terminate their relationships with us or reduce their purchasing volume at any time. Furthermore, the long-term customer contracts that we do have are generally terminable without cause on short notice. Our 25 largest customers represented approximately half of our sales for the year ended December 31, 2011. The products that we may sell to any particular customer depend in large part on the size of that customer's capital expenditure budget in a particular year and on the results of competitive bids for major projects. Consequently, a customer that accounts for a significant portion of our sales in one fiscal year may represent an immaterial portion of our sales in subsequent fiscal years. The loss of a significant customer, or a substantial decrease in a significant customer's orders, may have an adverse effect on our sales and revenue.

In addition, we are subject to customer audit clauses in many of our multi-year contracts. If we are not able to provide the proper documentation or support for invoices per the contract terms, we may be subject to negotiated settlements with our major customers.

Changes in our customer and product mix could cause our gross margin percentage to fluctuate.

From time to time, we may experience changes in our customer mix or in our product mix. Changes in our customer mix may result from geographic expansion, daily selling activities within current geographic markets and targeted selling activities to new customer segments. Changes in our product mix may result from marketing activities to existing customers and needs communicated to us from existing and prospective customers. If customers begin to require more lower-margin products from us and fewer higher-margin products, our business, results of operations and financial condition may suffer.

Customer credit risks could result in losses.

The concentration of our customers in the energy industry may impact our overall exposure to credit risk as customers may be similarly affected by prolonged changes in economic and industry conditions. Further, laws in some jurisdictions in which we operate could make collection difficult or time consuming. We perform ongoing credit evaluations of our customers and do not generally require collateral in support of our trade receivables. While we maintain reserves for potential credit losses, we cannot assure such reserves will be sufficient to meet write-offs of uncollectible receivables or that our losses from such receivables will be consistent with our expectations.

We may be unable to successfully execute or effectively integrate acquisitions.

One of our key operating strategies is to selectively pursue acquisitions, including large scale acquisitions, in order to continue to grow and increase profitability. However, acquisitions, particularly of a significant scale, involve numerous risks and uncertainties, including intense competition for suitable acquisition targets, the potential unavailability of financial resources necessary to consummate acquisitions in the future, increased leverage due to additional debt financing that may be required to complete an acquisition, dilution of our stockholders' net current book value per share if we issue additional equity securities to finance an acquisition, difficulties in identifying suitable acquisition targets or in completing any transactions identified on sufficiently favorable terms, assumption of undisclosed or unknown liabilities and the need to obtain regulatory or other governmental approvals that may be necessary to complete acquisitions. In addition, any future acquisitions may entail significant transaction costs and risks associated with entry into new markets. For example, we incurred \$17.5 million in fees and expenses during 2009 related to our acquisition of MRC Transmark.

In addition, even when acquisitions are completed, integration of acquired entities can involve significant difficulties, such as:

- failure to achieve cost savings or other financial or operating objectives with respect to an acquisition;
- strain on the operational and managerial controls and procedures of our business, and the need to modify systems or to add management resources;
- difficulties in the integration and retention of customers or personnel and the integration and effective deployment of operations or technologies;
- amortization of acquired assets, which would reduce future reported earnings;
- possible adverse short-term effects on our cash flows or operating results;
- diversion of management's attention from the ongoing operations of our business;
- integrating personnel with diverse backgrounds and organizational cultures;
- coordinating sales and marketing functions;
- failure to obtain and retain key personnel of an acquired business; and
- assumption of known or unknown material liabilities or regulatory non-compliance issues.

Failure to manage these acquisition growth risks could have an adverse effect on us. We also agreed to acquire the piping systems business of OneSteel Ltd., and subsequently closed the acquisition in the first quarter of 2012. We may experience any of the risks described herein in closing and integrating the piping systems business of OneSteel Ltd.

Our significant indebtedness may affect our ability to operate our business, and this could have a material adverse effect on us.

We have now and will likely continue to have a significant amount of indebtedness. As of December 31, 2011, we had total debt outstanding of \$1,526.7 million, borrowing availability of \$583.7 million under our credit facilities and total liquidity (borrowing capacity plus cash on hand) of \$629.8 million, representing leverage of 4.1x under the terms of our then existing ABL Credit Facility. In addition, as of December 31, 2011 on an adjusted basis, after giving effect to the use of proceeds of this offering and our entry into the Global ABL Facility, we would have had total indebtedness outstanding of \$1,184.1 million, representing leverage of 3.2x under the terms of the Global ABL Facility. In addition, we may incur significant additional indebtedness in the future. If new indebtedness

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is added to our current indebtedness, the risks described below could increase. Our significant level of indebtedness could have important consequences, such as:

- limiting our ability to obtain additional financing to fund our working capital, acquisitions, expenditures, debt service requirements or other general corporate purposes;
- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a substantial portion of these funds to service debt;
- limiting our ability to compete with other companies who are not as highly leveraged;
- subjecting us to restrictive financial and operating covenants in the agreements governing our and our subsidiaries' long-term indebtedness;
- exposing us to potential events of default (if not cured or waived) under financial and operating covenants contained in our or our subsidiaries' debt instruments that could have a material adverse effect on our business, results of operations and financial condition;
- increasing our vulnerability to a downturn in general economic conditions or in pricing of our products; and
- limiting our ability to react to changing market conditions in our industry and in our customers' industries.

In addition, borrowings under our credit facilities bear interest at variable rates. If market interest rates increase, the variable-rate debt will create higher debt service requirements, which could adversely affect our cash flow. Our interest expense for the year ended December 31, 2011 was \$136.8 million.

Our ability to make scheduled debt payments, to refinance our obligations with respect to our indebtedness and to fund capital and non-capital expenditures necessary to maintain the condition of our operating assets, properties and systems software, as well as to provide capacity for the growth of our business, depends on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and financial, business, competitive, legal and other factors. Our business may not generate sufficient cash flow from operations, and future borrowings may not be available to us under our credit facilities in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs. We may seek to sell assets to fund our liquidity needs but may not be able to do so. We may also need to refinance all or a portion of our indebtedness on or before maturity. We may not be able to refinance any of our indebtedness on commercially reasonable terms or at all.

In addition, we are and will be subject to covenants contained in agreements governing our present and future indebtedness. These covenants include and will likely include restrictions on:

- certain payments and investments;
- the redemption and repurchase of capital stock;
- the issuance of stock of subsidiaries;
- the granting of liens;
- the incurrence of additional indebtedness;
- dividend restrictions affecting us and our subsidiaries;
- asset sales; and
- transactions with affiliates and mergers and acquisitions.

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They also include financial maintenance covenants which contain financial ratios we must satisfy each quarter. Any failure to comply with these covenants could result in a default under our credit facilities. Upon a default, unless waived, the lenders under our secured credit facilities and 9.50% senior secured notes due December 15, 2016 (the “Notes”) would have all remedies available to a secured lender. They could elect to terminate their commitments, cease making further loans, institute foreclosure proceedings against our or our subsidiaries’ assets and force us and our subsidiaries into bankruptcy or liquidation.

In addition, any defaults under our credit facilities, our Notes or our other debt could trigger cross defaults under other or future credit agreements and may permit acceleration of our other indebtedness. If our indebtedness is accelerated, we cannot be certain that we will have sufficient funds available to pay the accelerated indebtedness or that we will have the ability to refinance the accelerated indebtedness on terms favorable to us or at all. For a description of our credit facilities and Notes, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources”.

We are a holding company and depend upon our subsidiaries for our cash flow.

We are a holding company. Our subsidiaries conduct all of our operations and own substantially all of our assets. Consequently, our cash flow and our ability to meet our obligations or to pay dividends or make other distributions in the future will depend upon the cash flow of our subsidiaries and our subsidiaries’ payment of funds to us in the form of dividends, tax sharing payments or otherwise. In addition, McJunkin Red Man Corporation, our direct subsidiary and the primary obligor under our Global ABL Facility and our Notes, is also dependent to a significant extent on the cash flow of its subsidiaries to meet its debt service obligations.

The ability of our subsidiaries to make any payments to us will depend on their earnings, the terms of their current and future indebtedness, tax considerations and legal and contractual restrictions on the ability to make distributions. In particular, our subsidiaries’ credit facilities currently impose significant limitations on the ability of our subsidiaries to make distributions to us and consequently our ability to pay dividends to our stockholders. Subject to limitations in our credit facilities, our subsidiaries may also enter into additional agreements that contain covenants prohibiting them from distributing or advancing funds or transferring assets to us under certain circumstances, including to pay dividends.

Our subsidiaries are separate and distinct legal entities. Any right that we have to receive any assets of or distributions from any of our subsidiaries upon the bankruptcy, dissolution, liquidation or reorganization, or to realize proceeds from the sale of their assets, will be junior to the claims of that subsidiary’s creditors, including trade creditors and holders of debt that the subsidiary issued.

Changes in our credit profile may affect our relationship with our suppliers, which could have a material adverse effect on our liquidity.

Changes in our credit profile may affect the way our suppliers view our ability to make payments and may induce them to shorten the payment terms of their invoices, particularly given our high level of outstanding indebtedness. Given the large dollar amounts and volume of our purchases from suppliers, a change in payment terms may have a material adverse effect on our liquidity and our ability to make payments to our suppliers and, consequently, may have a material adverse effect on us.

If tariffs and duties on imports into the U.S. of line pipe, OCTG or certain of the other products that we sell are lifted, we could have too many of these products in inventory competing against less expensive imports.

U.S. law currently imposes tariffs and duties on imports from certain foreign countries of line pipe and OCTG and, to a lesser extent, on imports of certain other products that we sell. If these tariffs and duties are lifted or reduced or if the level of these imported products otherwise increases, and our U.S.

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customers accept these imported products, we could be materially and adversely affected to the extent that we would then have higher-cost products in our inventory or increased supplies of these products drive down prices and margins. If prices of these products were to decrease significantly, we might not be able to profitably sell these products, and the value of our inventory would decline. In addition, significant price decreases could result in a significantly longer holding period for some of our inventory.

We are subject to strict environmental, health and safety laws and regulations that may lead to significant liabilities and negatively impact the demand for our products.

We are subject to a variety of federal, state, local, foreign and provincial environmental, health and safety laws, regulations and permitting requirements, including those governing the discharge of pollutants or hazardous substances into the air, soil or water, the generation, handling, use, management, storage and disposal of, or exposure to, hazardous substances and wastes, the responsibility to investigate and clean up contamination and occupational health and safety. Regulations and courts may impose fines and penalties for non-compliance with applicable environmental, health and safety requirements and the failure to have or to comply with the terms and conditions of required permits. Our failure to comply with applicable environmental, health and safety requirements could result in fines, penalties, enforcement actions, third-party claims for property damage and personal injury, requirements to clean up property or to pay for the costs of cleanup or regulatory or judicial orders requiring corrective measures, including the installation of pollution control equipment or remedial actions.

Certain laws and regulations, such as the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA" or the "U.S. federal Superfund law") or its state and foreign equivalents, may impose the obligation to investigate and remediate contamination at a facility on current and former owners or operators or on persons who may have sent waste to that facility for disposal. These laws and regulations may impose liability without regard to fault or to the legality of the activities giving rise to the contamination. Although we are not aware of any active litigation against us under the U.S. federal Superfund law or its state or foreign equivalents, contamination has been identified at several of our current and former facilities, and we have incurred and will continue to incur costs to investigate and remediate these conditions.

Moreover, we may incur liabilities in connection with environmental conditions currently unknown to us relating to our existing, prior or future owned or leased sites or operations or those of predecessor companies whose liabilities we may have assumed or acquired. We believe that indemnities contained in certain of our acquisition agreements may cover certain environmental conditions existing at the time of the acquisition, subject to certain terms, limitations and conditions. However, if these indemnification provisions terminate or if the indemnifying parties do not fulfill their indemnification obligations, we may be subject to liability with respect to the environmental matters that those indemnification provisions address.

In addition, environmental, health and safety laws and regulations applicable to our business and the business of our customers, including laws regulating the energy industry, and the interpretation or enforcement of these laws and regulations, are constantly evolving. It is impossible to predict accurately the effect that changes in these laws and regulations, or their interpretation or enforcement, may have on us. Should environmental laws and regulations, or their interpretation or enforcement, become more stringent, our costs, or the costs of our customers, could increase, which may have a material adverse effect on us.

In particular, legislation and regulations limiting emissions of greenhouse gases, including carbon dioxide associated with the burning of fossil fuels, are at various stages of consideration and implementation, at the international, national, regional and state levels. In 2005, the Kyoto Protocol to

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the 1992 United Nations Framework Convention on Climate Change, which established a binding set of emission targets for greenhouse gases, became binding on the countries that ratified it. Attention is now focused on the development of a post-2012 international policy framework to guide international action to address climate change when the Kyoto protocol expires in 2012. Certain states and regions have adopted or are considering legislation or regulation imposing overall caps on greenhouse gas emissions from certain facility categories or mandating the increased use of electricity from renewable energy sources. Similar legislation has been proposed at the federal level. In addition, the U.S. Environmental Protection Agency (the "EPA") has begun to implement regulations that require permits for and reductions in greenhouse gas emissions for certain categories of facilities, the first of which became effective in January 2011. Pursuant to the terms of a settlement agreement, the EPA also intends to finalize greenhouse gas emissions standards, known as New Source Performance Standards ("NSPS"), for power plants in May 2012 and plans to issue such NSPS for refineries in the future. These laws and regulations could negatively impact the market for the products we distribute and, consequently, our business.

In addition, some states have adopted, and other states and the federal government are considering adopting, regulations that could impose more stringent permitting, disclosure, wastewater disposal and well construction requirements on hydraulic fracturing, a practice involving the injection of water containing more limited amounts of certain substances into rock formations (after perforating the formation with explosive charges) to stimulate production of hydrocarbons, particularly natural gas, from shale basin regions. These effective and potential regulations include a variety of well construction, set back, wastewater disposal and disclosure requirements limiting how fracturing can be performed and requiring various degrees of disclosures regarding the contents of chemicals injected into the rock formations, as well as moratoria on all hydraulic fracturing activity. Any increased federal, regional or state regulation of hydraulic fracturing could significantly reduce the demand for our products in the high-growth shale regions of the U.S.

We may not have adequate insurance for potential liabilities, including liabilities arising from litigation.

In the ordinary course of business, we have and in the future may become the subject of various claims, lawsuits and administrative proceedings seeking damages or other remedies concerning our commercial operations, the products we distribute, employees and other matters, including potential claims by individuals alleging exposure to hazardous materials as a result of the products we distribute or our operations. Some of these claims may relate to the activities of businesses that we have acquired, even though these activities may have occurred prior to our acquisition of the businesses. The products we distribute are sold primarily for use in the energy industry, which is subject to inherent risks that could result in death, personal injury, property damage, pollution, release of hazardous substances or loss of production. In addition, defects in the products we distribute could result in death, personal injury, property damage, pollution, release of hazardous substances or damage to equipment and facilities. Actual or claimed defects in the products we distribute may give rise to claims against us for losses and expose us to claims for damages.

We maintain insurance to cover certain of our potential losses, and we are subject to various self-retentions, deductibles and caps under our insurance. It is possible, however, that judgments could be rendered against us in cases in which we would be uninsured and beyond the amounts that we currently have reserved or anticipate incurring for these matters. Even a partially uninsured claim, if successful and of significant size, could have a material adverse effect on us. Furthermore, we may not be able to continue to obtain insurance on commercially reasonable terms in the future, and we may incur losses from interruption of our business that exceed our insurance coverage. Finally, even in cases where we maintain insurance coverage, our insurers may raise various objections and exceptions to coverage that could make uncertain the timing and amount of any possible insurance recovery.

Due to our position as a distributor, we are subject to personal injury, product liability and environmental claims involving allegedly defective products.

Our customers use certain of the products we distribute in potentially hazardous applications that can result in personal injury, product liability and environmental claims. A catastrophic occurrence at a location where end users use the products we distribute may result in us being named as a defendant in lawsuits asserting potentially large claims, even though we did not manufacture the products. Applicable law may render us liable for damages without regard to negligence or fault. In particular, certain environmental laws provide for joint and several and strict liability for remediation of spills and releases of hazardous substances. Certain of these risks are reduced by the fact that we are a distributor of products that third-party manufacturers produce, and, thus, in certain circumstances, we may have third-party warranty or other claims against the manufacturer of products alleged to have been defective. However, there is no assurance that these claims could fully protect us or that the manufacturer would be able financially to provide protection. There is no assurance that our insurance coverage will be adequate to cover the underlying claims. Our insurance does not provide coverage for all liabilities (including liability for certain events involving pollution or other environmental claims).

We are a defendant in asbestos-related lawsuits. Exposure to these and any future lawsuits could have a material adverse effect on us.

We are a defendant in lawsuits involving approximately 981 claims as of December 31, 2011 alleging, among other things, personal injury, including mesothelioma and other cancers, arising from exposure to asbestos-containing materials included in products that we distributed in the past. Each claim involves allegations of exposure to asbestos-containing materials by a single individual, his or her spouse or family members. The complaints in these lawsuits typically name many other defendants. In the majority of these lawsuits, little or no information is known regarding the nature of the plaintiffs' alleged injuries or their connection with the products we distributed. Based on our experience with asbestos litigation to date, as well as the existence of certain insurance coverage, we do not believe that the outcome of these pending claims will have a material impact on us. However, the potential liability associated with asbestos claims is subject to many uncertainties, including negative trends with respect to settlement payments, dismissal rates and the types of medical conditions alleged in pending or future claims, negative developments in the claims pending against us, the current or future insolvency of co-defendants, adverse changes in relevant laws or the interpretation of those laws and the extent to which insurance will be available to pay for defense costs, judgments or settlements. Further, while we anticipate that additional claims will be filed against us in the future, we are unable to predict with any certainty the number, timing and magnitude of future claims. Therefore, we can give no assurance that pending or future asbestos litigation will not ultimately have a material adverse effect on us. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations, Commitments and Contingencies—Legal Proceedings" and "Business—Legal Proceedings" for more information.

If we lose any of our key personnel, we may be unable to effectively manage our business or continue our growth.

Our future performance depends to a significant degree upon the continued contributions of our management team and our ability to attract, hire, train and retain qualified managerial, sales and marketing personnel. In particular, we rely on our sales and marketing teams to create innovative ways to generate demand for the products we distribute. The loss or unavailability to us of any member of our management team or a key sales or marketing employee could have a material adverse effect on us to the extent we are unable to timely find adequate replacements. We face competition for these professionals from our competitors, our customers and other companies operating in our industry. We may be unsuccessful in attracting, hiring, training and retaining qualified personnel.

Interruptions in the proper functioning of our information systems could disrupt operations and cause increases in costs or decreases in revenues.

The proper functioning of our information systems is critical to the successful operation of our business. We depend on our IT systems to process orders, track credit risk, manage inventory and monitor accounts receivable collections. Our information systems also allow us to efficiently purchase products from our vendors and ship products to our customers on a timely basis, maintain cost-effective operations and provide superior service to our customers. However, our information systems are vulnerable to natural disasters, power losses, telecommunication failures and other problems. If critical information systems fail or are otherwise unavailable, our ability to procure products to sell, process and ship customer orders, identify business opportunities, maintain proper levels of inventories, collect accounts receivable and pay accounts payable and expenses could be adversely affected. Our ability to integrate our systems with our customers' systems would also be significantly affected. We maintain information systems controls designed to protect against, among other things, unauthorized program changes and unauthorized access to data on our information systems. If our information systems controls do not function properly, we face increased risks of unexpected errors and unreliable financial data or theft of proprietary Company information.

The loss of third-party transportation providers upon whom we depend, or conditions negatively affecting the transportation industry, could increase our costs or cause a disruption in our operations.

We depend upon third-party transportation providers for delivery of products to our customers. Strikes, slowdowns, transportation disruptions or other conditions in the transportation industry, including, but not limited to, shortages of truck drivers, disruptions in rail service, increases in fuel prices and adverse weather conditions, could increase our costs and disrupt our operations and our ability to service our customers on a timely basis. We cannot predict whether or to what extent increases or anticipated increases in fuel prices may impact our costs or cause a disruption in our operations going forward.

We may need additional capital in the future, and it may not be available on acceptable terms.

We may require more capital in the future to:

- fund our operations;
- finance investments in equipment and infrastructure needed to maintain and expand our distribution capabilities;
- enhance and expand the range of products we offer; and
- respond to potential strategic opportunities, such as investments, acquisitions and international expansion.

We can give no assurance that additional financing will be available on terms favorable to us, or at all. The terms of available financing may place limits on our financial and operating flexibility. If adequate funds are not available on acceptable terms, we may be forced to reduce our operations or delay, limit or abandon expansion opportunities. Moreover, even if we are able to continue our operations, the failure to obtain additional financing could reduce our competitiveness.

Adverse weather events or natural disasters could negatively affect our local economies or disrupt our operations.

Certain areas in which we operate are susceptible to adverse weather conditions or natural disasters, such as hurricanes, tornadoes, floods and earthquakes. These events can disrupt our

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operations, result in damage to our properties and negatively affect the local economies in which we operate. Additionally, we may experience communication disruptions with our customers, vendors and employees. These events can cause physical damage to our branches and require us to close branches. Additionally, our sales order backlog and shipments can experience a temporary decline immediately following these events.

We cannot predict whether or to what extent damage caused by these events will affect our operations or the economies in regions where we operate. These adverse events could result in disruption of our purchasing or distribution capabilities, interruption of our business that exceeds our insurance coverage, our inability to collect from customers and increased operating costs. Our business or results of operations may be adversely affected by these and other negative effects of these events.

We have a substantial amount of goodwill and other intangibles recorded on our balance sheet, partly because of our recent acquisitions and business combination transactions. The amortization of acquired assets will reduce our future reported earnings. Furthermore, if our goodwill or other intangible assets become impaired, we may be required to recognize charges that would reduce our income.

As of December 31, 2011, we had \$1.3 billion of goodwill and other intangibles recorded on our balance sheet. A substantial portion of these intangible assets result from our use of purchase accounting in connection with the acquisitions we have made over the past several years. In accordance with the purchase accounting method, the excess of the cost of an acquisition over the fair value of identifiable tangible and intangible assets is assigned to goodwill. The amortization expense associated with our identifiable intangible assets will have a negative effect on our future reported earnings. Many other companies, including many of our competitors, will not have the significant acquired intangible assets that we have because they have not participated in recent acquisitions and business combination transactions similar to ours. Thus, the amortization of identifiable intangible assets will not negatively affect their reported earnings to the same degree as ours.

Additionally, under GAAP, goodwill and certain other intangible assets are not amortized, but must be reviewed for possible impairment annually, or more often in certain circumstances where events indicate that the asset values are not recoverable. These reviews could result in an earnings charge for the impairment of goodwill, which would reduce our net income even though there would be no impact on our underlying cash flow. For example, we recorded a non-cash impairment charge in the amount of \$386 million during the year ended December 31, 2009. This charge was based on the results of our annual impairment tests for goodwill and intangible assets, which indicated that the book value of these assets exceeded their fair value by this amount.

We face risks associated with conducting business in markets outside of North America.

We currently conduct substantial business in countries outside of North America. In addition, we are evaluating the possibility of establishing distribution networks in certain other foreign countries, particularly in Europe, Asia, the Middle East and South America. We could be materially and adversely affected by economic, legal, political and regulatory developments in the countries in which we do business in the future or in which we expand our business, particularly those countries which have historically experienced a high degree of political or economic instability. Examples of risks inherent in such non-North American activities include:

- changes in the political and economic conditions in the countries in which we operate, including civil uprisings and terrorist acts;
- unexpected changes in regulatory requirements;

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- changes in tariffs;
- the adoption of foreign or domestic laws limiting exports to or imports from certain foreign countries;
- fluctuations in currency exchange rates and the value of the U.S. dollar;
- restrictions on repatriation of earnings;
- expropriation of property without fair compensation;
- governmental actions that result in the deprivation of contract or proprietary rights; and
- the acceptance of business practices which are not consistent with or are antithetical to prevailing business practices we are accustomed to in North America including export compliance and anti-bribery practices and governmental sanctions.

If we begin doing business in a foreign country in which we do not presently operate, we may also face difficulties in operations and diversion of management time in connection with establishing our business there.

We are subject to U.S. and other anti-corruption laws, trade controls, economic sanctions, and similar laws and regulations, including those in the jurisdictions where we operate. Our failure to comply with these laws and regulations could subject us to civil, criminal and administrative penalties and harm our reputation.

Doing business on a worldwide basis requires us to comply with the laws and regulations of the U.S. government and various foreign jurisdictions. These laws and regulations place restrictions on our operations, trade practices, partners and investment decisions. In particular, our operations are subject to U.S. and foreign anti-corruption and trade control laws and regulations, such as the Foreign Corrupt Practices Act ("FCPA"), export controls and economic sanctions programs, including those administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"). As a result of doing business in foreign countries and with foreign partners, we are exposed to a heightened risk of violating anti-corruption and trade control laws and sanctions regulations.

The FCPA prohibits us from providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. It also requires us to keep books and records that accurately and fairly reflect the Company's transactions. As part of our business, we may deal with state-owned business enterprises, the employees of which are considered foreign officials for purposes of the FCPA. In addition, the United Kingdom Bribery Act (the "Bribery Act") has been enacted and came into effect on July 1, 2011. The provisions of the Bribery Act extend beyond bribery of foreign public officials and also apply to transactions with individuals that a government does not employ. The provisions of the Bribery Act are also more onerous than the FCPA in a number of other respects, including jurisdiction, non-exemption of facilitation payments and penalties. Some of the international locations in which we operate lack a developed legal system and have higher than normal levels of corruption. Our continued expansion outside the U.S., including in developing countries, and our development of new partnerships and joint venture relationships worldwide, could increase the risk of FCPA, OFAC or Bribery Act violations in the future.

Economic sanctions programs restrict our business dealings with certain sanctioned countries, persons and entities. In addition, because we act as a distributor, we face the risk that our customers might further distribute our products to a sanctioned person or entity, or an ultimate end-user in a sanctioned country, which might subject us to an investigation concerning compliance with OFAC or other sanctions regulations.

Violations of anti-corruption and trade control laws and sanctions regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from

government contracts and revocations or restrictions of licenses, as well as criminal fines and imprisonment. We have established policies and procedures designed to assist our compliance with applicable U.S. and international anti-corruption and trade control laws and regulations, including the FCPA, the Bribery Act and trade controls and sanctions programs administered by OFAC, and have trained our employees to comply with these laws and regulations. However, there can be no assurance that all of our employees, consultants, agents or other associated persons will not take actions in violation of our policies and these laws and regulations, and that our policies and procedures will effectively prevent us from violating these regulations in every transaction in which we may engage or provide a defense to any alleged violation. In particular, we may be held liable for the actions that our local, strategic or joint venture partners take inside or outside of the United States, even though our partners may not be subject to these laws. Such a violation, even if our policies prohibit it, could have a material adverse effect on our reputation, business, financial condition and results of operations. In addition, various state and municipal governments, universities and other investors maintain prohibitions or restrictions on investments in companies that do business with sanctioned countries, persons and entities, which could adversely affect the market for our common stock or our other securities.

We face risks associated with international instability and geopolitical developments.

In some countries, there is an increased chance for economic, legal or political changes that may adversely affect the performance of our services, sale of our products or repatriation of our profits. We do not know the impact that these regulatory, geopolitical and other factors may have on our business in the future and any of these factors could adversely affect us.

The requirements of being a public company, including compliance with the reporting requirements of the Exchange Act and the requirements of the Sarbanes-Oxley Act and the NYSE, may strain our resources, increase our costs and distract management, and we may be unable to comply with these requirements in a timely or cost-effective manner.

As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the corporate governance standards of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, and the NYSE. These requirements may place a strain on our management, systems and resources. The Exchange Act requires us to file annual, quarterly and current reports with respect to our business and financial condition within specified time periods and to prepare proxy statements with respect to our annual meeting of shareholders. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. The NYSE will require that we comply with various corporate governance requirements. To maintain and improve the effectiveness of our disclosure controls and procedures and internal controls over financial reporting and comply with the Exchange Act and NYSE requirements, significant resources and management oversight will be required. This may divert management’s attention from other business concerns, which could have a material adverse effect on us and the price of our common stock.

We also expect that it could be difficult and will be significantly more expensive to obtain directors’ and officers’ liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors (the “Board”) or as executive officers. Advocacy efforts by shareholders and third parties may also prompt even more changes in governance and reporting requirements. We cannot predict or estimate the amount of additional costs we may incur or the timing of these costs.

We will be exposed to risks relating to evaluations of controls required by Section 404 of the Sarbanes-Oxley Act.

We are in the process of evaluating our internal controls systems to allow management to report on, and our independent auditors to audit, our internal controls over financial reporting. We will be performing the system and process evaluation and testing (and any necessary remediation) required to comply with the management certification and auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, and will be required to comply with Section 404 in full (including an auditor attestation on management's internal controls report) in our annual report on Form 10-K for the year ending December 31, 2012 (subject to any change in applicable SEC rules). Furthermore, upon completion of this process, we may identify control deficiencies of varying degrees of severity under applicable U.S. Securities and Exchange Commission ("SEC") and Public Company Accounting Oversight Board ("PCAOB") rules and regulations that remain unremediated. As a public company, we will be required to report, among other things, control deficiencies that constitute a "material weakness" or changes in internal controls that, or that are reasonably likely to, materially affect internal controls over financial reporting. A "material weakness" is a significant deficiency or combination of significant deficiencies in internal control over financial reporting that results in a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

If we fail to implement the requirements of Section 404 in a timely manner, regulatory authorities such as the SEC or the PCAOB might subject us to sanctions or investigation. If we do not implement improvements to our disclosure controls and procedures or to our internal controls in a timely manner, our independent registered public accounting firm may not be able to certify as to the effectiveness of our internal controls over financial reporting pursuant to an audit of our controls. This may subject us to adverse regulatory consequences or a loss of confidence in the reliability of our financial statements. We could also suffer a loss of confidence in the reliability of our financial statements if our independent registered public accounting firm reports a material weakness in our internal controls, if we do not develop and maintain effective controls and procedures or if we are otherwise unable to deliver timely and reliable financial information. Any loss of confidence in the reliability of our financial statements or other negative reaction to our failure to develop timely or adequate disclosure controls and procedures or internal controls could result in a decline in the price of our common stock. In addition, if we fail to remedy any material weakness, our financial statements may be inaccurate, we may face restricted access to the capital markets and our stock price may be adversely affected.

We are a "controlled company" within the meaning of the NYSE rules and, as a result, will qualify for, and may rely on, exemptions from certain corporate governance requirements.

A company of which more than 50% of the voting power is held by an individual, a group or another company is a "controlled company" within the meaning of the NYSE rules and may elect not to comply with certain corporate governance requirements of the NYSE, including:

- the requirement that a majority of the Board consist of independent directors;
- the requirement that we have a nominating/corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

Following this offering, we will rely on all of the exemptions listed above. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE.

The SEC's move toward a single set of international accounting standards could materially impact our results of operations.

The SEC continues to move forward with a convergence to a single set of international accounting standards (such as International Financial Reporting Standards ("IFRS")). The associated changes in regulatory accounting may negatively impact the way we record revenues, expenses, assets and liabilities. Currently, under IFRS, the LIFO method of valuing inventory is not permitted. If we had ceased valuing our inventory under the LIFO method at December 31, 2011, we would have been required to make tax payments approximating \$136 million over the subsequent four years.

The financial statements presented in this prospectus may not provide an accurate indication of what our future results of operations are likely to be.

Given our recent history of consummating numerous acquisitions, our financial statements may not represent an accurate picture of what our future performance will be. We acquired the remaining 15% majority voting interest in McJunkin Appalachian Oilfield Supply Company ("McJunkin Appalachian") in January 2007; we acquired Midway-Tristate Corporation ("Midway") in April 2007; we entered into a business combination with Red Man in October 2007 (effectively doubling our size); we acquired the remaining approximately 49% noncontrolling interest in MRC Midfield in July 2008; we acquired LaBarge in October 2008; we acquired MRC Transmark in October 2009; we acquired MRC SPF in June 2011; and we acquired the piping systems business of OneSteel Ltd. in March 2012. Our limited combined operating history may make it difficult to forecast our future operating results and financial condition. In particular, because of the significance of the Red Man combination, the financial statements for periods prior to that transaction are not comparable with those after the transaction.

The occurrence of cyber incidents, or a deficiency in our cybersecurity, could negatively impact our business by causing a disruption to our operations, a compromise or corruption of our confidential information or damage to our Company's image, all of which could negatively impact our financial results

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of our information resources. More specifically, a cyber incident is an intentional attack or an unintentional event that can include gaining unauthorized access to systems to disrupt operations, corrupt data or steal confidential information. As our reliance on technology has increased, so have the risks posed to our systems, both internal and those we have outsourced. Our three primary risks that could directly result from the occurrence of a cyber incident include operational interruption, damage to our Company's image, and private data exposure. We have implemented solutions, processes, and procedures to help mitigate this risk, but these measures, as well as our organization's increased awareness of our risk of a cyber incident, do not guarantee that our financial results will not be negatively impacted by such an incident.

Risks Related to this Offering and our Common Stock

There is no existing market for our common stock, and we do not know if one will develop to provide you with adequate liquidity. If our stock price fluctuates after this offering, you could lose a significant part of your investment.

Prior to this offering, there has not been a public market for our common stock. If an active trading market does not develop, you may have difficulty selling any of our common stock that you buy. Negotiations among the Company and the underwriters will determine the initial public offering price for the shares, which may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell shares of our common stock at prices equal to or

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greater than the price you paid in this offering. The market price of our common stock may be influenced by many factors including:

- fluctuations in oil and natural gas prices;
- the failure of securities analysts to cover our common stock after this offering or changes in analysts' financial estimates;
- our or our competitors' announcements of significant contracts or acquisitions or other business developments;
- variations in quarterly results of operations;
- loss of a large customer or supplier;
- U.S. and international general economic conditions;
- increased competition;
- terrorist acts;
- future sales of our common stock or the perception that such sales may occur;
- investor perceptions of us and the industries in which our products are used; and
- the other factors listed in "Risk Factors".

As a result of these factors, investors in our common stock may not be able to resell their shares at or above the initial offering price. In addition, the stock market in general has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies like us. These broad market and industry factors may significantly reduce the market price of our common stock, regardless of our operating performance.

Following the completion of this offering, certain affiliates of The Goldman Sachs Group, Inc. will continue to control us and may have conflicts of interest with other stockholders. Conflicts of interest may arise because affiliates of our principal stockholder have continuing agreements and business relationships with us.

Upon completion of this offering, the Goldman Sachs Funds will control 77% of our outstanding common stock, or 74% if the underwriters exercise their option to purchase additional shares in full. As a result, the Goldman Sachs Funds will continue to be able to control the election of our directors, determine our corporate and management policies and determine, without the consent of our other stockholders, the outcome of any corporate transaction or other matter submitted to our stockholders for approval, including potential mergers or acquisitions, asset sales and other significant corporate transactions. The Goldman Sachs Funds will also have sufficient voting power to amend our organizational documents.

Moreover, prior to the completion of this offering we will enter into a governance agreement with PVF Holdings, an affiliate of the Goldman Sachs Funds, that will give it certain rights relating to the nomination of candidates to our board of directors until the time that PVF Holdings first ceases to beneficially own at least 15.0% of the outstanding shares of our common stock. See "Certain Relationships and Related Party Transactions—Governance Agreement" for a more detailed description of the governance agreement.

Conflicts of interest may arise between our principal stockholder and us. Affiliates of our principal stockholder engage in transactions with our Company. An affiliate of Goldman Sachs is a lender under the Global ABL Facility. See "Certain Relationships and Related Party Transactions". Further, the

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Goldman Sachs Funds are in the business of making investments in companies and may, from time to time, acquire and hold interests in businesses that compete directly or indirectly with us, and they may either directly, or through affiliates, also maintain business relationships with companies that may directly compete with us. In general, the Goldman Sachs Funds or their affiliates could pursue business interests or exercise their voting power as stockholders in ways that are detrimental to us but beneficial to themselves or to other companies in which they invest or with whom they have a material relationship. Conflicts of interest could also arise with respect to business opportunities that could be advantageous to the Goldman Sachs Funds and they may pursue acquisition opportunities that may be complementary to our business. As a result, those acquisition opportunities may not be available to us. Under the terms of our amended and restated certificate of incorporation, the Goldman Sachs Funds will have no obligation to offer us corporate opportunities. See “Description of Our Capital Stock—Corporate Opportunities”.

As a result of these relationships, the interests of the Goldman Sachs Funds may not coincide with the interests of our Company or other holders of our common stock. So long as the Goldman Sachs Funds continue to control a significant amount of the outstanding shares of our common stock, the Goldman Sachs Funds will continue to be able to strongly influence or effectively control our decisions, including potential mergers or acquisitions, asset sales and other significant corporate transactions. See “Certain Relationships and Related Party Transactions”.

We do not currently intend to pay dividends in the foreseeable future.

It is uncertain when, if ever, we will declare dividends to our stockholders. We do not currently intend to pay dividends in the foreseeable future. Our ability to pay dividends is constrained by our holding company structure under which we are dependent on our subsidiaries for payments. Additionally, we and our subsidiaries are parties to credit agreements which restrict our ability and their ability to pay dividends. See “Dividend Policy” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources”. You should not rely on an investment in us if you require dividend income. In the foreseeable future, the only possible return on an investment in us would come from an appreciation of our common stock and there can be no assurance that our common stock will appreciate after this offering.

Shares eligible for future sale may cause the price of our common stock to decline.

Sales of substantial amounts of our common stock in the public market, or the perception that these sales may occur, could cause the market price of our common stock to decline. This could also impair our ability to raise additional capital through the sale of our equity securities. Under our amended and restated certificate of incorporation, we will be authorized to issue up to 500 million shares of common stock, of which 101,487,198 shares of common stock (excluding 127,301 shares of non-vested restricted stock) will be outstanding upon consummation of this offering. Of these shares, the 22,727,273 shares of common stock sold in this offering (assuming that the underwriters do not exercise their option to purchase additional shares) will be freely transferable without restriction or further registration under the Securities Act by persons other than “affiliates”, as that term is defined in Rule 144 under the Securities Act. Our principal stockholder, directors and executive officers, who will collectively beneficially own 79,250,780 shares following this offering (assuming that the underwriters do not exercise their option to purchase additional shares), will enter into lock-up agreements, pursuant to which they will agree, subject to certain exceptions, not to sell or transfer, directly or indirectly, any shares of our common stock for a period of 180 days from the date of this prospectus, subject to extension in certain circumstances. Upon the expiration of these lock-up agreements, all of these shares of common stock will be tradable subject to limitations imposed by Rule 144 under the Securities Act. See “Shares Eligible for Future Sale”.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements, including, for example, statements about our business strategy, our industry, our future profitability, growth in the industry sectors we serve, our expectations, beliefs, plans, strategies, objectives, prospects and assumptions, estimates and projections of future activity and trends in the oil and natural gas industry. These forward-looking statements are not guarantees of future performance. These statements are based on management's expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, including the factors described under "Risk Factors", that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements. Such risks and uncertainties include, among other things:

- decreases in oil and natural gas prices;
- decreases in oil and natural gas industry expenditure levels, which may result from decreased oil and natural gas prices or other factors;
- increased usage of alternative fuels, which may negatively affect oil and natural gas industry expenditure levels;
- U.S. and international general economic conditions;
- our ability to compete successfully with other companies in our industry;
- the risk that manufacturers of the products we distribute will sell a substantial amount of goods directly to end users in the industry sectors we serve;
- unexpected supply shortages;
- cost increases by our suppliers;
- our lack of long-term contracts with most of our suppliers;
- increases in customer, manufacturer and distributor inventory levels;
- suppliers' price reductions of products that we sell, which could cause the value of our inventory to decline;
- decreases in steel prices, which could significantly lower our profit;
- increases in steel prices, which we may be unable to pass along to our customers, which could significantly lower our profit;
- our lack of long-term contracts with many of our customers and our lack of contracts with customers that require minimum purchase volumes;
- changes in our customer and product mix;
- risks related to our customers' credit;
- the potential adverse effects associated with integrating acquisitions into our business and whether these acquisitions will yield their intended benefits;
- the success of our acquisition strategies;
- our significant indebtedness;
- the dependence on our subsidiaries for cash to meet our debt obligations;
- changes in our credit profile;

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- a decline in demand for certain of the products we distribute if import restrictions on these products are lifted;
- environmental, health and safety laws and regulations and the interpretation or implementation thereof;
- the sufficiency of our insurance policies to cover losses, including liabilities arising from litigation;
- product liability claims against us;
- pending or future asbestos-related claims against us;
- the potential loss of key personnel;
- interruption in the proper functioning of our information systems;
- loss of third-party transportation providers;
- potential inability to obtain necessary capital;
- risks related adverse weather events or natural disasters;
- impairment of our goodwill or other intangible assets;
- changes in tax laws or adverse positions taken by taxing authorities in the countries in which we operate;
- adverse changes in political or economic conditions in the countries in which we operate;
- exposure to U.S. and international laws and regulations, including the Foreign Corrupt Practices Act and the U.K. Bribery Act and other economic sanction programs;
- potential increases in costs and distraction of management resulting from the requirements of being a publicly reporting company;
- risks relating to evaluations of internal controls required by Section 404 of the Sarbanes-Oxley Act;
- the operation of our Company as a “controlled company”; and
- the limited usefulness of our historic financial statements.

Undue reliance should not be placed on our forward-looking statements. Although forward-looking statements reflect our good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except to the extent law requires.

USE OF PROCEEDS

We estimate that the net proceeds we will receive from the sale of 17,045,455 shares of our common stock in this offering, after deducting underwriter discounts and commissions and estimated offering expenses payable by us (assuming the shares are sold at the midpoint of the range on the cover of the prospectus), will be approximately \$349.9 million. A \$1.00 increase (decrease) in the assumed public offering price of \$22.00 per share would increase (decrease) the net proceeds that we will receive from this offering by approximately \$16.0 million, assuming the number of shares offered by us, as set forth on the cover of this prospectus, remains the same and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use all of the net proceeds from this offering to repay indebtedness under our Global ABL Facility. We may later from time to time use borrowings under our Global ABL Facility for general corporate purposes. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholder in this offering (including any shares sold by the selling stockholder pursuant to the underwriters' option to purchase additional shares).

Certain of the underwriters of this offering or their affiliates are lenders under our Global ABL Facility. Accordingly, certain of the underwriters will receive net proceeds from this offering in connection with the repayment of our Global ABL Facility. In addition, funds affiliated with Goldman, Sachs & Co., one of the participating underwriters, are members of and own common units of the selling stockholder and beneficially own in excess of 10% of our issued and outstanding common stock. See "Underwriting—Conflicts of Interest."

Our Global ABL Facility allows us to borrow up to \$1.25 billion, subject to borrowing base limitations. The Global ABL Facility matures in March 2017. Borrowings initially bear interest at an initial rate per annum equal to, in the case of U.S. dollar borrowings, LIBOR plus 1.75%. The borrowings under the Global ABL Facility which will be repaid originated in the March 2012 refinancing of our then existing ABL Credit Facility.

DIVIDEND POLICY

Following the completion of this offering, we do not anticipate paying any cash dividends in the foreseeable future. We currently intend to retain future earnings from our business, if any, to finance operations and the expansion of our business. Any future determination to pay cash dividends will be at the discretion of the Board and will be dependent upon our financial condition, results of operations, capital requirements and other factors that the Board deems relevant. In addition, the covenants contained in our subsidiaries' credit facilities limit the ability of our subsidiaries to pay dividends to us, which limits our ability to pay dividends to our stockholders. Our ability to pay dividends is also limited by the covenants contained in our Global ABL Facility and the indenture governing our Notes (the "Indenture"). Covenants contained in the instruments governing future indebtedness that we or our subsidiaries may incur in the future may further limit our ability to pay dividends. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources".

CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and capitalization as of December 31, 2011:

• on an actual basis; and

• on an as adjusted basis to give effect to the issuance of common stock in this offering, the application of proceeds from the offering and our entry into the Global ABL Facility as described in "Use of Proceeds" as if each had occurred on December 31, 2011.

You should read this table in conjunction with "Selected Historical Consolidated Financial and Other Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes that we include elsewhere in this prospectus.

	<u>As of December 31, 2011</u>	
	<u>Actual</u>	<u>As Adjusted</u>
	(Dollars in millions)	
Cash and cash equivalents	<u>\$ 46.1</u>	<u>\$ 46.1</u>
Total Debt (including current portion):		
9.50% senior secured notes due 2016, net of discount	\$ 1,031.6	\$ 1,031.6
Global ABL Facility(1)	—	151.8
ABL Credit Facility(2)	456.4	—
MRC Transmark term loan(3)	30.8	—
MRC Transmark factoring facility	7.2	—
MRC Transmark revolving credit facility	—	—
Other	0.7	0.7
Total debt	<u>1,526.7</u>	<u>1,184.1</u>
Stockholders' equity:		
Common stock, \$0.01 par value per share; 400,000,000 shares authorized, 84,427,000 shares issued and outstanding actual; 500,000,000 shares authorized and 101,487,198 shares issued and outstanding as adjusted(4)	0.8	1.0
Preferred stock, \$0.01 par value per share; 150,00,000 shares authorized, no shares issued and outstanding actual; 100,000,000 shares authorized as adjusted, no shares issued and outstanding as adjusted	—	—
Additional paid-in capital	1,283.0	1,632.7
Retained (deficit)	(536.8)	(536.8)
Other comprehensive (loss)	(26.1)	(26.1)
Total equity(5)	<u>720.9</u>	<u>1,070.8</u>
Total capitalization	<u>\$ 2,247.6</u>	<u>\$ 2,254.9</u>

- (1) We entered into the Global ABL Facility on March 27, 2012. The facility also includes a \$300 million accordion, which may be drawn upon subject to certain conditions. The amount shown in the As Adjusted column reflects the repayment of \$349.9 million under the Global ABL Facility with the proceeds of this offering and includes \$7.3 million of borrowings under the Global ABL Facility to pay expenses incurred in connection with our entry into the facility. The As Adjusted column does not reflect the write-off of certain debt issuance costs associated with our previously existing ABL Credit Facility which are not material.
- (2) As of December 31, 2011, we had availability of \$538.7 million under our ABL Credit Facility. As of March 26, 2012, approximately \$618 million was outstanding under the ABL Credit Facility, due in part to borrowing to finance the acquisition of OneSteel Piping Systems and working capital growth.

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- (3) As of December 31, 2011, we had availability of \$45.0 million under the MRC Transmark revolving credit facility.
- (4) The number of shares of common stock outstanding on an actual and as adjusted basis as of December 31, 2011:
- gives effect to the two-for-one reverse split of our common stock which occurred on February 29, 2012;
 - excludes 2,845,688 shares of common stock issuable upon the exercise of stock options granted to certain of our employees pursuant to our 2007 Stock Option Plan; and
 - excludes 127,301 shares of non-vested restricted stock awarded to certain of our employees and directors pursuant to our 2007 Restricted Stock Plan.
- (5) A \$1.00 increase (decrease) in the assumed initial public offering price of \$22.00 per share would increase (decrease) total equity by approximately \$16.0 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

DILUTION

If you invest in our common stock, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the net tangible book value per share of our common stock after this offering. Dilution results from the fact that the initial public offering price per share of common stock is substantially in excess of the net tangible book value per share of our common stock attributable to the existing shareholders for our presently outstanding shares of common stock. We calculate net tangible book value per share of our common stock by dividing the net tangible book value (total consolidated tangible assets less total consolidated liabilities) by the number of outstanding shares of our common stock (giving effect to the two-for-one reverse split of our common stock which occurred on February 29, 2012).

Our net tangible book value as of December 31, 2011 was a deficit of \$612 million, or \$7.25 per share of our common stock, based on 84,427,000 shares of our common stock outstanding immediately prior to the closing of this offering (giving effect to the two-for-one reverse split of our common stock which occurred on February 29, 2012).

After giving effect to the sale of 22,727,273 shares of our common stock in this offering, assuming an initial public offering price of \$22.00 per share, less the underwriting discounts and commissions and the estimated offering expenses payable by us, and without taking into account any other changes in the net tangible book value after December 31, 2011, our pro forma net tangible book value at December 31, 2011 would have been a deficit of \$262 million, or \$2.58 per share. This represents an immediate increase in net tangible book value of \$4.67 per share of our common stock to the existing shareholders and an immediate dilution in net tangible book value of \$24.58 per share of our common stock, or 112% of the estimated offering price of \$22.00, to investors purchasing shares of our common stock in this offering. The following table illustrates such per share of our common stock dilution:

Assumed initial public offering price per share	\$22.00
Net tangible book value (deficit) per share before the change attributable to new investors	\$(7.25)
Increase in net tangible book value per share attributable to new investors	\$ 4.67
Pro forma net tangible book value (deficit) per share after this offering	\$ (2.58)
Dilution per share to new investors	<u>\$24.58</u>

The following table summarizes, on a pro forma basis as of December 31, 2011, the total number of shares of our common stock purchased from us, the total cash consideration paid to us and the average price per share of our common stock that purchasers of the shares and new investors purchasing shares of our common stock in this offering paid (after giving effect to the two-for-one reverse split of our common stock which occurred on February 29, 2012).

	Shares of our Common Stock Purchased		Total Consideration (Amount) (in millions)(2)	Total Consideration (Percentage)	Average Price Per Share
	Number (in millions)	Percent			
Existing holders	78,759,925	78%	\$ 784,308,000	61%	\$ 9.96
New investors(1)	22,727,273	22%	\$ 500,000,000	39%	\$ 22.00
Total	101,487,198	100%	\$1,284,308,000	100%	\$ 12.65

(1) A \$1.00 increase (decrease) in the assumed initial public offering price of \$22.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase

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(decrease) total consideration paid by new investors and total consideration paid by all stockholders by approximately \$22.7 million, assuming the number of shares offered by us, as set forth on the cover page of the prospectus, remains the same.

- (2) Consideration for existing shareholders includes rollover equity issued in connection with certain acquisitions and has been reduced by the amount of any dividends.

If the underwriters were to fully exercise the underwriters' option to purchase 3,409,091 additional shares of our common stock, the percentage of shares of our common stock held by existing shareholders would be 75%, and the percentage of shares of our common stock held by new investors would be 25%.

As of December 31, 2011, there were options outstanding to purchase 2,845,688 shares of our common stock, with exercise prices ranging from \$9.62 to \$24.96 per share and a weighted average exercise price of \$17.04 per share (after taking into account the two-for-one reverse split of our common stock which occurred on February 29, 2012). Also, as of December 31, 2011, there were 141,997 shares of unvested restricted stock outstanding (after taking into account the two-for-one reverse split of our common stock which occurred on February 29, 2012). The tables and calculations above assume that those options have not been exercised and the restricted stock has not vested. If these options were exercised at the weighted average exercise price and the restricted stock was fully vested, there would be no additional dilution per share to new investors.

To the extent that we grant options or other equity awards to our employees or directors in the future and the holders of those options or other equity awards exercised, or vest in, them or we issue other shares of our common stock, there will be further dilution to new investors.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL AND OTHER DATA

On January 31, 2007, MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), an affiliate of The Goldman Sachs Group, Inc., acquired a majority of the equity of the entity now known as McJunkin Red Man Corporation (then known as McJunkin Corporation) (the "GS Acquisition"). In this prospectus, the term "Predecessor" refers to McJunkin Corporation and its subsidiaries prior to January 31, 2007 and the term "Successor" refers to the entity now known as MRC Global Inc. and its subsidiaries on and after January 31, 2007. As a result of the change in McJunkin Corporation's basis of accounting in connection with the GS Acquisition, Predecessor's financial statement data for the one month ended January 30, 2007 and earlier periods are not comparable to Successor's financial data for the eleven months ended December 31, 2007 and subsequent periods.

McJunkin Corporation completed a business combination transaction with Red Man (the "Red Man Transaction") on October 31, 2007. At that time, McJunkin Corporation was renamed McJunkin Red Man Corporation. Operating results for the eleven-month period ended December 31, 2007 include the results of MRC Global Inc. for the full period and the results of Red Man for the two months after the business combination on October 31, 2007. Accordingly, our historical results for the years ended December 31, 2011, 2010, 2009 and 2008 and the 11 months ended December 31, 2007 are not comparable to McJunkin Corporation's historical results for the one month ended January 30, 2007.

The selected consolidated financial information presented below under the captions Statement of Operations Data and Other Financial Data for the years ended December 31, 2011, 2010, 2009 and 2008, and the selected consolidated financial information presented below under the caption Balance Sheet Data as of December 31, 2011 and December 31, 2010, have been derived from the consolidated financial statements of MRC Global Inc. included elsewhere in this prospectus that Ernst & Young LLP, our independent registered public accounting firm, has audited. The selected consolidated financial information presented below under the captions Statement of Operations Data and Other Financial Data for the one month ended January 30, 2007 and the eleven months ended December 31, 2007, and the selected consolidated financial information presented below under the caption Balance Sheet Data as of December 31, 2009, December 31, 2008 and December 31, 2007, have been derived from the consolidated financial statements of MRC Global Inc. not included in this prospectus that Ernst & Young LLP has audited.

All information in this prospectus gives retroactive effect to the two-for-one reverse split of our common stock which occurred on February 29, 2012.

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The selected historical consolidated financial data presented below has been derived from financial statements that have been prepared using accounting principles generally accepted in the United States of America (in millions, except share and per share amounts). This data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes included elsewhere in this prospectus.

	Successor					Predecessor
	Year Ended December 31,				Eleven Months Ended December 31,	One Month Ended January 30,
	2011	2010	2009(1)	2008	2007	2007
Statement of Operations Data:						
Sales	\$4,832.4	\$3,845.5	\$3,661.9	\$5,255.2	\$ 2,124.9	\$ 142.5
Cost of sales	4,124.2	3,327.0	3,067.4	4,273.1	1,761.9	114.9
Inventory write-down	—	0.4	46.5	—	—	—
Gross margin	708.2	518.1	548.0	982.1	363.0	27.6
Selling, general and administrative expenses	513.6	451.7	411.6	482.1	218.5	15.9
Goodwill and intangibles impairment charge	—	—	386.1	—	—	—
Operating income (loss)	194.6	66.4	(249.7)	500.0	144.5	11.7
Other (expenses) income:						
Interest expense	(136.8)	(139.6)	(116.5)	(84.5)	(61.7)	(0.1)
Write off of debt issuance costs	(9.5)	—	—	—	—	—
Change in fair value of derivatives	7.0	(4.9)	8.9	(6.2)	—	—
Other, net	0.5	2.9	2.5	(2.6)	(0.8)	(0.4)
Total other (expense) income	(138.8)	(141.6)	(105.1)	(93.3)	(62.5)	(0.5)
Income (loss) before income taxes	55.8	(75.2)	(354.8)	406.7	82.0	11.2
Income taxes	26.8	(23.4)	(15.0)	153.2	32.1	4.6
Net (loss) income	29.0	(51.8)	(339.8)	253.5	49.9	6.6
Earnings (loss) per share amounts:						
Basic	\$ 0.34	\$ (0.61)	\$ (4.30)	\$ 3.26	\$ 1.44	
Diluted	\$ 0.34	\$ (0.61)	\$ (4.30)	\$ 3.26	\$ 1.44	
Weighted average shares, basic (in thousands)	84,417	84,384	79,067	77,646	34,663	
Weighted average shares, diluted (in thousands)	84,655	84,384	79,067	77,828	34,731	
Basic—Class A						\$ 376.70
Diluted—Class A						\$ 376.70
Basic—Class B						\$ 376.70
Diluted—Class B						\$ 376.70
Dividends	\$ —	\$ —	\$ 0.04	\$ 6.10	\$ —	—
Balance Sheet Data:						
Cash	\$ 46.1	\$ 56.2	\$ 56.2	\$ 12.1	\$ 10.1	\$ 2.0
Working capital	1,074.7	842.6	930.2	1,208.0	674.1	211.1
Total assets	3,227.7	2,991.2	3,083.2	3,919.7	3,083.8	474.2
Total debt	1,526.7	1,360.2	1,452.6	1,748.6	868.4	4.8
Stockholders' equity	720.9	689.8	743.9	987.2	1,262.7	245.2
Other Financial Data:						
Adjusted Gross Margin	\$ 849.6	\$ 663.2	\$ 493.5	\$1,164.0	\$ 400.6	\$ 27.9
Adjusted EBITDA	\$ 360.5	\$ 224.2	\$ 218.5	\$ 744.4	\$ 344.9	\$ 26.0
Adjusted EBITDA RONA	24.1%	19.6%	18.6%			
Net cash:						
Operating Activities	(102.9)	112.7	505.5	(137.4)	110.2	6.6
Investing Activities	(48.0)	(16.2)	(66.9)	(314.2)	(1,788.9)	(0.2)
Financing Activities	140.6	(98.2)	(393.9)	452.0	1,687.2	(8.3)

(1) Includes \$46.5 million inventory write-down and \$386.1 million goodwill and intangibles impairment charge.

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We define Adjusted EBITDA as net income plus interest, income taxes, depreciation and amortization, amortization of intangibles, other non-recurring and non-cash charges (such as gains/losses on the early extinguishment of debt, changes in the fair value of derivative instruments and goodwill impairment) and plus or minus the impact of our LIFO inventory costing methodology. We present Adjusted EBITDA because it is an important measure used to determine the interest rate and commitment fee we pay under our Global ABL Facility. In addition, we believe it is a useful factor indicator of our operating performance. We believe this for the following reasons:

- Our management uses Adjusted EBITDA for planning purposes, including the preparation of our annual operating budget and financial projections, as well as for determining a significant portion of the compensation of our executive officers;
- Adjusted EBITDA is widely used by investors to measure a company's operating performance without regard to items, such as interest expense, income tax expense and depreciation and amortization, that can vary substantially from company to company depending upon their financing and accounting methods, the book value of their assets, their capital structures and the method by which their assets were acquired; and
- Securities analysts use Adjusted EBITDA as a supplemental measure to evaluate the overall operating performance of companies.

In particular, we believe that Adjusted EBITDA is a useful indicator of our operating performance because Adjusted EBITDA measures our Company's operating performance without regard to certain non-recurring, non-cash or transaction-related expenses.

Adjusted EBITDA, however, does not represent and should not be considered as an alternative to net income, cash flow from operations or any other measure of financial performance calculated and presented in accordance with GAAP. Our Adjusted EBITDA may not be comparable to similar measures that other companies report because other companies may not calculate Adjusted EBITDA in the same manner as we do. Although we use Adjusted EBITDA as a measure to assess the operating performance of our business, Adjusted EBITDA has significant limitations as an analytical tool because it excludes certain material costs. For example, it does not include interest expense, which has been a significant element of our costs. Because we use capital assets, depreciation expense is a significant element of our costs and impacts our ability to generate revenue. In addition, the omission of the amortization expense associated with our intangible assets further limits the usefulness of this measure. Adjusted EBITDA also does not include the payment of certain taxes, which is also a significant element of our operations. Furthermore, Adjusted EBITDA does not account for our LIFO inventory costing methodology, and therefore, to the extent that recently purchased inventory accounts for a relatively large portion of our sales, Adjusted EBITDA may overstate our operating performance. Because Adjusted EBITDA does not account for certain expenses, its utility as a measure of our operating performance has material limitations. Because of these limitations, management does not view Adjusted EBITDA in isolation or as a primary performance measure and also uses other measures, such as net income and sales, to measure operating performance.

The calculation of Adjusted EBITDA is consistent with the computation of Consolidated Cash Flow, as defined in the indenture governing the Notes, except for the change in the LIFO reserve, which would not be an adjustment in determining Consolidated Cash Flow.

The following table reconciles Adjusted EBITDA with our net income (loss), as derived from our financial statements (in millions):

	Successor					Predecessor
	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Eleven Months Ended December 31, 2007	One Month Ended January 30, 2007
Net (loss) income	\$ 29.0	\$ (51.8)	\$ (339.8)	\$ 253.5	\$ 49.9	\$ 6.6
Income taxes	26.8	(23.4)	(15.0)	153.2	32.1	4.6
Interest expense	136.8	139.6	116.5	84.5	61.7	0.1
Write off of debt issuance costs	9.5	—	—	—	—	—
Depreciation and Amortization	17.0	16.6	14.5	11.3	5.4	0.3
Amortization of intangibles	50.7	53.9	46.6	44.4	21.9	—
Amortization of purchase price accounting	—	—	15.7	2.4	—	—
Change in fair value of derivative instruments	(7.0)	4.9	(8.9)	6.2	—	—
Closed locations	—	(0.7)	1.4	4.4	—	—
Share based compensation	8.4	3.7	7.8	10.2	3.0	—
Franchise taxes	0.4	0.7	1.4	1.5	—	—
Gain on early extinguishment of debt	—	—	(1.3)	—	—	—
Goodwill and intangibles impairment	—	—	386.1	—	—	—
Inventory write-down	—	0.4	46.5	—	—	—
IT system conversion costs	—	—	2.4	1.4	—	—
M&A transaction & integration expenses	0.5	1.4	17.5	30.4	12.7	—
Midway pre-acquisition contribution	—	—	—	—	2.8	1.0
Legal and consulting expenses	9.9	4.2	1.9	0.4	—	—
Joint venture termination	1.7	—	—	—	—	—
Provision for uncollectible accounts	0.4	(2.0)	1.0	7.7	0.4	—
Red Man pre-acquisition Contribution	—	—	—	—	142.2	13.1
Severance and related costs	1.1	3.2	4.4	—	—	—
MRC Transmark pre-Acquisition contribution	—	—	38.5	—	—	—
LIFO	73.7	74.6	(115.6)	126.2	10.3	—
Other non-cash expenses	1.6	(1.1)	(3.1)	6.7	2.5	0.3
Adjusted EBITDA	<u>\$ 360.5</u>	<u>\$ 224.2</u>	<u>\$ 218.5</u>	<u>\$ 744.4</u>	<u>\$ 344.9</u>	<u>\$ 26.0</u>

We define Adjusted Gross Margin as sales, less cost of sales, plus depreciation and amortization, plus amortization of intangibles, and plus or minus the impact of our LIFO inventory costing methodology. We present Adjusted Gross Margin because we believe it is a useful indicator of our operating performance and facilitates a meaningful comparison to our peers. We believe this for the following reasons:

- Our management uses Adjusted Gross Margin for planning purposes, including the preparation of our annual operating budget and financial projections. This measure is also used to assess the performance of our business;
- Investors use Adjusted Gross Margin to measure a company's operating performance without regard to items, such as depreciation and amortization, and amortization of intangibles, that can vary substantially from company to company depending upon the nature and extent of

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transactions they have been involved in. Similarly, the impact of the LIFO inventory costing method can cause results to vary substantially from company to company depending upon whether those companies elect to utilize the LIFO method and depending upon which LIFO method they may elect; and

• Securities analysts can use Adjusted Gross Margin as a supplemental measure to evaluate overall operating performance of companies.

In particular, we believe that Adjusted Gross Margin is a useful indicator of our operating performance because Adjusted Gross Margin measures our Company's operating performance without regard to acquisition transaction-related amortization expenses.

However, Adjusted Gross Margin does not represent and should not be considered an alternative to gross margin or any other measure of financial performance calculated and presented in accordance with GAAP. Our Adjusted Gross Margin may not be comparable to similar measures that other companies report because other companies may not calculate Adjusted Gross Margin in the same manner as we do. Although we use Adjusted Gross Margin as a measure to assess the operating performance of our business, Adjusted Gross Margin has significant limitations as an analytical tool because it excludes certain material costs. For example, it does not include depreciation and amortization expense. Because we use capital assets, depreciation expense is a significant element of our costs and impacts our ability to generate revenue. In addition, the omission of amortization expense associated with our intangible assets further limits the usefulness of this measure. Furthermore, Adjusted Gross Margin does not account for our LIFO inventory costing methodology and, therefore, to the extent that recently purchased inventory accounts for a relatively large portion of our sales, Adjusted Gross Margin may overstate our operating performance. Because Adjusted Gross Margin does not account for certain expenses, its utility as a measure of our operating performance has material limitations. Because of these limitations, management does not view Adjusted Gross Margin in isolation or as a primary performance measure and also uses other measures, such as net income and sales, to measure operating performance.

The following table reconciles Adjusted Gross Margin to gross margin (in millions):

	Successor					Predecessor One Month Ended January 30, 2007
	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009	Year Ended December 31, 2008	Eleven Months Ended December 31, 2007	
Gross margin	\$ 708.2	\$ 518.1	\$ 548.0	\$ 982.1	\$ 363.0	\$ 27.6
Depreciation and amortization	17.0	16.6	14.5	11.3	5.4	0.3
Amortization of intangibles	50.7	53.9	46.6	44.4	21.9	—
Increase (decrease) in LIFO reserve	73.7	74.6	(115.6)	126.2	10.3	—
Adjusted Gross Margin	\$ 849.6	\$ 663.2	\$ 493.5	\$ 1,164.0	\$ 400.6	\$ 27.9

We define Adjusted EBITDA Return on Net Assets (Adjusted EBITDA RONA) as (a) Adjusted EBITDA divided by (b) accounts receivable, plus inventory, plus the LIFO reserve, plus property, plant & equipment, net, less accounts payable. The calculation of Adjusted EBITDA RONA is set forth below (dollars in thousands):

	Year Ended December 31,		
	2011	2010	2009
Adjusted EBITDA	\$ 360,465	\$ 224,124	\$ 218,496
Accounts receivable	\$ 791,280	\$ 596,404	\$ 506,194
Inventory at LIFO	899,064	765,367	871,653
LIFO Reserve	175,122	101,419	26,862
Property, plant & equipment, net	107,430	104,725	111,480
Accounts payable	(479,584)	(426,632)	(338,512)
Total adjusted net assets	\$1,493,312	\$1,141,283	\$1,177,677
Adjusted EBITDA RONA	24.1%	19.6%	18.6%

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We present Adjusted EBITDA RONA because we believe it is a useful indicator of our operating performance. Management believes that Adjusted EBITDA RONA provides meaningful supplemental information regarding our performance by excluding certain income and expense items and assets and liabilities that may not be indicative of the core business operating results and may help in comparing current period results with those of prior periods as well as with our peers. Our management uses Adjusted EBITDA RONA for determining a significant portion of the compensation of our executive officers. In addition, Adjusted EBITDA RONA is a useful indicator of our operating performance because it measures our performance without regard to acquisition transaction-related assets such as intangibles and goodwill.

However, Adjusted EBITDA RONA does not represent and should not be considered an alternative to other GAAP measures of performance such as net income. Also, our definition of Adjusted EBITDA RONA may not be comparable to similar measures that other companies report. Further, Adjusted EBITDA RONA has certain limitations, such as excluding our LIFO inventory costing methodology. In addition, the omission of our substantial intangible assets and goodwill further limits the usefulness of this measure. As a result, management does not view Adjusted EBITDA RONA in isolation or as a primary performance measure and uses other measures such as net income and sales to measure operating performance.

Management believes that the GAAP-based measure which is most comparable to Adjusted EBITDA RONA is a percentage with net income in the numerator and stockholders' equity in the denominator. We believe Adjusted EBITDA is a useful measure of performance as compared to net income for the reasons stated above in note 2 under "Summary — Summary Consolidated Financial Information" included elsewhere in this prospectus. We believe that for our Company total adjusted net assets (as calculated above) is a more useful measure than stockholders' equity for purposes of a RONA calculation because, among other things, our calculation omits intangible assets and goodwill arising from acquisitions. Given the Company's history of making numerous acquisitions in recent years, the Company believes that the measure it uses is more comparable to similar measures used by other companies if the effects of acquisitions are eliminated.

For a reconciliation of Adjusted EBITDA (the numerator in our calculation of Adjusted EBITDA RONA) to net income, see footnote 2 under "Summary — Summary Consolidated Financial Information" included elsewhere in this prospectus. For a reconciliation of total adjusted net assets (the denominator in our calculation of Adjusted EBITDA RONA) to stockholders' equity, see the following table:

	Year Ended December 31,		
	2011	2010	2009
	(dollars in thousands)		
Stockholders' equity	\$ 720,862	\$ 689,758	\$ 743,898
Long term debt	1,526,740	1,360,241	1,452,610
Deferred taxes, net	357,195	373,719	377,948
Other liabilities	143,306	140,844	170,188
Intangible assets	(1,333,137)	(1,366,549)	(1,425,721)
LIFO Reserve	175,122	101,419	26,862
Other assets	(50,649)	(101,947)	(111,864)
Cash	(46,127)	(56,202)	(56,244)
Total adjusted net assets	<u>\$ 1,493,312</u>	<u>\$ 1,141,283</u>	<u>\$ 1,177,677</u>

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The following table summarizes (1) the numerator and denominator in our calculation of Adjusted EBITDA RONA and (2) the numerator (net income) and denominator (stockholders' equity) in the most comparable GAAP-based measure.

	Year Ended December 31,		
	2011	2010	2009
	(dollars in thousands)		
Adjusted EBITDA	\$ 360,465	\$ 224,124	\$ 218,496
Total adjusted net assets	\$1,493,312	\$1,141,283	\$1,177,677
Adjusted EBITDA RONA	24.1%	19.6%	18.6%
Net income (loss)	\$ 28,984	\$ (51,824)	\$ (339,771)
Stockholders' equity	\$ 720,862	\$ 689,758	\$ 743,898
Net income / stockholders' equity	4.02%	(7.5)%	(45.7)%

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

The unaudited pro forma consolidated financial statements of MRC Global Inc. (the "Company") have been derived from the audited historical financial statements of the Company for the year ended and as of December 31, 2011, which are included elsewhere in this prospectus.

The pro forma consolidated balance sheet as of December 31, 2011 and the pro forma consolidated statement of operations for the year ended December 31, 2011 have been adjusted to give effect to the following transactions:

- the issuance by the Company of 17,045,455 shares of common stock to the public at an assumed offering price of \$22.00 per share (the midpoint of the range on the front cover of the prospectus); and
- the application of the net proceeds of the offering to be received by the Company after giving effect to underwriting discounts and commissions and other offering expenses (\$349.9 million) to repay indebtedness outstanding under the Company's Global ABL Facility.

The pro forma adjustments have been prepared as if the transactions described above had taken place on December 31, 2011, in the case of the pro forma balance sheet, or as of January 1, 2011, in the case of the pro forma statement of operations.

The Company entered into the new Global ABL Facility on March 27, 2012. The Global ABL Facility replaced our then existing ABL Credit Facility, and the proceeds of the offering will be used to repay indebtedness under the Global ABL Facility. The replacement of our previous ABL Credit Facility with the Global ABL Facility does not materially change the unaudited pro forma consolidated statements.

The unaudited pro forma consolidated financial statements are not necessarily indicative of the results that we would have achieved had the transactions described herein actually taken place at the dates indicated, and do not purport to be indicative of future financial position or operating results. The unaudited pro forma consolidated financial statements should be read in conjunction with the audited financial statements of the Company, the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for the year ended December 31, 2011, included elsewhere herein.

The pro forma adjustments are based on available information and certain assumptions that we believe are reasonable. The pro forma adjustments and the assumptions included therein are described in the accompanying notes.

MRC Global Inc.

Unaudited Pro Forma Consolidated Balance Sheet
As of December 31, 2011

	Actual as of December 31, 2011	Pro forma adjustments (in thousands)	Pro Forma as of December 31, 2011
Assets			
Total current assets	\$1,747,908	\$ —	\$ 1,747,908
Other assets	39,212	—	39,212
Fixed assets	107,430	—	107,430
Intangible assets	1,333,137	—	1,333,137
Total assets	3,227,687	—	3,227,687
Liabilities and stockholders' equity			
Total current liabilities	673,167	—	673,167
Long-term debt, net	1,526,740	(349,900) (a)	1,176,840
Other long-term liabilities	306,918	—	306,918
Stockholders' equity:			
Common stock	844	170 (b)	1,014
Preferred stock	—	—	—
Additional paid-in-capital	1,282,949	349,730 (b)	1,632,679
Retained (deficit)	(536,791)	—	(536,791)
Other comprehensive (loss)	(26,140)	—	(26,140)
Total equity	720,862	349,900	1,070,762
Total liabilities and equity	\$3,227,687	\$ —	\$ 3,227,687

The accompanying notes are an integral part of these unaudited pro forma consolidated financial statements.

MRC Global Inc.

Unaudited Pro Forma Consolidated Statement of Operations
For the Year Ended December 31, 2011

	Actual as of December 31, 2011	Pro forma adjustments (in thousands)		Pro Forma as of December 31, 2011
Sales	\$4,832,423	\$ —		\$4,832,423
Cost of sales	4,124,271	—		4,124,271
Gross margin	708,152	—		708,152
Selling, general and administrative expenses	513,563	—		513,563
Operating income	194,589	—		194,589
Other income (expense):				
Interest expense	(136,844)	7,833	(c)	(129,011)
Other	(1,977)	—		(1,977)
	(138,821)	7,833		(130,988)
Income before income taxes	55,768	7,833		63,601
Income tax expense	26,784	2,937	(d)	29,721
Net income	\$ 28,984	\$ 4,895		\$ 33,879
Basic earnings per common share	\$ 0.34			\$ 0.33
Diluted earnings per common share	\$ 0.34			\$ 0.33
Weighted-average common shares, basic	84,417	17,045	(e)	101,462
Weighted-average common shares, diluted	84,655	17,045	(e)	101,700

The accompanying notes are an integral part of these unaudited pro forma consolidated financial statements.

MRC Global Inc.

Notes to the Unaudited Pro Forma Consolidated Financial Statements

- (a) Long-term debt, net has been adjusted to reflect the estimated repayment of indebtedness outstanding under the Company's Global ABL Facility. This amount equals the estimated net proceeds of the offering at an assumed offering price of \$22.00 per share (the midpoint of the range on the front cover of the prospectus) giving effect to underwriting discounts and commissions and other offering expenses, as the Company expects to apply all proceeds from the offering toward the repayment of this indebtedness.
- (b) Stockholders' equity has been adjusted to reflect an increase equal to the estimated net proceeds of the offering at an assumed offering price of \$22.00 per share (the midpoint of the range on the front cover of the prospectus) giving effect to underwriting discounts and commissions and other offering expenses.
- (c) Interest expense has been decreased to reflect lower debt balances resulting from the pro forma repayment of outstanding indebtedness utilizing net proceeds from the offering. This estimated reduction in interest expense has been computed assuming the repayment of \$349.9 million of indebtedness under the Company's Global ABL Facility as though it had occurred on January 1, 2011. The interest savings is computed using an effective interest rate of 2.24%, which represents actual borrowing rates under the ABL Credit Facility during 2011, less the amount of any commitment fees that would have been incurred had the debt not been outstanding.
- (d) Income tax expense has been adjusted as a result of higher income before income taxes resulting from lower pro forma interest expense. The increase in income tax expense has been computed utilizing the Company's 37.5% marginal U.S. income tax rate.
- (e) Weighted average common shares outstanding have been adjusted to reflect the issuance of 17,045,455 shares of common stock as contemplated in the offering. This amount excludes 5,681,818 shares of common stock that are being offered by the selling shareholder as well as an option the underwriters have to purchase up to an additional 3,409,091 shares of common stock from the selling stockholder.

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

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our financial statements and related notes included elsewhere in this prospectus. This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including, but not limited to, those set forth under "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" and elsewhere in this prospectus. All references throughout this section (and elsewhere in this prospectus) to amounts available for borrowing under various credit facilities refer to amounts actually available for borrowing after giving effect to any borrowing base limitations imposed by the facility.

Overview

We are the largest global industrial distributor of pipe, valves and fittings (PVF) and related products and services to the energy industry based on sales and hold the leading position in our industry across each of the upstream (exploration, production and extraction of underground oil and natural gas), midstream (gathering and transmission of oil and natural gas, natural gas utilities and the storage and distribution of oil and natural gas) and downstream (crude oil refining, petrochemical processing and general industrials) sectors. Globally, we have two operating segments through which we serve our customers in over 400 service locations. Our North American segment includes over 175 branch locations, six distribution centers in the U.S., one distribution center in Canada, 12 valve automation service centers and over 160 third party pipe yards located in the most active oil and natural gas regions in North America. Our International segment includes over 30 branch locations throughout Europe, Asia and Australasia with distribution centers in the United Kingdom, Singapore and Australia and 10 automation service centers in Europe and Asia. We offer a wide array of PVF and oilfield supplies encompassing a complete line of products from our global network of suppliers to our more than 12,000 customers. We are diversified by geography, the industry sectors we serve and the products we sell. We seek to provide best-in-class service to our customers by satisfying the most complex, multi-site needs of many of the largest companies in the energy and industrial sectors as their primary PVF supplier. We believe the critical role we play in our customers' supply chain, together with our extensive product offering, broad global presence, customer-linked scalable information systems and efficient distribution capabilities, serve to solidify our long-standing customer relationships and drive our growth. As a result, we have an average relationship of over 20 years with our largest 25 customers.

We have benefited from several growth trends within the energy industry, including high levels of customer expansion and maintenance expenditures and believe that longer-term growth in PVF and industrial supply spending within the energy industry is likely to continue. Several factors have driven the long-term growth in spending, including underinvestment in energy infrastructure, production and capacity constraints, and market expectations of future improvements in the oil, natural gas, refined products, petrochemical and other industrial sectors. In addition, the products we distribute are often used in extreme operating environments, leading to the need for a regular replacement cycle. Approximately two-thirds of our sales are attributable to multi-year MRO arrangements where we have demonstrated an average annual retention rate of over 95% since 2000. We consider MRO arrangements to be normal, generally repetitive business that primarily addresses the recurring maintenance, repair or operational work to existing energy infrastructure. Project activities, including facility expansions or new construction projects, are more commonly associated with a customer's capital expenditures budget and can be more sensitive to global oil and natural gas prices and general economic conditions. We mitigate our exposure to price volatility by limiting the length of any price-protected contracts, and as pricing continues to rebound, we believe that we have the ability to pass price increases on to the marketplace.

Key Drivers of Our Business

Our revenues are predominantly derived from the sale of PVF and other oilfield and industrial supplies to the energy sector in North America, Europe, Asia and Australasia. Our business is therefore dependent upon both the current conditions and future prospects in the energy industry and, in particular, maintenance and expansionary operating and capital expenditures by our customers in the upstream, midstream and downstream sectors of the industry. Long-term growth in spending has been, and we believe will continue to be, driven by several factors, including underinvestment in global energy infrastructure, growth in shale and unconventional exploration and production (E&P) activity, and anticipated strength in the oil, natural gas, refined products, petrochemical and other industrial sectors. The outlook for future oil, natural gas, refined products, petrochemical and other industrial PVF spending is influenced by numerous factors, including the following:

- *Oil and Natural Gas Prices.* Sales of PVF and related products to the oil and natural gas industry constitute a significant portion of our sales. As a result, we depend upon the oil and natural gas industry and its ability and willingness to make maintenance and capital expenditures to explore for, produce and process oil and natural gas and refined products. Oil and natural gas prices, both current and projected, along with the costs necessary to produce oil and gas, impact other drivers of our business, including E&P spending, additions and maintenance to pipeline mileage, refinery utilization and petrochemical and other industrial processing activity.
- *Steel Prices, Availability and Supply and Demand.* Fluctuations in steel prices can lead to volatility in the pricing of the products we distribute, especially carbon steel tubular products, which can influence the buying patterns of our customers. A majority of the products we distribute contain various types of steel. The worldwide supply and demand for these products, or other steel products that we do not supply, impacts the pricing and availability of our products and, ultimately, our sales and operating profitability.
- *Economic Conditions.* The demand for the products we distribute is dependent on the general economy, the energy and industrials sectors and other factors. Changes in the general economy or in the energy and industrials sectors (domestically or internationally) can cause demand for the products we distribute to materially change.
- *Customer, Manufacturer and Distributor Inventory Levels of PVF and Related Products.* Customer, manufacturer and distributor inventory levels of PVF and related products can change significantly from period to period. Increases in our customers' inventory levels can have an adverse effect on the demand for the products we distribute when customers draw from their inventory rather than purchase new products. Reduced demand, in turn, would likely result in reduced sales volume and profitability. Increased inventory levels by manufacturers or other distributors can cause an oversupply of PVF and related products in the industry sectors we serve and reduce the prices that we are able to charge for the products we distribute. Reduced prices, in turn, would likely reduce our profitability. Conversely, decreased customer and manufacturer inventory levels may ultimately lead to increased demand for our products and would likely result in increased sales volumes and overall profitability.

Recent Trends and Outlook

The current outlook for activity in our end markets is positive. The period from 2005 to 2008 was a period of steady growth in North American oil and gas drilling and completion spending in our upstream market. Activity peaked in 2008, with oil pricing above \$140 per barrel and natural gas prices above \$14/mcf. Due to the associated record levels of E&P activity, there was a shortage of tubular products to meet the demand, and significant steel price inflation followed as a result. The price per ton on tubular products increased approximately 200% in 2008 as compared to the prior year (compared to

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an increase of 5% in 2011 compared to 2010). Approximately 44% of our sales and half of our gross profit was in tubular products during 2008 and these sales were typically at margins in excess of longer term historical levels for this product category. In 2008, we operated with five purchasing managers and five separate IT systems (versus one purchasing manager and North American IT system in 2011), and our OCTG inventories expanded to a greater than six month supply and accounted for over 30% of all inventory in 2008, as opposed to less than three months supply and approximately 20% in 2011. A significant contributor to the 2008 rise was spot purchases of inventory, which ultimately accounted for approximately 50% of our inventory purchases for 2008 (versus less than 10% in 2011). In our downstream/industrial market, 2005 to 2008 was a period of major refinery expansion projects in the U.S. to upgrade Midwestern and Gulf Coast refineries to handle heavier and more sour crude oil from Canada, Venezuela and other international sources. These large projects were in addition to normal "turnaround" and smaller project activity. Because of these large projects, MRO business represented approximately half of our business in 2008, compared to approximately two-thirds in 2011. During 2009 to 2010, as peak crude oil prices negatively impacted refining margins, the global economic recession reduced refined product demand, which resulted in decreased capital spending by our refining customers. In the U.S. petrochemical industry, the high natural gas prices of 2008 reduced investment, as natural gas is a primary cost and feedstock to this industry segment. In 2010 and 2011, increases in natural gas production from the U.S. shale plays led to lower natural gas commodity prices, which helped drive increases in customer spending and activity levels in this sector.

Global energy demand was negatively impacted in 2009 by the "great recession" in the global economy, which directly negatively affected oil and natural gas commodity prices. This resulted in lower spending by our major customers during 2009 and 2010, which, coupled with significant deflation in tubular steel prices, had a material impact on our profitability in 2009 and 2010 as customers renegotiated contracts with drilling contractors, energy service companies, equipment suppliers and distributors. The steep drop in demand, steel price deflation and new lower customer contract pricing along with high-cost inventory purchased in 2008 led to a major de-stocking effort of approximately \$1 billion (including both inventory and outstanding purchase orders) at our Company during 2009, generating over \$500 million in cash flow from operations. In certain instances, sales during this period in our tubular product category carried negative margins, which severely impacted our results during this period. Our non-tubular product lines were impacted to a much lesser degree.

Between 2008 and 2011, the gross profit contribution and gross profit margins of our two product categories, energy carbon steel tubular products (line pipe and oil country tubular goods) ("tubulars") and valves, fittings, flanges and other products ("VFFO"), has shifted. The tubular and VFFO product categories each contributed approximately 50% of our gross profit in 2008, whereas in 2011 VFFO contributed approximately 75% of our gross profit and tubulars contributed approximately 25% of our gross profit. In addition, our gross profit margins (average cost) were consistent in 2008 and 2011 for our VFFO products, whereas our gross profit margins (average cost) for our tubular products in 2011 were approximately 50% of the tubular margins in 2008.

In 2010, our business stabilized, but given continued economic uncertainty and the slow recovery, activity levels remained slow relative to more historical levels. In 2011, commodity oil and natural gas pricing improved, our customers' E&P budgets increased, and product pricing increased as a result of the improvement in PVF demand. In addition, our high-cost tubular inventory was largely sold during 2009 and 2010, and as a result, profitability in 2011 began to improve. Steel inflation and pricing levels currently remain well below 2008 levels, but carbon steel pricing in line pipe has returned to a more normal historic range. OCTG pricing currently remains challenging, and we are rebalancing our product portfolio towards higher margin products, such as valves, fittings, flanges and other industrial products as a result.

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During 2011, oil prices remained strong with an average price of approximately \$95 per barrel for West Texas Intermediate (“WTI”), or approximately 19% above the average for 2010. Natural gas prices remained relatively flat at an average price during this period of \$4/Mcf (Henry Hub), although they have declined below \$3/Mcf more recently. Behind the strength of oil prices, in particular, North American drilling activity has increased an estimated 21% in 2011 relative to 2010. We continue to see a shift in rig counts from natural gas to oil, with oil drilling representing approximately 55% of the total North American rig count during 2011.

Activity levels in the upstream sector remain strong. In the U.S., the average total rig count was up 21% in 2011 as compared to 2010. Continued development within the Marcellus, Eagle Ford and Bakken shale regions primarily drove this increase in rig count. In 2011, we shipped approximately 674,000 tons of energy carbon steel tubular products in the U.S., 20% more tons than in 2010. In Canada, the average total rig count was up 20% in 2011 as compared to 2010. There we have experienced an increase in MRO, particularly in the heavy oil and tar sands regions, which has mitigated the downturn experienced in shallow natural gas drilling elsewhere in Canada.

The midstream sector, which includes gathering, transmission pipeline and natural gas utilities, is currently our fastest growing sector. We generated revenue growth of 33% in 2011 compared to 2010. New wells coming on line and the continued need for infrastructure within the shale basins has driven this growth. As a result of the shift in E&P activity from natural gas to oil, we have experienced a shift in activity from the natural gas regions of the Barnett, Haynesville, Woodford, and Fayetteville shales to the Bakken, Eagle Ford, Niobrara and Permian shales, which are heavier producing regions for oil and natural gas liquids. Revenue from our gathering and transmission customers increased 40% in 2011 as compared to 2010, while revenue from our natural gas utilities customers increased approximately 28% in 2011 compared to 2010, due to the increasing focus on pipeline integrity work and the need for utilities to repair or replace aging pipeline infrastructure.

Our downstream and other industrials sector performance has improved in 2011 as compared to 2010. However, downstream market participants still appear cautious with respect to major capital spending in refining because of international refining capacity additions, higher crude oil prices and relatively low margins relative to longer term historical levels. We believe there will be increased turnaround activity by our major customers in our U.S. refining end market in 2012 and 2013 due to customers' delays in routine turnaround activity for maintenance and repair. Our chemical and general industrials sector increased approximately 5% in 2011 compared to 2010, due to an increase in general economic activity, and growth in maintenance and capital projects activity. Internationally, where our business is heavily weighted toward the downstream sector, excluding the impact of the acquisition of MRC SPF, we have seen an improvement of 3% in revenues in 2011 as compared to 2010 due to a modest recovery in capital and operating expenditures in Europe during 2011. The impact of the European debt crisis on general economic conditions and the impact on energy consumption and the downstream sector are uncertain.

We determine backlog by the amount of unshipped third-party customer orders, either specific or general in nature (including orders held under pipe programs), which the customer may revise or cancel in certain instances. There can be no assurance that the backlog amounts will be ultimately realized as revenue, or that we will earn a profit on the backlog of orders. Our backlog at December 31, 2011 was \$823 million, including \$693 million in our North American segment and \$130 million in our International segment. In total, this backlog represents year over year growth of 41%, which we believe is a relatively good general indicator of overall activity for MRC.

Results of Operations for the years ended December 31, 2011, 2010 and 2009

Our operating results by segment are as follows (in millions). The results for the year ended December 31, 2009 only include the results of MRC Transmark (which comprises a majority of our International segment) for the two months after the business combination on October 30, 2009. Corporate administrative costs are included in the North American segment.

	December 31, 2011	Year Ended December 31, 2010	December 31, 2009
Sales:			
North America	\$ 4,502.8	\$ 3,589.9	\$ 3,610.1
International	329.6	255.6	51.8
Consolidated	<u>\$ 4,832.4</u>	<u>\$ 3,845.5</u>	<u>\$ 3,661.9</u>
Operating Income (Loss):			
North America	\$ 183.9	\$ 56.0	\$ (253.5)
International	10.7	10.4	3.8
Consolidated	<u>\$ 194.6</u>	<u>\$ 66.4</u>	<u>\$ (249.7)</u>

The following table shows key industry indicators for the years ended December 31, 2011, 2010 and 2009:

	December 31, 2011	Year Ended December 31, 2010	December 31, 2009
Average Total Rig Count(1):			
United States	1,875	1,546	1,089
Canada	422	351	221
Total North America	2,297	1,897	1,310
International	1,167	1,094	997
Total Worldwide	<u>3,464</u>	<u>2,991</u>	<u>2,307</u>
Average Oil Rig Count(1):			
United States	984	591	278
Canada	279	199	102
Total North America	<u>1,263</u>	<u>790</u>	<u>380</u>
Average Natural Gas Rig Count(1):			
United States	888	943	801
Canada	141	148	120
Total North America	<u>1,029</u>	<u>1,091</u>	<u>921</u>
Average Commodity Prices(2):			
WTI crude oil (per barrel)	\$ 94.91	\$ 79.48	\$ 61.95
Brent crude oil (per barrel)	\$ 111.26	\$ 79.61	\$ 61.74
Natural gas (\$/Mcf)	\$ 4.00	\$ 4.37	\$ 3.94
Average Monthly Well Permits(3)	5,811	5,317	4,266
3:2:1 Crack Spread(4)	\$ 25.40	\$ 12.92	\$ 7.77
PMI Index (as of December 1 of each year)(5)	53.1	57.3	55.8

(1) Source—Baker Hughes (www.bakerhughes.com) (Total rig count includes oil, natural gas and other rigs.)

(2) Source—Department of Energy, EIA (www.eia.gov)

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- (3) Source—RigData (U.S.)
 (4) Source—Commodity Systems, Inc.
 (5) Source—Institute for Supply Management

The breakdown of our sales by sector for the years ended December 31, 2011, 2010 and 2009 was as follows:

	Year Ended December 31,		
	2011	2010	2009
Upstream	47%	46%	44%
Midstream	26%	24%	24%
Downstream and other industrials	27%	30%	32%
	<u>100%</u>	<u>100%</u>	<u>100%</u>

Year Ended December 31, 2011 Compared to the Year Ended December 31, 2010

For the years ended December 31, 2011 and 2010 the following table summarizes our results of operations (in millions):

	Year Ended December 31,		\$ Change	% Change
	2011	2010		
Sales:				
North America	\$ 4,502.8	\$ 3,589.9	\$ 912.9	25%
International	329.6	255.6	74.0	29%
Consolidated	<u>\$ 4,832.4</u>	<u>\$ 3,845.5</u>	<u>\$ 986.9</u>	26%
Gross margin:				
North America	\$ 613.7	\$ 442.7	\$ 171.0	39%
International	94.5	75.4	19.1	25%
Consolidated	<u>\$ 708.2</u>	<u>\$ 518.1</u>	<u>\$ 190.1</u>	37%
Selling, general and administrative expenses:				
North America	\$ 429.8	\$ 386.7	\$ 43.1	11%
International	83.8	65.0	18.8	29%
Consolidated	<u>\$ 513.6</u>	<u>\$ 451.7</u>	<u>\$ 61.9</u>	14%
Operating income (loss):				
North America	\$ 183.9	\$ 56.0	\$ 127.9	228%
International	10.7	10.4	0.3	3%
Consolidated	<u>\$ 194.6</u>	<u>\$ 66.4</u>	<u>\$ 128.2</u>	193%
Interest expense	(136.8)	(139.6)	2.8	2%
Write off of deferred financing fees	(9.5)	—	(9.5)	N/A
Other, net	7.5	(2.0)	9.5	475%
Income tax benefit (expense)	(26.8)	23.4	(50.2)	(215)%
Net income (loss)	<u>\$ 29.0</u>	<u>\$ (51.8)</u>	<u>\$ 80.8</u>	156%
Adjusted Gross Margin	<u>849.6</u>	<u>663.2</u>	<u>186.4</u>	28%
Adjusted EBITDA	<u>\$ 360.5</u>	<u>\$ 224.2</u>	<u>\$ 136.3</u>	61%

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Sales. Sales include the revenue recognized from the sales of the products we distribute and services to customers and freight billings to customers, less cash discounts taken by customers in return for their early payment of our invoices to them. Our sales were \$4,832.4 million for the year ended December 31, 2011 as compared to \$3,845.5 million for the year ended December 31, 2010.

North American Segment—Our North American sales increased \$912.9 million to \$4,502.8 million for 2011 from \$3,589.9 million for 2010. The 25% increase was due to an increase in volume related to the improved business environment, including, in particular, the upstream and midstream sectors, which have been driven by activity levels in the oil and natural gas shale regions in the U.S. as well as the heavy oil and tar sands regions of Canada.

International Segment—Our International sales increased \$74.0 million to \$329.6 million for 2011 from \$255.6 million for 2010. Approximately \$56 million of this increase was due to the acquisition of MRC SPF in June 2011, while the remainder of the increase is due to an improvement in volume in the downstream sector in Europe during 2011.

Gross Margin. Our gross margin was \$708.2 million (14.7% of sales) for the year ended December 31, 2011 as compared to \$518.1 million (13.5% of sales) for the year ended December 31, 2010. The 1.2% improvement in gross margin percentage reflected the growth in sales, relative to certain costs such as depreciation and amortization, amortization of intangibles, and the impact of our LIFO inventory costing methodology, which are not directly related to activity levels and which remained relatively consistent from period to period. Excluding the impact of these items, gross margin percentage improved by 0.4%.

North American Segment—Gross margin for our North American segment increased to \$613.7 million (13.6% of sales) for 2011 from \$442.7 million (12.3% of sales) for 2010. The increase of \$171.0 million was due to an increase in the volume of products sold year over year. The rig count increased 21% for that same period.

International Segment—Gross margin for our International segment increased to \$94.5 million (28.7% of sales) for 2011 from \$75.4 million (29.5% of sales) for 2010, an improvement of \$19.1 million. The increase in gross margin was largely due to the acquisition of MRC SPF in June 2011, while the remainder of the increase is due to an increase in sales, particularly in Europe. The decrease in the gross margin percentage was due to the mix of products changing as a result of the acquisition of MRC SPF.

Certain purchasing costs and warehousing activities (including receiving, inspection, and stocking costs), as well as general warehousing expenses, are included in selling, general and administrative expenses and not in cost of sales. As such, our gross profit may not be comparable to others who may include these expenses as a component of costs of goods sold. Purchasing and warehousing activities costs approximated \$27.3 million and \$25.5 million for the years ended December 31, 2011 and 2010.

Adjusted Gross Margin. Adjusted Gross Margin increased to \$849.6 million (17.6% of sales) for 2011 from \$663.2 million (17.2% of sales) for 2010, an improvement of \$186.4 million. We define Adjusted Gross Margin as sales, less cost of sales, plus depreciation and amortization, plus amortization of intangibles, and plus or minus the impact of our LIFO inventory costing methodology. We present Adjusted Gross Margin because we believe it is a useful indicator of our operating performance without regard to items, such as amortization of intangibles, that can vary substantially from company to company depending upon the nature and extent of acquisitions they have been involved in. Similarly, the impact of the LIFO inventory costing method can cause results to vary substantially from company to company depending upon whether they elect to utilize the LIFO method and depending upon which method they may elect. In particular, we believe that Adjusted Gross Margin is a useful indicator of our operating performance because Adjusted Gross Margin measures our Company's operating performance without regard to acquisition transaction-related amortization

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expenses. We use Adjusted Gross Margin as a key performance indicator in managing our business. We believe that gross margin is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly comparable to Adjusted Gross Margin. The following table reconciles Adjusted Gross Margin with our gross margin, as derived from our financial statements (in millions):

	Year Ended December 31,			
	2011	Percentage of Revenue	2010	Percentage of Revenue
Gross margin, as reported	\$708.2	14.7%	\$518.1	13.5%
Depreciation and amortization	17.0	0.4%	16.6	0.4%
Amortization of intangibles	50.7	1.0%	53.9	1.4%
Increase in LIFO reserve	73.7	1.5%	74.6	1.9%
Adjusted Gross Margin	<u>\$849.6</u>	<u>17.6%</u>	<u>\$663.2</u>	<u>17.2%</u>

Selling, General and Administrative (“SG&A”) Expenses. Costs such as salaries, wages, employee benefits, rent, utilities, communications, insurance, fuel and taxes (other than state and federal income taxes) that are necessary to operate our branch and corporate operations are included in selling, general and administrative expenses. Also contained in this category are certain items that are nonoperational in nature, including certain costs of acquiring and integrating other businesses. Our selling, general and administrative expenses were \$513.6 million (10.6% of sales) for the year ended December 31, 2011 as compared to \$451.7 million (11.7% of sales) for the year ended December 31, 2010. The \$61.9 million increase was largely due to additional personnel costs such as overtime and incentives directly related to the overall increase in business activity combined with the impact of the acquisition of MRC SPF, which had SG&A expenses of \$12.3 million.

Operating Income. Operating income was \$194.6 million for the year ended December 31, 2011 as compared to operating income of \$66.4 million for the year ended December 31, 2010, an improvement of \$128.2 million.

North American Segment—Operating income for our North American segment increased to \$183.9 million for 2011 from \$56.0 million for 2010. The improvement of \$127.9 million was driven by a \$171.0 million increase in gross margin offset by a \$43.1 million increase in selling, general and administrative expenses.

International Segment—Operating income for our International segment increased to \$10.7 million for 2011 from \$10.4 million in 2010. The \$0.3 million improvement was driven a \$19.1 million improvement in gross margin that was largely offset by an \$18.8 million increase in selling, general and administrative expenses that was principally the result of our mid-year acquisition of MRC SPF.

Interest Expense. Our interest expense was \$136.8 million for the year ended December 31, 2011 as compared to \$139.6 million for the year ended December 31, 2010.

Other Income (Expense). We use derivative instruments to help manage our exposure to interest rate risks and certain foreign currency risks. The change in the fair market value of our derivatives resulted in earnings of \$7.0 million and losses of \$4.9 million during the year ended December 31, 2011 and December 31, 2010, respectively. In June 2011, we refinanced certain of our credit facilities. As a result of their termination, we wrote off and expensed \$9.5 million in deferred financing costs.

Income Tax (Expense) Benefit. Our income tax expense was \$26.8 million for the year ended December 31, 2011, as compared to an income tax benefit of \$23.4 million for the year ended

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December 31, 2010. Our effective tax rates were 48.0% and 31.1% for the years ended December 31, 2011 and 2010. These rates generally differ from the federal statutory rate of 35% principally as a result of state income taxes and differing foreign income tax rates. The 2011 effective tax rate of 48.0% includes adjustments made in the fourth quarter of \$4.0 million in deferred income tax expense required to recognize a higher rate at which we expect certain deferred taxes in the Netherlands and Canada to be realized, and an additional \$3.9 million in current income tax expense related to the taxation of our foreign operations primarily caused by a geographic shift in taxable income in different jurisdictions.

Net Income (Loss). Our net income was \$29.0 million for the year ended December 31, 2011 as compared to a \$51.8 million net loss for the year ended December 31, 2010, an improvement of \$80.8 million.

Adjusted EBITDA. We define Adjusted EBITDA as net income plus interest, income taxes, depreciation and amortization, amortization of intangibles and other non-cash charges (such as gains/losses on the early extinguishment of debt, changes in the fair value of derivative instruments and goodwill impairment) and plus or minus the impact of our LIFO inventory costing methodology. Adjusted EBITDA was \$360.5 million for the year ended December 31, 2011, as compared to \$224.2 million for the year ended December 31, 2010. Our Adjusted EBITDA increased \$136.3 million over that period primarily due to the increase in gross margin and other factors noted above.

Adjusted EBITDA is an important measure under our Global ABL Facility. In addition, we believe it provides investors a helpful measure for comparing our operating performance with the performance of other companies that have different financing and capital structures or tax rates. We believe that net income (loss) is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly comparable to Adjusted EBITDA. The following table reconciles Adjusted EBITDA with our net income (loss), as derived from our financial statements (in millions):

The calculation of Adjusted EBITDA is consistent with the computation of Consolidated Cash Flow, as defined in the indenture governing the Notes, except for the change in the LIFO reserve, which would not be an adjustment in determining Consolidated Cash Flow.

The following table reconciles Adjusted EBITDA with our net income (loss), as derived from our financial statements (in millions):

	Year Ended December 31,	
	2011	2010
Net income (loss)	\$ 29.0	\$ (51.8)
Income tax (benefit) expense	26.8	(23.4)
Interest expense	136.8	139.6
Write off of debt issuance costs	9.5	—
Depreciation and amortization	17.0	16.6
Amortization of intangibles	50.7	53.9
Change in fair value of derivative instruments	(7.0)	4.9
Share based compensation expense	8.4	3.7
Legal and consulting expenses	9.9	4.2
Joint venture termination	1.7	—
Other non-cash expenses(1)	4.0	1.9
Increase in LIFO reserve	73.7	74.6
Adjusted EBITDA	<u>\$360.5</u>	<u>\$224.2</u>

(1) Other non-cash expenses include transaction-related expenses, pre-acquisition EBITDA of MRC SPF and other items added back to net income pursuant to our then existing ABL Credit Facility.

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The following table reconciles Adjusted EBITDA with our net income (loss) in each of the quarters during the years ended December 31, 2011 and 2010 (in millions):

	Three months ended			
	12/31/2011	9/30/2011	6/30/2011	3/31/2011
Net income	\$ 3.6	\$ 21.9	\$ 4.7	\$ (1.1)
Income tax (benefit) expense	13.8	11.1	2.5	(0.7)
Interest expense	34.5	34.3	34.5	33.5
Write off of debt issuance costs	—	—	9.5	—
Depreciation and amortization	4.2	4.7	4.2	4.0
Amortization of intangibles	12.9	12.7	12.7	12.4
Change in fair value of derivative instruments	(1.8)	(1.8)	(1.6)	(1.9)
Share based compensation expense	2.1	3.8	1.0	1.5
Legal and consulting expenses	3.8	1.5	3.4	1.2
Joint venture termination	—	1.7	—	—
Other non-cash expenses(1)	(0.5)	1.4	2.1	1.0
Increase in LIFO reserve	27.7	18.3	17.6	10.1
Adjusted EBITDA	<u>\$ 100.3</u>	<u>\$ 109.6</u>	<u>\$ 90.6</u>	<u>\$ 60.0</u>

	Three months ended			
	12/31/2010	9/30/2010	6/30/2010	3/31/2010
Net income	\$ (13.5)	\$ (10.5)	\$ (15.9)	\$ (11.9)
Income tax (benefit) expense	(1.4)	(4.0)	(11.4)	(6.5)
Interest expense	34.9	35.0	34.3	35.3
Write off of debt issuance costs	—	—	—	—
Depreciation and amortization	4.4	4.1	4.1	4.0
Amortization of intangibles	12.9	13.6	13.6	13.8
Change in fair value of derivative instruments	(1.7)	1.0	1.6	4.1
Share based compensation expense	1.3	0.2	1.2	1.0
Legal and consulting expenses	1.5	1.8	0.9	—
Joint venture termination	—	—	—	—
Other non-cash expenses(1)	0.5	2.9	(2.4)	0.8
Increase in LIFO reserve	17.8	19.8	30.1	6.9
Adjusted EBITDA	<u>\$ 56.7</u>	<u>\$ 63.9</u>	<u>\$ 56.1</u>	<u>\$ 47.5</u>

(1) Other non-cash expenses include transaction-related expenses, pre-acquisition EBITDA of MRC SPF and other items added back to net income pursuant to our then existing ABL Credit Facility.

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Year Ended December 31, 2010 Compared to the Year Ended December 31, 2009

For the years ended December 31, 2010 and 2009, the following table summarizes our results of operations (in millions):

	Year Ended December 31,			
	2010	2009	\$ Change	% Change
Sales:				
North America	\$3,589.9	\$3,610.1	\$ (20.2)	<1%
International	255.6	51.8	203.8	393%
Consolidated	<u>\$3,845.5</u>	<u>\$3,661.9</u>	<u>\$ 183.6</u>	5%
Gross Margin :				
North America	\$ 442.7	\$ 534.1	\$ (91.4)	(17)%
International	75.4	13.9	61.5	442%
Consolidated	<u>\$ 518.1</u>	<u>\$ 548.0</u>	<u>\$ (29.9)</u>	(5)%
Selling, general and administrative expenses:				
North America	\$ 386.7	\$ 400.9	\$ (14.2)	(4)%
International	65.0	10.7	54.3	507%
Consolidated	<u>\$ 451.7</u>	<u>\$ 411.6</u>	<u>\$ 40.1</u>	10%
Goodwill and intangibles impairment charge:				
North America	\$ —	\$ 386.1	\$ (386.1)	(100)%
International	—	—	—	—
Consolidated	<u>\$ —</u>	<u>\$ 386.1</u>	<u>\$ (386.1)</u>	(100)%
Operating income (loss):				
North America	\$ 56.0	\$ (253.5)	\$ 309.5	122%
International	10.4	3.8	6.6	174%
Consolidated	<u>\$ 66.4</u>	<u>(249.7)</u>	<u>\$ 316.1</u>	127%
Interest expense	(139.6)	(116.5)	(23.1)	20%
Other, net	(2.0)	11.4	(13.4)	(118)%
Income tax benefit (expense)	23.4	15.0	8.4	56%
Net (loss)	<u>\$ (51.8)</u>	<u>\$ (339.8)</u>	<u>\$ 288.0</u>	85%
Adjusted Gross Margin	<u>\$ 663.2</u>	<u>\$ 493.5</u>	<u>\$ 169.7</u>	34%
Adjusted EBITDA	<u>\$ 224.2</u>	<u>\$ 218.5</u>	<u>\$ 5.7</u>	3%

Sales. Our sales were \$3,845.5 million for the year ended December 31, 2010, as compared to \$3,661.9 million for the year ended December 31, 2009, an increase of 5%.

North American Segment—Although sales were down slightly year-over-year, we started to see signs of an improving economy beginning in the fourth quarter of 2009. The previous year's results included the carryover effect from high average capital and other expenditures during 2008, which was evident in our strong results through the first four months of 2009. As the economic environment in which we operate improved, including the year-over-year growth in rig counts and commodity prices, our sales followed. The fourth quarter of 2010 represented our fifth consecutive quarter of revenue growth. During the year ended December 31, 2010, the U.S. Gross Domestic Product ("GDP") expanded by 2.9%, compared with a 2.6% contraction during the year ended December 31, 2009.

International Segment—Internationally, the inclusion of a full year's results of MRC Transmark, as compared to only two months in 2009 following its acquisition on October 31, 2009, drove the overall

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increase we experienced in sales. However, our business environment weakened in 2010 due to reduced capital and other expenditures and project delays by our customers, especially in our downstream sector.

Sales of energy carbon steel tubular products accounted for approximately 38% and 40% of our total sales for the years ended December 31, 2010 and 2009. The change in sales of our energy carbon steel tubular products from 2009 to 2010 can be attributed to an increase in volumes. Substantially all of our energy carbon steel tubular products are sold in North America. Our valves, fittings, flanges and other products are not as susceptible to significant price fluctuations and pricing was largely consistent with 2009 levels.

We operate in many foreign countries and are subject to foreign currency rate fluctuations. Approximately 20% of our 2010 revenues were generated in domiciles outside of the United States, compared to 12% in 2009 (principally as a result of the acquisition of MRC Transmark at the end of October 2009).

Gross Margin. Our North American gross margin decreased to \$442.7 million (12.3% of sales) in 2010, from \$534.1 million (14.8% of sales) in 2009. During the year ended December 31, 2010, we recognized \$74.6 million in increased cost of sales related to our use of the LIFO method of accounting for inventory costs, compared to a \$115.6 million decrease in cost of sales for the year ended December 31, 2009. Also, during the year ended December 31, 2009, we recognized a \$46.5 million inventory write-down; there was no significant inventory write-down during the year ended December 31, 2010. In addition, during 2011 we continued to liquidate higher cost inventory, from the carryover effect of 2008. These factors resulted in a reduction in our gross margins from 2009 to 2010.

Internationally, our margin remained strong, increasing to 29.5% of sales in 2010 from 26.8% of sales in 2009.

Certain purchasing costs and warehousing activities (including receiving, inspection, and stocking costs), as well as general warehousing expenses, are included in selling, general and administrative expenses and not in cost of sales. As such, our gross profit may not be comparable to others who may include these expenses as a component of costs of goods sold. Purchasing and warehousing activities costs approximated \$25.5 million and \$24.4 million for the years ended December 31, 2010 and 2009.

Adjusted Gross Margin. Our Adjusted Gross Margin was \$663.2 million (or 17.2% of sales) for the year ended December 31, 2010, as compared to \$493.5 million (or 13.5% of sales) for the year ended December 31, 2009.

The following table reconciles Adjusted Gross Margin to gross margin (in millions):

	Year Ended December 31,			
	2010	Percentage of Revenue	2009	Percentage of Revenue
Gross margin, as reported	\$518.1	13.5%	\$ 548.0	15.0%
Depreciation and amortization	16.6	0.4%	14.5	0.4%
Amortization of intangibles	53.9	1.4%	46.6	1.3%
Increase in LIFO reserve	74.6	1.9%	(115.6)	(3.2)%
Adjusted Gross Margin	<u>\$663.2</u>	<u>17.2%</u>	<u>\$ 493.5</u>	<u>13.5%</u>

Selling, General and Administrative Expenses. Our selling, general and administrative expenses were \$451.7 million (or 11.7% of sales) for the year ended December 31, 2010, as compared to \$411.6 million (or 11.2% of sales) for the year ended December 31, 2009. This increase is attributable to our International operations where SG&A expenses increased \$54.3 million as the

result of the inclusion of a full year of expenses of MRC Transmark as compared to only two months of activity in 2009 following its October 31, 2009 acquisition. Our North American SG&A expenses as a percentage of sales decreased to 10.8% from 11.1%, as we implemented various cost savings initiatives, including reducing employee headcount by 2%, to right size our operations in light of the economic environment we faced.

Goodwill and Intangibles Impairment Charge. During 2009, our earnings progressively decreased due to the reductions in our customers' expenditure programs caused by the global economic recession, reductions in oil and natural gas commodity prices and other factors. These reductions resulted in reduced demand for our products and lower sales prices and margins, which altered our view of our marketplace. Consequently, we revised certain long-term projections for our business, which, in turn, impacted its estimated fair value. We concluded that the carrying value of our North American goodwill and our indefinite lived trade names exceeded their fair value resulting in a non-cash goodwill and intangibles impairment charge in the amount of \$386.1 million during the year ended December 31, 2009. There was no such goodwill and intangibles impairment charge recorded during the year ended December 31, 2010.

Operating Income (Loss). Operating income was \$66.4 million for the year ended December 31, 2010, as compared to an operating loss of \$249.7 million for the year ended December 31, 2009.

North American Segment—Operating income for our North American segment increased to \$56.0 million in 2010 from a loss of \$253.5 million in 2009 an improvement of \$309.5 million. Results in 2009 were negatively impacted by the \$386.1 million non-cash goodwill and intangibles impairment charge, as well as the \$46.5 million non-cash inventory write down. Excluding these non-cash items, operating income declined by \$116.5 million principally as a result of reduced gross margins.

International Segment—Operating income for our International segment increased to \$10.4 million in 2010 from \$3.8 million in 2009. We acquired our international operations in October 2009, therefore, only two months of operating income are included in 2009.

Interest Expense. Our interest expense was \$139.6 million for the year ended December 31, 2010, as compared to \$116.5 million for the year ended December 31, 2009. The increase was due to a higher weighted-average interest rate, including the impact of our interest rate swap agreements and various commitment fees, which increased to 8.5% during 2010 from 6.6% in 2009. The issuance of our Notes in December 2009 and February 2010 had the impact of increasing the interest rate that we pay on \$1.05 billion of debt by approximately 250 basis points. Also, in connection with the amendment to our then-existing principal revolving credit facility, the interest rate and commitment fees on such facility increased by approximately 200 basis points and 12.5 basis points, respectively.

Other Income (Expense). We use derivative instruments to help manage our exposure to interest rate risks and certain foreign currency risks. The change in the fair market value of our derivatives reduced earnings by \$4.9 million for the year ended December 31, 2010 and increased earnings by \$8.9 million for the year ended December 31, 2009.

Income Tax Benefit (Expense). Our income tax benefit was \$23.4 million for the year ended December 31, 2010, as compared to income tax benefit of \$15.0 million for the year ended December 31, 2009. Our effective tax rates were 31.1% for the year ended December 31, 2010 and 4.2% for the year ended December 31, 2009. The 2010 rate differs from the federal statutory rate of 35% principally as a result of the impact of differing foreign income tax rates, which included the establishment of a valuation allowance related to certain foreign net operating loss carryforwards. The 2009 rate differs from the federal statutory rate primarily as a result of our nondeductible goodwill impairment charge.

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Net (Loss). Our net loss was \$51.8 million for the year ended December 31, 2010 as compared to \$339.8 million for the year ended December 31, 2009, an improvement of \$288.0 million, primarily as a result of the non-cash \$386.1 million goodwill and intangibles impairment charge and \$46.5 million non-cash inventory write down. Excluding these non-cash items and their related income tax effects, net loss was lower by \$98.9 million principally as a result of reduced gross margins from North American operations recorded in 2009.

Adjusted EBITDA. Adjusted EBITDA was \$224.2 million for the year ended December 31, 2010, as compared to \$218.5 million for the year ended December 31, 2009.

The following table reconciles Adjusted EBITDA with our net income (loss), as derived from our financial statements (in millions):

	Year Ended December 31,	
	2010	2009
Net income (loss)	\$ (51.8)	\$ (339.8)
Income tax (benefit) expense	(23.4)	(15.0)
Interest expense	139.6	116.5
Depreciation and amortization	16.6	14.5
Amortization of intangibles	53.9	46.6
Inventory write-down	0.4	46.5
Change in fair value of derivative instruments	4.9	(8.9)
Goodwill impairment charge	—	386.1
MRC Trademark pre-acquisition contribution	—	38.5
Gain on early extinguishment of debt	—	(1.3)
Amortization of Purchase Price Accounting	—	15.7
Share based compensation expense	3.7	7.8
M&A transaction & integration expenses	1.4	17.5
Legal and consulting expenses	4.2	1.9
Other non-cash expenses(1)	0.1	7.5
LIFO	74.6	(115.6)
Adjusted EBITDA	<u>\$ 224.2</u>	<u>\$ 218.5</u>

(1) Other non-cash expenses include transaction-related expenses, pre-acquisition EBITDA of MRC SPF, and other items added back to net income pursuant to our then existing ABL Credit Facility.

Financial Condition and Cash Flows

Financial Condition

The following table sets forth selected balance sheet data for the periods indicated below (in millions):

	December 31, 2011	December 31, 2010	December 31, 2009
Inventory	\$ 899.1	\$ 765.4	\$ 871.7
Working capital	1,074.7	842.6	930.2
Long-term debt, including current portion	1,526.7	1,360.2	1,452.6
Days sales outstanding (quarterly)	55.1	52.4	55.5
Annual inventory turns	5.0x	4.1x	2.9x

Starting in 2010, we have been emphasizing a shift in our sales to higher gross margin products. Typically, OCTG (within our energy carbon steel tubular product portfolio) has generated the lowest

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gross margin. In alignment with this shift in emphasis, we have been re-balancing our inventories. At December 31, 2011, our energy carbon steel tubular products constituted approximately 45% of our inventory balance, down from 56% at the end of 2009. Conversely, our oilfield and natural gas distribution products, which typically generate a higher gross margin, comprised 55% of our inventory at December 31, 2011, up from 44% at the end of 2009.

Our working capital increased 28% from 2010 to 2011, as higher business activity levels drove volume related growth in inventories, accounts receivable and accounts payable, resulting in a \$166.5 million increase in long-term borrowings from 2010 to 2011. We closely monitor our working capital position to ensure that we have the appropriate flexibility for our operations.

Cash Flows

The following table sets forth our cash flows for the periods indicated below (in millions):

	Year Ended December 31,		
	2011	2010	2009
Net cash provided by (used in):			
Operating activities	\$(102.9)	\$112.7	\$ 505.5
Investing activities	(48.0)	(16.2)	(66.9)
Financing activities	140.6	(98.2)	(393.9)
Net (decrease) increase in cash and cash equivalents	<u>\$ (10.3)</u>	<u>\$ (1.7)</u>	<u>\$ 44.7</u>
Effect of foreign exchange rate on cash	\$ 0.3	\$ 1.7	\$ (0.6)

Operating Activities

Net cash used in operating activities was \$102.9 million in 2011, compared to net cash provided by operating activities of \$112.7 million in 2010. The decrease in net cash used in operations was primarily the result of an increase in working capital required to meet the demands of increased business activity levels. Increased investment in working capital is typical in our business during periods of growth.

Net cash provided by operating activities decreased by \$392.8 million to \$112.7 million for the year ended December 31, 2010. In 2009, we implemented our inventory reduction plan in response to changing market conditions which contributed to the \$505.5 million of cash provided by operations.

During 2008, cash used in operations was \$137.4 million, which included an increase in operating assets and liabilities of \$585.4 million.

Investing Activities

Net cash used in investing activities was \$48.0 million in 2011, compared to \$16.2 million in 2010. The \$31.8 million increase in cash used in investing activities is primarily due to the acquisitions of MRC SPF and the Valve Systems and Controls business unit of Curtiss-Wright Flow Control Corporation ("VSC"). Our capital expenditures as a percentage of sales was 0.4% in both 2011 and 2010. We believe that this level of capital expenditures is typical for our business.

Net cash used in investing activities decreased by \$50.7 million to \$16.2 million for the year ended December 31, 2010. In each year, our net cash used primarily related to our acquisition activity. In 2010, \$12.4 million was used to acquire The South Texas Supply Co. ("South Texas Supply") and Dresser Oil Tools & Supply. In 2009, \$55.5 million was used to acquire MRC Transmark.

Net cash used in investing activities in 2008 was \$314.2 million, which included \$298.7 million for acquisitions and \$18.4 million for capital expenditures, net of disposals.

Financing Activities

Net cash provided by financing activities was \$140.6 million in 2011, compared to net cash used in financing activities of \$98.2 million used in 2010. These activities generally reflect advances and payments on our revolving credit facilities. In 2011, we advanced \$150.4 million under such facilities in order to fund growth in working capital in addition to the acquisitions of MRC SPF and VSC. By contrast, in 2010 we repaid \$141.9 million under these facilities reflecting our efforts to reduce working capital, particularly inventory, in a weaker business environment.

Net cash used in financing activities decreased by \$295.7 million to \$98.2 million for the year ended December 31, 2010. The decrease reflected our discipline in managing our working capital and paying down our indebtedness in a difficult business environment.

Liquidity and Capital Resources

Our primary sources of liquidity consist of cash generated from our operating activities, existing cash balances and borrowings under our existing revolving credit facilities. Our ability to generate sufficient cash flows from our operating activities will continue to be primarily dependent on our sales of products to our customers at margins sufficient to cover our fixed and variable expenses. As of December 31, 2011 and 2010, we had cash and cash equivalents of \$46.1 million and \$56.2 million, respectively. As of December 31, 2011 and 2010, \$41.0 million and \$50.7 million of our cash and cash equivalents was maintained in the accounts of our various foreign subsidiaries and, if such amounts were transferred among countries or repatriated to the U.S., such amounts may be subject to additional tax liabilities, which would be recognized in our financial statements in the period during which such decision was made. We have the intent and ability to permanently reinvest the cash held by our foreign subsidiaries and there are currently no plans that require the repatriation of such amounts.

As of December 31, 2011, our credit facilities consisted of a \$1.05 billion North American asset-based revolving credit facility that provided for borrowings of up to \$900 million under a U.S. tranche and CAD\$150 million under a Canadian tranche, a €10 million multi-currency overdraft facility, and a €60 million credit facility at our principal international subsidiary, which consisted of a AUD\$30.3 million term loan facility and a €34.5 million revolving credit facility, with a €20 million sublimit on letters of credit. We maintained these facilities primarily to finance our working capital and operations, as well as pursue certain mergers and acquisitions. As of December 31, 2011, we had \$583.7 million available under these credit facilities, which represented approximately a \$109.0 million increase in availability under similar facilities at December 31, 2010. As noted above, our ability to transfer funds among countries could be hampered by additional tax liabilities imposed as a result of these transfers.

On March 27, 2012, we entered into a new \$1.25 billion multi-currency Global ABL Facility, which replaced our existing \$1.05 billion North American asset-based revolving credit facility, the €10 million multi-currency overdraft facility, and the €60 million credit facility at our principal international subsidiary. For additional information about the Global ABL Facility, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Description of Our Indebtedness—Global ABL Facility."

We also have \$1.05 billion of our Notes outstanding. In December 2009, we issued \$1.0 billion of Notes and applied the net proceeds to pay substantially all the outstanding borrowings under our then existing term loan and our junior term loan facilities. In February 2010, we issued an additional \$50 million of Notes and applied the net proceeds to repay amounts outstanding under our U.S. revolving credit facility. See "Corporate Structure" for an explanation of our debt in our capital structure.

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Our credit ratings are below “investment grade” and as such could impact both our ability to raise new funds as well as the interest rates on our future borrowings. Our ability to incur additional debt is restricted by our existing obligations. We were in compliance with the covenants contained in the Indenture and various credit facilities as of and during the year ended December 31, 2011.

We believe our sources of liquidity will be sufficient to satisfy the anticipated cash requirements associated with our existing operations for at least the next twelve months. However, our future cash requirements could be higher than we currently expect as a result of various factors. Additionally, our ability to generate sufficient cash from our operating activities depends on our future performance, which is subject to general economic, political, financial, competitive and other factors beyond our control. We may from time to time seek to raise additional debt or equity financing in the public or private markets, based on market conditions. There can be no assurance that we will be able to raise any such financing on terms acceptable to us or at all. We may also seek, from time to time, depending on market conditions, to refinance certain categories of our debt, including our Notes and our debt agreements. We may also, from time to time, seek to repurchase our Notes in the open market or otherwise. Any such transaction would be subject to market conditions, compliance with all of our debt agreements, and various other factors.

Contractual Obligations, Commitments and Contingencies

Contractual Obligations

The following table summarizes our minimum payment obligations as of December 31, 2011 relating to long-term debt, interest payments, capital leases, operating leases, purchase obligations and other long-term liabilities for the periods indicated (in millions):

	<u>Total</u>	<u>2012</u>	<u>2013-2014</u>	<u>2015-2016</u>	<u>More Than 5 Years</u>
Long-term debt(1)	\$1,526.7	\$ —	\$ 38.6	\$1,488.1	\$ —
Interest payments(2)	552.6	114.2	225.3	213.1	—
Interest rate swap	2.2	2.2	—	—	—
Capital leases	3.3	0.5	1.0	0.6	1.2
Operating leases	114.6	31.3	44.8	21.7	16.8
Purchase obligations(3)	617.7	617.7	—	—	—
Other long-term liabilities	14.6	—	—	—	14.6
Total	<u>\$2,831.7</u>	<u>\$765.9</u>	<u>\$ 309.7</u>	<u>\$1,723.5</u>	<u>\$ 32.6</u>

(1) Long-term debt is based on debt outstanding on December 31, 2011.

(2) Interest payments are based on interest rates in effect at December 31, 2011 and assume contractual amortization payments.

(3) Purchase obligations reflect our commitments to purchase PVF products in the ordinary course of business. While our vendors often allow us to cancel these purchase orders without penalty, in certain cases cancellations may subject to cancellation fees or penalties, depending on the terms of the contract.

We historically have been an acquisitive company. We expect to fund future acquisitions primarily with cash flows from (i) borrowings, either the unused portion of our facilities or new debt issuances, (ii) cash provided by operations, or (iii) the issuance of additional equity in connection with such acquisitions.

Description of Our Indebtedness

ABL Credit Facility

In June 2011, McJunkin Red Man Corporation and certain of its subsidiaries entered into an asset-based revolving credit facility with Bank of America, N.A., as agent and a lender (the "Agent") and other lenders from time to time parties to the facility. McJunkin Red Man Corporation is a wholly owned, direct subsidiary of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation). See "Corporate Structure". On March 27, 2012, we refinanced all indebtedness outstanding under the ABL Credit Facility and replaced it with the Global ABL Facility. The ABL Credit Facility consisted of:

- a U.S. tranche, under which McJunkin Red Man Corporation and certain of its U.S. subsidiaries (the "U.S. Borrowers") could borrow in U.S. Dollars up to a maximum amount of the lesser of the U.S. Borrowing Base (as defined below) and \$900 million (the "Total U.S. Commitment"), and
- a Canadian tranche, under which Midfield Supply LLC, a wholly owned Canadian subsidiary of McJunkin Red Man Corporation, could borrow in Canadian Dollars up to a maximum amount of the lesser of its Canadian Borrowing Base (as defined below) and CAD\$150 million (the "Total Canadian Commitment").

The U.S. Borrowers could use up to \$80 million of the U.S. tranche for letters of credit and up to \$75 million for swingline loans. Subject to certain conditions, McJunkin Red Man Corporation had the power to designate other Canadian subsidiaries as borrowers under the ABL Credit Facility (together with Midfield Supply LLC, the "Canadian Borrowers"). The Canadian Borrowers could use up to CAD\$20 million of the Canadian tranche for letters of credit and up to CAD\$25 million for swingline loans. We refer to the Canadian Borrowers and the U.S. Borrowers collectively as the "Borrowers" in this "—ABL Credit Facility" description.

Each Canadian Borrower was permitted to make borrowings under the Canadian tranche in Canadian Dollars of up to the maximum amount of the lesser of its Canadian Borrowing Base (calculated separately from the Canadian Borrowing Bases of the other Canadian Borrowers) and the Total Canadian Commitment (less the borrowings of any other Canadian Borrowers). Subject to certain conditions, the Total U.S. Commitment and the Total Canadian Commitment could increase from time to time up to an amount which, in the aggregate for all such increases, did not exceed \$250 million.

Borrowing Bases. The "U.S. Borrowing Base" was equal to the sum of:

- the book value of eligible accounts receivable of the U.S. Borrowers; plus
- the lesser of:
 - 70% of the net book value of eligible inventory (adding back the LIFO reserve calculated in accordance with GAAP) of the U.S. Borrowers and
 - the net orderly liquidation value of eligible inventory (net of current monthly shrinkage reserve calculated in accordance with GAAP and valued at cost) of the U.S. Borrowers multiplied by the advance rate of 85%;
- minus certain reserves.

Each "Canadian Borrowing Base" was equal to the sum of:

- the book value of eligible accounts receivable of the applicable Canadian Borrower; plus
- the lesser of:
 - 70% of the net book value of eligible inventory (adding back the LIFO reserve calculated in accordance with GAAP) of the applicable Canadian Borrower and

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• the net orderly liquidation value of eligible inventory (net of current monthly shrinkage reserve calculated in accordance with GAAP and valued at cost) of the applicable Canadian Borrower multiplied by the advance rate of 85%;

• minus certain reserves.

Guarantees and Security. The U.S. Borrowers guaranteed the obligations under the U.S. tranche. The U.S. Borrowers and the Canadian Borrowers guaranteed the obligations under the Canadian tranche.

Obligations under the U.S. tranche were secured, subject to certain exceptions, by a first-priority security interest in the accounts receivable and inventory of the U.S. Borrowers. Obligations under the Canadian tranche were secured, subject to certain exceptions, by:

• a first-priority security interest in the accounts receivable and inventory of the U.S. Borrowers and the Canadian Borrowers and

• a pledge of indebtedness owing to the Canadian Borrowers and capital stock of their wholly owned subsidiaries.

The security interest in accounts receivable and inventory of the U.S. Borrowers ranked prior to the security interest in this collateral, which secured the Notes (as defined below).

Interest Rate and Fees. Borrowings under the U.S. tranche bore interest at a rate per annum equal to, at the U.S. Borrower's option, either:

• the adjusted LIBOR rate plus an applicable margin or

• a U.S. base rate plus an applicable margin.

Borrowings under the Canadian Tranche bore interest at a rate per annum equal to, at the Canadian Borrower's option, either:

• the adjusted Canadian BA Rate (as defined) plus an applicable margin,

• a Canadian base rate plus an applicable margin or

• a Canadian prime rate plus an applicable margin.

The applicable margin was initially 2.00% for LIBOR and Canadian BA Rate borrowings and 1.00% for the U.S. base rate, Canadian base rate and Canadian prime rate borrowings, in each case subject to a 0.25% step-up or step-down based on a consolidated fixed charge coverage ratio as of the end of the most recent fiscal quarter. The applicable margin for the U.S. base rate, Canadian base rate and Canadian prime rate borrowings was 100 basis points lower than the applicable margin for LIBOR and Canadian BA Rate borrowings.

In addition to paying interest on outstanding principal under the ABL Credit Facility, the Borrowers were required to pay a commitment fee in respect of unutilized commitments under the ABL Credit Facility, which was equal to 0.375% per annum.

Voluntary Prepayments. The Borrowers could voluntarily prepay the principal of any advance, without penalty or premium, at any time in whole or in part, subject to the payment of certain costs in the case of LIBOR and Canadian BA Rate borrowings.

Restrictive Covenants and Other Matters. The ABL Credit Facility required the Company and its restricted subsidiaries, on a consolidated basis, to maintain a fixed charge coverage ratio (defined as

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the ratio of EBITDA to the sum of cash interest, principal payments on indebtedness, unfinanced capital expenditures and accrued income taxes) of at least 1.0 to 1.0 when excess availability was less than or equal to the greater of:

- 10% of the total commitments under the ABL Credit Facility; and
- \$75 million.

The ABL Credit Facility also contained restrictive covenants (in each case, subject to exclusions) that limited, among other things, the ability of the Borrowers and their restricted subsidiaries to:

- create, incur, assume, or suffer to exist, any liens;
- create, incur, assume or permit to exist, directly or indirectly, any additional indebtedness;
- consolidate, merge, amalgamate, liquidate, wind up, or dissolve themselves;
- convey, sell, lease, license, assign, transfer or otherwise dispose of the Borrowers' or their restricted subsidiaries' assets;
- make certain restricted payments;
- make certain investments;
- amend or otherwise alter the terms of documents related to certain subordinated indebtedness;
- enter into transactions with affiliates; and
- prepay certain subordinated indebtedness.

The ABL Credit Facility also contained other customary restrictive covenants. The covenants were subject to various baskets and materiality thresholds, with many restrictions on the repayment of subordinated indebtedness, restricted payments and investments not being applicable when the Borrowers' excess availability exceeded a certain threshold. The restriction on incurring unsecured indebtedness was not applicable when the Borrowers' and their restricted subsidiaries' total debt to EBITDA ratio was less than or equal to 5.5:1.0, and the restriction on incurring secured indebtedness was not applicable when, among other things, the Borrowers' and their restricted subsidiaries' secured debt to EBITDA ratio was less than or equal to 5.0:1.0.

The ABL Credit Facility contained certain customary representations and warranties, affirmative covenants and events of default, including, among other things, payment defaults, breach of representations and warranties, covenant defaults, cross-defaults to certain indebtedness, certain events of bankruptcy, certain events under ERISA, judgment defaults, actual or asserted failure of any material guaranty or security document supporting the ABL Credit Facility to be in force and effect and change of control. If such an event of default occurred, the Agent under the ABL Credit Facility was entitled to take various actions, including the acceleration of amounts due under the ABL Credit Facility, the termination of all revolver commitments and all other actions that a secured creditor is permitted to take.

Senior Secured Notes

In December 2009, McJunkin Red Man Corporation issued \$1.0 billion of the Notes. We used the proceeds of the offering of the Notes to pay all the outstanding borrowings under our then-existing term loan facility and junior term loan facility. McJunkin Red Man Corporation issued an additional \$50 million of Notes in February 2010. See "Corporate Structure".

The Notes mature on December 15, 2016. Interest accrues at 9.50% per annum and is payable semi-annually in arrears on June 15 and December 15, commencing on June 15, 2010. The Notes are

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guaranteed on a senior secured basis by MRC Global Inc. and all of the current and future wholly owned domestic subsidiaries of McJunkin Red Man Corporation (other than certain excluded subsidiaries) and any of McJunkin Red Man Corporation's future restricted subsidiaries that guarantee any indebtedness of McJunkin Red Man Corporation or any subsidiary guarantor, including the ABL Credit Facility (the "Subsidiary Guarantors").

Redemption and Repurchase. At any time prior to December 15, 2012 and subject to certain conditions, McJunkin Red Man Corporation may, on any one or more occasions, redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture at a redemption price of 109.50%, plus accrued and unpaid interest, with the cash proceeds of certain qualifying equity offerings. Additionally, at any time prior to December 15, 2012, McJunkin Red Man Corporation may, on any one or more occasions, redeem all or a part of the Notes at a redemption price equal to 100%, plus any accrued and unpaid interest, and plus a make-whole premium. On or after December 15, 2012, McJunkin Red Man Corporation may redeem all or a part of the Notes upon not less than 15 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest:

<u>Year</u>	<u>Percentage</u>
On or after December 15, 2012, but before December 15, 2013	107.125%
On or after December 15, 2013 but before December 15, 2014	104.750%
On or after December 15, 2014 but before December 15, 2015	102.375%
On or after December 15, 2015 and thereafter	100.000%

Upon the occurrence of a change of control as defined under the Indenture, McJunkin Red Man Corporation will be required to make an offer to repurchase each holder's Notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest to the date of repurchase.

Covenants. The Indenture contains covenants that limit the ability of McJunkin Red Man Corporation and its restricted subsidiaries to, among other things, incur additional indebtedness, issue certain preferred stock or disqualified capital stock, create liens, pay dividends or make other restricted payments, make certain payments on debt that is subordinated or secured on a basis junior to the Notes, make investments, sell assets, create restrictions on the payment of dividends or other amounts to McJunkin Red Man Corporation from restricted subsidiaries, consolidate, merge, sell or otherwise dispose of all or substantially all of McJunkin Red Man Corporation's assets, enter into transactions with affiliates, and designate subsidiaries as unrestricted subsidiaries.

Collateral. The Notes and the Subsidiary Guarantor guarantees are secured on a senior basis (subject to permitted prior liens), together with any other Notes issued under the Indenture or other debt that is secured equally and ratably with the Notes, subject to certain conditions ("Priority Lien Obligations"), equally and ratably by security interests granted to the collateral trustee in all Notes Priority Collateral (as such term is defined in the Indenture) from time to time owned by McJunkin Red Man Corporation or the Subsidiary Guarantors. The guarantee of MRC Global Inc. of the Notes is not secured. The Notes Priority Collateral generally comprises substantially all of McJunkin Red Man Corporation's and the Subsidiary Guarantors' tangible and intangible assets, other than specified excluded assets.

The Notes and the guarantees by the Subsidiary Guarantors are also secured on a junior basis (subject to the lien to secure the ABL Credit Facility and other permitted prior liens) by security interests granted to the collateral trustee in all ABL Priority Collateral (as such term is defined in the Indenture) that McJunkin Red Man Corporation or the Subsidiary Guarantors owns from time to time. Subject to certain exceptions, the ABL Priority Collateral generally comprises substantially all of McJunkin Red Man Corporation's and the Subsidiary Guarantors' accounts receivable, inventory,

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general intangibles and other assets relating to the foregoing, deposit and securities accounts, and proceeds and products of the foregoing, other than specified excluded assets. Assets owned by McJunkin Red Man Corporation's non-guarantor subsidiaries and by MRC Global Inc. are not part of the collateral securing the Notes.

MRC Transmark Facility

MRC Transmark and its material subsidiaries (the "MRC Transmark Group") were parties to a €60 million credit facility with HSBC Bank PLC, dated September 17, 2010 (as amended, restated and supplemented from time to time, the "MRC Transmark Facility") which consisted of a AUD\$30.3 million (USD\$31 million) term loan facility and a €34.5 million (USD\$45 million) revolving credit facility, with a €20 million (USD \$26 million) sublimit on letters of credit. MRC Transmark Holdings UK Limited was also party to a €10 million (USD\$13 million) multi-currency overdraft facility, which was entered into on June 30, 2011. At December 31, 2011, AUD\$30.3 million (USD\$31 million) was outstanding under the MRC Transmark Facility, USD\$45.0 million was available under the MRC Transmark Facility, and the weighted average interest rate on borrowings was 7.17%. At December 31, 2011, €0.2 million (USD\$0.3 million) was outstanding under the multi-currency overdraft facility. On March 27, 2012, each of the above facilities was repaid in full and terminated.

The MRC Transmark Facility reduced by €10 million (USD\$13 million) over its three year term (subject to foreign exchange calculations given its dual currency nature). The multi-currency overdraft facility had a term of one year.

The MRC Transmark Facility bore interest at LIBOR or, in relation to any loan in Euros, EURIBOR, plus an applicable margin. The margin was calculated according to the following table:

<u>Leverage Ratio</u>	<u>Margin</u>
Less than or equal to 0.75:1	1.50%
Greater than 0.75:1, but less than or equal to 1.00:1	1.75%
Greater than 1.00:1, but less than or equal to 1.50:1	2.00%
Greater than 1.50:1, but less than or equal to 2.00:1	2.25%
Greater than 2.00:1	2.50%

MRC Transmark and its material subsidiaries guaranteed the MRC Transmark Facility. Substantially all of the assets of the MRC Transmark Group secured the MRC Transmark Facility.

The MRC Transmark Facility also required MRC Transmark to ensure (in respect of the MRC Transmark Group):

• an interest coverage ratio not less than 3.50:1, and

• a leverage ratio not to exceed 2.50:1.

We were in compliance with these covenants as of and for the year ended December 31, 2011.

Global ABL Facility

On March 27, 2012, McJunkin Red Man Corporation and certain of its subsidiaries entered into a new multi-currency Global ABL Facility (the "Global ABL Facility") which replaced our then existing ABL Credit Facility, the MRC Transmark Facility and our UK overdraft facility. The administrative agent and collateral agent for the facility is Bank of America, N.A. and the co-syndication agents of the facility are Barclays Bank PLC and Wells Fargo Capital Finance LLC. The following description contains a summary of the material terms of the Global ABL Facility.

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The Global ABL Facility consists of up to US\$1.25 billion of the following revolving credit facilities:

- a US\$1.025 billion U.S. tranche, with McJunkin Red Man Corporation and certain of its U.S. subsidiaries as borrowers (the “U.S. Borrowers”), available in U.S. dollars;
- a US\$145 million Canadian tranche, with Midfield Supply ULC, a wholly owned Canadian subsidiary of McJunkin Red Man Corporation as borrower, available in Canadian dollars and U.S. dollars;
- a US\$12 million UK tranche, with certain indirect wholly owned UK subsidiaries of McJunkin Red Man Corporation organized under the laws of England and Wales as borrowers, available in British pounds sterling, U.S. dollars and euros, and up to \$5 million of which is available in other currencies subject to administrative agent approval;
- a US\$52 million Australian tranche, with certain indirect wholly owned subsidiaries of McJunkin Red Man Corporation organized under the laws of Australia as borrowers, available in Australian dollars, British pounds sterling, U.S. dollars and euros;
- a US\$9 million Dutch tranche, with certain indirect wholly owned subsidiaries of McJunkin Red Man Corporation organized under the laws of the Netherlands as borrowers, available in U.S. dollars and euros; and
- a US\$7 million Belgian tranche, with MRC Transmark NV, an indirect, wholly owned subsidiary of McJunkin Red Man Corporation organized under the laws of Belgium as borrower, available in U.S. dollars and euros.

Each of the facilities includes sublimits for letters of credit and swingline loans. All of the borrowers under the facilities described above are referred to herein as the “Borrowers,” and all of the Borrowers, other than the U.S. Borrowers, are referred to herein as the “Foreign Borrowers.” The U.S. tranche is referred to as the “U.S. Facility,” the Belgian tranche is referred to as the “Belgian Facility,” all of the foreign facilities described above are referred to as the “Foreign Facilities,” and the U.S. Facility and the Foreign Facilities are referred to collectively as the “Facilities.” The Global ABL Facility allows the addition of other borrowers in the above jurisdictions and also allows for potential future borrowers organized in New Zealand and Singapore.

Accordion. Subject to certain conditions, the principal amount of the Global ABL Facility may be increased from time to time up to an amount which, in the aggregate for all such increases, does not exceed US\$300 million.

Maturity. The Global ABL Facility matures in March 2017. However, the facility also has a springing maturity date on the date that is 90 days prior to the current maturity date of the Notes if the maturity date for the Notes is not extended to June 30, 2017 or later.

Borrowing Base. With respect to each Facility, advances are limited to (a) the aggregate commitments under such Facility and (b) the sum of the following for the U.S. Borrowers or the applicable Foreign Borrower:

- 85% of the book value of eligible accounts receivable; plus
- for all Facilities other than the Belgian Facility, the lesser of:
 - 70% of the net book value of eligible inventory (adding back the LIFO reserve with respect to the U.S. and Canadian Facilities) and
 - 85% of the appraised net orderly liquidation value of eligible inventory (net of current monthly shrinkage reserve calculated in accordance with GAAP and valued at cost);

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• for the Belgian Facility only:

• for Belgian inventory subject to a business pledge under Belgian law, 50% multiplied by the lesser of 70% of the net book value of eligible inventory and 85% of the appraised net orderly liquidation value of eligible inventory; plus

• for Belgian inventory subject to a possessory pledge under Belgian law, 100% multiplied by the lesser of 70% of the net book value of eligible inventory and 85% of the appraised net orderly liquidation value of eligible inventory;

• minus certain reserves.

Each Foreign Borrower has a separate stand alone Borrowing Base that limits the Foreign Borrower's ability to borrow under its respective Facility, *provided* that the Foreign Borrowers may utilize excess availability under the U.S. Facility to borrow amounts in excess of their respective borrowing bases (but not to exceed the applicable commitment amount for such Foreign Borrower's jurisdiction), which utilization will reduce availability under the U.S. Facility dollar for dollar.

Guarantees. Obligations of the U.S. Borrowers are guaranteed by each of the wholly owned material U.S. subsidiaries of the U.S. Borrowers (the "U.S. Guarantors"). The obligations of the Foreign Borrowers are guaranteed by the U.S. Borrowers and the U.S. Guarantors (collectively, the "Guarantors").

Security. Obligations under the U.S. Facility are primarily secured, subject to certain exceptions, by a first-priority security interest in the accounts receivable, inventory and related assets of the U.S. Borrowers and U.S. Guarantors. The obligations of any Foreign Borrower are primarily secured, subject to certain exceptions, by a first-priority security interest in the accounts receivable, inventory and related assets of such Foreign Borrower and the Guarantors and a first-priority pledge by such Foreign Borrower of the equity interests of its direct wholly owned restricted subsidiaries incorporated in the relevant borrower jurisdictions and intercompany debt instruments held by such Foreign Borrower. No property of a Foreign Borrower or its subsidiaries secures the U.S. Facility. The security interest in accounts receivable, inventory and related assets of the U.S. Borrowers ranks prior to the security interest in this collateral which secures the Notes.

Interest Rates and Fees. Prior to September 1, 2012, borrowings bear interest at a rate equal to:

• in the case of U.S. dollar and euro advances,

• LIBOR plus 1.75%,

• for base rate advances in the U.S. or Canada, the U.S. Base Rate (or Canadian Base Rate if in Canada) plus 0.75%, or

• for base rate advances outside the U.S. and Canada, an applicable Base Rate plus 1.75%,

• in the case of Canadian dollar advances, the BA Equivalent Rate plus 1.75% or the Canadian Prime Rate plus 0.75%,

• in the case of British pound sterling advances, LIBOR plus 1.75% or the UK Base Rate plus 1.75%, or

• in the case of Australian dollar advances, the Australian Bank Bill Rate plus 1.75% or the Australian Base Rate plus 1.75%.

On and after September 1, 2012, the applicable margins will be subject to a 0.25% step-up or step-down based on a consolidated fixed charge coverage ratio as of the end of the fiscal quarter that most recently ended.

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In addition to paying interest on outstanding principal under the Global ABL Facility, the Borrowers are required to pay a commitment fee in respect of unutilized commitments, which is equal to 0.375% per annum for each Facility (0.25% per annum if utilization of a Facility exceeds 50% of the aggregate commitments under such Facility).

Voluntary Prepayment. The Borrowers will be able to voluntarily prepay the principal of any advance, without penalty or premium, at any time in whole or in part, subject to certain breakage costs.

Restrictive Covenants and Other Matters. The Global ABL Facility requires the Company and its restricted subsidiaries, on a consolidated basis, to maintain a minimum fixed charge coverage ratio of at least 1.0 to 1.0 when an event of default has occurred or when excess availability is less than the greater of:

- 10% of the total commitments under the Global ABL Facility; and
- \$95 million.

The Global ABL Facility also contains restrictive covenants (in each case, subject to exclusions) that limit, among other things, the ability of the Borrowers and their restricted subsidiaries to:

- create, incur, assume or suffer to exist, any liens,
- create, incur, assume or permit to exist, directly or indirectly, and additional indebtedness,
- consolidate, merge, amalgamate, liquidate, wind up or dissolve themselves,
- convey, sell, lease, license, assign, transfer or otherwise dispose of their assets,
- make certain restricted payments,
- make certain investments,
- amend or otherwise alter the terms of documents related to certain subordinated indebtedness,
- enter into transactions with affiliates, and
- prepay certain subordinated indebtedness.

The Global ABL Facility also contains other customary restrictive covenants. The covenants are subject to various baskets and materiality thresholds, with many restrictions on the repayment of subordinated indebtedness, restricted payments and investments not being applicable when the Borrowers' excess availability exceeds a certain threshold. The restriction on incurring unsecured indebtedness is not applicable when the Borrowers' and their restricted subsidiaries' total debt to EBITDA ratio is less than or equal to 5.5:1.0, and the restriction on incurring secured indebtedness is not applicable when, among other things, the Borrowers' and their restricted subsidiaries' secured debt to EBITDA ratio is less than or equal to 5.0:1.0.

The facility contains no dollar limit on permitted acquisitions, and an unlimited basket for investments, so long as after giving pro forma effect to the acquisition or investment either (1) both (A) excess availability is greater than the higher of 10% of the aggregate commitments and \$95 million and (B) the fixed charge coverage ratio is greater than 1.0 to 1.0, or (2) excess availability is greater than the higher of 15% of the aggregate commitments and \$150 million.

In addition, the facility contains no dollar limit on certain dividends and restricted payments so long as after giving pro forma effect to the dividend or restricted payment either (1) both excess availability is greater than the higher of 15% of the aggregate commitments and \$150 million and the fixed charge coverage ratio is greater than 1.0 to 1.0 or (2) excess availability is greater than the higher of 20% of the aggregate commitments and \$210 million.

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In determining compliance with the tests described above, at least 50% of the excess availability used in determining compliance must be comprised of excess availability under the U.S. Facility.

The Global ABL Facility contains certain customary representations and warranties, affirmative covenants and events of default, including, among other things, payment defaults, breach of representations and warranties, covenant defaults, cross-defaults to certain indebtedness, certain events of bankruptcy, certain events under ERISA, judgment defaults, actual or asserted failure of any material guaranty or security document supporting the Global ABL Facility to be in force and effect and change of control. If such an event of default occurs, the Agent under the Global ABL Facility is entitled to take various actions, including the acceleration of amounts due under the Global ABL Facility, the termination of all revolver commitments and all other actions that a secured creditor is permitted to take following a default.

Other Commitments

In the normal course of business with customers, vendors and others, we are contingently liable for performance under standby letters of credit and bid, performance and surety bonds. We were contingently liable for approximately \$17 million of standby letters of credit, trade guarantees given by bankers and bid, performance and surety bonds at December 31, 2011. Management does not expect any material amounts to be drawn on these instruments.

Legal Proceedings

Asbestos Claims. We are involved in various legal proceedings and claims, both as a plaintiff and a defendant, which arise in the ordinary course of business. These legal proceedings include claims that individuals brought against a large number of defendant entities, including us, seeking damages for injuries that certain products containing asbestos allegedly caused. As of December 31, 2011, we are a defendant in lawsuits involving approximately 981 of these claims. Each claim involves allegations of exposure to asbestos-containing materials by an individual or his or her family members. The complaints typically name many defendants. In a majority of these lawsuits, little or no information is known regarding the nature of the plaintiff's alleged injuries or their connection with products that we distributed. Through December 31, 2011, lawsuits involving 11,831 claims have been brought against us. No asbestos lawsuit has resulted in a judgment against us to date, with the majority being settled, dismissed or otherwise resolved. In total, since the first asbestos claim brought against us in 1984 through December 31, 2011, approximately \$1.8 million has been paid to asbestos claimants in connection with settlements of claims against us without regard to insurance recoveries. Of this amount, approximately \$1.4 million has been paid to settle claims alleging mesothelioma, \$0.4 million for claims alleging lung cancer and \$0.1 million for non-malignant claims. The following chart summarizes, for each year since 2007, the approximate number of pending claims, new claims, settled claims, dismissed claims, and approximate total settlement payments, average settlement amount and total defense costs:

	<u>Claims Pending at End of Period</u>	<u>Claims Filed</u>	<u>Claims Settled</u>	<u>Claims Dismissed</u>	<u>Settlement Payments \$</u>	<u>Average Settlement Amount \$</u>	<u>Defense Costs \$</u>
Fiscal year ended December 31, 2007	825	23	3	7	72,500	24,167	218,900
Fiscal year ended December 31, 2008	846	43	16	6	295,500	18,469	336,497
Fiscal year ended December 31, 2009	905	81	12	10	193,500	16,125	463,213
Fiscal year ended December 31, 2010	948	89	28	18	481,000	17,179	604,565
Fiscal year ended December 31, 2011	981	96	33	30	571,500	17,318	562,964

As the table above shows, there has been an increase in the number of claims filed since the fiscal year ending December 31, 2007. We believe that this increase is primarily due to an increase in the marketing efforts by personal injury law firms in West Virginia and Pennsylvania. Although we do not know whether this is a trend that will continue in the near term, in the long term, we anticipate that asbestos-related litigation against us will decrease as the incidence of asbestos-related disease in the general U.S. population decreases.

We annually conduct analyses of our asbestos-related litigation to estimate the adequacy of the reserve for pending and probable asbestos-related claims. These analyses consist of separately estimating our reserve with respect to pending claims (both those scheduled for trial and those for which a trial date had not been scheduled), mass filings (including lawsuits brought in West Virginia each involving many, in some cases over a hundred, plaintiffs, which include little information regarding the nature of each plaintiff's claim and historically have rarely resulted in any payments to plaintiff) and

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probable future claims. A key element of the analysis is categorizing our claims by the type of disease the plaintiffs allege and developing "benchmark" estimated settlement values for each claim category based on our historical settlement experience. These estimated settlement values are applied to each of our pending individual claims. With respect to pending claims where the disease type is unknown, the outcome is projected based on historic experience. The reserve with respect to mass filings is estimated by determining the number of individual plaintiffs included in the mass filings likely to have claims resulting in settlements based on our historical experience with mass filings. Finally, we estimate the value of probable claims that plaintiffs may assert against us over the next 15 years based on public health estimates of future incidences of certain asbestos-related diseases in the general U.S. population. Estimated settlement values are applied to those projected claims. Our annual assessment, dated September 30, 2011, projected that our payments to asbestos claimants over the next 15 years are estimated to range from \$5 million to \$11 million. Given these estimates and existing insurance coverage that historically has been available to cover substantial portions of our past payments to claimants and defense costs, we believe that our current accruals and associated estimates relating to pending and probable asbestos-related litigation likely to be asserted over the next 15 years are currently adequate. Our belief that our accruals and associated estimates are currently adequate, however, relies on a number of significant assumptions, including:

- That our future settlement payments, disease mix and dismissal rates will be materially consistent with historic experience;
- That future incidences of asbestos-related diseases in the U.S. will be materially consistent with current public health estimates;
- That the rates at which future asbestos-related mesothelioma incidences result in compensable claims filings against us will be materially consistent with its historic experience;
- That insurance recoveries for settlement payments and defense costs will be materially consistent with historic experience;
- That legal standards (and the interpretation of these standards) applicable to asbestos litigation will not change in material respects;
- That there are no materially negative developments in the claims pending against us; and
- That key co-defendants in current and future claims remain solvent.

If any of these assumptions prove to be materially different in light of future developments, liabilities related to asbestos-related litigation may be materially different than amounts accrued or estimated. Further, while we anticipate that additional claims will be filed in the future, we are unable to predict with any certainty the number, timing and magnitude of such future claims.

Also, there is a possibility that resolution of certain legal contingencies for which there are no liabilities recorded could result in a loss. Management is not able to estimate the amount of such loss, if any. However, in our opinion, the ultimate resolution of all pending matters is not expected to have a material effect on our financial position, although it is possible that such resolutions could have a material adverse impact on results of operations in the period of resolution. Further, given the relatively small amounts we have paid in recent periods and our expectations regarding future required payments, we do not believe that the ultimate resolution of these matters for any period will have a material impact on our liquidity in any period on either a short term or long term basis.

Other Legal Claims and Proceedings. From time to time, we have been subject to various claims and involved in legal proceedings incidental to the nature of our businesses. We maintain insurance coverage to reduce financial risk associated with certain of these claims and proceedings. It is not possible to predict the outcome of these claims and proceedings. However, in our opinion, there are no material pending legal proceedings that are likely to have a material effect on our business,

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financial condition or results of operations. See also “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations, Commitments and Contingencies—Legal Proceedings” and “Note 15—Commitments and Contingencies” to the audited consolidated financial statements as of December 31, 2011.

Product Claims. From time to time, in the ordinary course of our business, our customers may claim that the products that we distribute are either defective or require repair or replacement under warranties that either we or the manufacturer may provide to the customer. These proceedings are, in the opinion of management, ordinary and routine matters incidental to our normal business. Our purchase orders with our suppliers generally require the manufacturer to indemnify us against any product liability claims, leaving the manufacturer ultimately responsible for these claims. In many cases, state, provincial or foreign law provides protection to distributors for these sorts of claims, shifting the responsibility to the manufacturer. In some cases, we could be required to repair or replace the products for the benefit of our customer and seek our recovery from the manufacturer for our expense. In the opinion of management, the ultimate disposition of these claims and proceedings is not expected to have a material adverse effect on our financial position, results of operations or cash flows.

NiSource Claim. In the summer of 2010, our customer NiSource, Inc. notified us that certain polyethylene pipe that PolyPipe, Inc. manufactured may be defective. NiSource requested that the Company and PolyPipe repair and replace the allegedly defective pipe and reimburse NiSource for the costs of locating and removing the pipe. When installing the pipe, NiSource did not track where the pipe was installed, so to locate the allegedly defective pipe, NiSource has embarked on a program of “potholing” or digging holes by possible sites where the pipe was used to locate the serial numbers of the pipe that may be defective. This has caused NiSource to test locations far in excess of the locations where the allegedly defective pipe may have been used.

On April 28, 2011, PolyPipe filed a petition in the District Court in Cooke County, Texas against the Company and NiSource seeking, among other things, a declaratory judgment that PolyPipe was not responsible for the costs relating to the NiSource’s alleged failure to track and record the installation locations of the pipe and NiSource’s expenditures to implement a potential remediation plan including finding the pipe and removing the pipe. On June 1, 2011, the Court entered an order of non-suit, dismissing PolyPipe’s claims without prejudice to their re-filing the same claims.

NiSource is in the process of locating where the allegedly defective pipe was used while the parties discuss a possible resolution of their respective claims. NiSource has asserted that the Company and PolyPipe are liable for the costs of finding the allegedly defective pipe. Under its contract with NiSource, the Company is not liable for consequential damages. The Company believes that this applies to damages such as finding the allegedly defective pipe. To the extent that pipe is actually defective, the Company may be liable under its warranty to replace the defective pipe. The Company believes that PolyPipe, as the manufacturer of the pipe, is ultimately liable for any manufacturing defects. The Company believes that the ultimate outcome of NiSource’s claim will not be material.

Former Shareholder Litigation. On July 30, 2010, an action was brought against the Company in Delaware Chancery Court by a former shareholder of our predecessor, McJunkin Corporation, on his own behalf and as trustee for a trust, alleging the Company has not fully complied with a contractual obligation to divest of certain non-core assets contained in the December 2006 merger agreement, and seeking damages and equitable relief. We have also received written notice from other former shareholders who similarly claim the Company has not fully complied with that contractual obligation. On September 28, 2010, we filed a motion to dismiss the action in its entirety. On February 11, 2011, the Court granted our motion to dismiss the claims for equitable relief with prejudice, but denied the motion to dismiss the contractual claims. The Company moved for summary judgment to dismiss the remaining claims, and the plaintiffs moved for summary judgment to uphold their claims, in each case, on October 21, 2011. The Delaware Chancery Court heard oral arguments with respect to the

summary judgment motion on February 8, 2012. The parties subsequently reached an agreement whereby the Company agreed to distribute \$1.9 million to the former shareholders (excluding the plaintiffs in the litigation) and both parties have released each other from their respective claims. The final settlement documents were executed by the parties in February 2012.

Off-Balance Sheet Arrangements

We do not have any material "off-balance sheet arrangements" as such term is defined within the rules and regulations of the SEC.

Critical Accounting Estimates

We prepare our consolidated financial statements in accordance with GAAP. To apply these principles, management must make judgments and assumptions and develop estimates based on the best available information at the time. Actual results may differ based on the accuracy of the information utilized and subsequent events. Our accounting policies are described in the notes to our audited financial statements included elsewhere in this prospectus. These critical accounting policies could materially affect the amounts recorded in our financial statements. We believe the following describes significant judgments and estimates used in the preparation of our consolidated financial statements:

Allowance for Doubtful Accounts: We evaluate the adequacy of the allowance for losses on receivables based upon periodic evaluation of accounts that may have a higher credit risk using information available about the customer and other relevant data. This formal analysis is inherently subjective and requires us to make significant estimates of factors affecting doubtful accounts, including customer-specific information, current economic conditions, volume, growth and composition of the account, and other factors such as financial statements, news reports and published credit ratings. The amount of the allowance for the remainder of the trade balance is not evaluated individually, but is based upon historical loss experience. Because this process is subjective and based on estimates, ultimate losses may differ from those estimates. Receivable balances are written off when we determine that the balance is uncollectible. Subsequent recoveries, if any, are credited to the allowance when received. The provision for losses on receivables is included in SG&A expenses in the accompanying consolidated statements of income. During 2010, we reduced our allowance for doubtful accounts by approximately \$2 million, as the economic conditions in which we, and our customers, operate improved. At December 31, 2011, 2010 and 2009, the allowance for doubtful accounts was \$4.8 million, \$4.5 million and \$8.8 million, or 0.6%, 0.7% and 1.7% of gross accounts receivable, respectively.

Inventories: Our U.S. inventories are valued at the lower of cost (principally using the LIFO method) or market. We record an estimate each quarter, if necessary, for the expected annual effect of inflation and estimated year-end inventory volume. These estimates are adjusted to actual results determined at year-end. Our inventories that are held outside of the U.S., totaling \$217.0 million and \$140.0 million at December 31, 2011 and 2010, respectively, were valued at the lower of weighted-average cost or market.

Under the LIFO inventory valuation method, changes in the cost of inventory are recognized in cost of sales in the current period even though these costs may have been incurred at significantly different values. Since the Company values most of its inventory using the LIFO inventory costing methodology, a rise in inventory costs has a negative effect on operating results, while, conversely, a fall in inventory costs results in a benefit to operating results. In a period of rising prices, cost of sales recognized under LIFO is generally higher than the cash costs incurred to acquire the inventory sold. Conversely, in a period of declining prices, costs of sales recognized under LIFO are generally lower than cash costs of the inventory sold.

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The LIFO inventory valuation methodology is not utilized by many of the companies with which we compete, including foreign competitors. As such, our results of operations may not be comparable to those of our competitors during periods of volatile material costs due, in part, to the differences between the LIFO inventory valuation method and other acceptable inventory valuation methods.

During 2008, in addition to an increase in sales volumes, we experienced inflation in the cost of our products of approximately 21% on a weighted average basis. The increase in our tubular products was even more significant, with 2008 inflation of approximately 28%. In 2009, this trend reversed, with our overall product mix experiencing 15% deflation, with tubular products deflating approximately 20%. As a result of lengthening lead times from our manufacturers during mid to late 2008, we continued to receive inventory during the fourth quarter and into the first quarter of 2009 that was ordered to support the greater demand during mid to late 2008. The resulting inventory overstock, coupled with the deflation we experienced, resulted in the cost of our inventory balance being above market value. As a result of our lower-of-cost-or-market assessment, we recorded a \$46.5 million write-down of our inventory during the year ended December 31, 2009. There were no significant write-downs during the years ended December 31, 2010 or 2011.

Impairment of Long-Lived Assets: Our long-lived assets consist primarily of amortizable intangible assets, which comprise approximately 16% of our total assets as of December 31, 2011. These assets are recorded at fair value at the date of acquisition and are amortized over their estimated useful lives. We make significant judgments and estimates in both calculating the fair value of these assets, as well as determining their estimated useful lives.

The carrying value of these assets is subject to an impairment test when events or circumstances indicate a possible impairment. When events or circumstances indicate a possible impairment, we assess recoverability from future operations using an undiscounted cash flow analysis, derived from the lowest appropriate asset group. If the carrying value exceeds the undiscounted cash flows, we would recognize an impairment charge to the extent that the carrying value exceeds the fair value, which is determined based on a discounted cash flow analysis. During 2009, as the key factors affecting our business declined and our profitability progressively declined throughout the year, we determined that an impairment indicator existed and performed an impairment test on our long-lived assets. This test required us to make forecasts of our future operating results, the extent and timing of future cash flows, working capital, profitability and growth trends. We performed our impairment test as of October 27, 2009 which did not result in an impairment charge. During 2010 and 2011, no indicators of impairment existed. While we believe our assumptions and estimates are reasonable, the actual results may differ materially from the projected results.

Goodwill and Other Indefinite-Lived Intangible Assets: Our goodwill and other indefinite-lived intangible assets comprise approximately 26% of our total assets as of December 31, 2011. Goodwill and intangible assets with indefinite useful lives are tested for impairment annually, each October, or more frequently if circumstances indicate that impairment may exist. Prior to the acquisition of MRC Transmark, which closed on October 30, 2009, we had only one reporting unit. Following the MRC Transmark acquisition, we began evaluating goodwill for impairment at two reporting units that mirror our two reportable segments (North America and International). Within each reporting unit, we have elected to aggregate the component countries and regions into a single reporting unit based on their similar economic characteristics, products, customers, suppliers, methods of distribution and the manner in which we operate each segment. We perform our annual tests for indications of goodwill impairment as of the end of October of each year, updating on an interim basis should indications of impairment exist.

The goodwill impairment test compares the carrying value of the reporting unit that has the goodwill with the estimated fair value of that reporting unit. If the carrying value is more than the estimated fair value, the second step is performed, whereby we calculate the implied fair value of

goodwill by deducting the fair value of all tangible and intangible net assets of the reporting unit from the estimated fair value of the reporting unit. Impairment losses are recognized to the extent that recorded goodwill exceeds implied goodwill. Our impairment methodology uses discounted cash flow and multiples of cash earnings valuation techniques, plus valuation comparisons to similar businesses. These valuation methods require us to make certain assumptions and estimates regarding future operating results, the extent and timing of future cash flows, working capital, sales prices, profitability, discount rates and growth trends. As a result of our impairment test, we recognized a \$309.9 million pre-tax impairment charge during the year ended December 31, 2009. No such impairment charges were recognized during the years ended December 31, 2010 and 2011 as the estimated fair value of each of our two reporting units substantially exceeded their carrying values. While we believe that such assumptions and estimates are reasonable, the actual results may differ materially from the projected results.

Intangible assets with indefinite useful lives are tested for impairment annually or more frequently if circumstances indicate that impairment may exist. This test compares the carrying value of the indefinite-lived intangible assets with their estimated fair value. If the carrying value is more than the estimated fair value, impairment losses are recognized in amount equal to the excess of the carrying value over the estimated fair value. Our impairment methodology uses discounted cash flow and estimated royalty rate valuation techniques. These valuation methods require us to make certain assumptions and estimates regarding future operating results, sales prices, discount rates and growth trends. As a result of our impairment test, we recognized a \$76.2 million pre-tax impairment charge during the year ended December 31, 2009. No such impairment charges were recognized during the years ended December 31, 2010 and 2011, as the estimated fair value of our indefinite-lived intangible assets substantially exceeded their carrying value. While we believe that such assumptions and estimates are reasonable, the actual results may differ materially from the projected results.

Income Taxes: We use the liability method for determining our income taxes, under which current and deferred tax liabilities and assets are recorded in accordance with enacted tax laws and rates. Under this method, the amounts of deferred tax liabilities and assets at the end of each period are determined using the tax rate expected to be in effect when taxes are actually paid or recovered.

Deferred tax assets and liabilities are recorded for differences between the financial reporting and tax bases of assets and liabilities using the tax rate expected to be in effect when the taxes will actually be paid or refunds received. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date. A valuation allowance to reduce deferred tax assets is established when it is more likely than not that some portion or all of the deferred tax assets will not be realized. In determining the need for valuation allowances, we have considered and made judgments and estimates regarding estimated future taxable income and ongoing prudent and feasible tax planning strategies. These estimates and judgments include some degree of uncertainty and changes in these estimates and assumptions could require us to adjust the valuation allowances for our deferred tax assets. The ultimate realization of the deferred tax assets depends on the generation of sufficient taxable income in the applicable taxing jurisdictions.

Our tax provision is based upon our expected taxable income and statutory rates in effect in each country in which we operate. We are subject to the jurisdiction of numerous domestic and foreign tax authorities, as well as to tax agreements and treaties among these governments. Determination of taxable income in any jurisdiction requires the interpretation of the related tax laws and regulations and the use of estimates and assumptions regarding significant future events such as the amount, timing and character of deductions, permissible revenue recognition methods under the tax law and the sources and character of income and tax credits. Changes in tax laws, regulations, agreements and treaties, foreign currency exchange restrictions or our level of operations or profitability in each taxing jurisdiction could have an impact on the amount of income taxes we provide during any given year.

A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including any related appeals or litigation processes, on the basis of the technical merits. We adjust these liabilities when our judgment changes as a result of the evaluation of new information not previously available. Because of the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which the new information is available.

We classify interest and penalties related to unrecognized tax positions as income taxes in our financial statements. We intend to permanently reinvest certain earnings of our foreign subsidiaries in operations outside of the U.S., and accordingly, we have not provided for U.S. income taxes on such earnings.

Recently Issued Accounting Standards

In June 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU No. 2011-05), *Presentation of Comprehensive Income*, an amendment to ASC Topic 220, *Comprehensive Income*. Under this amendment, an entity has the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The new guidance eliminates the current option to report other comprehensive income and its components in the statement of changes in stockholders' equity. While the new guidance changes the presentation of comprehensive income, there are no changes to the components that are recognized in net income or other comprehensive income under current accounting guidance. The guidance for public entities is effective for fiscal years or interim periods beginning after December 15, 2011 with early adoption permitted. The amendments in this update are to be applied retrospectively.

In December 2011, the FASB issued Accounting Standards Update to the above statement (ASU No. 2011-12), *Deferral of the Effective Date for Amendments to the Presentation of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05*, an amendment to ASC Topic 220, *Comprehensive Income*. Under this amendment, changes in Update 2011-05 that relate to presentation of reclassification adjustments have been deferred. All other requirements in Update 2011-05 are not affected by this update. The guidance for public entities is effective for fiscal years or interim periods beginning after December 15, 2011 with early adoption permitted. We do not expect the guidance to impact our consolidated financial statements, as it only requires a change in the format of presentation.

In September 2011, the FASB issued Accounting Standards Update (ASU No. 2011-08), *Testing for Goodwill Impairment*, an amendment to ASC Topic 350, *Intangibles—Goodwill and Other*. Under this amendment, an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is unnecessary. The guidance for public entities is effective during interim or annual goodwill impairment tests performed for fiscal years beginning after December 15, 2011 with early adoption permitted. We do not believe that ASU No. 2011-08 will have a material impact on our consolidated financial statements.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

As of December 31, 2011, all of our outstanding term and revolving debt, except for the Notes, was at floating rates. These facilities prescribe the percentage point spreads from U.S. prime, LIBOR, Canadian prime and EURIBOR. Our facilities generally allow us to fix the interest rate, at our option, for a period of 30 to 180 days.

As of December 31, 2011, a 1% increase in the LIBOR rate would result in an increase in our interest expense of approximately \$5.0 million per year if the amounts outstanding under our revolving credit facilities remained the same for an entire year.

The risk inherent in our market risk sensitive instruments and positions is the potential loss from adverse changes in interest rates. Currently, we manage our interest rate risk through the use of floating interest rate debt facilities and interest rate contracts. As of December 31, 2011, we had 100% of our floating interest rate debt hedged with interest rate contracts. Effective March 31, 2009, we entered into a freestanding \$500 million interest rate swap derivative to pay interest at a fixed rate of approximately 1.77% and receive 1-month LIBOR variable interest rate payments monthly through March 31, 2012. We have several additional interest rate swap derivatives, with notional amounts approximating \$19 million in the aggregate. At December 31, 2011, the fair value of our interest rate swap agreements was a liability of approximately \$2.0 million. All of our derivative instruments are freestanding and, accordingly, changes in their fair market value are recorded in earnings. The counterparties to our interest rate swap agreements are major financial institutions.

Foreign Currency Exchange Rates

Our operations outside of the U.S. expose us to foreign currency exchange rate risk, as these transactions are primarily denominated in currencies other than the U.S. dollar, our functional currency. Our exposure to changes in foreign exchange rates is managed primarily through the use of forward foreign exchange contracts. These contracts increase or decrease in value as foreign exchange rates change, protecting the value of the underlying transactions denominated in foreign currencies. All currency contracts are entered into for the sole purpose of hedging existing or anticipated currency exposure; we do not use foreign currency contracts for trading or speculative purposes. The terms of these contracts generally do not exceed one year. We record all changes in the fair market value of forward foreign exchange contracts in income. We recorded losses related to foreign currency contracts and translation adjustments of \$0.2 million, \$0.6 million and \$0.2 million in the years ended December 31, 2011, 2010 and 2009, respectively.

Steel Prices

Our business is sensitive to steel prices, which can impact our product pricing, with steel tubular prices generally having the highest degree of sensitivity. While we cannot predict steel prices, we manage this risk by managing our inventory levels, including maintaining sufficient quantity on hand to meet demand, while reducing the risk of overstocking.

BUSINESS

General

We are the largest global industrial distributor of PVF and related products and services to the energy industry based on sales and hold the leading position in our industry across each of the upstream (exploration, production and extraction of underground oil and natural gas), midstream (gathering and transmission of oil and natural gas, natural gas utilities and the storage and distribution of oil and natural gas) and downstream (crude oil refining, petrochemical processing and general industrials) sectors. We offer more than 150,000 SKUs, including an extensive array of PVF, oilfield supply, automation, instrumentation and other general and specialty industry supply products from our over 12,000 suppliers. Through our North American and International segments, we serve our more than 12,000 customers through over 400 service locations throughout North America, Europe, Asia, and Australasia.

Our North American segment includes over 175 branch locations, six distribution centers in the U.S., one distribution center in Canada, 12 valve automation service centers and over 160 pipe yards located in the most active oil and natural gas regions in North America. Our International segment includes over 30 branch locations throughout Europe, Asia and Australasia with distribution centers in each of the United Kingdom, Singapore and Australia and 10 automation service centers in Europe and Asia. We offer a wide array of PVF and oilfield supplies encompassing a complete line of products from our global network of suppliers. We are diversified by geography and the industry sectors we serve and the products we sell.

Our PVF and oilfield supplies are used in mission critical process applications that require us to provide a high degree of product knowledge, technical expertise and comprehensive value added services to our customers. We seek to provide best-in-class service and a one-stop shop for our customers by satisfying the most complex, multi-site needs of many of the largest companies in the energy and industrial sectors as their primary PVF supplier. We provide services such as product testing, manufacturer assessments, multiple daily deliveries, volume purchasing, inventory and zone store management and warehousing, technical support, just-in-time delivery, truck stocking, order consolidation, product tagging and system interfaces customized to customer and supplier specifications for tracking and replenishing inventory, which we believe result in deeply integrated customer relationships. We believe the critical role we play in our customers' supply chain, together with our extensive product offering, broad global presence, customer-linked scalable information systems and efficient distribution capabilities, serve to solidify our long-standing customer relationships and drive our growth. As a result, we have an average relationship of over 20 years with our largest 25 customers.

We have benefited historically from several growth trends within the energy industry, including high levels of customer expansion and maintenance expenditures. Although these trends were offset in 2009 and 2010 due to adverse economic conditions, we believe that growth in PVF and industrial supply spending within the energy industry is likely to continue. Several factors have driven the long-term growth in spending, including underinvestment in North American energy infrastructure, production and capacity constraints, and market expectations of future improvements in the oil, natural gas, refined products, petrochemical and other industrial sectors. In addition, the products we distribute are often used in extreme operating environments, leading to the need for a regular replacement cycle. Approximately two-thirds of our sales are attributable to multi-year MRO arrangements. Our average annual retention rate for these contracts since 2000 is 95%. We consider MRO arrangements to be normal, generally repetitive business that primarily addresses the recurring maintenance, repair or operational work to existing energy infrastructure. Project activities, including facility expansions, exploration or new construction projects, are more commonly associated with a customer's capital expenditures budget. Such projects can be more sensitive to global oil and natural gas prices and

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general economic conditions. We mitigate our exposure to price volatility by limiting the length of any price-protected contracts, and as pricing continues to rebound, we believe that we have the ability to pass price increases on to the marketplace.

Our business is segregated into two operating segments, one consisting of our North American operations and one consisting of our international operations. These segments represent our business of providing PVF and related products and services to the energy and industrial sectors, across each of the upstream, midstream and downstream sectors. Financial information regarding our reportable segments appears in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in Note 13 of the Notes to the Consolidated Financial Statements included in this prospectus.

Our Strengths

Global Market Leader with Worldwide Branch Network and Significant Scale. We are the leading global industrial distributor of PVF and related products to the energy industry based on sales, with nearly twice the sales of our nearest competitor in 2011. We have a significant global presence through a network of over 400 service locations worldwide. This provides us with substantial economies of scale, global reach and product breadth that we believe makes us a more effective competitor. The benefits of our size and international presence include:

- the ability to act as a single-source supplier to large, multi-national customers operating across the various segments of the global energy industry;
- the ability to commit significant financial resources to further develop and invest in our operating infrastructure and provide a strong platform for future expansion;
- the ability to secure improved access, service and volume purchasing benefits from our suppliers;
- the ability to leverage our global inventory coverage to provide greater overall breadth and depth of product offerings;
- the ability to attract and retain effective managers and salespeople;
- the ability to improve margins from our business model through operating leverage; and
- the ability to identify, close and successfully integrate acquisitions.

We leverage our global footprint of locations and human capital to increase productivity and efficiency as our business continues to grow. In North America, in particular, we have been able to leverage our extensive infrastructure to meet our customers' supply needs, which includes opening and closing locations and transferring employees to higher growth areas. The following table summarizes our revenue and operating income per location and employee for the years ended December 31, 2011 and 2010 (dollars in thousands):

			<u>Locations</u>				<u>Average Headcount</u>				
			<u>2011</u>	<u>2010</u>			<u>2011</u>	<u>2010</u>			
			408	432			3,805	3,619			
<u>Sales/Location</u>			<u>Sales/Employee</u>			<u>Adjusted EBITDA/ Location</u>			<u>Adjusted EBITDA/Employee</u>		
<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
\$11,844	\$8,902	33%	\$1,270	\$1,062	20%	\$ 884	\$ 519	70%	\$ 95	\$ 62	53%

Our presence and scale have also enabled us to establish an efficient supply chain and logistics platform, allowing us to better serve and integrate with our customers and to further differentiate us from our competitors. In 2011 in North America, we processed on average approximately 157,000 sales orders per month, including on average approximately 737,000 line items with an average revenue per order of \$2,400 and an average revenue per line item of \$500.

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The following chart summarizes our revenue by geography for the year ended December 31, 2011:

	Year Ended December 31, 2011
United States	80%
Canada	13%
International (includes Europe, Asia and Australasia)	7%
	<u>100%</u>

Proven Track Record of Successfully Identifying, Executing and Integrating Acquisitions. Growing the scale and scope of our business through selective strategic acquisitions has been a core focus of our management team. We have demonstrated our ability to successfully integrate acquired companies in 26 acquisitions since 2000, collectively representing approximately \$1.8 billion in sales in the respective years of acquisition, in addition to the business combination between McJunkin Corporation and Red Man Pipe & Supply Co. ("Red Man") in October 2007 (which had approximately \$2 billion of revenue in the year of merger). Our operating scale and integration capabilities have also enabled us to realize important synergies, while minimizing execution risk. Including Red Man, we have completed 10 acquisitions since 2007 as follows (revenue amounts are for the respective years of acquisition):

- OneSteel Piping Systems ("OPS") (revenue: \$174 million), a PVF distributor, which expanded our footprint in Australia;
- VSC (revenue: \$13 million), which strengthened our overall valve capabilities in the Gulf Coast of the U.S., in July 2011;
- MRC SPF (revenue: \$91 million), a distributor of stainless steel piping products through its seven locations across Australia as well as Korea, the United Kingdom and the United Arab Emirates, in June 2011;
- South Texas Supply (revenue: \$9 million) and Dresser Oil Tools & Supply (revenue: \$13 million), which expanded our footprint in the Eagle Ford and Bakken shale regions, in May and August 2010, respectively;
- MRC Transmark (revenue: \$346 million), a leading distributor of valves and flow control products in Europe, Southeast Asia and Australasia, in October 2009;
- LaBarge (revenue: \$233 million), a distributor of carbon steel pipe to the North American midstream sector that significantly expanded our line pipe capability, in October 2008;
- Red Man, including its interest in MRC Midfield, one of the two largest oilfield supply companies in Canada with over 40 branches, in July 2008 (revenue: collectively approximately \$2.0 billion); and
- Midway (revenue: \$150 million), an oilfield distributor primarily serving the Rockies and Appalachian regions, in April 2007.

Historically, our operating scale and integration capabilities have enabled us to realize important synergies, while minimizing execution risk. All of our North American acquisitions have been integrated onto a single IT platform, which facilitates more efficient pricing, sourcing and inventory management.

High Level of Integration and MRO Contracts with a Global Energy Customer Base. We have a diversified global customer base with over 12,000 active customers. We serve as the sole or primary supplier in all sectors or in specified sectors or geographies for many of our customers. Our largest 25 customers, with whom we have had relationships for more than 20 years on average,

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accounted for approximately half of our sales for 2011, while no single customer accounted for more than 6% of our sales during that period. We enjoy fully integrated relationships, including interconnected technology systems and daily communication, with many of our customers, and we provide an extensive range of integrated and outsourced supply services, allowing us to market a “total transaction value” concept as opposed to individual product prices. We provide services such as multiple daily deliveries, zone stores management, valve tagging, truck stocking and significant system support for tracking and replenishing inventory, which we believe results in deeply integrated customer relationships. We sell products to our major customers through multi-year MRO contracts, which are typically renegotiated every three to five years. Although there are typically no guaranteed minimum purchase amounts under these contracts, these MRO customers, representing approximately two-thirds of our 2011 sales with an average annual retention rate of over 95% since 2000, provide a relatively stable revenue stream and help mitigate the effect of industry downturns on our business. We believe we have been able to retain customers by providing a high level of service and integration and, during 2011, we signed several new MRO contracts, including contracts with new customers that displace competitors and contracts with existing customers that broaden existing customer relationships.

Business and Geographic Diversification in High-Growth Areas. We are well diversified across the upstream, midstream and downstream operations of the energy industry, as well as through our participation in selected industrial sectors. During the year ended December 31, 2011, we generated approximately 47% of our sales in the upstream sector, 26% in the midstream sector and 27% in the downstream, industrial and other energy sectors. This diversification affords us some measure of protection in the event of a downturn in any one sector while providing us the ability to offer a “one stop” solution for our integrated energy customers. Across these end markets, PVF and oilfield supply products are used in mission critical process applications that require a high degree of technical understanding and product knowledge. We are skilled in nearly every aspect of flow control and automation, including expert knowledge of our key vendors, product specifications and customer applications. This expertise is recognized by customers as a key differentiator for MRC, and is of critical importance in complex plant environments, where demanding operating conditions and numerous regulatory and safety requirements must be carefully considered and addressed. In our North American operating segment, our more than 175 branch locations are located near major hydrocarbon and refining regions, including rapidly expanding oil and natural gas E&P areas, such as the Bakken, Barnett, Eagle Ford, Fayetteville, Haynesville, Marcellus, Niobrara and Utica shales. In these non-conventional shale areas, a typical well can produce three to five times the revenue for us than a conventional well due to the greater length and the higher quality of pipe and related PVF products we furnish. During the year ended December 31, 2011, we estimate that approximately 50% of our upstream and midstream business, excluding the gas utility portion of our midstream business, was related to activity in the shale areas, and we believe this percentage will continue to increase as this activity accelerates. In our International operating segment, we have a network of over 30 branch locations throughout Europe, Asia and Australasia in close proximity to major projects in LNG, mining and mineral processing and other high-growth energy and infrastructure development areas. Our geographic diversity enhances our ability to quickly respond to customers worldwide, gives us a strong presence in these high growth areas and reduces our exposure to a downturn in any one region.

For the years ended December 31, 2011, December 31, 2010, and December 31, 2009, the breakdown of our revenue by sector was as follows:

	Year Ended December 31,		
	2011	2010	2009
Upstream	47%	46%	44%
Midstream	26%	24%	24%
Downstream and industrial	27%	30%	32%
	<u>100%</u>	<u>100%</u>	<u>100%</u>

Additional detail regarding our diversification by energy sector and geography is presented below.

	Upstream		Midstream		Downstream/Industrial	
	Drilling and Completion	Production and Oilfield Supply	Transmission	Gas Utilities	Petroleum Refinery	Chemical / Industrial
Description	Downhole oil & gas drilling and completion	Oil and gas production facilities and oilfield supply	Gathering Systems and Pipelines	Distribution and integrated supply to gas MRO market	Downstream oil processing	Petrochemicals, basic inorganic chemicals, general processing and other
2011 Revenue % of total		\$2,271 million 47%	\$821 million 17%	\$435 million 9%	\$435 million 9%	\$870 million 18%
MRO %	Low	High	Medium	High	High	High
Projects	OCTG and Completion Systems		Major pipeline	Infrastructure	Greenfield / Brownfield Infrastructure	
Geography	US, Canada, UK (offshore), Australia (offshore)		US, Canada		US, UK, Western Europe, Australia	US, Canada, Western Europe, Australia

Strategic Supplier Relationships. We have extensive relationships with our suppliers and have key supplier relationships dating back in certain instances over 60 years. We source from over 35 countries. In 2008-2011, 22 major new suppliers were qualified under our SRP, with 21 of these outside of the U.S. Approximately 50% of our total purchases for the year ended December 31, 2011 were from our largest 25 suppliers. In 2011, no one supplier provided more than 10% of our total purchases. We believe our customers view us as an industry leader in part due to the formal processes we use to evaluate vendor performance and product quality. We employ individuals who specialize in conducting manufacturer assessments both domestically and internationally and who are certified by the International Registry of Certificated Auditors. Our Supplier Registration Process, which allows us to maintain the MRC ASL, serves as a significant strategic advantage to us in developing, maintaining and institutionalizing key supplier relationships. For our suppliers, inclusion on the MRC ASL represents an opportunity for them to increase their product sales to our customers. The SRP also adds value to our customers, as they collaborate with us regarding specific manufacturer performance, our past experiences with products and the results of our on-site manufacturer assessments. Having a timely, uninterrupted supply of those mission critical products from approved vendors is an essential part of our customers' day-to-day operations, and we work to fulfill that need through our SRP.

IT Platform Focused on Customer Service. Our proprietary, integrated, scalable, customer-linked and highly customized information systems support our business. A wide area network links these systems and our more than 4,000 employees. We operate a SIMS for all of our North American locations and a separate, Oracle-based system for our other international locations (other than those we have recently acquired). This enables real-time access to our business resources, including customer order processing, purchasing and material requests, distribution requirements planning, warehousing and receiving, inventory control and accounting and financial functions. In 2011, we had over 1.6 million electronic data interchange customer transactions (including purchase orders, advance ship notices, electronic funds transfer and internet ordering), compared to less than 700,000 in 2000. Significant elements of our systems include firm-wide pricing controls, resulting in disciplined pricing strategies, advanced scanning and customized bar-coding capabilities, allowing for efficient warehousing activities at customer as well as our own locations, and significant levels of customer-specific integrations. Our bar code technology includes over 400 scanners used for customer zone store management, over 1,200 scanners installed in various warehouses and over

100 custom bar coded labels produced to customer specifications. We believe that the customized integration of our customers' systems into our own information systems has increased customer retention by reducing our customers' expenses, resulting in switching costs when our customers compare us to alternative sources of supply. Typically, smaller regional and local competitors do not have IT capabilities that are as advanced as ours, which we believe further differentiates us from our competition.

Highly Efficient, Flexible Operating Structure Drives Significant Free Cash Flow Generation. We place a particular emphasis on practicing financial discipline as evidenced by our strong focus on Adjusted EBITDA RONA, minimal maintenance capital expenditures and high free cash flow generation. Our disciplined cost control, coupled with our active asset management strategies and IT and services capabilities, result in a business model exhibiting a high degree of operating leverage. As is typical with the flexibility associated with a distribution operating model, our variable cost base includes substantially all of our cost of goods sold and a large portion of our operating costs. Furthermore, our total capital expenditures were approximately 0.4% of our sales for the year ended December 31, 2011. This cost structure allows us to adjust effectively to changing industry dynamics. As a result, during periods of decreased sales activity, we typically generate a significant amount of cash as our costs are reduced and working capital contracts. For example, although our sales decreased by 30% in 2009, our cash flow from operations that year increased by over \$640 million.

Experienced and Motivated Management Team. Our executive management team averages approximately 30 years of experience in the oilfield and industrial supply business, the majority of which has been with MRC or its predecessors. Employees own approximately 8% of our Company, including approximately 5% that is owned by executive and senior management, either directly or indirectly through their equity interests in PVF Holdings, our largest shareholder. We also seek to incentivize and align management with shareholder interests through equity-linked compensation plans. Furthermore, management incentive compensation is based on profitability and Adjusted EBITDA RONA targets, which we believe drives accountability and further aligns the organization with our shareholders.

Our Strategy

Our goal is to grow our market position as the largest global industrial distributor of PVF and related products to the energy industry. Our strategy is focused on pursuing growth by increasing market share and growing our business with current customers, expanding into new geographies and sectors, increasing recurring revenues through integrated supply and MRO business, capturing additional high growth project activity, continuing to increase our operational efficiency and making and integrating strategic acquisitions. We seek to extend our current MRO contracts, and bundle certain products, most notably PFF, into MRC Transmark's existing customer base and branch network. We also seek to opportunistically add other products and new suppliers, including alloy, chrome, stainless products, gaskets, seals, safety and other industrial supply products, into our existing North American platform. We will also look at future complementary distribution acquisitions that would supplement our PVF leadership position, and we will look at future "bolt-on" acquisitions that broaden our geographic footprint, increase international focus or expand our product offering to our major customers.

Increase Market Share Organically and Grow Business with Current Customers. We are committed to expanding existing deep relationships with our current customer base while concurrently striving to secure new customers. To accomplish this, we are focused on providing a global "one stop" PVF procurement solution across the upstream, midstream and downstream sectors of the energy industry, maximizing bundling opportunities by leveraging our extensive product offering and increasing our penetration of existing customers' new multi-year projects. Since 2000, we have retained in excess of 95% of our MRO contracts.

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The migration of existing customer relationships to sole or primary sourcing arrangements is a core strategic focus. We seek to position ourselves as the sole or primary provider of a broad complement of PVF products and services for a particular customer, often by sector or region, or in certain instances across all of a customer's global upstream, midstream and downstream operations. Several of our largest customers have recently switched to sole or primary sourcing contracts with us. Additionally, we believe that other significant opportunities exist to expand our deep customer and supplier relationships and thereby increase our market share. There is also a significant opportunity to extend our current North American MRO contracts internationally as well as bundle certain products, most notably PFF, into MRC Transmark's existing customer base, branch network and more valve-focused product platform.

We also aim to increase our penetration of our existing customers' new projects. For example, while we often provide nearly 100% of the PVF products for certain customers under MRO contracts, increased penetration of those customers' new downstream and midstream projects remains a strategic priority. Initiatives are in place to deepen relationships with engineering and construction firms and to extend our product offering into certain niches.

Increase Recurring Revenues through Integrated Supply and MRO Contracts. We have entered into, and continue to pursue, integrated supply and MRO contracts with certain of our customers. Under these arrangements, we are typically the sole or primary source provider of the upstream, midstream or downstream requirements of our customers. In certain instances, we are the sole or primary source provider for our customers across all the energy sectors or North American geographies within which the customer operates. We will seek to extend these contracts internationally.

In addition, our customers have, over time, increasingly moved toward centralized PVF procurement management at the corporate level rather than at individual local units. These developments are partly due to significant consolidation among our customer base. Sole or primary sourcing arrangements allow customers to focus on their core operations and provide economic benefits by generating immediate savings for the customer through administrative cost and working capital reductions, while providing for increased volumes, more stable revenue streams and longer term visibility for us. We believe we are well positioned to obtain these arrangements due to our:

- leadership position, experience, and technical expertise and reputation for premier customer service operating across all segments of the energy industry;
- geographically diverse and strategically located global branch network;
- breadth of available product lines, value added services and scale in purchasing; and
- existing deep relationships with customers and suppliers.

We also have both exclusive and non-exclusive MRO contracts in place. Our customers are increasing their capital and operating spending, which is being driven by aging infrastructure, increasing regulatory, safety and environmental requirements, the increased utilization of existing facilities and the decreasing quality of energy feedstocks. Our customers benefit from MRO arrangements through lower inventory investment and the reduction of transaction costs associated with the elimination of the bid submission process, and our Company benefits from the recurring revenue stream that occurs with an MRO contract in place. We believe there are additional opportunities to utilize MRO arrangements through our "one-stop" PVF solution, both in North America and globally, for servicing the requirements of our customers. We are actively pursuing such agreements.

We have significantly enhanced our business development efforts by implementing global account management processes more closely aligned with our customers' procurement operations at

the national and local level to continue to grow our business. Our global account management strategy is based on aligning key sales executives as single-point MRC contacts servicing the upstream, midstream and downstream requirements of customer accounts that represent the largest percentage of our revenue. As a result in part of this effort, our executive sales force has had success in increasing sales under, and in obtaining new, MRO contracts. We continue to focus on increasing our MRO business both in our North American and International segments.

Capitalize on Significant Growth in U.S. Shale Activity. The development of shale oil and gas in the U.S. has been rapid over the past several years. Natural gas is a major source of energy in the U.S., providing about 25% of total U.S. energy according to the Department of Energy. Shale gas, as a percentage of total natural gas production, has, in turn, rapidly increased from less than 2% of total U.S. natural gas production in 2001 to 30% in 2011 and is projected to increase to 49% by 2035 according to the EIA. Over the past ten years, technological advances in directional drilling and fracturing technologies have enabled the production of oil and natural gas products in previously underdeveloped U.S. oil and natural gas shale basins. As a result, unconventional E&P activity in shale regions has accelerated significantly and production levels have increased.

In 2011, U.S. shale gas production increased 37% from 2010 levels to approximately 7 trillion cubic feet per year. While shale gas drilling and production is still in the early stages in the U.S., over the next 10 to 20 years significant investment will be required to meet shale gas production goals and offset declining production from conventional energy sources. The EIA projects that over the long-term shale gas will provide the largest source of growth in U.S. natural gas supply and will constitute about 49% of total U.S. gas production by 2035, up from 23% in 2010. Relatively low natural gas prices combined with environmental concerns and increasing regulation of the coal industry should lead to increasing conversion of coal-generated power to natural gas-generated power. As our customers are predominantly engaged in natural gas E&P relative to coal, we believe our business will benefit from the continued shift to natural gas-generated power over the next five to ten years.

We believe that PVF expenditures for unconventional shale plays can amount to as much as five times that required for comparable conventional plays and have positioned ourselves to benefit from this increase in unconventional E&P and midstream infrastructure activity by investing in these shale regions. This includes adding new branches, building new distribution centers, increasing inventory, strengthening our supply chain and providing greater local resources, including additional headcount in certain locations. We have also positioned the Company through regional bolt-on acquisitions in these most active areas, including the recent acquisitions of South Texas Supply in the Eagle Ford shale and Dresser Oil Tools & Supply in the Bakken shale. Finally, we recently completed a new 80,000 square foot distribution center in Cheyenne, WY to serve the Niobrara and Bakken shale basins.

In addition, we are well positioned to continue to benefit from the more recent marked shift in drilling activity in the U.S. towards oil production. During 2007, approximately 83% of E&P activity in the U.S. consisted of oil drilling and 17% consisted of natural gas drilling. As of the fourth quarter of 2011, approximately 55% of E&P activity in the U.S. consisted of oil drilling and 45% consisted of natural gas drilling. This is the highest percentage of oil drilling in the U.S. in approximately two decades. We benefit from this shift, as oil prices are global in nature and thus more impacted by changes in international geopolitical instability, maintain a tighter global supply and demand dynamic and are less susceptible to the seasonal variations associated with U.S. natural gas prices. As part of our efforts to continue to participate in the growth in oil E&P activity, we made two acquisitions in 2010, South Texas Supply and Dresser Oil Tools & Supply. These acquisitions position us in two of the most active oil drilling basins in the U.S., the Eagle Ford shale in South Texas and the Bakken shale in North Dakota. We also added branches in these and other active oil E&P areas in 2010 and 2011 and expanded our inventory in the Permian Basin and in California, two high activity oil drilling basins where we already had a strong local presence.

Capitalize on Anticipated Midstream MRO Activity. Our major midstream customers face new safety regulations requiring additional inspection and hydro-testing requirements for U.S. pipelines. On January 3, 2012, the Pipeline Act was enacted into law. The Pipeline Act is expected to accelerate PVF testing and replacement as well as require midstream participants to install additional automatic or remote-controlled shut-off valves and excess flow valves in new or replaced transmission pipelines. In addition, approximately 60% of the 178,000 miles of pipeline in the U.S. is over 40 years old. Recent initiatives from several of our major customers suggest a longer term trend towards continued replacement of this aged pipeline infrastructure and related MRO spending. Our acquisition of LaBarge, along with our increased focus and investments in line pipe and its attendant PVF and industrial supply products, uniquely positions us to benefit from increased pipeline replacement and MRO spending over the next 10 years.

Further Penetrate the Canadian Oil Sands, Particularly the Downstream Sector. The Canadian Oil Sands region and its attendant downstream sector represent long-term growth areas for our Company. Improvements in mining and mineral processing and in-situ technology are driving significant long-term investment in the area. The Canadian Association of Petroleum Producers and Energy Resources Conservation Board estimates that Oil Sands capital expenditures increased by approximately 18% in 2010 to \$13 billion and projects that expenditures will increase to approximately \$20 billion by 2016, a CAGR of 7.4%, which we believe will generate significant PVF expenditures. While MRC Midfield has historically focused on the upstream and midstream sectors in Canada, we believe that a significant opportunity exists to continue to penetrate the Canadian Oil Sands and downstream industries, which include the upgrader, refinery, petrochemical and other industrial processing sectors. Our sales to the Canadian Oil Sands region and downstream sectors increased by 45% to \$361 million from 2010 to 2011. Additionally, we believe there is also a significant opportunity to penetrate the Canadian Oil Sands extraction sector involving in-situ recovery methods, including SAGD (steam assisted gravity drainage) and CSS (cyclic steam stimulation) techniques used to extract the bitumen. We have made targeted inventory and facility investments in Canada, including a 74,000 square foot distribution center located near Edmonton and a 16,000 square foot warehouse near Fort McMurray, to address this opportunity. Finally, we also believe that an attractive opportunity exists to more fully penetrate the MRO sector in Canada, particularly in Eastern Canada, including refineries, petrochemical facilities, gas utilities and pulp and paper and other general industrial sectors. We recently opened a branch in Sarnia, Ontario to target these sectors.

Expanding Globally Through Positioning on EPC Projects. Projects are a growing part of our business and represent approximately one-third of our sales. In 2011, 15% of our revenue was derived from infrastructure projects through EPC firms and 19% was derived from drilling/production projects. These projects can be either brownfield or greenfield in nature, with the latter representing new construction and the former representing projects that are more refurbishment or replacement in scope. Infrastructure projects are an important part of all the sectors we serve but are typically more active in our downstream and midstream sectors. Due to our strong MRO position in these sectors, we are often our customers' choice for brownfield expansion in these facilities. We are actively looking to increase our participation in new greenfield projects both domestically and internationally by working closely with both end customers and EPC contractors.

Our major customers' capital E&P spending is split approximately 25% in North America and 75% internationally and has recently been increasing. As of December 31, 2011, backlog at several of our largest EPC customers increased by 4.4% as compared to December 31, 2010. Similarly, our volume of new project wins increased significantly in 2011 as compared to 2010. Since 2007, we have increased our focus on projects in the Canadian Oil Sands and since our acquisitions of MRC Transmark in 2009 and MRC SPF in 2011, we have expanded our focus on projects in Europe, Australasia and Southeast Asia. We believe that through our international acquisitions, global sourcing and project execution experience, comprehensive product and service offering and global account

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management strategies, we will be able to capitalize on the large amount of expected capital expenditure project spending by our customers over the next ten years.

Expand into New Geographies and Adjacent Sectors. We intend to continue to selectively establish new branches to facilitate our expansion into new geographies and enter adjacent sectors where extreme operating environments generate high PVF product replacement rates. We continue to evaluate establishing branches and service and supply centers in select domestic and international regions as well as identifying existing branches for overlap and strategic elimination. We added 11 branches in 2010 and four in 2011 while closing 56 branches over this period. The majority of these closures were due to synergies resulting from our acquisitions, part of our restructuring efforts during the market downturn in 2009 and 2010 or to better position us to capitalize on shale or oil E&P activity.

We believe that an attractive opportunity exists to further expand our International operating segment. We continue to actively evaluate opportunities to selectively establish new branches in order to grow with our existing global customer base or to develop new customer relationships and extend our offering to key international markets, particularly in Asia, Europe, Australasia and the Middle East. We recently acquired the operations and assets of OneSteel Piping Systems (OPS) in Australia. This acquisition, when combined with the acquisitions of MRC Transmark Australia in October 2009, and Perth-based MRC SPF in June 2011, is expected to provide the Company with Australia's largest full-line PVF product offering including carbon steel, stainless steel, and alloy pipe, valves, fittings and flanges to serve both the MRO and project needs of our key customers throughout Australia in the oil and gas, mining and industrial processing sectors. We also recently expanded our global presence through our acquisition of MRC SPF and opened our first location in Kazakhstan to service a large existing North American customer. The current installed base of energy infrastructure internationally, including the upstream, midstream and downstream sectors, is significantly larger than in North America, and, as a result, we believe represents an attractive long term opportunity for us. In addition, the increased focus, particularly by foreign, typically government controlled, national energy companies that traditionally have not used distributors for their PVF procurement requirements, on efficiency, cost savings, process improvements and core competencies has also generated potential growth opportunities to add new customers. Since 2006, when 100% of our revenues were generated in the U.S., we have expanded into Canada, Europe, Asia and Australasia. In the year ended December 31, 2011, approximately 20% of our revenues were generated outside the U.S.

We also believe opportunities exist for expansion into new and under-penetrated sectors where PVF products are used in specialized or highly corrosive applications. These sectors include pulp and paper, waterworks, food and beverage and other general industrial sectors, in addition to other energy sectors such as power generation, mining and mineral processing, solar, LNG, coal, nuclear, ethanol and desalination facilities. We believe our global branch network, comprehensive PVF product offering, large sales force and reputation for high customer service and technical expertise positions us to participate in the growth in these sectors.

We believe there also remains an opportunity to continue to expand into certain niche and specialty products that complement our current extensive product offering. These products include automated valves, instrumentation, stainless, chrome and high nickel alloy PVF, gaskets, traps and other flow control products and certain other general and specialty industrial supply products.

Pursue Selective Strategic Acquisitions and Investments. We continue to seek opportunities to strengthen our franchise through selective acquisitions and strategic investments. In particular, we will consider investments that enhance our presence in the energy infrastructure sector and enable us to leverage our existing operations, either through acquiring new branches or by acquiring companies offering complementary products or geographic breadth. Our industry remains highly fragmented while our customers and suppliers continue to consolidate. We believe a significant

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number of small and larger acquisition opportunities remain that offer favorable synergy potential and attractive growth characteristics. We intend to focus on utilizing our global operating scale and integration capabilities to further realize important synergies while minimizing execution risk.

Continued Focus on Operational Efficiency. We strive for continued operational excellence. Our branch managers, regional management and corporate leadership team continually examine branch profitability, working capital management and return on managed assets and utilize this information to optimize global, regional and local strategies, reduce operating costs and maximize cash flow generation. An important part of our strategy is to align management incentives from corporate officers through branch managers on achieving Adjusted EBITDA and Adjusted EBITDA RONA targets.

In response to past market downturns, our management team focused on several restructuring initiatives to align our cost structure with the level of business activity. These cost saving initiatives included branch consolidations, supplier rationalizations, regional realignments and reductions in corporate overhead, personnel and profit sharing programs. For example, during 2008 and 2009 we streamlined our organization by realigning our eight North American geographic regions into four, merged, converted, reorganized or closed over 47 branches and reduced headcount by 20% in North America as part of this process. Several of the cost saving initiatives were put in place as part of the McJunkin Red Man merger integration plan and thus were not reversed as activity returned to the more normalized levels that we are more recently experiencing.

To improve efficiencies and profitability, we work to leverage operational best practices, optimize our vendor relationships, purchasing and inventory levels, and source inventory internationally when appropriate. As part of this strategy, we have integrated our purchasing functions into a central procurement function and believe we have developed strong relationships with vendors that value our international footprint, large sales force and volume purchasing capabilities. Because of this, we are often considered the preferred distribution channel. As we continue to consolidate our vendor relationships, we plan to devote additional resources to assist our customers in identifying products that improve their processes, day-to-day operations and overall operating efficiencies. We believe that offering these value added services maximizes our value to our customers and helps differentiate us from competitors.

History

McJunkin Corporation was founded in 1921 in Charleston, West Virginia and initially served the local oil and natural gas industry, focusing primarily on the downstream sector. In 1989, McJunkin Corporation broadened its upstream sector presence by merging its oil and natural gas division with Appalachian Pipe & Supply Co. to form McJunkin Appalachian, which was a subsidiary of McJunkin Corporation, but has since been merged with and into McJunkin Red Man Corporation, which focused primarily on upstream oil and natural gas customers.

In April 2007, we acquired Midway, a regional PVF oilfield distributor, primarily serving the upstream Appalachia and Rockies regions. This extended our leadership position in the Appalachia/Marcellus shale region, while adding additional branches in the Rockies.

Red Man was founded in 1976 in Tulsa, Oklahoma and began as a distributor to the upstream sector and subsequently expanded into the midstream and downstream sectors. In 2005, Red Man acquired an approximate 51% voting interest in Canadian oilfield distributor MRC Midfield, giving Red Man a significant presence in the Western Canadian Sedimentary Basin.

In October 2007, McJunkin Corporation and Red Man completed a business combination transaction to form the combined company, McJunkin Red Man Corporation. This transformational

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merger combined leadership positions in the upstream, midstream and downstream sectors, while creating a “one stop” PVF leader across all sectors with full geographic coverage across North America. Red Man has since been merged with and into McJunkin Red Man Corporation.

In July 2008, we acquired the remaining voting and equity interest in MRC Midfield. Also, in October 2008, we acquired LaBarge. LaBarge is engaged in the sale and distribution of carbon steel pipe (predominately large diameter pipe) for use primarily in the North American midstream energy infrastructure sector. The acquisition of LaBarge expanded our midstream sector leadership, while adding a new product line in large outside diameter pipe.

In October 2009, we acquired MRC Transmark. MRC Transmark is a leading distributor of valves and flow control products in Europe, Southeast Asia and Australasia. MRC Transmark was formed from a series of acquisitions, the most significant being the acquisition of the FCX European and Australasian distribution business in July 2005. The acquisition of MRC Transmark provided geographic expansion internationally, additional downstream diversification and enhanced valve sector leadership.

During 2010, we acquired South Texas Supply and also certain operations and assets of Dresser Oil Tools & Supply. With these two acquisitions, we expanded our footprint in the Eagle Ford and Bakken shale regions, expanding our local presence in two of the emerging active shale basins in North America.

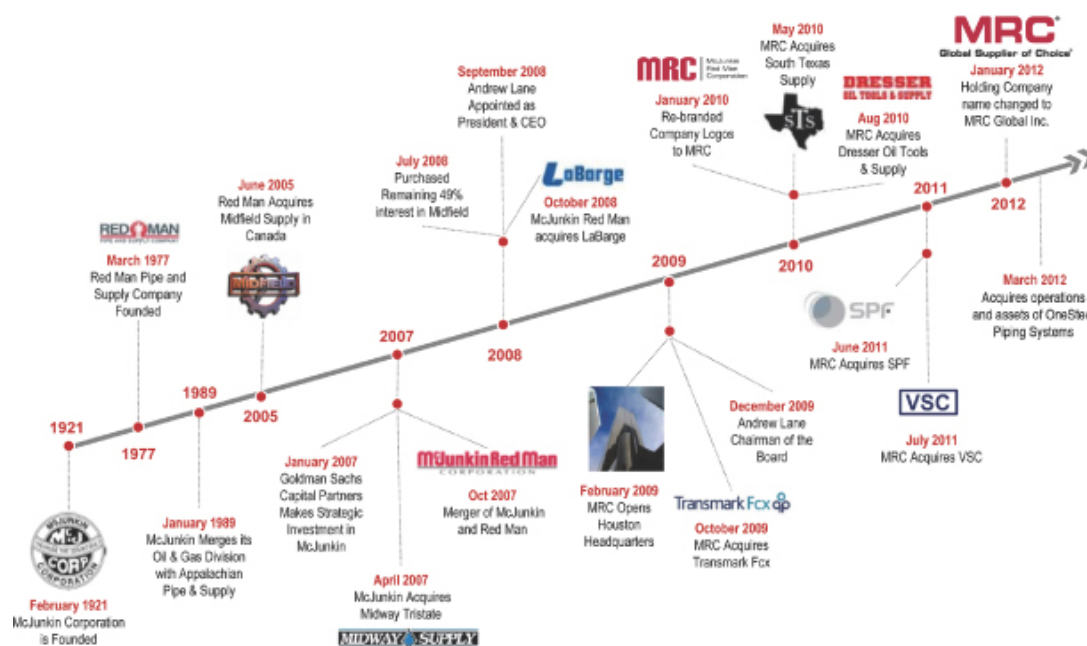
In June 2011, we acquired MRC SPF. Headquartered in Perth, Western Australia, MRC SPF is a distributor of stainless steel piping products through its seven locations across Australia as well as Korea, the United Kingdom and the United Arab Emirates.

In July 2011, we acquired VSC. VSC specializes in valve automation for upstream projects and maintenance, repairs and operation in the downstream sector.

In December 2011, we signed an agreement to acquire the operations and assets of OneSteel Piping Systems (“OPS”). This acquisition was completed in March 2012. OPS is a leading PVF product and service specialist with proven capabilities supplying the oil and gas, mining and mineral processing industries in Australia.

On January 10, 2012, we amended our amended and restated certificate of incorporation and amended and restated bylaws to reflect our change in name from “McJunkin Red Man Holding Corporation” to “MRC Global Inc.”

The following timeline illustrates our growth on a chronological basis since the founding of McJunkin Corporation:



Industry

We primarily serve the global oil and natural gas industry, generating approximately 90% of our sales from supplying products and various services to customers throughout the energy industry. Of our total sales, 62% of sales are comprised of valves, fittings and flanges and other industrial supply products and 38% are tubular products, predominantly line pipe and OCTG for the year ended December 31, 2011. Given the diverse requirements and various factors that drive the growth of the upstream, midstream and downstream sectors, our sales to each sector or by product may vary over time, though the overall strength of the global energy market and the level of our customers' operating and capital expenditures are typically good indicators of our business activity. In each of 2010 and 2011, as part of the broader global economic recovery, our customers' capital and operating expenditures increased as compared to 2009, although overall oil and natural gas drilling and completion spending still remained below 2006 and 2007 levels. Over the longer term, we expect to continue to see customer spending increase due to a variety of global supply and demand fundamentals, a slowly improving global economy, shale E&P activity and longer term outlooks for oil and natural gas prices.

Average Commodity Prices ⁽¹⁾	Year Ended December 31,											
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Natural gas (\$/Mcf)	\$ 4.31	\$ 3.96	\$ 3.38	\$ 5.47	\$ 5.87	\$ 8.69	\$ 6.73	\$ 6.97	\$ 8.86	\$ 3.94	\$ 4.37	\$ 4.00
WTI crude oil (\$per barrel)	\$30.38	\$25.98	\$26.18	\$31.08	\$41.51	\$56.64	\$66.05	\$72.34	\$99.67	\$61.95	\$79.48	\$ 94.91
Brent crude oil (\$per barrel)	\$28.66	\$24.46	\$24.99	\$28.85	\$38.27	\$54.57	\$65.16	\$72.44	\$96.94	\$61.74	\$79.61	\$111.26

(1) Source—Department of Energy, EIA (www.eia.gov).

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During the last several years, the global energy industry has experienced a number of favorable supply and demand dynamics that have led our customers to make substantial investments to expand their physical infrastructure and processing capacities. On the demand side, world energy markets are benefiting from:

- (i) increased consumption of energy, caused in part by the industrialization of China, India and other non-OECD countries;
- (ii) a slow recovery in economic growth in OECD countries from the severe downturn in 2009 and 2010;
- (iii) continued global energy infrastructure expansion; and
- (iv) increased use of natural gas, as opposed to coal, in power generation.

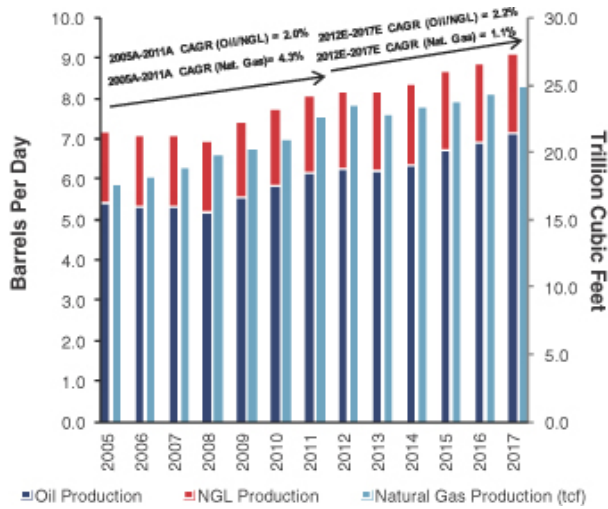
At the same time, global energy supply has been generally constrained due to increasing scarcity of natural resources, declining excess capacity of existing energy assets, geopolitical instability, natural and other unforeseen disasters and more stringent regulatory, safety and environmental standards. These demand and supply dynamics underscore the need for investment in energy infrastructure and increases in global exploration, extraction, production, transportation, refining and processing of energy inputs.

As the global energy industry has evolved, our customers have continued to focus on generating supply chain efficiencies. One notable trend that has favored our company is a shift toward a more centralized purchasing function. In the past, it was standard for PVF purchasing to be handled at a local level, often with separate contracts for each PVF product category (pipes, valves, fittings and flanges and all other). But as the energy industry has consolidated and as companies explore ways to leverage their aggregate purchases, many companies have consolidated vendors and moved to a more centralized function in which PVF contracts are put in place by energy sector (upstream/midstream/downstream) or by geography (for instance, North America, multi-country regions or global). This trend favors larger distributors such as our company that have the scale, product breadth, IT capabilities, global presence and financial strength to support large global contracts across all product categories. We believe that this can create a favorable environment for other energy companies, including state owned or national oil companies, to explore shifting from a direct model to a distribution focused model.

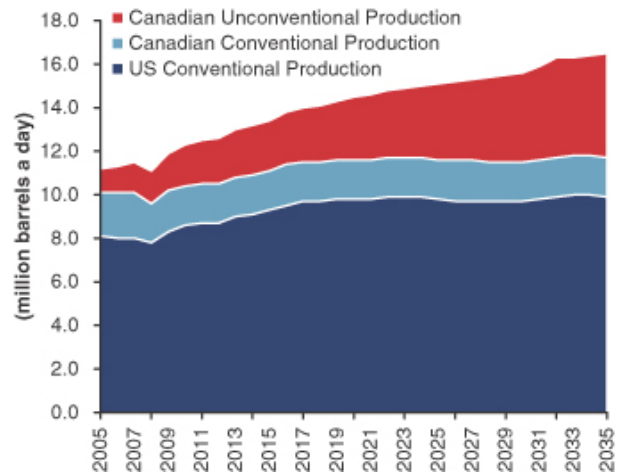
Within the U.S., the energy industry has benefited from technological developments that have enabled more recent significant increases in U.S. oil production and natural gas supply. EIA expects that U.S. crude oil production, which increased 2.1% in 2010 and 2.1% in 2011, will increase by a further 4.3% in 2012, driven by increased oil-directed drilling activity, particularly in unconventional shale formations. EIA expects that U.S. marketed natural gas production, which increased by 3.5% in 2010 and 7.8% in 2011, will grow further by 2.2% in 2012. Finally, as companies in the energy industry, both in North America and internationally, continue to focus on improving operating efficiencies, they have been increasingly looking to outsource their procurement and related administrative functions to distributors such as MRC.

The following charts illustrate the growth in U.S. natural gas and liquid fuel production, the increasing development of U.S. and Canadian unconventional oil production and the anticipated shift in U.S. natural gas production to shale regions:

U.S. Liquid Fuel and Natural Gas Production (1)

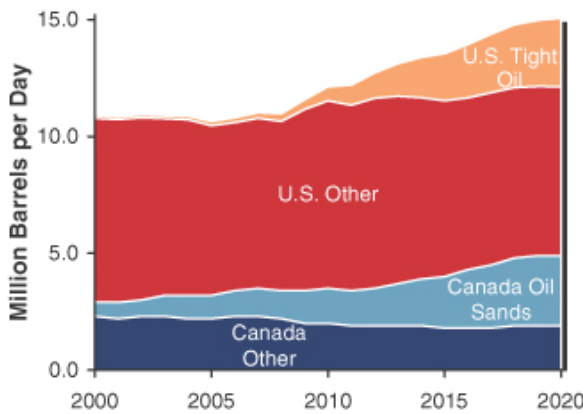


U.S. and Canadian Oil Production (1)

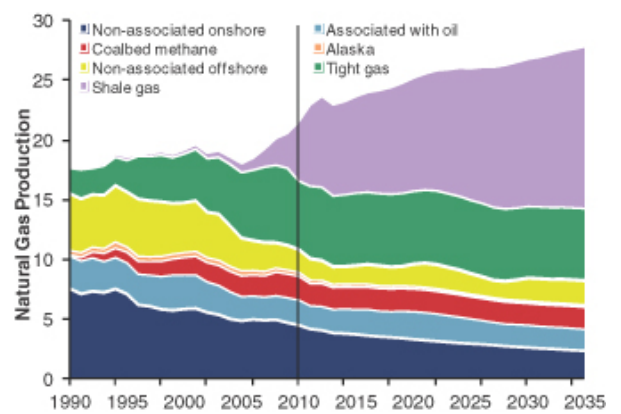


(1) Projections from IHS CERA. Historical Data from the U.S. Energy Information Administration

North American Liquid Fuel Production (1)



U.S. Natural Gas Production (2)



(1) Projections from IHS CERA. Historical Data from the U.S. Energy Information Administration (www.eia.gov)

(2) U.S Energy Information Administration (www.eia.gov)

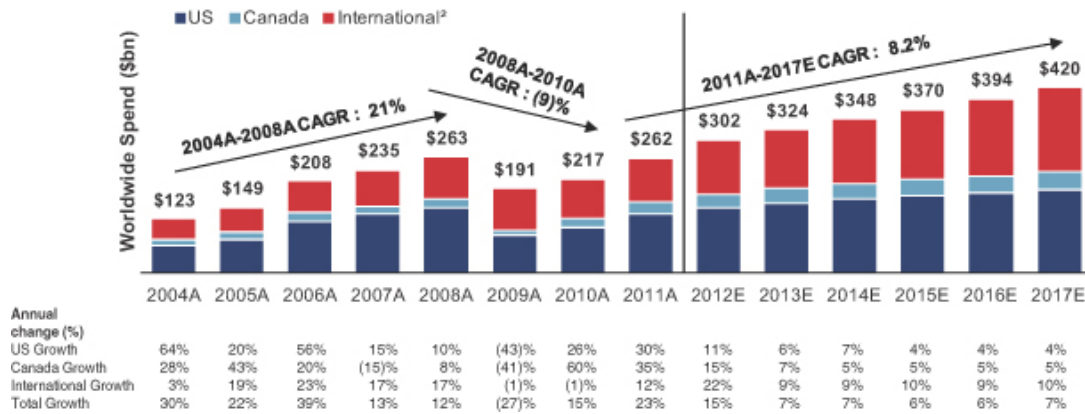
Upstream: E&P companies, commonly referred to as upstream companies, search for oil and natural gas underground and extract it to the surface. Representative companies include Aera Energy LLC, Anadarko Petroleum Corporation, Apache Corporation, Canadian Natural Resources, Ltd., Chesapeake Energy Corporation, Chevron Corporation, ConocoPhillips, Encana Corporation, ExxonMobil Corporation, Hess Corporation, Husky Energy Inc., Marathon Oil Company, Range Resources Corporation and Royal Dutch Shell plc. E&P companies typically purchase oilfield supplies, including carbon steel and other pipe, OCTG, valves, sucker rods, tools, pumps, production equipment, meters and general industrial supply products from us.

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The capital spending budgets of upstream companies have grown over the past decade as tight supply conditions, strong global demand for oil and natural gas and economically feasible E&P in shale formations have spurred companies to expand their operations. Spears & Associates expects global oil and natural gas drilling and completion spending will increase at an approximately 9% compound annual growth rate (“CAGR”) between 2011 and 2017.

The following chart illustrates historical and forecasted North American and international oil and natural gas drilling and completion spending:

Oil and Natural Gas Drilling and Completion Spending(1)



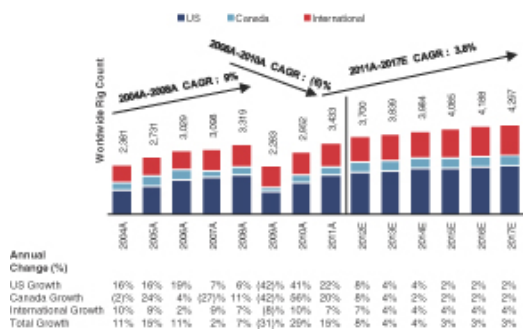
(1) Source—Spears & Associates: Outlook for the Worldwide Upstream Oil and Gas Industry, March 2012
 (2) Includes Europe and the Far East

Rig counts are considered to be generally indicative of activity levels in the upstream sector. The average North American rig count increased at an approximate 3% CAGR between 2006 and 2008, but, due to the global economic recession that began in late 2008, the average fell by more than 40% in 2009. As the economy recovered, the rig count increased, rising by 44% in 2010. Spears & Associates expects that the North American rig count will increase at a 3.6% CAGR between 2011 and 2017. Furthermore, more technically sophisticated drilling methods, such as deep and horizontal drilling and the multiple fracturing of hydrocarbon production zones, coupled with higher oil and natural gas prices relative to long term averages, have made E&P in previously underdeveloped areas, such as Appalachia and the Rockies, more economically feasible. As part of this trend, there has been growing commercial interest by our customers in several shale deposit areas in the United States, including the Bakken, Barnett, Eagle Ford, Fayetteville, Haynesville, Marcellus, Niobrara, Permian and Utica shales, where we have an extensive local presence. During 2010 and 2011, there was a significant shift towards oil prospects, with an average oil rig count of approximately 53% of the total for 2011, the highest percentage in the United States since 1997. Additionally, we believe improved E&P technologies will allow for more deepwater drilling both offshore in the Gulf of Mexico and offshore in certain international areas, where we maintain a presence. In the Gulf of Mexico, new drilling and safety requirements will have to be met before we anticipate a significant activity increase. In Canada, improvements in mining and mineral processing and in-situ technology are driving increased investment in the Canadian Oil Sands.

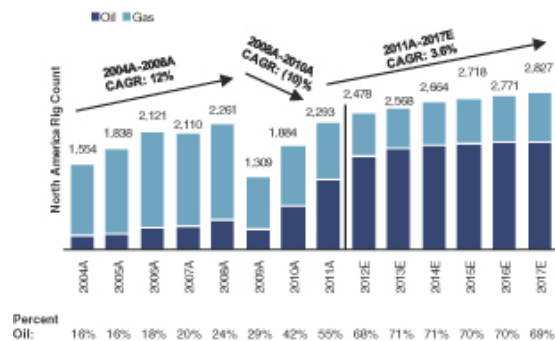
Oil and Natural Gas Rig Count

The following chart illustrates the historical and forecasted North American and International oil and natural gas rig count from 2004 through 2017:

Forecasted Worldwide Rig Count



Forecasted North American Rig Count



(1) Baker Hughes (www.bakerhughes.com), Spears & Associates: Outlook for the Worldwide Upstream Oil and Gas Industry, March 2012

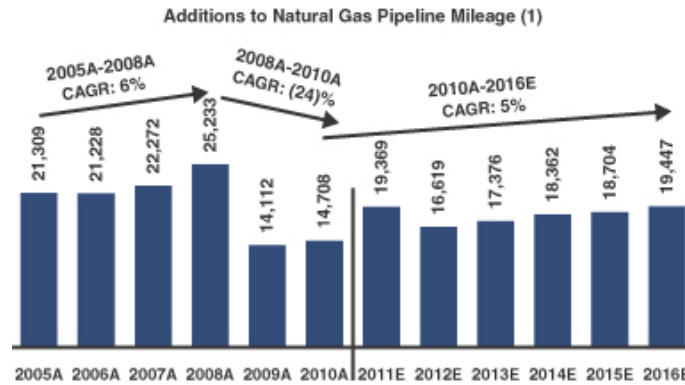
Midstream: The midstream sector of the oil and natural gas industry is comprised of companies that provide gathering, storage, transmission, distribution, and other services related to the movement of oil, natural gas and refined petroleum products from sources of production to demand centers. Representative midstream companies include AGL Resources Inc., Atmos Energy Corporation, Chesapeake Midstream Partners, Consolidated Edison, Inc., DCP Midstream Partners, LP, El Paso Natural Gas Company, Enterprise Products Partners L.P., Kinder Morgan Inc., Magellan Midstream Partners, L.P., NiSource, Inc., Pacific Gas and Electric Company, Vectren Energy and Williams Partners L.P. Core products supplied for midstream infrastructure include carbon steel line pipe for gathering and transporting oil and natural gas, actuation systems for the remote opening and closing of valves, polyethylene pipe for “last mile” transmission to end user locations, metering equipment for the measurement of oil and natural gas delivery and general industrial supplies.

The natural gas utilities portion of the midstream sector has been one of our fastest growing sectors since regulatory changes enacted in the late 1990s encouraged utilities to outsource through distribution their PVF purchasing and procurement needs. Outsourcing provides significant labor and working capital savings to customers through the consolidation of standardized product procurement spending and the delegation of warehousing operations to us. We estimate that less than one-half of natural gas utilities currently outsource in varying degrees and we anticipate that some of the remaining large natural gas utilities will most likely switch from the direct sourcing model to a distributor model. Furthermore, we believe natural gas utilities will increasingly seek operating efficiencies as large natural gas pipelines and related distribution networks continue to be built, and will increasingly rely on companies such as ours to optimize their supply chains and enable them to focus on their core operations.

The gathering and transmission pipeline activity is anticipated to exhibit significant growth over the next several years due to the new discoveries of natural gas reserves in various shale natural gas fields and the need for additional pipelines to carry heavy sour crude from Canada to processing facilities in the United States. The Interstate Natural Gas Association of America (“INGAA”) estimates that companies will invest \$178 billion in natural gas infrastructure between 2011 and 2035, the majority of which will be comprised of gathering and transmission pipelines. Recent heightened activity in oil and natural gas fields such as the Bakken, Eagle Ford, Niobrara and Marcellus shale regions remain largely unsupported by transmission facilities of the appropriate scale necessary to bring the oil and natural gas to market. INGAA estimates that companies will need to build 35,600 miles of large,

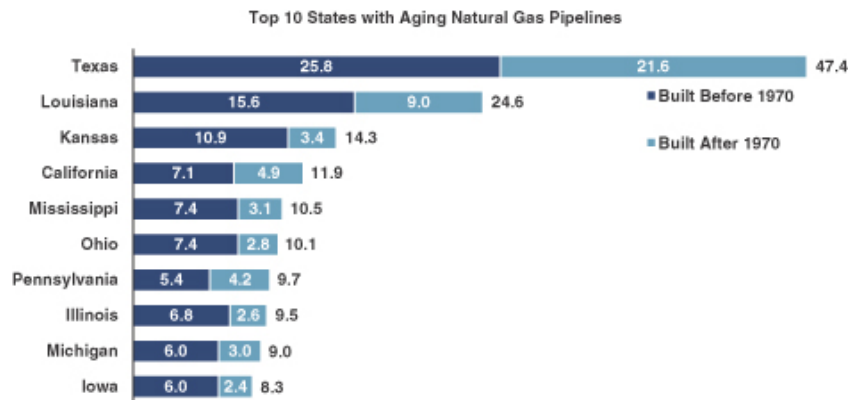
high pressure natural gas pipelines between 2011 and 2035 to meet market demands. Further, an INGAA study completed by ICF International projects that on average, approximately 16,500 miles of new gathering lines and approximately 2,000 miles of new transmission line will be added each year from 2011 through 2035. This need for large pipelines to transport energy feedstocks to markets is creating significant growth for PVF and other products we sell. Drivers of pipeline development and growth include the development of natural gas production in new geographies, increased pipeline interconnection driven by a need to lower price differences within regions, and the need to link facilities that may be developed over the next decade.

The following chart illustrates historical and projected additions to total natural gas pipeline mileage in the U.S. from 2005 through 2016:



(1) ICF International, North American Midstream Infrastructure Through 2035 – A Secure Energy Future, Prepared for the INGAA Foundation, June 28, 2011

The need for increased safety and governmental demands for pipeline integrity have also accelerated the MRO cycle for PVF products in this segment. Government mandated programs have hastened the testing of existing lines to ensure that the integrity of the pipe remains consistent with its original design criteria. All pipe falling outside the necessary performance criteria as it relates to safety and overall integrity must be replaced. These regulations for pipeline integrity management should continue to stimulate MRO demand for products as older pipelines are inspected and eventually replaced. About 60% of the U.S. network of natural gas-transmission pipeline is over 40 years old and will likely require significant maintenance or replacement as shown below.



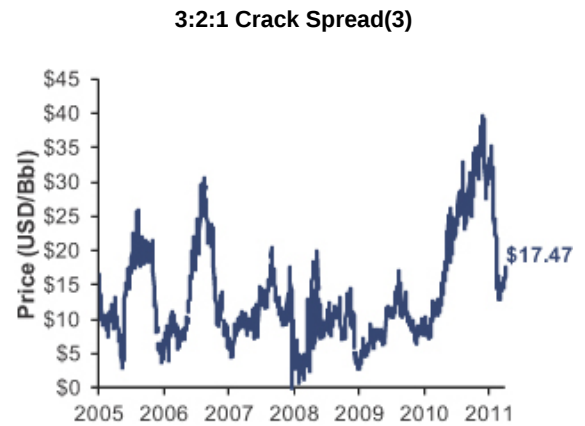
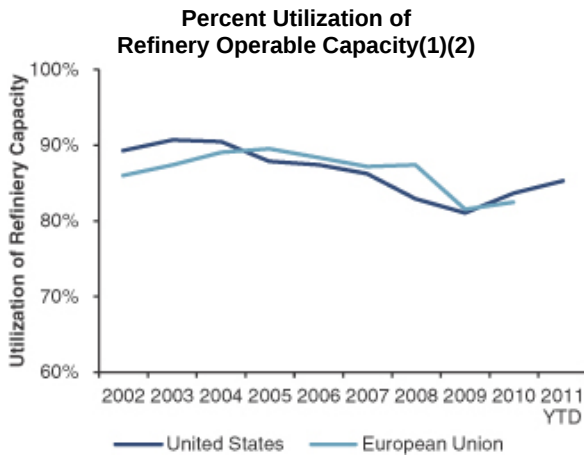
Source: Wall Street Journal, Pipeline Safety and Hazardous Materials Administration

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Downstream: Typical downstream activities include the refining of crude oil and the selling and distribution of products derived from crude oil, as well as the production of petro and industrial chemical products. Representative downstream companies include BP plc, Chevron, ConocoPhillips, ExxonMobil Corporation, Marathon Petroleum Corporation, Royal Dutch Shell plc and Valero Energy Corporation. Refinery infrastructure products include carbon steel line pipe and gate valves, fittings to construct piping infrastructure and chrome or high alloy pipe and fittings for high heat and pressure applications. Chemical/petrochemical products include corrosive-resistant stainless steel or high alloy pipes, multi-turn valves and quarter-turn valves and general industrial supply products.

Over the 2008-2009 period, refinery utilization rates decreased significantly as part of the global economic slowdown and as a result, several new projects to increase capacity were delayed, or in some cases cancelled. Since 2010, utilization rates have improved but remained at levels below longer term historical averages. The number of operable refineries in the U.S. declined from 223 in 1985 to approximately 148 in 2010, and we believe that continued stress on refinery infrastructure caused by demand for petroleum products will accelerate PVF replacement rates over the longer term. This trend is most pronounced outside the U.S. where capacity utilization rates are the highest and the demand for petroleum products is growing the fastest.

The following charts illustrate the utilization of oil refineries in the U.S. and the European Union from 2002 through 2011 and global refinery margins during the same period:



(1) Refinery utilization is calculated as refinery throughput divided by capacity
 (2) Source—BP Statistical Review of World Energy June 2011 (www.bp.com/statisticalreview)
 (3) Source—Commodity Systems, Inc.

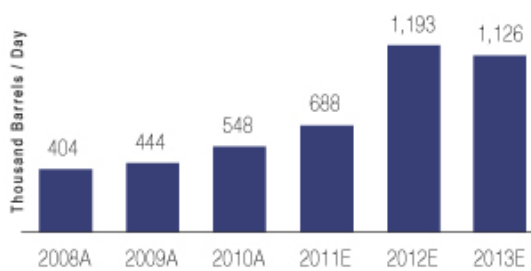
The pre-recession gap between fuel consumption and U.S. refining capacity, coupled with an anticipated recovery in refinery utilization levels, may necessitate new projects and generate new project and MRO contract opportunities for MRC. Further, as refineries look for ways to improve margins and value-added capabilities, they are also increasingly broadening the crude processed to include heavier, sour crude. Heavier, sour crude is harsher and more corrosive than light sweet crude, and requires high-grade alloys in many parts of the refining process, shortening product replacement cycles and creating additional MRO contract opportunities for us following project completion. Thus, we believe that this need will create greater demand for our specialty products that include, among others, corrosion resistant components and steam products used in various process applications in refineries.

The following charts illustrate industrial PMI (Purchasing Managers' Index) from January 2008 through January 2012 and actual and forecasted refining turnaround activity on an annual basis from 2008 through 2013, based on data from Industrial Info Resources, Inc.:

**Industrial PMI
(Purchasing Managers' Index)(1)**



**Annual Refining Turnaround Activity
Planned Unit Outages (thousand barrels per day)(2)**



(1) Institute for Supply Management
(2) Industrial Info Resources, Inc.

Petrochemical plants generally use crude oil, natural gas or coal in production of a variety of primary petrochemicals (e.g. ethylene and propylene) that are the building blocks for many of the manufactured goods produced in the world today. The burgeoning economies in China, India and other non-OECD countries have generated increasing demand for petrochemicals and we expect that future increases in demand will require additional capital and other expenditures to increase capacity. Industry participants include integrated oil and natural gas companies with significant petrochemical operations and large industrial chemical companies, such as BP Chemicals, Celanese Chemicals, Chevron Phillips Chemical Co. LLC, Dow Chemical Company, E.I. DuPont de Nemours and Company, Eastman Chemicals Company, ExxonMobil Corporation, PPG Industries, Inc. and Shell Chemical L.P. In North America, increased shale E&P activity has led to a significantly increased supply of natural gas feedstock for the chemicals industry, thereby lowering input prices and stimulating activity. As a result of the improved profitability, several of our major chemical customers are currently considering significant new projects to increase North American capacity. In March 2011, the American Chemistry Council projected \$16.2 billion in new capital investments, including debottlenecking, brownfield and greenfield projects, in the petrochemical industry over the next several years, and we believe that we will materially benefit as a result of this increase in anticipated activity.

Other Industries Served. Beyond the oil and natural gas industry, we also supply products and services to other energy sectors, such as coal, mining and mineral processing, power generation, LNG and alternative energy facilities. We also serve more general industrial sectors, such as pulp and paper, metals processing, fabrication, pharmaceutical, desalinization, food and beverage and manufacturing, which together make use of products such as corrosion resistant piping products as well as automation and instrumentation products. Some of the customers we serve in these sectors include Alcoa, Inc., Arcelor Mittal, BHP Billiton, Eli Lilly and Company, Georgia Pacific Corporation, International Paper Company, the Rio Tinto Group and U.S. Steel Corporation. These other sectors are typically characterized by large physical plants requiring significant ongoing maintenance and capital programs to ensure efficient and reliable operations. We include these industries within our downstream sector category.

North American Operations

Our North American segment represented approximately 93% of our consolidated revenues in 2011 and is comprised of our business of distributing PVF to the energy and industrial sectors, across each of the upstream, midstream and downstream sectors, through our distribution operations located throughout the U.S. and Canada.

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Products: Through our over 175 branch locations strategically located throughout North America, we distribute a complete line of PVF products, primarily used in specialized applications in the energy infrastructure sector, from our global network of suppliers. The products we distribute are used in the construction, maintenance, repair and overhaul of equipment used in extreme operating conditions such as high pressure, high/low temperature, high corrosive and abrasive environments. We are required to carry significant amounts of inventory to meet the rapid delivery, often same day, requirements of our customers. The breadth and depth of our product offerings and our extensive North American presence allow us to provide high levels of service to our customers. Due to our national inventory coverage, we are able to fulfill more orders more quickly, including those with lower volume and specialty items, than we would be able to if we operated on a smaller scale or only at a local or regional level. Key product types are described below:

- *Valves and Specialty Products* (19% of our North American revenue in 2011). Products offered include ball, butterfly, gate, globe, check, needle and plug valves which are manufactured from cast steel, stainless/alloy steel, forged steel, carbon steel or cast and ductile iron. Valves are generally used in oilfield and industrial applications to control direction, velocity and pressure of fluids and gases within transmission networks. Specialty products include lined corrosion resistant piping systems, valve automation and top work components used for regulating flow and on/off service, and a wide range of steam and instrumentation products used in various process applications within our refinery, petrochemical and general industrial sectors.
- *Line Pipe* (23% of our North American revenue in 2011). Carbon line pipe is typically used in high-yield, high-stress and abrasive applications, such as the gathering and transmission of oil, natural gas and phosphates. Line pipe is part of our tubular product category.
- *OCTG* (18% of our North American revenue in 2011). OCTG is part of our tubular product category, includes casing (used for production and to line the well bore) and tubing pipe (used to extract oil or natural gas from wells) and is either classified as carbon or alloy depending on the grade of material.
- *Carbon Steel Fittings and Flanges and Stainless Steel and Alloy Pipe and Fittings* (18% of our North American revenue in 2011). Carbon steel fittings and flanges include carbon weld fittings, flanges and piping components used primarily to connect piping and valve systems for the transmission of various liquids and gases. These products are used across all the industries in which we operate. Stainless steel and alloy pipe and fittings include stainless, alloy and corrosion resistant pipe, tubing, fittings and flanges. These are used most often in the chemical, refining and power generation industries but are used across all of the sectors in which we operate. Alloy products are principally used in high-pressure, high-temperature and high-corrosion applications typically seen in process piping applications.
- *Other* (22% of our North American revenue in 2011). Other includes natural gas distribution products, oilfield supplies, and other industrial products such as mill and safety and electrical supplies. Natural gas distribution products include risers, meters, polyethylene pipe and fittings and various other components and industrial supplies used primarily in the distribution of natural gas to residential and commercial customers. We offer a comprehensive range of oilfield and industrial supplies and completion equipment, and products offered include high density polyethylene pipe and fittings, valves, well heads, pumping units and rods. Additionally, we can supply a wide range of specialized production equipment including meter runs, tanks and separators used in our upstream sector.

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The following table provides a breakdown of our total North American revenues by product type on an actual basis for the years ended December 31, 2011, 2010 and 2009:

	Year Ended December 31,		
	2011	2010	2009
Energy carbon steel tubular products:			
Line Pipe	23%	19%	20%
OCTG	18%	21%	21%
	<u>41%</u>	<u>40%</u>	<u>41%</u>
Valves, fittings, flanges and other products:			
Valves and Specialty Products	19%	20%	18%
Carbon Steel Fittings and Flanges and Stainless Steel and Alloy Pipe and Fittings	18%	18%	18%
Other	22%	22%	23%
	<u>59%</u>	<u>60%</u>	<u>59%</u>

Services: We provide many of our customers with a comprehensive array of services including multiple deliveries each day, zone store management, valve tagging and significant system interfaces that directly tie the customer into our proprietary information systems. This allows us to interface with our customers' IT systems and provide an integrated supply service. Such services strengthen our position with our customers as we become more integrated into the customer's business and supply chain and are able to market a "total transaction value" solution rather than individual product prices.

Our comprehensive information systems, which provide for customer and supplier electronic integrations, information sharing and e-commerce applications, further strengthen our ability to provide high levels of service to our customers. In 2011, we processed over 1.6 million EDI/EDE customer transactions. Our highly specialized implementation group focuses on the integration of our information systems and implementation of improved business processes with those of a new customer during the initiation phase. By maintaining a specialized team, we are able to utilize best practices to implement our systems and processes, thereby providing solutions to customers in a more organized, efficient and effective manner. This approach is valuable to large, multi-location customers who have demanding service requirements.

As major integrated and large independent energy companies have implemented efficiency initiatives to focus on their core business, many of these companies have begun outsourcing certain of their procurement and inventory management requirements. In response to these initiatives and to satisfy customer service requirements, we offer integrated supply services to customers who wish to outsource all or a part of the administrative burden associated with sourcing PVF and other related products, and we also often have MRC employees on-site full-time at many customer locations. Our integrated supply group offers procurement-related services, physical warehousing services, product quality assurance and inventory ownership and analysis services.

Suppliers: We source the products we distribute from a global network of suppliers. Our suppliers benefit from access to our diversified customer base and, by consolidating customer orders, we benefit from stronger purchasing power and preferred vendor programs. Our purchases from our largest 25 suppliers in 2011 approximated 52% of our North American total purchases, with our single largest supplier constituting approximately 10%. We are the largest customer for many of our suppliers and we source a significant majority of the products we distribute directly from the manufacturer. The remainder of the products we distribute are sourced from manufacturer representatives, trading companies and, in some instances, other distributors.

We believe our customers and suppliers recognize us as an industry leader in part due to the quality of products we supply and for the formal processes we use to evaluate vendor performance.

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This vendor assessment process is referred to as the MRC Supplier Registration Process, which involves employing individuals, certified by the International Registry of Certificated Auditors, who specialize in conducting on-site assessments of our manufacturers as well as monitoring and evaluating the quality of goods produced. The result of this process is the MRC AML. Products from the manufacturers on this list are supplied across many of the industries we support. Given that many of our largest customers, especially those in our downstream sector, maintain their own formal AML listing, we are recognized as an important source of information sharing with our key customers regarding the results of our on-site assessment. For this reason, together with our commitment to promote high quality products that bring the best overall value to our customers, we often become the preferred provider of AML products to these customers. Many of our customers regularly collaborate with us regarding specific manufacturer performance, our own experience with vendors' products and the results of our on-site manufacturer assessments. The emphasis placed on the MRC ASL by both our customers and suppliers helps secure our central and critical position in the global PVF supply chain.

We utilize a variety of freight carriers in addition to our corporate truck fleet to ensure timely and efficient delivery of our products. With respect to deliveries of products from us to our customers, or our outbound needs, we utilize both our corporate fleet and third-party transportation providers. We utilize third parties for approximately 22% of our outbound deliveries. With respect to shipments of products from suppliers to us, or our inbound needs, we principally use third-party carriers.

Sales and Marketing: We distribute our products to a wide variety of end-users. Our broad distribution network and customer base allow us to capitalize on our extensive inventory base. Local relationships, depth of inventory, service and timely delivery are critical to the sales process in the PVF distribution industry. We generate approximately 93% of our total sales in North America. Our sales efforts are customer and product driven, and provide a system that is more responsive to changing customer and product needs than a traditional, fully centralized structure.

Our sales model applies a two-pronged approach to address both regional and national markets. Regional sales teams, led by four senior vice presidents with an average tenure of 30 years at MRC or its predecessors, are based in our core geographic regions and are complemented by a national accounts sales team organized by sector or product expertise and focused on large regional, national or global customers. These sales teams are then supported by groups with additional specific service or product expertise, including integrated supply and implementation. Our overall sales force is then internally divided into outside and inside sales forces.

Our approximately 265 (as of December 31, 2011) account managers and outside sales representatives develop relationships with prospective and existing customers in an effort to better understand their needs and to increase the number of our products specified or approved by a given customer. Outside sales representatives may be branch outside sales representatives, focused on customer relationships in specific geographies, or technical outside sales representatives, who focus on specific products and provide detailed technical support to customers.

In order to address the needs of our customer base, our inside sales force of approximately 620 customer service representatives (as of December 31, 2011) is responsible for processing orders generated by new and existing customers as well as by our outside sales force. The customer service representatives develop order packages based on specific customer needs, interface with manufacturers to determine product availability, ensure on-time delivery and establish pricing of materials and services based on guidelines and predetermined metrics set by management.

Seasonality: Our business experiences mild seasonal effects as demand for the products we distribute is generally higher during the months of August, September and October. Demand for the products we distribute during the months of November and December and early in the year generally

tends to be lower due to a lower level of activity in the industry sectors we serve near the end of the calendar year and due to winter weather disruptions. In addition, certain E&P activities, primarily in Canada, typically experience a springtime reduction due to seasonal thaws and regulatory restrictions, limiting the ability of drilling rigs to operate effectively during these periods.

Customers: Our principal customers are companies active in the upstream, midstream and downstream sectors of the energy industry as well as in other industrial and energy sectors. Due to the demanding operating conditions in the energy industry, high costs and safety risks associated with equipment failure, customers prefer highly reliable products and vendors with established qualifications, reputation and experience. As our PVF products typically are mission critical and represent a fraction of the total cost of a given project, our customers often place a premium on service and high reliability given the high cost to them of maintenance or new project delays. We strive to build long-term relationships with our customers by maintaining our reputation as a supplier of high-quality, efficient and reliable products and value-added services and solutions.

We have a diverse customer base of over 10,000 active customers. We are not dependent on any one customer or group of customers. A majority of our customers are offered terms of net 30 days (due within 30 days of the date of the invoice). Customers generally have the right to return products we have sold, subject to certain conditions and limitations, although returns have historically been immaterial to our sales. For the years ended December 31, 2011 and 2010, our largest 25 North American customers represented approximately half of our North American sales. For many of our largest customers, we are often their sole or primary PVF provider by sector or geography, their largest or second largest supplier in aggregate or, in certain instances, the sole provider for their upstream, midstream and downstream procurement needs. We believe that many customers for which we are not the exclusive or comprehensive North American sole source PVF provider will continue to reduce their number of suppliers in an effort to reduce costs and administrative burdens and focus on their core operations. As such, we believe these customers will seek to select PVF distributors with the most extensive product offering and broadest geographic presence. Furthermore, we believe our business will benefit as companies in the energy industry continue to consolidate and the larger, resulting companies look to larger distributors such as ourselves as their sole or primary source PVF provider.

Backlog: Backlog is determined by the amount of unshipped third-party customer orders, which may be revised or cancelled by the customer in certain instances. Backlog is generally attributable to our project contract activity, as we generally supply products for MRO contracts within a short period of time from order. There can be no assurance that the backlog amounts will be ultimately realized as revenue, or that the Company will earn a profit on the backlog of orders. Our backlog at December 31, 2011 and December 31, 2010 was \$693 million and \$519 million, respectively. We expect to fill the substantial majority of our backlog within the next 12 months.

Competition: We are the largest North American PVF distributor to the energy industry based on sales. The broad PVF distribution industry is fragmented and includes large, nationally recognized distributors, major regional distributors and many smaller local distributors. The principal methods of competition include offering prompt local service, fulfillment capability, breadth of product and service offerings, price and total costs to the customer. Our competitors include nationally recognized PVF distributors, such as Wilson Industries, Inc. (a subsidiary of Schlumberger), National Oilwell Varco, Inc. and Ferguson Enterprises (a subsidiary of Wolseley, plc), several large regional or product-specific competitors and many local, family-owned PVF distributors.

Employees: As of December 31, 2011, we had approximately 3,450 employees in North America. 27 employees in the United States belong to a union and are covered by collective bargaining agreements. We consider our relationships with our employees to be good.

Properties: We operate a modified hub and spoke model that is centered around our seven distribution centers in North America with more than 175 branch locations which have inventory and

local employees. We own our Houston-Darien, TX and Nisku, AB Canada distribution centers and lease the remaining five distribution centers. We own less than 10% of our branch locations as we primarily lease the facilities. Additionally, in order to meet specific customer needs and maintain strong customer relationships, we hold inventory at approximately 700 on-site customer locations and over 160 third party pipe yards, including third party storage facilities and fabricator locations.

We maintain three U.S. corporate offices, our main corporate headquarters in Houston, TX, the precedent McJunkin headquarters in Charleston, WV, which we own, and the precedent Red Man headquarters in Tulsa, OK. We also maintain a corporate office for our Canadian operations in Calgary, Alberta and a corporate office for our other international operations in Bradford, UK.

International Operations

Our International segment represents our valve and stainless and alloy pipe, fitting and flange distribution business to the energy and general industrial sectors, across each of the downstream and upstream sectors, through our distribution operations located throughout Europe, Asia, Australasia and the Middle East. Our International segment represented approximately 7% of our consolidated revenues in 2011.

Products: Through our over 30 strategic branch and service facilities throughout Europe, Asia, Australasia and the Middle East, we distribute a complete line of valve and stainless and alloy pipe, fittings and flanges and specialty products. The products we distribute are used in the construction, maintenance, repair and overhaul of equipment used in extreme operating conditions such as high pressure, high/low temperature, high corrosive and abrasive environments. Due to our geographical footprint, we are able to service our global customers at several of their locations. Key product types are described below:

• *Valves and Specialty Products* (83% of our International revenue in 2011). Valve products offered include ball, butterfly, gate, globe, check, needle and plug valves which are manufactured from cast steel, stainless/alloy steel, forged steel, carbon steel or cast and ductile iron. Valves are generally used in oilfield and industrial applications to control direction, velocity and pressure of fluids and gases within transmission networks. Specialty products include lined corrosion resistant piping systems, valve automation and top work components used for regulating flow and on/off service and a wide range of steam and instrumentation products used in various process applications within our offshore, refinery, petrochemical and general industrial sectors.

• *Stainless Steel Pipe, Fittings and Flanges* (17% of our International revenue in 2011). Stainless steel products are offered primarily through MRC SPF (acquired in June 2011) and are used in all sectors in which we operate including oil and gas, mining and mineral processing, water treatment and desalination, and petrochemical.

Services: We provide our customers with a comprehensive array of services, including multiple daily deliveries, zone stores management, valve tagging and significant system interfaces that directly tie the customer into our proprietary information systems. This allows us to interface with our customers' IT systems and provide an integrated supply service. Such services strengthen our position with our customers as we become more integrated into the customer's business and supply chain and are able to market a "total transaction value" solution rather than individual product prices.

As major integrated and large independent energy companies have implemented efficiency initiatives to focus on their core business, many of these companies have begun outsourcing certain of their procurement and inventory management requirements. In response to these initiatives and to satisfy customer service requirements, we offer integrated supply services to customers who wish to outsource all or a part of the administrative burden associated with sourcing pipe, valves and fittings

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and other related products. Our integrated supply group offers procurement-related services, physical warehousing services, product inspection, product quality assurance and inventory ownership and analysis services.

A large portion of our International revenue is generated by providing products and services to support our customers' large capital projects. As our products typically represent a fraction of the total cost of the project, our customers often place a premium on service given the high cost to them of maintenance or new project delays. MRC can assist customers in project planning and execution to ensure that product is where they need it, when they need it.

Suppliers: We source the products we distribute from a global and regional network of suppliers. Our suppliers benefit from access to our diversified customer base and, by consolidating customer orders, we benefit from stronger purchasing power and preferred vendor programs. Our purchases from our largest 25 suppliers in 2011 approximated 58% of our International total purchases, with our single largest supplier constituting approximately 10%. We are a significant buyer for many of our suppliers and we source a significant majority of the products we distribute directly from the manufacturer. The remainder of the products we distribute are sourced from manufacturer representatives, trading companies and other distributors.

Sales and Marketing: We distribute our products to a wide variety of end-users in widely dispersed geographies. Our broad customer base and access to our other international locations allow us to leverage our extensive inventory base. Local relationships, depth of inventory, service and timely delivery are critical to the sales process in the PVF distribution industry. We generate approximately 7% of our sales within our International segment. Our marketing efforts are customer and product driven, and provide a system that is more responsive to changing customer and product needs than a traditional, fully centralized structure.

Our sales model is built on a highly trained sales force of over 230 sales professionals. For our valve sales, the majority of our sales force are qualified engineers. This team is able to meet complex customer requirements, selecting the optimal solution from a range of products to increase customers' efficiency and lower total product lifecycle costs. The technical knowledge of our sales engineers combined with the application of local sales professionals addresses the high degree of engineering and product expertise required for each solution.

Our sales force is internally divided into outside and inside sales forces. Outside sales professionals spend the majority of their time building existing customer relationships at target accounts, introducing new products, and identifying and assisting customers with major projects. In addition, outside sales professionals are also responsible for developing new customer relationships. Internally, customer service representatives spend the majority of their time answering client inquiries, addressing customer requirements and making targeted outbound calls to generate additional business. Customer service representatives are product experts who ensure product deliveries meet customer timeframes, qualify sales opportunities and make pricing decisions within identified guidelines.

Customers: Our principal customers are companies active in the upstream and downstream sectors of the energy industry, as well as in other industrial and energy sectors. Due to the demanding operating conditions in the energy industry, high costs and safety risks associated with equipment failure, customers prefer highly reliable products and vendors with established qualifications, reputation and experience. As our products typically represent a fraction of the total cost of the project, our customers often place a premium on service given the high cost to them of maintenance or new project delays. We strive to build long-term relationships with our customers by maintaining our reputation as a supplier of high-quality, efficient and reliable products and value-added services and solutions.

We have a diverse customer base, consisting of thousands of active customers. We are not dependent on any one customer or group of customers. Customers generally have the right to return

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products we have sold, subject to certain conditions and limitations, although returns have historically been immaterial to our sales. For the year ended December 31, 2011, our largest 10 International customers represented approximately 33% of our International segment sales. For many of our largest customers, we are often their sole or primary valve or stainless steel and alloy provider by sector or geography, their largest or second largest supplier in aggregate or, in certain instances, the sole provider for their upstream and downstream procurement needs. We believe that many customers for which we are not the exclusive or comprehensive sole source valve provider will continue to reduce their number of suppliers in an effort to reduce costs and administrative burdens and focus on their core operations. As such, we believe these customers will seek to select valve and PVF distributors with the most extensive product offering and broadest geographic presence. Furthermore, we believe our business will benefit as companies in the energy industry continue to consolidate and the larger, resulting companies look to larger distributors such as ourselves as their sole or primary source valve provider.

Backlog: Backlog is determined by the amount of unshipped third-party customer orders, either specific or general in nature, which may be revised or cancelled by the customer in certain instances. Backlog is generally attributable to our project contract activity, as we generally supply products for MRO contracts within a short period of time. There can be no assurance that the backlog amounts will be ultimately realized as revenue or that the Company will earn a profit on the backlog of orders. Our backlog at December 31, 2011 and December 31, 2010 was \$130 million and \$64 million, respectively. We expect to fill the substantial majority of our backlog within the next 12 months.

Competition: We are one of the largest global valve distributors to the energy industry based on sales. The broad PVF distribution industry is fragmented and includes large, internationally and nationally recognized distributors, major regional distributors and many smaller local distributors. The principal methods of competition include offering prompt local service, fulfillment capability, breadth of product and service offerings, price and total costs to the customer. Our competitors include several large regional or product-specific competitors, such as Econosto (a subsidiary of Eriks), and many local, family-owned PVF distributors.

Employees: As of December 31, 2011, we had approximately 650 employees. Three employees, one in Australia, one in New Zealand and one in France, belong to a union and are covered by a collective bargaining agreement. We consider our relationships with our employees to be good.

Properties: We operate through a network of over 30 branch locations located throughout Europe, Asia, Australasia and the Middle East, including distribution centers in each of the United Kingdom, Singapore and Australia. We also maintain an operations center for our international operations in Bradford, United Kingdom and Perth, Australia. We own our Brussels location and the remainder of our locations are leased. We have not utilized third party pipe yards in the International segment.

For a breakdown of our annual revenues by geography, see "Note 13—Segment, Geographic and Product Line Information" to the audited consolidated financial statements as of December 31, 2011.

Information Systems

Our technology approach allows for extensive integration and customization with our clients. We believe that this is accretive to the value we bring to customers and increases their loyalty to MRC. Our information systems enable on-line real-time access to appropriate resources and are an integral part of our competitive advantage, particularly among larger customers whose own information systems we integrate with seamlessly.

We operate a single information and operating system ("SIMS") for all North American locations and a separate, Oracle-based system for our other international locations, in each case other than for

locations that we have recently acquired. Our branches are linked by our wide area networks into these integrated, scalable, and enterprise server-based systems allowing online, real-time access to all business resources, including customer order processing, purchasing and material request, distributing requirements planning, warehousing and receiving, inventory control and all accounting and financial functions. The large geographic coverage of each system not only enhances the efficient distribution of products but also standardizes internal processes, data management and reporting, as well as customer-facing applications and information presentation. Each system is highly functional and tailored to meet both the needs of MRC's distribution network and our customers for functionality, customer and internal integration, operational controls, acquisition implementation, scalability, reliability, speed and accounting and reporting capability and compliance.

Third-party and web-based applications are incorporated in our platform and enhance our IT offering. Customer and supplier electronic integrations, information sharing and e-commerce applications help support and secure long-standing relationships and foster additional business with our customers. Scanning and customized bar-coding systems further increase efficiency. Our corporate Intranet also includes various web-based applications and access to valuable resources such as report libraries and a Document Imaging application that includes more than 15 million documents and reports. In addition, we have implemented solutions, processes, and procedures to help mitigate the risk of a cyber incident, or a deficiency in our cyber security, but these measures, as well as our organization's increased awareness of our risk of a cyber incident, do not guarantee that our business will not be negatively impacted by such an incident. As of December 31, 2011, we had a staff of approximately 60 IT professionals.

Environmental Matters

We are subject to a variety of federal, state, local, foreign and provincial environmental, health and safety laws, regulations and permitting requirements, including those governing the discharge of pollutants or hazardous substances into the air, soil or water, the generation, handling, use, management, storage and disposal of, or exposure to, hazardous substances and wastes, the responsibility to investigate, remediate, monitor and clean up contamination and occupational health and safety. Fines and penalties may be imposed for non-compliance with applicable environmental, health and safety requirements and the failure to have or to comply with the terms and conditions of required permits. Historically, the costs to comply with environmental and health and safety requirements have not been material. We are not aware of any pending environmental compliance or remediation matters that, in the opinion of management, are reasonably likely to have a material effect on our business, financial position or results of operations. However, the failure by us to comply with applicable environmental, health and safety requirements could result in fines, penalties, enforcement actions, employee, neighbor or other third-party claims for property damage and personal injury, requirements to clean up property or to pay for the costs of cleanup, or regulatory or judicial orders requiring corrective measures, including the installation of pollution control equipment or remedial actions.

Under certain laws and regulations, such as the U.S. federal Superfund law or its foreign equivalents, the obligation to investigate, remediate, monitor and clean up contamination at a facility may be imposed on current and former owners, lessees or operators or on persons who may have sent waste to that facility for disposal. Liability under these laws and regulations may be imposed without regard to fault or to the legality of the activities giving rise to the contamination. Although we are not aware of any active litigation against us under the U.S. federal Superfund law or its state or foreign equivalents, contamination has been identified at several of our current and former facilities, and we have incurred and will continue to incur costs to investigate, remediate, monitor and clean up these conditions. Moreover, we may incur liabilities in connection with environmental conditions currently unknown to us relating to our prior, existing or future owned or leased sites or operations or

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those of predecessor companies whose liabilities we may have assumed or acquired. We believe that indemnities contained in certain of our acquisition agreements may cover certain environmental conditions existing at the time of the acquisition, subject to certain terms, limitations and conditions. However, if these indemnification provisions terminate or if the indemnifying parties do not fulfill their indemnification obligations, we may be subject to liability with respect to the environmental matters that those indemnification provisions address.

In addition, environmental, health and safety laws and regulations applicable to our business and the business of our customers, including laws regulating the energy industry, and the interpretation or enforcement of these laws and regulations, are constantly evolving and it is impossible to predict accurately the effect that changes in these laws and regulations, or their interpretation or enforcement, may have upon our business, financial condition or results of operations. Should environmental laws and regulations, or their interpretation or enforcement, become more stringent, our costs, or the costs of our customers, could increase, which may have a material adverse effect on our business, financial condition and results of operations.

In particular, legislation and regulations limiting emissions of greenhouse gases, including carbon dioxide associated with the burning of fossil fuels, are at various stages of consideration and implementation at the international, national, regional and state levels. In 2005, the Kyoto Protocol to the 1992 United Nations Framework Convention on Climate Change, which established a binding set of emission targets for greenhouse gases, became binding on the countries that ratified it. Attention is now focused on development of a post-2012 international policy framework to guide international action to address climate change when the Kyoto protocol expires in 2012. Certain states and regions have adopted or are considering legislation or regulation imposing overall caps on greenhouse gas emissions from certain facility categories or mandating the increased use of electricity from renewable energy sources. Similar legislation has been proposed at the federal level. In addition, the EPA has begun to implement regulations that require permits for and reductions in greenhouse gas emissions for certain categories of facilities, the first of which became effective in January 2011. Pursuant to the terms of a settlement agreement, the EPA also intends to finalize greenhouse gas emissions standards, known as New Source Performance Standards ("NSPS"), for power plants in May 2012 and plans to issue such NSPS for refineries in the future. These laws and regulations could negatively impact the market for the products we distribute and, consequently, our business.

In addition, some states have adopted regulations that could impose more stringent permitting, disclosure, wastewater and other waste disposal and well construction and testing requirements on hydraulic fracturing, a practice involving the injection of water containing more limited amounts of certain substances into rock formations (after perforating the formation with explosive charges) to stimulate production of hydrocarbons, particularly natural gas, from shale basin regions. Other states and the federal government are considering regulating this practice. These regulations include a variety of well construction, set back, wastewater disposal and disclosure requirements limiting how fracturing can be performed and requiring various degrees of disclosures regarding the contents of chemicals injected into the rock formations, as well as moratoria on all hydraulic fracturing activity. Any increased federal, regional or state regulation of hydraulic fracturing could reduce the demand for our products in these regions.

Legal Proceedings

From time to time, we have been subject to various claims and involved in legal proceedings incidental to the nature of our businesses. We maintain insurance coverage to reduce financial risk associated with certain of these claims and proceedings. It is not possible to predict the outcome of these claims and proceedings. However, in our opinion, there are no material pending legal proceedings that are likely to have a material effect on our business, financial condition or results of operations.

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Also, from time to time, in the ordinary course of our business, our customers may claim that the products that we distribute are either defective or require repair or replacement under warranties that either we or the manufacturer may provide to the customer. These proceedings are, in the opinion of management, ordinary and routine matters incidental to our normal business. Our purchase orders with our suppliers generally require the manufacturer to indemnify us against any product liability claims, leaving the manufacturer ultimately responsible for these claims. In many cases, state, provincial or foreign law provides protection to distributors for these sorts of claims, shifting the responsibility to the manufacturer. In some cases, we could be required to repair or replace the products for the benefit of our customer and seek our recovery from the manufacturer for our expense. In the opinion of management, the ultimate disposition of these claims and proceedings are not expected to have a material adverse effect on our financial position, results of operations or cash flows.

For information regarding asbestos cases in which we are a defendant and other claims and proceedings, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations, Commitments and Contingencies—Legal Proceedings” and “Note 15—Commitments and Contingencies” to our audited consolidated financial statements included elsewhere in this prospectus.

Corporate Information

Our company maintains its principal executive office at 2 Houston Center, 909 Fannin, Suite 3100, Houston, Texas, 77010 and also maintains corporate offices in Charleston, WV and in Tulsa, OK. All three locations have corporate functions such as accounting, human resources, legal and information technology. We also maintain operations centers for our Canadian operations in Calgary, Alberta and for our international operations in Bradford, United Kingdom.

MANAGEMENT**Executive Officers and Directors**

The following table sets forth the names, ages (as of December 31, 2011) and positions of each executive officer or director of MRC Global Inc.:

	<u>Age</u>	<u>Position</u>
Andrew R. Lane	52	Chairman, President and CEO
James E. Braun	52	Executive Vice President and Chief Financial Officer
James F. Underhill	56	Executive Vice President and Chief Operating Officer—North America
Daniel J. Churay	49	Executive Vice President, General Counsel and Corporate Secretary
Gary A. Ittner	59	Executive Vice President and Chief Administrative Officer
Rory M. Isaac	61	Executive Vice President—Business Development
Scott A. Hutchinson	56	Executive Vice President—North America Operations
Neil P. Wagstaff	48	Executive Vice President—International Operations
Leonard M. Anthony	57	Director
Rhys J. Best	65	Director
Peter C. Boylan III	47	Director
Henry Cornell	55	Director
Christopher A.S. Crampton	34	Director
John F. Daly	45	Director
Craig Ketchum	54	Director
Gerard P. Krans	64	Director
Dr. Cornelis A. Linse	62	Director
John A. Perkins	64	Director
H.B. Wehrle, III	60	Director

Andrew R. Lane has served as our president and chief executive officer (“CEO”) since September 2008 and our chairman of the Board since December 2009. He has also served as a director of MRC Global Inc. since September 2008. From December 2004 to December 2007, he served as executive vice president and chief operating officer of Halliburton Company, where he was responsible for Halliburton’s overall operational performance, managed over 50,000 employees worldwide and oversaw the integration of several mergers and acquisitions. Prior to that, he held a variety of leadership roles within Halliburton, serving as president and CEO of Kellogg Brown & Root, Inc. from July 2004 to November 2004, as senior vice president, global operations of Halliburton Energy Services Group from April 2004 to July 2004, as president of the Landmark Division of Halliburton Energy Services Group from May 2003 to March 2004, and as president and CEO of Landmark Graphics Corporation from April 2002 to April 2003. He was also chief operating officer of Landmark Graphics from January 2002 to March 2002 and vice president, production enhancement PSL, completion products PSL and tools/testing/TCP of Halliburton Energy Services Group from January 2000 to December 2001. Mr. Lane served as a director of KBR, Inc. from June 2006 to April 2007. He began his career in the oil and natural gas industry as a field engineer for Gulf Oil Corporation in 1982, and later worked as a production engineer in Gulf Oil’s Pipeline Design and Permits Group. Mr. Lane received a B.S. in mechanical engineering from Southern Methodist University in 1981 (cum laude). He also completed the Advanced Management Program (A.M.P.) at Harvard Business School in 2000. He is a member of the executive board of the Southern Methodist University School of Engineering. Mr. Lane is uniquely qualified to serve as one of our directors due to his extensive executive and leadership experience in the oil and natural gas industry and his deep knowledge of our operations.

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James E. Braun has served as our executive vice president and chief financial officer since November 2011. Prior to joining the Company, Mr. Braun served as chief financial officer of Newpark Resources, Inc. since 2006. Newpark provides drilling fluids and other products and services to the oil and gas exploration and production industry, both inside and outside of the U.S. Before joining Newpark, Mr. Braun was chief financial officer of Baker Oil Tools, one of the largest divisions of Baker Hughes Incorporated, a leading provider of drilling, formation evaluation, completion and production products and services to the worldwide oil and gas industry. From 1998 until 2002, he was vice president, finance and administration, of Baker Petrolite, the oilfield specialty chemical business division of Baker Hughes. Previously, he served as vice president and controller of Baker Hughes. Mr. Braun is a CPA and was formerly a partner with Deloitte & Touche. Mr. Braun received a B.A. in accounting from the University of Illinois at Urbana-Champaign.

James F. Underhill has served as our executive vice president and chief operating officer – North America since November 2011. He served as our executive vice president and chief financial officer from November 2007 through October 2011. He served as our chief financial officer from May 2006 through October 2007, as senior vice president of accounting and information services from 1994 to May 2006, and vice president and controller from 1987 to 1994. Prior to 1987, Mr. Underhill served as controller, assistant controller, and corporate accounting manager. Mr. Underhill joined us in 1980 and has since overseen our accounting, information systems and mergers and acquisitions areas. He has been involved in numerous implementations of electronic customer solutions and has had primary responsibility for the acquisition and integration of more than 30 businesses. Mr. Underhill was also project manager for the design, development, and implementation of our IT operating system. He received a B.A. in accounting and economics from Lehigh University in 1977 and is a certified public accountant. Prior to joining us, Mr. Underhill worked in the New York City office of the accounting firm of Main Hurdman (Main Hurdman was incorporated into the successor accounting firm, KPMG).

Daniel J. Churay has served as our executive vice president and general counsel since August 2011 and as our corporate secretary since November 2011. Prior to that time, he served as president and CEO of Rex Energy Corporation, an independent oil and gas company, from December 2010 to June 2011. From September 2002 to December 2010, Mr. Churay served as executive vice president, general counsel and secretary of YRC Worldwide Inc., a Fortune 500 transportation and logistics company, with primary responsibility for YRC Worldwide Inc.'s legal, risk, compliance and external affairs matters, including its internal audit function. From 1995 to 2002, Mr. Churay served as the deputy general counsel and assistant secretary of Baker Hughes Incorporated, a Fortune 500 company that provides products and services to the petroleum and continuous process industries, where he was responsible for legal matters relating to acquisitions, divestitures, treasury matters and securities offerings. From 1989 to 1995, Mr. Churay was an attorney at the law firm of Fulbright and Jaworski LLP in Houston, Texas. Mr. Churay received a bachelor's degree in economics from the University of Texas and a juris doctorate from the University of Houston Law Center, where he was a member of the Law Review.

Gary A. Ittner has served as our executive vice president and chief administrative officer since September 2010. Prior to that, he served as our executive vice president—supply chain management since January 2008. Prior to that, he had served as our senior corporate vice president of supply chain management since February 2007, having specific responsibility for the procurement of all industrial valves, automation, fittings and alloy tubular products. From March 2001 to November 2007, he served as our senior corporate vice president of supply chain management. Before joining the supply chain management group, Mr. Ittner worked in various field positions including branch manager, regional manager and senior regional vice president. He is a past chairman of the executive committee of the American Supply Association's Industrial Piping Division. Mr. Ittner began working at MRC in 1971 following his freshman year at the University of Cincinnati and joined MRC full-time following his graduation in 1974.

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Rory M. Isaac has served as our executive vice president—business development since December 2008. Prior to that, he served as our senior corporate vice president of sales (focusing on downstream, industrials and natural gas utilities operations) since November 2007. From 2000 to 2007 he served as our senior vice president—national accounts, utilities and marketing. From 1995 to 2000 he served as our senior vice president—national accounts. Mr. Isaac joined MRC in 1981. He has extensive experience in sales, customer relations and management and has served at MRC as a branch manager, regional manager and regional vice president. In 1995 he began working in our corporate office in Charleston, West Virginia as senior vice president for national accounts, where he was responsible for managing and growing our national accounts customer base and directing business development efforts into integrated supply markets. Prior to joining MRC, Mr. Isaac worked at Consolidated Services, Inc. and Charleston Supply Company. Mr. Isaac attended the Citadel.

Scott A. Hutchinson has served as our executive vice president—North America operations since November 2009. Prior to that, from January 2009 to November 2009 he had served as our senior vice president of the Eastern region covering most operational units east of the Mississippi River. Mr. Hutchinson's extensive background in branch sales and operations was instrumental as he led the integration effort of the Midwest, Eastern and Appalachian regions. From October 1998 to January 2009, he served as senior vice president of our Midwest region. During this time he was key in the acquisitions and integration of Wilkins Supply, Joliet Valve, Cigma and Valvax, solidifying and expanding the market reach of the Company in the Midwest. From May 1988 to October 1998 he worked in various field positions including branch manager, regional manager and regional vice president in our Western Region. From 1984 to 1988, he served as outside sales representative for Grant Supply in Houston, Texas which became part of our Company in 1987. Prior to joining us, Mr. Hutchinson worked for Fluor Corporation in procurement. Mr. Hutchinson received a bachelor of arts degree in marketing from the University of Central Florida in 1977.

Neil P. Wagstaff has served as our executive vice president—international operations since January 1, 2011. Prior to that, he served as our executive vice president—international operations and as CEO of MRC Transmark since October 2009. From July 2006 until October 2009, he served as group chief executive of MRC Transmark, where he was responsible for the group's overall performance in 13 operating companies in Europe, Asia and Australia and oversaw a number of acquisitions and integrations. Prior to that he held a variety of positions within MRC Transmark, serving as a group divisional director from 2003, responsible for operations in the UK and Asia, as well as managing director for the UK businesses. He was also sales and marketing director of Heaton Valves prior to the acquisition by MRC Transmark group in 1996, as well as sales and marketing director for Hattersley Heaton valves and Shipham Valves. Mr. Wagstaff began his career in the valve manufacturing business in 1983 when he studied mechanical engineering at the Saunders Valve Company. Educated at London Business School, he is a chartered director and fellow of the UK Institute of Directors.

Leonard M. Anthony has been a member of the Board since October 2008. Mr. Anthony served as the president and CEO of WCI Steel, Inc., an integrated producer of custom steel products, from December 2007 to October 2008. He was also a member of the board of directors of WCI Steel from December 2007 to October 2008. Mr. Anthony has more than 25 years of financial and operational management experience. From April 2005 to August 2007, Mr. Anthony was the executive vice president and chief financial officer of Dresser-Rand Group Inc., a global supplier of rotating equipment solutions to the oil, natural gas, petrochemical and processing industries. From May 2003 to April 2005, he served as chief financial officer of International Steel Group Inc. From 1979 to 2003, he worked at Bethlehem Steel Corporation, where he held various managerial and leadership positions. Mr. Anthony had been the vice president of finance and treasurer of Bethlehem from October 1999 to September 2001 and senior vice president and chief financial officer from October 2001 to its acquisition by International Steel in April 2003, where he assumed the role of chief financial officer and

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treasurer. Mr. Anthony also serves on the board of TechPrecision Corp (TPCS), where he is a member of the audit committee and chairman of the compensation committee. Mr. Anthony earned a bachelor of science in accounting from Pennsylvania State University, a masters of business administration from the Wharton School of the University of Pennsylvania and an A.M.P. from Harvard Business School. Mr. Anthony has extensive experience at multiple levels of financial control, planning and reporting and risk management for large corporate enterprises.

Rhys J. Best has been a member of the Board since December 2007. From 1999 until June 2004, Mr. Best was chairman, president and CEO of Lone Star Technologies, Inc., a company engaged in producing and marketing casing, tubing, line pipe and couplings for the oil and natural gas, industrial, automotive and power generation industries. From June 2004 until United States Steel Corporation acquired Lone Star in June 2007, Mr. Best was chairman and CEO of Lone Star. Mr. Best retired in June 2007. Before joining Lone Star in 1989, Mr. Best held several leadership positions in the banking industry. Mr. Best graduated from the University of North Texas with a bachelor of business administration and earned a masters of business administration from Southern Methodist University. He is a member of the board of directors of Cabot Oil & Gas Corporation, an independent natural gas producer, Trinity Industries, which owns a group of businesses providing products and services to the industrial, energy, transportation and construction sectors, and Austin Industries, Inc., a Dallas-based general construction company. He is also a member of the board of directors of Commercial Metals Corporation, a producer and marketer of scrap metals and metal products and chairman (non-executive) of the board of directors of Crosstex Energy, L.P., an independent midstream energy services company. He is also involved in a number of industry-related and civic organizations, including the Petroleum Equipment Suppliers Association (for which he has previously served as chairman) and the Maguire Energy Institute of Southern Methodist University. He serves on the board of advisors of the College of Business Administration at the University of North Texas. Mr. Best has extensive executive and leadership experience in overseeing the production and marketing of pipes and fittings in the oil and natural gas industry.

Peter C. Boylan III has been a member of the Board since August 2010. Mr. Boylan has served as the CEO of Boylan Partners, LLC, a provider of investment and advisory services, since March 2002. From April 2002 through March 2004, Mr. Boylan served as director, president and CEO of Liberty Broadband Interactive Television, Inc., a global technology provider controlled by Liberty Media Corporation. Previously, Mr. Boylan was co-president, co-chief operating officer, member of the office of the CEO, and director of Gemstar-TV Guide International, Inc., a media, entertainment, technology and communications company. Mr. Boylan currently serves on the board of directors of BOK Financial Corporation, a publicly traded regional financial services and bank holding company. Mr. Boylan has extensive corporate executive management and leadership experience, accounting, financial, and audit committee expertise, media and technology expertise, civic service, and experience sitting on other public and private boards of directors. In 2004, after a federal judge dismissed an SEC civil suit filed against Mr. Boylan in the United States District Court for the Central District of California (Western Division), he entered into court ordered mediation with the SEC leading to a civil settlement and a Final Judgment against Mr. Boylan, enjoining him from violating the anti-fraud, books and records and other provisions of the federal securities laws and ordering the payment of \$600,000 in disgorgement and civil penalties. Mr. Boylan consented to the entry of the order without admitting or denying any wrongdoing. The Final Judgment and settlement had no officer and director bar. The judgment against Mr. Boylan arose out of a complaint filed against Mr. Boylan and other executive officers by the SEC, alleging that Mr. Boylan and other executive officers violated various provisions of the U.S. securities laws during his tenure as co-president, co-chief operating officer and director of Gemstar-TV Guide International, Inc. (Gemstar) from July 2000 to April 2002. Gemstar indemnified Mr. Boylan for legal fees and expenses.

Henry Cornell has been a member of the Board since November 2006. Mr. Cornell is a Managing Director of Goldman, Sachs & Co. He is the Chief Operating Officer of Goldman Sachs' Merchant

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Banking Division, which includes all of the firm's corporate, real estate and infrastructure investment activities, and is a member of the global Merchant Banking Investment Committee. Mr. Cornell also serves on the board of directors of The First Marblehead Corporation, Kenan Advantage Group, Apple American Group, ProSight Specialty Insurance, Kinder Morgan, Inc. and USI Holdings Corporation. Mr. Cornell is the chairman of The Citizens Committee of New York City, treasurer and trustee of the Whitney Museum of American Art, a member of The Council on Foreign Relations, trustee emeritus of the Asia Society, trustee emeritus of the Japan Society and a member of Sotheby's International Advisory Board. He earned a bachelor of arts from Grinnell College in 1976 and a juris doctorate from New York Law School in 1981. Mr. Cornell practiced law with the firm of Davis, Polk & Wardwell from 1981 to 1984 in New York and London. Mr. Cornell joined Goldman, Sachs & Co. in 1984. Mr. Cornell brings extensive experience in corporate investment, corporate governance and strategic planning including in the pipeline transportation and energy storage industries. He also has extensive experience serving on boards of directors of other significant companies including multinational companies in the energy industry.

Christopher A.S. Crampton has been a member of the Board since January 2007. He is currently a vice president in the Merchant Banking Division of Goldman, Sachs & Co., which he joined in 2003. From 2000 to 2003, he worked in the investment banking division of Deutsche Bank Securities. Mr. Crampton currently serves as a director of U.S. Security Associates, Inc. He is a graduate of Princeton University. Mr. Crampton has extensive experience in investment banking, corporate finance and strategic planning.

John F. X. Daly has been a member of the Board since January 2007. Mr. Daly is a managing director in the Principal Investment Area of Goldman, Sachs & Co., where he has worked since 2000. From 1998 to 2000, he was a member of the Investment Banking Division of Goldman, Sachs & Co. From 1991 to 1997, Mr. Daly was a senior instructor of mechanical and aerospace engineering at Case Western Reserve University. He earned a bachelor of science and master of science in engineering from Case Western Reserve University and a masters in business administration from the Wharton School of Business at the University of Pennsylvania. Mr. Daly currently serves as a director of KAG Holding Corp., Fiberlink Communications Corp., Hawker Beechcraft, Inc. and U.S. Security Associates, Inc. In the past five years, Mr. Daly has also served on the boards of Cooper-Standard Automotive, Inc., Euramax Holdings, Inc. and IPC Systems, Inc. Mr. Daly has extensive experience in investment banking, corporate finance and strategic planning, including in the industrial and manufacturing sectors. He also has extensive experience serving on boards of directors of other significant companies, including multinational companies.

Craig Ketchum has been a member of the Board since October 2007. Mr. Ketchum served as our chairman of the Board from September 2008 to December 2009 and as our president and CEO from May 2008 to September 2008. Prior to that, he served as co-president and co-CEO of McJunkin Red Man Corporation since the business combination between McJunkin Corporation and Red Man in October 2007. He served at Red Man in various capacities since 1979, including store operations and sales, working at Red Man locations in Ardmore, Oklahoma, Tulsa, Oklahoma, Denver, Colorado, and Dallas, Texas. He was named vice president—sales at Red Man in 1991, executive vice president of Red Man in 1994 and president and CEO in 1995. He also served on Red Man's board of directors. Mr. Ketchum graduated from the University of Central Oklahoma with a business degree and joined Red Man in 1979. He has served as chairman of the Petroleum Equipment Suppliers Association. Mr. Ketchum is intimately familiar with PVF distribution operations and is uniquely qualified to serve as a director due to his years of service in senior management of both Red Man and McJunkin Red Man Corporation.

Gerard P. Krans has been a member of the Board since December 2009. Mr. Krans serves as the chief executive officer and chairman of the board of directors of Transmark Holdings N.V., a privately owned energy and oil services group, and Transmark Investments. Mr. Krans also serves on the board of directors of Royal Wagenborg and Crucell. From 2001 to 2007, Mr. Krans served as

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chairman of the board of directors of Royal van Zanten. From 1995 to 2000, Mr. Krans served on the executive board of VOPAK. From 1973 to 1995, Mr. Krans served in various positions with Royal Dutch Shell. Mr. Krans received university degrees in law, econometrics and taxation. Mr. Krans has extensive experience in strategic planning and corporate oversight, including in the energy, chemical and oil sectors.

Dr. Cornelis A. Linse has been a member of the Board since May 2010. He was formerly a non-executive director of Transmark Holdings N.V., a privately owned energy and oil services group. From February 2007 until January 2010, Dr. Linse was the director of common infrastructure management for Shell International B.V. During this same period, he also served as chairman of the board of Shell Pension Fund—The Netherlands, a pension fund that Shell Petroleum N.V. sponsors. From February 2003 to February 2007, he was the executive vice president of contracting and procurement for Shell International B.V. Dr. Linse has held various leadership and managerial roles in the oil and gas industry since 1978 and has extensive experience in developing business infrastructure in growing, multinational companies. Dr. Linse earned a doctorate degree from Leiden University in 1978.

John A. Perkins has been a member of the Board since December 2009. From 2001 until 2006, he was chief executive of London-based Truflo International plc, an international industrial group involved in the manufacture and specialist distribution of valves and related flow control products. Prior to emigrating to the UK in 1987, he was executive director and (from 1982) managing director of Metboard, a South African investment, property and financial services group, which merged with the banking group Investec, which was subsequently listed on the Johannesburg and London Stock Exchanges. Mr. Perkins earned a bachelor of commerce degree from the University of the Witwatersrand and is a South African chartered accountant. Mr. Perkins brings extensive experience in the valve manufacturing and distribution industries throughout Europe, the United States, Australasia and the Far East.

H.B. Wehrle, III has been a member of the Board since January 2007. He served as our president and CEO from January 31, 2007 to October 30, 2007. From October 31, 2007 to May 2008, Mr. Wehrle served as co-president and co-CEO of McJunkin Red Man Corporation, and from May 2008 until September 2008, he served as our chairman of the Board. Mr. Wehrle began his career with McJunkin Corporation in 1973 in sales. He subsequently served as treasurer and was later promoted to executive vice president. He was elected president of McJunkin Corporation in 1987. Mr. Wehrle graduated from Princeton University and received a master of business administration from Georgia State University in 1978. He is affiliated with the Young Presidents' Organization. He serves on the boards of the Central WV Regional Airport Authority, the Mid-Atlantic Technology, Research and Innovation Center and the National Institute for Chemical Studies in Charleston, West Virginia. He also serves on the board of the Mountain Company in Parkersburg, West Virginia and the University of Charleston. Mr. Wehrle is intimately familiar with PVF distribution operations and is uniquely qualified to serve as a director due to his years of service in senior management of both McJunkin Corporation and McJunkin Red Man Corporation.

Each of our directors, except for Messrs. Lane, Anthony, Best, Boylan, Linse and Perkins, is also a director of PVF Holdings, our largest stockholder. Messrs. Wehrle and Ketchum, two of our directors, are each co-chairman of PVF Holdings.

Board of Directors

The Board currently consists of twelve members. The current directors are included above. Our directors are elected annually to serve until the next annual meeting of stockholders or until their successors are duly elected and qualified.

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The Board has determined that we are a “controlled company” under the rules of the NYSE and, as a result, will qualify for, and may rely on, exemptions from certain corporate governance requirements of the NYSE. Pursuant to the “controlled company” exception to the board of directors and committee composition requirements, we will be exempt from the rules that require that:

- the Board be comprised of a majority of “independent directors”,
- our compensation committee be comprised solely of “independent directors” and
- we establish a nominating and corporate governance committee comprised solely of “independent directors” (as the rules of the NYSE define).

The “controlled company” exception does not modify the independence requirements for the audit committee. We intend to comply with the audit committee requirements of the Sarbanes-Oxley Act and the NYSE, which require that our audit committee be composed of at least one independent director at the closing of this offering, a majority of independent directors within 90 days of this offering and all independent directors within a year of this offering.

MRC Global Inc. currently has five directors who would be considered independent within the definitions of the NYSE: Messrs. Anthony, Best, Boylan, and Perkins and Dr. Linse.

Board Leadership Structure

The Board currently combines the positions of CEO and chairman of the Board. Mr. Lane currently holds these positions. The responsibilities of the chairman include presiding at all meetings of the Board, reviewing and approving meeting agendas, meeting schedules and other information, as appropriate, and performing such other duties as the Board requires from time to time. We believe that the current model is effective for the Company as the combined position of CEO and chairman maximizes strategic advantages and company and industry expertise. Mr. Lane has extensive leadership experience in our industry and is best positioned to set and execute strategic priorities. Mr. Lane’s leadership enhances the Board’s exercise of its responsibilities. In addition, this model provides enhanced efficiency and effective decision-making and clear accountability. The Board evaluates this structure periodically.

In addition, an independent director chairs each of our audit and compensation committees. The Board believes that having these two key committees with independent chairs provides a structure for strong independent oversight of our management.

Risk Oversight

The Board administers its risk oversight function primarily through the audit committee, which oversees the Company’s risk management practices. The audit committee is responsible for, among other things, discussing with management on a regular basis the Company’s guidelines and policies that govern the process for risk assessment and risk management. This discussion includes the Company’s major risk exposures and actions taken to monitor and control these exposures. The Board believes that its administration of risk management has not affected the Board’s leadership structure, as described above.

In addition, we have established a risk management committee. Our risk management committee is currently comprised of Messrs. Lane, Braun, Churay, Ittner, Isaac, Hutchinson, Underhill and Wagstaff, as well as Diana D. Morris, our senior vice president – human resources, Elton Bond, our senior vice president and chief accounting officer, Theresa L. Dudding, our senior vice president and controller, Hugh Brown, the senior vice president and chief financial officer of MRC Transmark, John Durbin, our senior vice president of finance and treasurer, Brian K. Shore, our senior vice president

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associate general counsel, chief compliance officer and assistant corporate secretary, Will James, our vice president corporate development and investor relations, Cinda Bowling, our vice president of financial reporting, Stephanie McCaffrey, our vice president of internal audit, and John Lohman, our vice president — global tax. The principal responsibilities of the risk management committee are to review and monitor any material risks or exposures associated with the conduct of our business, the internal risk management systems implemented to identify, minimize, monitor or manage these risks or exposures, and the Company's policies and procedures for risk management. While the audit committee is responsible for reviewing the Company's policies and practices with respect to risk assessment and risk management, it is the responsibility of senior management of the Company to determine the appropriate level of the Company's exposure to risk.

Committees of the Board

Audit Committee. Our audit committee is currently comprised of Messrs. Anthony, Best and Perkins. Mr. Anthony is chairman of the audit committee. The Board has determined that Mr. Anthony qualifies as an "audit committee financial expert" and an "independent director" under the rules of the NYSE. The audit committee's primary duties and responsibilities are to assist the Board in oversight of the integrity of our financial statements, the integrity and adequacy of our auditing, accounting and financial reporting processes and systems of internal controls for financial reporting, compliance with legal and regulatory requirements, including internal controls designed for that purpose, the independence, qualifications and performance of our independent auditor and the performance of our internal audit function.

Compensation Committee. Our compensation committee is currently comprised of Messrs. Best, Boylan, Crampton and Daly. Mr. Best is chairman of the compensation committee. The principal responsibilities of the compensation committee are to establish policies and periodically determine matters involving executive compensation, recommend changes in employee benefit programs, grant or recommend the grant of stock options and stock and other long-term incentive awards and provide counsel regarding key personnel selection. See "Compensation Discussion and Analysis – Overview". Messrs. Crampton and Daly would not be considered independent within the definitions of the NYSE.

International Committee. Our international committee is currently comprised of Messrs. Krans, Best, Crampton, Perkins and Daly and Dr. Linse. Mr. Krans is chairman of the international committee. The purpose of the international committee is to assist the Board and our management with the oversight of our business strategies and initiatives outside of the United States.

Code of Ethics

We have adopted a code of ethics that applies to our principal executive officer (our CEO), principal financial officer (our executive vice president and chief financial officer), principal accounting officer (our senior vice president and chief accounting officer), and controller (our senior vice president and controller) and persons performing similar functions. A copy of the code of ethics has been posted on our website at www.mrcpvf.com. If we amend or waive provisions of this code of ethics with respect to such officers, we intend to also disclose the same on our website.

Executive Compensation

Compensation Discussion and Analysis

Overview

Since the GS Acquisition in January 2007, the overriding objective of our owners and management has been to increase the economic value and size of our Company during our owners' period of ownership. We have designed our compensation programs to support this continuing goal. In

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addition, compensation decisions during 2007 and 2008 were made to successfully integrate the compensation programs of McJunkin Corporation and Red Man. This integration was largely completed by the end of 2008.

The compensation committee of the Board (the "Committee") establishes policies and periodically determines matters involving executive compensation, recommends changes in employee benefit programs, grants or recommends the grant of stock options and stock and other long-term incentive awards and provides counsel regarding key personnel selection. During 2011, the Committee was comprised of Messrs. Best, Boylan, Crampton, Daly, Harry K. Hornish, Jr. (resigned January 2011) and Sam B. Rovit (resigned February 2011), with Mr. Best serving as chairman. Each member of the Committee is a non-employee director.

Generally, the Committee has decision-making authority with respect to executive compensation matters, including determination of the compensation and benefits of the executive officers. With respect to equity-based compensation awards (including to the executive officers), the Committee approves grants or makes recommendations to the entire Board for final approval.

Pursuant to the Committee's charter, its duties include:

- Subject to the terms of any employment contracts, reviewing and determining, or making recommendations to the Board with respect to, the annual salary, bonus, stock options and other compensation, incentives and benefits, direct and indirect, of the CEO and other executive officers. In determining long-term incentive compensation of the CEO and other executive officers, the Committee will consider, among other things, the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs and other executive officers of comparable companies and the awards the Company gave to the CEO and the executive officers in the past;
- Reviewing and approving corporate goals and objectives relevant to compensation of the CEO and other executive officers and evaluating the CEO's and other executive officers' performance in light of those goals and objectives on an annual basis, and, either separately or together with other independent directors (as the Board directs), determining and approving the CEO's and other executive officers' compensation level based on this evaluation or making recommendations to the Board with respect to their compensation level;
- Reviewing and authorizing or recommending to the Board to authorize, as the Committee determines, the Company to enter into, amend or terminate any employment, consulting, change in control, severance or termination, or other compensation agreements or arrangements with the CEO and other executive officers of the Company (and, at the option of the Committee, other officers and employees of the Company);
- Periodically reviewing and considering the competitiveness and appropriateness of our executive officer compensation;
- Reviewing new executive compensation programs, reviewing on a periodic basis the operation of our existing executive compensation programs to determine whether they integrate appropriately and establishing and periodically reviewing policies for the administration of executive compensation programs;
- Overseeing the administration of incentive compensation plans and equity-based compensation plans and exercising all authority and discretion those plans provide to the Committee and performing such duties and responsibilities as the Board may assign with respect to those plans;
- Conducting a review at least annually of, and determining or making recommendations to the Board regarding, compensation for non-employee directors (including compensation for service

on the Board and Board committees, meeting fees and equity-based compensation). The Committee is also responsible for and oversees administration of any plans or programs providing for the compensation of non-employee directors; and

- Overseeing the procedures and substance of the Company's compensation and benefit policies (subject, if applicable, to shareholder approval), including establishing, reviewing, approving or making recommendations to the Board with respect to any incentive-compensation and equity-based plans of the Company that are subject to Board approval.

Compensation Philosophy and Objectives

The Committee believes that our executive compensation programs should be structured to reward the achievement of specific annual, long-term and strategic performance goals of our Company. Accordingly, the executive compensation philosophy of the Committee is threefold:

- To align the interests of our executive officers with those of our shareholders, thereby providing long-term economic benefit to our shareholders;
- To provide competitive financial incentives in the form of salary, bonus and benefits, with the goal of attracting and retaining talented executive officers; and
- To maintain a compensation program that includes at-risk, performance based awards whereby executive officers who demonstrate exceptional performance will have the opportunity to realize appropriate economic rewards.

Setting Executive Compensation

Role of the Compensation Committee

The Committee has granted short-term cash incentive and long-term equity incentive awards to motivate our executive officers to achieve the business goals that our Company has established. In addition to considering our philosophy and objectives, the Committee considers the impact of the duties and responsibilities of each executive officer on the results and success of the Company. Based on these factors, the Committee has devised a compensation program designed to keep our executive officers highly incentivized and also to achieve parity among executive officers with similar duties and responsibilities.

Role of Executive Officers

Since September 2008, our CEO has met periodically with our senior vice president of human resources to discuss executive compensation issues. Our senior vice president of human resources makes quarterly presentations to the Committee with respect to issues and developments regarding compensation and our compensation programs. Our CEO and senior vice president of human resources work together annually to develop tally sheets, which our CEO presents to the Committee. These tally sheets present the current compensation of each executive officer, divided into each element of compensation, and also present the proposed changes to compensation for the upcoming year (except that no proposals are made with respect to changes to our CEO's compensation). Changes to our CEO's compensation are left to the Committee's discretion. Following our CEO's presentation of the tally sheets, the Committee determines appropriate changes in compensation for the upcoming year. Each year, the Committee approves the executive officers' annual target bonuses (expressed in each case as a percentage of base salary) and the performance metrics and goals for annual incentive awards that the Company would pay in respect of performance during the year. Certain elements of compensation (such as annual base salary and annual target bonus percentage) are set forth in employment agreements entered into between the Company and certain executive officers. The Committee makes decisions with respect to equity-based compensation awards that the Company grants to our named executive officers and may recommend these awards to the entire Board for final approval.

Role of Compensation Consultant

Pursuant to the Committee's charter, the Committee has the power to retain or terminate compensation consultants and engage other advisors. In 2008, the Company engaged Hewitt Associates, a third-party global human resources consulting firm, to review and make recommendations with respect to the structure of our compensation programs, including executive compensation, following the business combination of McJunkin Corporation and Red Man in October 2007. During this engagement, Hewitt Associates worked with a team from the Company to review and assess compensation. The primary task of Hewitt Associates in 2008 was to assist the Company in successfully integrating the compensation programs of McJunkin Corporation and Red Man. As part of this process, Hewitt Associates reviewed existing McJunkin Corporation and Red Man compensation programs and made recommendations as to how these programs could be integrated based on its review and survey data. As part of Hewitt Associates' integration work in 2008, an executive compensation specialist from Hewitt Associates advised the Committee regarding the appropriate allocation of executive compensation among each element of compensation using benchmark data. The Committee approved certain recommendations from the Hewitt study. Starting on January 1, 2009, the Company implemented a new compensation program structure, which included integration of multiple heritage plans that McJunkin Corporation and Red Man previously maintained. The Committee did not engage Hewitt Associates or any other compensation consultant during 2009.

In December 2010, the Committee engaged Meridian Compensation Partners, LLC (an independent consultant specializing in executive compensation) to formulate a report and make recommendations to the Committee regarding executive compensation during 2011, based on peer group and other market data, as well as industry trends and current practices. In making its report to the Committee, Meridian used compensation peer data from the following companies for each position that our named executive officers hold to the extent available:

- | | |
|---|----------------------------------|
| • Airgas Inc. | • MSC Industrial Direct Co. Inc. |
| • Applied Industrial Technologies, Inc. | • National Oilwell Varco, Inc. |
| • Cameron International Corp. | • Oil States International, Inc. |
| • Complete Production Services, Inc. | • RPC Inc. |
| • Dresser-Rand Group, Inc. | • Superior Energy Services Inc. |
| • Edgen Murray II, LP | • Watsco, Inc. |
| • Fastenal Co. | • WESCO International Inc. |
| • Flowserve Corp. | • WW Grainger Inc. |

These peers were chosen as distributors or sellers of industrial or energy products of a similar character as those that we sell or who have similar distribution business models to our business model. Each of these peer companies had fiscal year 2010 revenue between \$628 million and \$12.1 billion (with 50th percentile revenue of the group at \$2.3 billion), a range within which our revenue lies. These peer companies also represent companies with whom we compete for talent. Meridian presented peer-company specific data, average compensation and compensation at each quartile of the data to the Committee with respect to total compensation and major elements of compensation (i.e. salary, annual bonus and long-term incentives) for each of the named executive officer's positions. The Committee used this data to determine whether its compensation decisions were within the market levels for each named executive officer; however, the Committee did not set any compensation for any named executive officer at a specific level within the peer group range for each executive (such as pegging the compensation to a 50th percentile level). Rather, the Committee exercised its discretion considering the following factors:

- the executive's contributions and performance;

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- the executive's roles and responsibilities, including the executive's tenure in such role;
- the Company's need for the executive's skills;
- the executive's experience and management responsibilities;
- market levels of compensation for positions comparable to the executive's position;
- the executive's compensation history and compensation mix, including this history and mix that newly hired executives experience with their prior employers; and
- the executive's potential and readiness to contribute in the executive's current role.

The Committee did not give any particular weight to any of these factors.

Components of Executive Compensation

Our named executive officers for the fiscal year ended December 31, 2011 were Messrs. Lane, Braun, Churay, Ittner and Underhill. The principal components of compensation for our named executive officers are:

- Base salary;
- Annual cash incentive;
- Long-term equity compensation;
- Retirement benefits; and
- Perquisites and other personal benefits.

Base Salary

We provide our named executive officers with base salary to compensate them for services they provide during the fiscal year. The Committee reviews base salary for executives (including the named executive officers) on an annual basis and determines based on each executive's position, responsibilities, performance, current compensation (both individually and as compared to other executives) and survey data. Each of Messrs. Lane, Braun, Churay and Underhill is party to an employment agreement. The initial base salaries of these executive officers are set forth in their respective agreements, and the Committee reviews these base salaries annually and may adjust them upward based on the factors described above.

Annual Cash Incentive

During the annual review of compensation plans, the Committee approves performance metrics and goals for annual cash incentive awards that the Company will pay in respect of performance during the relevant performance period, including to our named executive officers. As part of this review, the Committee approves target bonus percentages for persons eligible to receive annual incentive awards, subject to the terms of any employment agreements between the Company and executives. Each of the named executive officers had a target annual bonus for the 2011 performance year equal to 67% of his annual base salary. The target annual bonus percentages for each of Messrs. Lane, Braun, Churay and Underhill are set forth in their respective employment agreements with us. Although the employment agreements of Messrs. Lane and Underhill each provided for a target annual bonus percentage of 100% of base salary for 2011, as a result of economic conditions during late 2009 through early 2011 and the actual bonus payouts for 2009 and 2010, these executives agreed to a target annual bonus percentage of 67% for 2011. The payment of annual incentive awards for the 2011 performance year to our named executive officers depends on the achievement of three weighted performance metrics. Those metrics for the named executive officers were adjusted earnings before

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interest, taxes, depreciation and amortization ("Adjusted EBITDA"); Adjusted EBITDA return on net assets ("Adjusted EBITDA RONA"), calculated as Adjusted EBITDA divided by the sum of accounts receivable, plus inventory, plus the LIFO reserve, plus property, plant & equipment, net, less accounts payable; and individualized key performance indicators ("KPIs"). Achievement of goals with respect to Adjusted EBITDA, Adjusted EBITDA RONA and KPIs constituted 70%, 20% and 10% of annual awards, respectively for Messrs Lane, Braun, Churay, Ittner and Underhill. While the Committee generally measures annual cash incentives in respect of performance of these metrics, the Committee may also exercise its discretion to adjust award payouts to meet business objectives.

For the 2011 performance year, we determined the Adjusted EBITDA and Adjusted EBITDA RONA performance goals by a budgeting process that involved an examination of our Company's markets, customers and general outlook with respect to 2011. The Board approved the final budget. The 2011 Adjusted EBITDA and Adjusted EBITDA RONA performance goals for the named executive officers related to the consolidated performance of the Company. The 2011 consolidated Company Adjusted EBITDA goal was \$282,099,000 and the Adjusted EBITDA RONA goal was 22.3%. No awards were payable with respect to the Adjusted EBITDA or Adjusted EBITDA RONA performance metrics unless at least 75% of the relevant performance goal was achieved. At 75% achievement of each of these performance metrics, there was a payout of 25% of each participant's target annual incentive bonus related to the performance metric; this portion of the payout increased with respect to the performance metric in 3% increments for each additional percent of achievement up to full achievement of the relevant performance goal. Achievement of KPIs was determined on a discretionary basis. Upon full achievement of each of the performance metrics (Adjusted EBITDA, Adjusted EBITDA RONA and KPIs), 100% of the target annual incentive bonus could be paid. In 2011, the maximum award payable to our named executive officers was 110% of target if Adjusted EBITDA and Adjusted EBITDA RONA goals were exceeded, which is earned in 1% increments to the extent Adjusted EBITDA and Adjusted EBITDA RONA performance exceed 100%. KPIs are capped at a maximum payout of 100%. The Committee evaluates the achievement of the performance metrics on an annual basis in connection with awards to the named executive officers. In 2011, the Company exceeded its Adjusted EBITDA and Adjusted EBITDA RONA goals, generating Adjusted EBITDA of approximately \$360.5 million and Adjusted EBITDA RONA of 24.1%. The amounts payable in respect of the Adjusted EBITDA metric was 110%, and the amount payable in the respect of the Adjusted EBITDA RONA metric was 108% of the annual target bonus (prior to application of performance attributable to KPIs).

The Committee approved KPIs for the named executive officers based on a set of projects and plans designed to align the executives' activities with the strategic plans and financial goals of the Company for the relevant performance period, which are related to the functional responsibility of each executive's position. As discussed above, KPIs for the named executive officers comprise 10% of annual bonuses for 2011. The following is a summary of the named executive officers' achievements in 2011 with respect to their individual KPI goals.

- Mr. Lane led a global growth plan that resulted in approximately \$1 billion in annual sales growth since 2010 and exceeded the Company's consolidated revenue goals for the year. Mr. Lane also led profitability improvement efforts that resulted in the Company exceeding gross margin, EBITDA and operating income goals for 2011 and delivered the Company's first positive net income in the past three years. Mr. Lane engaged outside consultants to aid the Company in implementing operation excellence strategies in North America and to develop a three to five-year information technology strategy for the Company. Mr. Lane also led the Company's mergers and acquisitions strategy with the completion of the Company's acquisitions of Stainless Pipe & Fittings in Perth, Australia and Valve Systems & Controls in Houston, Texas. Under Mr. Lane's leadership, the Company also acquired OneSteel Piping Systems in Sydney, Australia. Mr. Lane also led efforts and engaged outside consultants to

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recruit executive management talent with global, public company experience to the Company, which resulted in the hiring of a new general counsel and chief financial officer along with other corporate positions.

- Mr. Braun joined the Company in late in 2011 and was immediately engaged in reorganizing the finance and accounting management team (including newly added global tax, treasury, internal audit, and investor relations and corporate development positions) to further position the Company for its international expansion and the functions the Company needed as a public company. Mr. Braun seamlessly transitioned into the chief financial officer role becoming immediately engaged in acquisition and financial reporting activities meeting the demands for public reporting and reporting to lenders and analysts.
- Mr. Churay joined MRC in third quarter 2011 and became pivotal in the preparation of third quarter public reporting documents as well preparation and submission of the Company's registration statement to the Securities and Exchange Commission, of which this prospectus forms a part. Further, Mr. Churay was actively involved in the successful negotiation of the acquisition of OneSteel Piping Systems in Australia. Mr. Churay has also expanded the resources of the Company's legal department thereby improving internal capacity and reducing expenses for outside counsel. He has also led an effort to globalize the Company's insurance program to obtain substantial insurance premium savings. Finally, Mr. Churay has been substantially involved in structuring and preparing the Company's executive compensation programs in anticipation of the Company's initial public offering of its common stock.
- Mr. Ittner as Chief Administrative Officer was an important contributor to the financial success of MRC as a result of process improvements in the management of inventory and the optimization of our supply chain purchases to meet increasing customer activity and MRC profitability targets. Additionally, his management of other shared service groups contributed to the success and achievement of MRC goals by implementing recommendations of consultants engaged by MRC to improve our freight processes and putting in place new workflow tools and business processes to improve our North America branch and third party operations. Mr. Ittner also formalized governance processes for prioritizing and tracking IT projects and implemented ORACLE systems at MRC Transmark, made enhancements to SIMS in North America, and implemented business processes and training to accomplish SOX compliance in operations. In HR, he led our efforts to complete a benchmark review of health plan coverage and to secure competitive proposals from vendors for the 2012 plan year. Additionally, Mr. Ittner was responsible for MRC safety administration and practices which led to improved safety practices in 2011. Mr. Ittner led our efforts to recruit new leadership from outside the Company in both Safety and Freight Management to enhance our management capabilities.
- Mr. Underhill, before moving from chief financial officer to chief operating officer- North America, successfully met goals relating to the improvement of systemic international financial reporting for all MRC operating entities. Mr. Underhill's leadership and planning resulted in timely preparation of public reporting documents on Forms S-4, 10-K, 10-Q and 8-K. Mr. Underhill also made significant progress and achieved success with respect to internal audit capacity and implementation of controls and measures to minimize risk and support accurate recording of financial results. Mr. Underhill also was responsible for improvements to the budgeting process and systems within MRC which reconciled and consolidated budget projections granularly from local reporting up through the consolidated budget thereby aligning the company around central financial goals. Mr. Underhill was integral to the selection and reorganization of the finance and accounting group within MRC putting in place expertise and experience befitting a global publicly traded company.

In respect of performance during 2011, the named executive officers were paid 109% of their target annual incentive bonus. Messrs. Braun and Churay were paid a prorated amount based upon

the length of time they were employed in 2011. The amounts the Company paid to the named executive officers as a result of their respective levels of performance are as follows: \$509,334 for Mr. Lane; \$51,540 for Mr. Braun; \$83,677 for Mr. Churay; \$272,858 for Mr. Ittner; and \$363,810 for Mr. Underhill. As part of his negotiated offer of employment, the Company agreed to pay Mr. Braun a signing bonus of \$350,000, consisting of \$100,000 paid in 2011 on his first day of employment, with the balance payable in March 2012. Pursuant to the terms of his offer, this balance will be reduced by the \$51,540 annual incentive bonus that he received for 2011. Mr. Braun must repay the signing bonus to the Company if he voluntarily leaves the Company or is terminated for cause within one year of his November 1, 2011 start date.

Long-Term Equity Compensation

We believe that long-term equity compensation is important to assure that the interests of management remain aligned with those of our stockholders. Since the GS Acquisition, the form of long-term equity compensation that the Company has granted to executives (including the named executive officers) has evolved. In connection with the GS Acquisition and the Red Man Transaction, certain executives (including Messrs. Ittner and Underhill) were granted profits units in PVF Holdings. The number of profits units that PVF Holdings awarded in connection with those transactions was determined based on various factors, including a consideration of what size award was required to adequately incentivize the executives (as part of the executives' overall compensation package) and, most notably, negotiations between executives and our Company as part of the overall negotiations relating to the GS Acquisition and the Red Man Transaction. Starting in 2008, the Board, along with the Committee, decided to grant executives equity compensation in the form of stock options in respect of our common stock and restricted common stock. Since that time, the Board has approved grants of stock options and restricted common stock to our executives periodically in its discretion. The reasoning behind the Board's decision to grant equity awards to our named executive officers is described in the discussion of the relevant equity grants in the subsection titled "Stock Options and Restricted Stock". We do not currently have a formal policy regarding the timing of equity grants, although we are currently considering whether to adopt such a policy.

Profits Units

Profits units are governed by Articles III and VII of the Amended and Restated Limited Liability Company Agreement of PVF Holdings dated as of October 31, 2007, and amended on December 18, 2007 and October 30, 2009 (the "PVF LLC Agreement"). PVF Holdings granted Messrs. Ittner and Underhill profits units in PVF Holdings on January 31, 2007. PVF Holdings did not require grantees who received profits units to make any capital contribution in exchange for their profits units, which were awarded as compensation. Profits units have no voting rights, and PVF Holdings may from time to time distribute its available cash to holders of profits units along with its other equity holders. Pursuant to the PVF LLC Agreement, PVF Holdings is required to make distributions, first, to holders of common units, pro rata in proportion to the number of those units outstanding at the time of distribution, until each holder has received an amount equal to the holder's net aggregate capital contributions (for purposes of the PVF LLC Agreement) and, second, to holders of all units (including profits units) pro rata in proportion to the number of units outstanding at the time of the distribution. Please see the table titled "Outstanding Equity Awards at 2011 Fiscal Year-End" below for the number of profits units held by Messrs. Ittner and Underhill as of December 31, 2011.

Pursuant to the PVF LLC Agreement, profits units generally become vested in one-third increments on each of the third, fourth and fifth anniversaries of the date of grant. In the event of a termination of employment other than for Cause (as defined in the PVF LLC Agreement), all unvested profits units will be forfeited. However, in the event of a termination for Cause, unless otherwise determined by the board of directors of PVF Holdings, all profits units, whether vested or unvested, will

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be forfeited. In the event of a termination by reason of death or Disability (as defined in the PVF LLC Agreement), all unvested profits units will become vested and nonforfeitable. Also, in the event of a Transaction (as defined in the PVF LLC Agreement), all unvested profits units will become vested and nonforfeitable. The PVF LLC Agreement also specifies that profits units may be subject to different vesting schedules if the board of directors of PVF Holdings approves. The PVF LLC Agreement solely governs the terms, including the vesting schedules, of the profits units that Messrs. Ittner and Underhill hold. See "Corporate Structure" for an illustration of the location of PVF Holdings in our corporate structure.

Stock Options and Restricted Stock

We maintain a restricted stock plan and a stock option plan. Pursuant to these plans, the Committee may grant awards of restricted stock and stock options to our key employees, directors and consultants. The terms and conditions to which each award is subject are set forth in individual award agreements.

In connection with the hiring of Mr. Lane in September 2008, Mr. Lane purchased 85,109 shares of our common stock, and the Committee granted to him stock options in respect of 879,464 shares of our common stock, with an exercise price of \$35.26 (taking into account the two-for-one reverse split of our common stock on February 29, 2012). Mr. Lane's options vest in equal installments on each of the second, third, fourth and fifth anniversaries of the date of grant, conditioned on continued employment through the applicable vesting date. Mr. Lane's options are subject to pro-rata accelerated vesting if:

- The Company terminates his employment other than for Cause (as defined in his employment agreement),
- Mr. Lane terminates his employment for Good Reason (as defined in his employment agreement) or
- Mr. Lane dies or becomes disabled.

In addition, Mr. Lane's options fully vest upon the occurrence of a Change in Control (as defined in his employment agreement). All of Mr. Lane's stock options, whether vested or unvested, will be forfeited if we terminate his employment for Cause (as defined in the stock option plan). The grant of stock options to Mr. Lane was made as part of the Company's offer of employment to Mr. Lane.

In February 2009, we granted Mr. Lane 25,000 shares of our restricted common stock. This restricted stock award vests on the fifth anniversary of the date of grant and is conditioned on continued employment through the vesting date. Mr. Lane's restricted stock award fully vests in the event of a Transaction (as defined in the restricted stock agreement) or upon the termination of Mr. Lane's employment due to his death or disability. All shares of restricted stock, whether vested or unvested, will be forfeited if we terminate his employment for Cause (as defined in the restricted stock plan). The Committee approved this grant of restricted stock to Mr. Lane to ensure the competitiveness of his total compensation package.

In June 2009, Mr. Lane transferred all common stock, restricted stock and stock options that he held to Andy & Cindy Lane Family, L.P. for no consideration. The terms and conditions of the stock option and restricted stock awards, including conditions relating to Mr. Lane's employment, continue to govern these awards following this transfer. In September 2009, the option exercise price of the stock options that Andy & Cindy Lane Family, L.P. holds was reduced from \$35.26 to \$25.00, which is not less than the fair market value of our common stock as of the date of this amendment. The Committee made this reduction in exercise price to maintain the incentive value of this award. In December 2009, in connection with the \$2.9 million cash dividend MRC Global Inc. paid to its shareholders, the option

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exercise price of the stock options held by Andy & Cindy Lane Family, L.P. was reduced to \$24.96. In the third quarter of 2011, the Committee repriced the stock options held by Andy & Cindy Lane Family, L.P. to a \$18.10 per share strike price.

In August 2011, we granted Mr. Lane 90,000 shares of our restricted common stock. Concurrently, Mr. Lane transferred the restricted common stock to Andy & Cindy Lane Family L.P. for no consideration. This restricted stock award vests on the fifth anniversary of the date of grant and is conditioned on continued employment through the vesting date. Mr. Lane's restricted stock award fully vests in the event of a Transaction (as defined in the restricted stock agreement) or upon the termination of Mr. Lane's employment due to his death or disability. All shares of restricted stock, whether vested or unvested, will be forfeited if we terminate his employment for Cause (as defined in the restricted stock plan). As described earlier, when joining the Company in 2008, Mr. Lane purchased 85,109 shares of Company common stock. In light of the diminution in value in this investment during the 2008-09 downturn and Mr. Lane's subsequent successful efforts to address the Company's financial performance, the Committee awarded Mr. Lane these restricted shares in addition to repricing his options described earlier to have a total equity award that was competitive and reasonable in value with the 50th percentile of the peer group of other chief executive officers in the Meridian peer group study. The Committee did not target the 50th percentile of the peer group, but rather used the peer group to gauge whether its decision was competitive and reasonable in the market. Thus, the Committee approved this grant of restricted stock to Mr. Lane to ensure the competitiveness of his total compensation package.

In August 2011, we also granted 66,577 stock options to Mr. Churay in connection with his offer of employment with the Company and also as a retention incentive. In November 2011, we granted 165,746 stock options to Mr. Braun in connection with his offer of employment with the Company and also a retention incentive. The amount of options that the Committee awarded to Messrs. Braun and Churay was determined by negotiation with each of these executives, subject to their individual circumstances when joining the Company. The Committee reviewed the Meridian peer group data to benchmark the value of the negotiated grants to confirm that the grants were both competitive and reasonable against the 50th percentile of those in the chief financial officer and general counsel positions, respectively, in the peer group. The Committee did not target the 50th percentile of the peer group, but rather used the peer group to gauge whether its decision was competitive and reasonable in the market. These options follow the generally applicable vesting schedule of three equal installments on the third, fourth and fifth anniversaries of the date of grant and are conditioned on continued employment through the applicable vesting date. The options fully vest upon the occurrence of a Transaction (as defined in the stock option plan). All of these stock options granted, whether vested or unvested, will be forfeited in the event of a termination of employment for Cause (as defined in the stock option plan).

In November 2011, we granted 226,864 stock options to Mr. Lane and 17,174 stock options Mr. Churay. In reviewing the option repricing for Mr. Lane and the initial grant to Mr. Churay, the Committee determined that it had delivered less total equity value to each of them than the Committee intended in the August 2011 repricing and grant and, with respect to Mr. Churay, less value than the Company committed pursuant to Mr. Churay's offer of employment. To adjust, the Committee granted additional stock options to each of them to adjust the total equity value delivered to each of them. The Committee determined that these additional options, when taken together with the prior August 2011 option repricing for Mr. Lane and option grant for Mr. Churay were both competitive and reasonable in value against the 50th percentile of those in the chief executive officer and general counsel positions, respectively, in the Meridian peer group data.

Concurrently, Mr. Lane transferred the stock options to Andy & Cindy Lane Family L.P. for no consideration. These options follow the generally applicable vesting schedule of three equal installments on the third, fourth and fifth anniversaries of the date of grant and are conditioned on

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continued employment through the applicable vesting date. The options fully vest upon the occurrence of a Transaction (as defined in the stock option plan). All of these stock options granted, whether vested or unvested, will be forfeited in the event of a termination of employment for Cause (as defined in the stock option plan). We granted these options to Messrs. Lane and Churay as a retention incentive.

In December 2009, we granted to Messrs. Ittner and Underhill stock options that follow the generally applicable vesting schedule of three equal installments on the third, fourth and fifth anniversaries of the date of grant and are conditioned on continued employment through the applicable vesting date. In connection with the \$2.9 million cash dividend that MRC Global Inc. paid to its shareholders, the exercise price of options granted to Messrs. Ittner and Underhill was reduced from \$22.88 to \$22.84. These options fully vest upon the occurrence of a Transaction (as defined in the stock option plan) or upon the termination of the executive's employment due to death or Disability (as defined in the stock option plan). All of these stock options granted, whether vested or unvested, will be forfeited in the event of a termination of employment for Cause (as defined in the stock option plan). We granted the stock options to Messrs. Ittner and Underhill in efforts to achieve parity among executives with similar duties and responsibilities and also as an added retention incentive.

In November 2011, we also granted 13,812 stock options to Mr. Ittner and 13,812 stock options to Mr. Underhill. These options vest in equal installments on the first through the fifth anniversaries of the date of grant and are conditioned on continued employment through the applicable vesting date. The options fully vest upon the occurrence of a Transaction (as defined in the stock option plan). Any of these stock options granted, whether vested or unvested, will be forfeited in the event of a termination of employment for Cause (as defined in the stock option plan). The Committee determined the value of the grant made to each of them by reviewing the prior equity that it had granted to each of them, each of their relative contributions and expected contributions and the internal equity of grants to other executives. The Committee then determined that the value of those grants were both competitive and reasonable against the 50th percentile of those in chief administrative officer and chief operating officer positions, respectively, in the Meridian peer group data. The Committee did not target the 50th percentile of the peer group, but rather used the peer group to gauge whether its decision was competitive and reasonable in the market. Thus, the Committee granted these options to Messrs. Ittner and Underhill as a retention incentive.

Retirement Benefits

In 2007, we adopted the McJunkin Red Man Corporation Nonqualified Deferred Compensation Plan. Under the terms of the plan, select members of management and highly compensated employees may defer receipt of a specified amount or percentage of cash compensation, including annual bonuses. We adopted the plan in part to compensate certain participants for benefits forgone in connection with the GS Acquisition. Mr. Underhill is a participant in this plan. Pursuant to this plan, prior to 2009, McJunkin Red Man Corporation made predetermined annual contributions to each participant's account, less any discretionary matching contributions that we made on behalf of the participant to a defined contribution plan for the calendar year. The Committee decided in 2009 that no further company contributions would be made to participant accounts under this plan. In 2010, the Committee froze this plan. As of this date, we have permitted no company contributions or participant deferral elections, and we cancelled any existing participant deferral elections. The applicable provisions of the plan continue to govern amounts that participants deferred or the Company contributed to accounts under the plan prior to August 10, 2010.

If a participant's account balance as of the beginning of a calendar year is less than \$100,000, the plan credits the balance quarterly with interest at the "Prime Rate" (as defined in the plan) plus 1%. If a participant's account balance at the beginning of a calendar year is \$100,000 or greater, the

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participant may choose between being credited quarterly with interest at the Prime Rate divided by four plus .25% or having the account deemed converted into a number of phantom common units of PVF Holdings. If no investment election is made, a participant's account will be credited quarterly with interest at the Prime Rate divided by four plus .25%. At December 31, 2011, Mr. Underhill had an account balance of \$156,493 and Mr. Ittner had an account balance of \$134,136. Neither Mr. Ittner nor Mr. Underhill has elected to convert his balance into phantom common units. As of December 31, 2007, all existing participants were fully vested in their entire accounts, including contributions by McJunkin Red Man Corporation. People who became participants after December 31, 2007 are fully vested in their elective deferral amounts and will become vested in contributions by McJunkin Red Man Corporation as determined by the administrator of the plan. For additional information, please see the table titled "Nonqualified Deferred Compensation for 2011" below.

Participants receive the vested balance of their accounts, in cash, upon a Separation from Service (as defined in Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A")). The plan pays this amount in three annual installments (with interest) commencing on January 1 of the second calendar year following the calendar year in which the Separation from Service occurs. In the event of a participant's death or Permanent Disability (as defined in the plan), or upon a Change in Control (as defined in the plan) of McJunkin Red Man Corporation, the full amount of a participant's account, vested and unvested, will be paid within 30 days following the event to the participant's beneficiary, in the case of death, or to the participant, in the case of Permanent Disability or a Change in Control. Notwithstanding the foregoing regarding the timing of payments, distributions to "specified employees" (as defined in Section 409A) may be required to be delayed in accordance with Section 409A.

Perquisites and Other Personal Benefits

The Committee reviews the perquisites and personal benefits provided to certain of the named executive officers on an annual basis to ensure the reasonableness of these programs. The aggregate value of perquisites and personal benefits that the Company currently provides to Messrs. Ittner and Underhill is less than \$10,000. Messrs. Lane, Braun and Churay do not currently receive any perquisites or personal benefits.

In addition, we provide our named executive officers who have entered into employment agreements with us certain severance payments and benefits in the event of a termination of their employment under certain circumstances. We designed these agreements to promote stability and continuity of senior management. For additional information, see "Potential Payments upon Termination or a Change in Control".

Relation among Various Components of Compensation

With respect to setting executive compensation amounts generally, since the Red Man Transaction, achieving parity among executives with similar duties and responsibilities has been an important goal as part of our integration process. In determining the amount of compensation of the executive officers attributable to each element of compensation, the Committee considers various factors, including the value of unvested outstanding equity awards, amount of base salary and target bonus. These segments, in total, are then viewed in light of competitiveness of the compensation package in the marketplace and the impact of the executive's position on the success of the Company.

Tax and Accounting Implications

All deferred compensation arrangements have been structured in a manner intended to comply with Section 409A.

Compensation Committee Interlocks and Insider Participation

No member of the Committee was an officer or employee of the Company during 2011, and no member of the Committee was formerly an officer of MRC or any of its subsidiaries. In addition, during 2011, none of our executive officers served as a member of a compensation committee or board of directors of any other entity, an executive officer of which served as a member of our Board. Mr. Daly is a managing director in the Principal Investment Area of Goldman Sachs & Co., and Mr. Crampton is a vice president in the Principal Investment Area of Goldman Sachs & Co. For a description of our Company's transactions with Goldman Sachs & Co. and certain of its affiliates, see "Certain Relationships and Related Party Transactions—Transactions with the Goldman Sachs Funds".

Stock Ownership Guidelines

We do not have any formal policies regarding stock ownership by directors or officers. We believe that awards made pursuant to our long-term equity programs combined with any individual equity purchases and the ownership of units in PVF Holdings are sufficient to ensure that the interests of directors and officers remain aligned with those of shareholders.

Compensation Committee Report

The compensation committee reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the compensation committee recommended to the Board that the Compensation Discussion and Analysis be included in this prospectus.

The Compensation Committee
Rhys J. Best
Peter C. Boylan, III
Christopher A.S. Crampton
John F. Daly

Risk in Relation to Compensation Programs

We have performed an internal review of all of our material compensation programs and have concluded that there are no plans that provide meaningful incentives for employees, including the named executive officers, to take risks that would be reasonably likely to have a material adverse effect on us. Because our current compensation plans have an upside cap on the amount of incentive compensation that can be paid under the plans, risk of windfall or excessive compensation is negligible. This limit also has the effect of not encouraging operational or strategic decisions that expose the company to undue risk.

Summary Compensation Table for 2011

The following table sets forth certain information with respect to compensation earned during the fiscal year ended December 31, 2011 by our named executive officers.

Name and Principal Position	Year	Salary (\$)	Bonus	Non-Equity Incentive Plan Compensation (\$)(1)	Stock Awards (\$)(2)	Option Awards (\$)(2)	Change in Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)(3)	Total (\$)
Andrew R. Lane, Chairman, President and CEO	2011	700,000	—	509,334	1,351,800	3,869,971	—	12,422	6,443,527
	2010	700,000	—	399,000	—	—	—	12,422	1,111,422
James E. Braun, Executive Vice President and Chief Financial Officer (4)	2011	71,923	298,460	51,540	—	1,362,410	—	184	1,784,517
Daniel J. Churay, Executive Vice President, General Counsel and Corporate Secretary(4)	2011	131,365	—	83,677	—	596,888	—	39,610	851,540
Gary A. Ittner, Executive Vice President and Chief Administrative Officer	2011	375,000	—	272,858	—	113,533	5,552	23,019	789,962
	2010	375,000	—	213,750	—	—	4,348	74,812	667,910
James F. Underhill, Executive Vice President and Chief Operating Officer North America	2011	500,000	—	363,810	—	113,533	6,478	14,702	998,523
	2010	500,000	—	285,000	—	—	5,073	52,164	842,237

(1) See "Compensation Discussion and Analysis – Annual Cash Incentive".

(2) See "Compensation Discussion and Analysis – Stock Options and Restricted Stock". The amount in these columns represents the grant date fair value of the restricted stock and option awards, respectively, calculated pursuant to ASC Topic 718. In addition, in the third quarter of 2011 the Committee repriced the options granted to Mr. Lane in September 2008 to a \$18.10 per share strike price. As a result, the incremental fair value with respect to such award, computed as of the repricing pursuant to ASC Topic 718, is also included in the 2011 option column for Mr. Lane. Assumptions used in the calculation of the 2011 amounts are included in Note 11 to our 2011 audited financial statements.

(3) Amounts in this column for 2011 include:

- Company matching contributions made to the McJunkin Red Man Corporation Retirement Plan of \$9,800 for Messrs. Lane, Ittner and Underhill and \$3,317 for Mr. Churay;
- the imputed value for Company-provided group life insurance of \$2,622, \$184, \$384, \$4,902 and \$4,902 for Messrs. Lane, Braun, Churay, Ittner and Underhill, respectively; and
- reimbursement of relocation expenses made to Mr. Churay in accordance with his employment offer in the amount of \$22,042, and tax and tax gross-up payments on those expenses of \$13,867; and
- tax and tax gross-up payments of \$8,317 to Mr. Ittner related to relocation payments made in 2010.

(4) As set forth in their employment agreements, Mr. Braun's annual base salary is \$425,000 and Mr. Churay's annual base salary is \$345,000. In this column, the salaries of Messrs. Braun and Churay are pro-rated based on their respective dates of hire in 2011. Pursuant to Mr. Braun's offer of employment, he will receive a signing bonus of \$350,000 less the value of his pro-rated 2011 annual incentive award of \$51,540, for a total of \$298,460. Mr. Braun must repay the signing bonus to the Company if he voluntarily leaves the Company or is terminated for cause within one year of his November 1, 2011 start date. The amount in the bonus column for Mr. Braun includes the portion of his signing bonus that the Company paid on Mr. Braun's first day of employment. The remaining \$198,460 will be paid to Mr. Braun in March 2012.

Grants of Plan-Based Awards in Fiscal Year 2011

Name	Estimated Future Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾			All Other Stock Awards: Number of Shares of Stock (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards(\$)	Grant Date Fair Value of Stock and Option Awards(\$)
	Threshold	Target	Maximum				
Andrew R. Lane	117,250	469,000	511,210	—	—	—	—
	—	—	—	90,000	—	—	1,351,800
	—	—	—	—	226,864	18.10	1,864,792
	—	—	—	—	—	18.10	2,005,179 ⁽⁴⁾
James E. Braun	11,865	47,458	51,730	—	—	—	—
	—	—	—	—	165,746	18.10	1,362,410
Daniel J. Churay	19,263	77,050	83,985	—	—	—	—
	—	—	—	—	66,577	18.10	455,716
	—	—	—	—	17,174	18.10	141,172
Gary A. Ittner	62,813	251,250	273,863	—	—	—	—
	—	—	—	—	13,812	18.10	113,533
James F. Underhill	83,750	335,000	365,150	—	—	—	—
	—	—	—	—	13,812	18.10	113,533

- (1) Estimated payouts to Messrs. Braun and Churay are pro-rated based on their respective dates of hire in 2011.
- (2) Under the annual incentive performance metrics and goals that the Committee approved for the 2011 performance period, no portion of the awards based on Adjusted EBITDA or Adjusted EBITDA RONA for each named executive officer were payable unless there is at least 75% achievement of those performance goals. At 75% achievement of each performance goal, there is a payout of 25% of a participant's target annual incentive bonus with respect to the performance metric for which such achievement has occurred. The amounts in this column reflect 25% of the named executive officers' target annual incentive bonuses for 2011.
- (3) Payouts for the Adjusted EBITDA and Adjusted EBITDA RONA performance goals increase in 3% increments for each additional percent of achievement beyond 75% up to full achievement of those annual goals. Upon full achievement of each of those performance goals and full achievement of KPIs, 100% of the target annual incentive bonus is paid. If performance goals for Adjusted EBITDA and Adjusted EBITDA RONA are exceeded, the maximum payment is 110% of target annual incentive. The maximum payment for KPI goals is 100%. The amounts in these columns reflect 100% and maximum payout of the named executive officers' target annual incentive bonuses for 2011, in each case, assuming 100% achievement of KPIs.
- (4) In addition, in the third quarter of 2011 the Committee repriced the 879,464 options granted to Mr. Lane in September 2008 to a \$18.10 per share strike price. As a result, the incremental fair value with respect to such award, computed as of the repricing, is included for Mr. Lane.

Employment Agreements

Messrs. Lane, Braun, Churay and Underhill have each entered into employment agreements with us. In addition to the terms of these agreements described below, the employment agreements provide for certain severance payments and benefits following a termination of employment under certain circumstances. These benefits are described below in the section titled "Potential Payments upon Termination or Change in Control".

Andrew R. Lane

In 2008, the Company entered into an employment agreement with Mr. Lane as CEO and member of the Board. This employment agreement has an initial term of five years, which will automatically be extended on September 10, 2013 and each subsequent anniversary for one additional year, unless either party gives ninety days' written notice of non-renewal. Mr. Lane's agreement provides for an initial base salary, to be reviewed annually, of \$700,000, which the Board (or a committee of the Board) may adjust upward at its discretion, and an annual cash bonus to be based upon individual or company performance criteria that the Board establishes for each fiscal year, with a target annual bonus of 100% of Mr. Lane's base salary in effect at the beginning of the relevant fiscal year. Mr. Lane's base salary for 2012 was increased to \$850,000. Due to the difficult financial conditions of 2009-2010, Mr. Lane and the Committee established a new target annual bonus of 67% for 2011. In late 2011, the target was raised to 100% for 2012. This will be evaluated on an annual basis.

Mr. Lane is subject to covenants prohibiting competition, solicitation of customers and employees and interference with business relationships during his employment and for eighteen months thereafter, and is also subject to perpetual restrictive covenants regarding confidentiality, non-disparagement and proprietary rights.

James E. Braun

In November 2011, the Company entered into an employment agreement with Mr. Braun as executive vice president and chief financial officer. The term of Mr. Braun's employment agreement will end on November 15, 2014. Mr. Braun's agreement provides for an initial base salary, to be reviewed annually, of \$425,000, which the Board or a Board committee may adjust upward at its discretion and, beginning in fiscal year 2012, an annual cash bonus to be based upon individual or company performance criteria that the Board establishes for each fiscal year in consultation with the CEO, with a target annual bonus of 67% of Mr. Braun's base salary in effect at the beginning of the relevant fiscal year. Mr. Braun's target annual bonus for 2012 was increased to 75% of his base salary. In respect of fiscal year 2011, Mr. Braun is eligible to receive a pro rata bonus (targeted at 67% of his base salary) calculated based on actual performance and based on the number of days he was employed by the Company during the year.

Mr. Braun is subject to covenants prohibiting competition, solicitation of customers and employees and interference with business relationships during his employment and for twelve months thereafter, and is also subject to perpetual restrictive covenants regarding confidentiality, non-disparagement and proprietary rights.

Daniel J. Churay

In July 2011, the Company entered into an employment agreement with Mr. Churay as executive vice president, general counsel and secretary. The term of Mr. Churay's employment agreement will end on July 12, 2014. Mr. Churay's agreement provides for an initial base salary, to be reviewed annually, of \$345,000, which the Board or a Board committee may adjust upward at its discretion and, beginning in fiscal year 2012, an annual cash bonus to be based upon individual or company performance criteria that the Board establishes for each fiscal year in consultation with the CEO, with a target annual bonus of 67% of Mr. Churay's base salary in effect at the beginning of the relevant fiscal year. Mr. Churay's base salary for 2012 was increased to \$362,250. Mr. Churay's target annual bonus for 2012 was increased to 75% of his base salary. In respect of fiscal year 2011, Mr. Churay is eligible to receive a pro rata bonus (targeted at 67% of his base salary) calculated based on actual performance and based on the number of days he was employed by the Company during the year.

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Mr. Churay is subject to covenants prohibiting competition, solicitation of customers and employees and interference with business relationships during his employment and for twelve months thereafter, and is also subject to perpetual restrictive covenants regarding confidentiality, non-disparagement and proprietary rights.

James F. Underhill

In 2011, the Company entered into a revised employment agreement with Mr. Underhill as executive vice president and chief operating officer—North America, which replaced in its entirety the employment agreement entered into between Mr. Underhill, McJunkin Red Man Corporation and PVF Holdings on December 3, 2009. The term of Mr. Underhill's employment agreement will end on November 15, 2014. Mr. Underhill's agreement provides for an initial base salary, to be reviewed annually, of \$500,000, which the Board or a Board committee may adjust upward at its discretion, and an annual cash bonus to be based upon individual or company performance criteria that the Board establishes for each fiscal year, with a target annual bonus of 75% of Mr. Underhill's base salary in effect at the beginning of the relevant fiscal year. Due to the difficult financial conditions of 2009-2010, Mr. Underhill and the Committee established a new target annual bonus of 67% for 2011, which was raised to 75% for 2012. This will be evaluated on an annual basis.

Mr. Underhill is subject to covenants prohibiting competition, solicitation of customers and employees and interference with business relationships during his employment and for twelve months thereafter, and is also subject to perpetual restrictive covenants regarding confidentiality, non-disparagement and proprietary rights.

Annual Incentive Awards

Please see the section of the Compensation Discussion and Analysis titled "Annual Cash Incentive" for a discussion of the performance metrics and goals approved by the Committee for the 2011 performance year.

Outstanding Equity Awards at 2011 Fiscal Year-End

Name	Option Awards				Stock Awards(2)		
	Number of Securities Underlying Options Exercisable	Number of Securities Underlying Options Unexercisable(1)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units That Have Vested (#)	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)
Andrew R. Lane	439,732	439,732	\$ 18.10	9/10/18	—	115,000	2,081,500
	—	226,864	\$ 18.10	11/10/21	—	—	—
James E. Braun	—	165,746	\$ 18.10	11/10/21	—	—	—
Daniel J. Churay	—	66,577	\$ 18.10	8/16/21	—	—	—
	—	17,174	\$ 18.10	11/10/21	—	—	—
Gary A. Ittner	—	21,853	\$ 22.84	12/3/19	254.4	127.1	545,254
	—	13,812	\$ 18.10	11/10/21	—	—	—
James F. Underhill	—	21,853	\$ 22.84	12/3/19	398.28	199.13	854,260
	—	13,812	\$ 18.10	11/10/21	—	—	—

(1) See "Compensation Discussion and Analysis – Stock Options and Restricted Stock" for a discussion of the vesting schedules of outstanding options.

(2) See "Compensation Discussion and Analysis – Stock Options and Restricted Stock" and "Compensation Discussion and Analysis – Profits Units" for a discussion of the vesting schedules of outstanding restricted stock and profits units.

Option Exercises and Stock Vested During 2011

<u>Name</u>	<u>Stock Awards</u>	
	<u>Number of Shares That Became Vested (#)(1)</u>	<u>Value Realized on Vesting \$(2)</u>
Andrew R. Lane	—	—
James E. Braun	—	—
Daniel J. Churay	—	—
Gary A. Ittner	127.10	438,641
James F. Underhill	199.13	687,227

- (1) This column reflects the number of profits units in PVF LLC that became vested on January 31, 2011.
 (2) The value realized upon the vesting of profits units on January 31, 2011 is based on the value of profits units in PVF Holdings as of January 31, 2011, which was \$3,451.15 per unit.

Nonqualified Deferred Compensation for 2011

<u>Name</u>	<u>Registrant Contributions in Last Fiscal Year \$(1)</u>	<u>Aggregate Balance at Last Fiscal Year End (\$)</u>
Andrew R. Lane	—	—
James E. Braun	—	—
Daniel J. Churay	—	—
Gary A. Ittner	5,552	134,136
James F. Underhill	6,478	156,493

- (1) We did not make contributions to participant accounts under the McJunkin Red Man Nonqualified Deferred Compensation Plan in 2011. However, during 2011 the accounts of the named executive officers with accounts under the plan were credited with interest in accordance with the plan.

See “Compensation Discussion and Analysis – Retirement and Other Benefits” for a discussion of the terms and conditions of the McJunkin Red Man Corporation Nonqualified Deferred Compensation Plan.

Potential Payments upon Termination or Change in Control

Each of the named executive officers would be entitled to certain payments and benefits following a termination of employment under certain circumstances and upon a change in control. These benefits are summarized below and reflect obligations pursuant to employment agreements as well as pursuant to other compensatory arrangements. The amounts of potential payments and benefits for our named executive officers as reflected in the tables below assume that the relevant trigger event (termination of employment or a change in control, as applicable) took place on December 31, 2011.

Voluntary Separation

In the event of each named executive officer’s voluntary separation from employment, all unvested profits units in PVF Holdings and all stock option and restricted stock awards in respect of the Company’s common stock that the executive holds would be forfeited. As of December 31, 2011, all stock options that Messrs. Braun, Churay, Ittner and Underhill hold were unvested, all restricted stock

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that Mr. Lane holds was unvested, 50% of the September 2008 options that Mr. Lane holds were unvested and 100% of the November 2011 options that Mr. Lane holds were unvested. As of December 31, 2011, profit units that Messrs. Ittner and Underhill hold were two-thirds vested. The fully vested account in the McJunkin Red Man Corporation Nonqualified Deferred Compensation Plan that Messrs. Ittner and Underhill hold would become payable (subject to the requirements of Section 409A). In addition, each of the named executive officers and Messrs. Braun and Churay would be paid the value of any accrued but unused vacation time as of the date of the voluntary termination.

<u>Name</u>	<u>Accrued Obligations (\$)(1)</u>	<u>Deferred Compensation Account Balance (\$)</u>	<u>Total (\$)</u>
Andrew R. Lane	67,308	—	67,308
James E. Braun	32,693	—	32,693
Daniel J. Churay	26,539	—	26,539
Gary A. Ittner	50,481	134,136	184,617
James F. Underhill	57,691	156,493	214,184

(1) These amounts represent accrued but unused vacation time as of December 31, 2011.

Termination Not for Cause and Termination for Good Reason

The employment agreements to which Messrs. Lane, Braun, Churay and Underhill are parties provide that if their employment is terminated other than for "Cause" or "Disability" (as defined in the agreements) or if they resign for "Good Reason" (as defined in the agreements), they are entitled to the following severance payment and benefits:

- All accrued, but unpaid, obligations (including, salary, bonus, expense reimbursement and vacation pay);
- In the case of Mr. Lane, monthly payments equal to 1/12th of base salary at the rate in effect immediately prior to termination and 1/12th target annual bonus for 18 months following termination. In the case of Messrs. Braun, Churay and Underhill, continuation of base salary for 12 months following termination at the rate in effect immediately prior to termination;
- Continuation of medical benefits for 18 months for Mr. Lane and 12 months for Messrs. Braun, Churay and Underhill or, in each case, until such earlier time as the executive becomes eligible for medical benefits from a subsequent employer;
- A pro-rata annual bonus for the fiscal year in which termination occurs, based on actual performance through the end of the fiscal year; and
- Solely in the case of Mr. Lane, a pro-rata portion of the stock options granted to him, which are currently held by Andy & Cindy Lane Family, L.P., would become vested. However, the restricted stock granted to Mr. Lane, which is currently held by Andy & Cindy Lane Family, L.P., would be forfeited.

These payments and the provision of benefits are generally subject to the execution of a release and compliance with restrictive covenants prohibiting competition, solicitation of employees and interference with business relationships during employment and thereafter during the applicable restriction period. These restrictions apply during employment and for 18 months following termination for Mr. Lane and for 12 months following termination for Messrs. Braun, Churay and Underhill. In addition, Messrs. Lane, Braun, Churay and Underhill are subject to perpetual restrictive covenants regarding confidentiality, non-disparagement and proprietary rights.

In the event of a termination without Cause (as defined in their respective agreements) or a resignation with good reason (as defined in their respective agreements), unvested stock options and

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unvested restricted stock held by the named executive officers (other than Mr. Lane) would be forfeited. As described above, under these circumstances the vesting of a pro rata portion of Mr. Lane's unvested options would become accelerated. As of December 31, 2011, all stock options that Messrs. Braun, Churay and Underhill hold were unvested, all restricted stock that Mr. Lane holds was unvested, and 60% of options that Mr. Lane holds were unvested. As of December 31, 2011, profits units that Messrs. Ittner and Underhill hold were two-thirds vested. If we terminate the executive's employment without Cause (as defined in their respective agreements) or upon an executive's resignation for Good Reason (as defined in their respective agreements), the unvested profits units that Messrs. Ittner and Underhill hold would be forfeited pursuant to the PVF LLC Agreement.

The fully vested account in the McJunkin Red Man Corporation Nonqualified Deferred Compensation Plan that Messrs. Ittner and Underhill hold would become payable (subject to the requirements of Section 409A) upon a termination by us of the executive officer's employment other than for Cause or the executive officer's termination of employment for Good Reason.

In addition, each of the named executive officers would also be paid the value of any accrued but unused vacation time as of the termination date.

	Accrued Obligations (\$)(1)	Base Salary Continuation (\$)	Pro Rata Incentive (\$)(2)	Value of Medical Benefits (\$)	Value of Accelerated Vesting of Equity (\$)(3)	Deferred Compensation Account Balance (\$)	Total (\$)
Andrew R. Lane	67,308	1,050,000	509,334	28,062	0	—	1,654,704
James E. Braun	32,693	425,000	51,540	18,276	—	—	527,509
Daniel J. Churay	26,539	345,000	83,677	18,708	—	—	473,924
Gary A. Ittner	50,481	—	272,858	—	—	134,136	457,475
James F. Underhill	57,691	500,000	363,810	18,708	—	156,493	1,096,702

- (1) These amounts represent accrued but unused vacation time as of December 31, 2011.
- (2) Each of the named executive officers has an annual target bonus of 67% of annual base salary for 2011. Assuming a termination date of December 31, 2011, each of the named executive officers would be entitled to receive 109% of his target annual incentive bonus, which would be pro-rated for Messrs. Braun and Churay.
- (3) In the case of Mr. Lane, the amount in this column represents the value of the pro-rata acceleration of the vesting of his stock options. There is currently no public market for the Company's common stock. Therefore, it has been assumed that the per share market price of the Company's common stock is \$18.10 per share as of December 31, 2011, which is equal to the exercise price of these options (after taking into account the two-for-one reverse split of our common stock which occurred on February 29, 2012). As a result, there would be no value realized upon this accelerated vesting. The restricted stock award granted to Mr. Lane would not be subject to accelerated vesting under these circumstances. In the case of Messrs. Ittner and Underhill, all of their unvested profits units held as of December 31, 2011 would be forfeited as of that date. In addition, all unvested options held by named executive officers other than Mr. Lane as of December 31, 2011 would be forfeited as of that date.

Termination by Us for Cause

Upon a termination by us for Cause (as defined in the stock option plan), pursuant to the applicable award agreements, stock options, whether vested or unvested, that Messrs. Lane, Braun, Churay, Ittner and Underhill hold and restricted stock that Mr. Lane holds, whether vested or unvested, would in each case be forfeited immediately for no consideration. Under these circumstances, the profits units that Messrs. Ittner and Underhill hold whether or not vested, would also be forfeited immediately for no consideration.

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In addition, as described in the narrative above following the table titled "Nonqualified Deferred Compensation for 2011", the fully vested accounts in the McJunkin Red Man Corporation Nonqualified Deferred Compensation Plan would become payable (subject to the requirements of Section 409A). Each of the named executive officers would also be paid the value of any accrued but unused vacation time as of the termination date.

<u>Name</u>	<u>Accrued Obligations (\$)(1)</u>	<u>Deferred Compensation Account Balance (\$)</u>	<u>Total (\$)</u>
Andrew R. Lane	67,308	—	67,308
James E. Braun	32,693	—	32,693
Daniel J. Churay	26,539	—	26,539
Gary A. Ittner	50,481	134,136	184,617
James F. Underhill	57,691	156,493	214,184

(1) These amounts represent accrued but unused vacation time as of December 31, 2011.

Termination due to Death or Disability

Pursuant to the employment agreements with Messrs. Lane, Braun, Churay and Underhill, upon a termination of employment due to death or disability, they (or their beneficiaries) would be entitled to receive a pro-rata portion of the annual bonus for the fiscal year in which termination occurs, based on actual performance through the end of the fiscal year.

Pursuant to the applicable award agreements, all unvested stock options and restricted stock awards that we granted to the named executive officers (other than Mr. Lane's stock options) would become fully vested in the event of a termination due to death or Disability (as defined in the applicable plan). In the case of Mr. Lane's stock options, the vesting of a pro rata portion of his unvested options would become accelerated. Pursuant to the PVF LLC Agreement, all unvested profits units that Messrs. Ittner and Underhill hold would become fully vested and nonforfeitable in the event of a termination due to death or Disability (as defined in the PVF LLC Agreement). In the event of termination due to death or Permanent Disability (as such term is defined in the McJunkin Red Man Nonqualified Deferred Compensation Plan), the full amount of each account, whether or not vested, would be payable. Each of the named executive officers (or their beneficiaries) would also be paid the value of any accrued but unused vacation time as of the termination date.

<u>Name</u>	<u>Accrued Obligations (\$)(1)</u>	<u>Value of Accelerated Vesting of Equity (\$)(2)</u>	<u>Deferred Compensation Account Balance (\$)</u>	<u>Total (\$)</u>
Andrew R. Lane	67,308	2,081,500	—	2,148,808
James E. Braun	32,693	0	—	32,693
Daniel J. Churay	26,539	0	—	26,539
Gary A. Ittner	50,481	545,268	134,136	729,885
James F. Underhill	57,691	854,253	156,493	1,068,437

(1) These amounts represent accrued but unused vacation times as of December 31, 2011.

(2) In the case of Mr. Lane, the amount in this column includes the value of the pro-rata acceleration of the vesting of his unvested stock options and the full acceleration of vesting of his entire restricted stock award. There is currently no public market for the Company's common stock. Therefore, it has been assumed that the per share market price of the Company's common stock is \$18.10 per share as of December 31, 2011, which is equal to the exercise price of these options. As a result, there would be no value realized upon this accelerated vesting. The value of the accelerated vesting of Mr. Lane's restricted stock is based on the per share value of \$18.10. In the case of Messrs. Ittner and Underhill, all of their profits units and stock options, and in the

case of Messrs. Braun and Churay, stock options, held as of December 31, 2011 would become fully vested as of that date. With respect to profits units, the value realized upon such acceleration is based on the value of profits units in PVF Holdings as of December 31, 2011, which was \$4,289.96 per unit. With respect to options, assuming a \$18.10 value per share of the Company's common stock, there would be no value realized upon this accelerated vesting.

Change in Control

The PVF LLC Agreement provides that in the event of a Transaction (as defined in the PVF LLC Agreement), profits units will become fully vested and nonforfeitable. This accelerated vesting of the profits units was negotiated as part of the PVF LLC Agreement in connection with overall negotiations relating to the GS Acquisition. The PVF LLC Agreement defines "Transaction" as:

- (i) any event which results in the GSCP Members (as defined in the PVF LLC Agreement) and its or their Affiliates (as defined in the PVF LLC Agreement) ceasing to directly or indirectly beneficially own, in the aggregate, at least 35% of the equity interests of McJunkin Red Man Corporation that they beneficially owned directly or indirectly as of January 31, 2007; or
- (ii) in a single transaction or a series of related transactions, the occurrence of the following event: a majority of the outstanding voting power of:
 - PVF Holdings;
 - MRC Global Inc.; or
 - McJunkin Red Man Corporation; or
 - substantially all of the assets of McJunkin Red Man Corporation;shall have been acquired or otherwise become beneficially owned, directly or indirectly, by any Person (as defined in the PVF LLC Agreement) (other than any Member (as defined in the PVF LLC Agreement) on the effective date of the PVF LLC Agreement or any of its or their affiliates, or PVF Holdings or any of its affiliates) or any two or more Persons (other than any Member on the date of the PVF LLC Agreement or any of its or their affiliates, or McJunkin Red Man Corporation or any of its affiliates) acting as a partnership, limited partnership, syndicate or other group, entity or association acting in concert for the purpose of voting, acquiring, holding or disposing of the voting power of PVF Holdings, MRC Global Inc. or McJunkin Red Man Corporation;

it being understood that, for this purpose, the acquisition or beneficial ownership of voting securities by the public shall not be an acquisition or constitute beneficial ownership by any Person or Persons acting in concert. The table below assumes that a Transaction as so defined has occurred.

Our 2007 Stock Option Plan and our 2007 Restricted Stock Plan, pursuant to which we have granted stock options and restricted stock to our named executive officers, provide that in the event of a Transaction (as defined in the applicable plan), outstanding stock options and restricted stock shall become fully vested (and exercisable in the case of options). The definition of "Transaction" in each of the plans is the same as that set forth in the PVF LLC Agreement. The table below assumes that a Transaction as so defined has occurred.

Pursuant to the McJunkin Red Man Corporation Nonqualified Deferred Compensation Plan, the full amount of a participant's account becomes vested to the extent not already vested upon a Change in Control and will be paid within thirty days of the Change in Control. The plan defines "Change in Control" as, in a single transaction or a series of related transactions, the occurrence of the following event: a majority of the outstanding voting power of PVF Holdings, MRC Global Inc. or McJunkin Red Man Corporation, or substantially all of the assets of McJunkin Red Man Corporation, shall have been

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acquired or otherwise become beneficially owned, directly or indirectly, by any Person (as defined in the plan) (other than any Member (as defined in the PVF LLC Agreement) or any of its or their affiliates, or PVF Holdings or any of its affiliates) or any two or more Persons (other than any Member or any of its or their affiliates, or PVF Holdings or any of its affiliates) acting as a partnership, limited partnership, syndicate or other group, entity or association acting in concert for the purpose of voting, acquiring, holding or disposing of the voting power of PVF Holdings, MRC Global Inc. or McJunkin Red Man Corporation; it being understood that, for this purpose, the acquisition or beneficial ownership of voting securities by the public shall not be an acquisition or constitute beneficial ownership by any Person or Persons acting in concert. The table below assumes that a Change in Control as so defined has occurred. The accelerated vesting of accounts under the McJunkin Red Man Corporation Nonqualified Deferred Compensation Plan in the event of a Change in Control does not provide an extra benefit to the named executive officers with accounts because each of their accounts was fully vested as of the effective date of the plan, which was December 31, 2007.

Name	Accrued Obligations (\$)(1)	Value of Accelerated Vesting of Equity \$(2)	Deferred Compensation Account Balance (\$)	Total (\$)
Andrew R. Lane	67,308	2,081,500	—	2,148,808
James E. Braun	32,693	0	—	32,693
Daniel J. Churay	26,539	0	—	26,539
Gary A. Ittner	50,481	545,268	134,136	729,885
James F. Underhill	57,691	854,253	156,493	1,068,437

(1) These amounts represent accrued but unused vacation time as of December 31, 2011.

(2) In the case of Mr. Lane, the amount in this column includes the value of the pro-rata acceleration of the vesting of his unvested stock options and the full acceleration of vesting of his entire restricted stock award. There is currently no public market for the Company's common stock. Therefore, it has been assumed that the per share market price of the Company's common stock is \$18.10 per share as of December 31, 2011, which is equal to the exercise price of these options. As a result, there would be no value realized upon this accelerated vesting. The value of the accelerated vesting of Mr. Lane's restricted stock is based on the per share value of the Company's stock as of December 31, 2011, which was \$18.10. In the case of Messrs. Ittner and Underhill, all of their profits units and stock options, and in the case of Messrs. Braun and Churay, stock options, held as of December 31, 2011 would become fully vested as of that date. With respect to profits units, the value realized upon such acceleration is based on the value of profits units in PVF Holdings as of December 31, 2011, which was \$4,289.96 per unit. With respect to options, assuming a \$18.10 value per share of common stock, there would be no value realized upon this accelerated vesting.

Non-Employee Director Compensation

As compensation for their services on the Board in 2011 we paid each non-employee director an annual cash fee of \$80,000. No additional cash fees are paid in respect of service on Board committees. In addition, many of our directors have received equity compensation awards at the time of their appointment to the Board and at such other times as the Committee and the Board has deemed appropriate. All directors are also reimbursed for travel expenses and other out-of-pocket costs incurred in connection with their attendance at meetings.

For 2012, our non-employee director compensation has changed. Beginning in 2012, we will pay non-employee directors an annual cash retainer of \$60,000. We will pay the chairmen of the Audit Committee and the Compensation Committee an additional annual cash retainer of \$15,000. In addition, we will pay each non-employee director a meeting fee of \$2,000 for each board meeting that the director attends in excess of five meetings per year. The Company will also grant \$100,000 in

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equity awards (in a form that the Board determines) to each non-employee director. The Company will make the initial grant 90 days after the Company's initial public offering. Thereafter, the Company will make the grants immediately following each annual meeting of stockholders of the Company.

Director Compensation for 2011

<u>Name</u>	<u>Fees Earned or Paid in Cash (\$)</u>	<u>Stock Awards (\$)</u>	<u>Option Awards (\$)</u>	<u>All Other Compensation (\$)</u>	<u>Total (\$)</u>
Leonard M. Anthony	80,000	—	—	—	80,000
Rhys J. Best	80,000	—	—	—	80,000
Peter C. Boylan, III	80,000	—	—	—	80,000
Henry Cornell(1)	—	—	—	—	—
Christopher A.S. Crampton(1)	—	—	—	—	—
John F. Daly(1)	—	—	—	—	—
Harry K. Hornish, Jr. (1)(2)	—	—	—	—	—
Craig Ketchum	80,000	—	—	—	80,000
Gerard P. Krans	80,000	—	—	—	80,000
Dr. Cornelis A. Linse	80,000	—	—	—	80,000
John A. Perkins	80,000	—	—	—	80,000
Sam B. Rovit (1)(2)	—	—	—	—	—
H.B. Wehrle, III	80,000	—	—	—	80,000

(1) Each of these directors served on the Board during 2011, but did not receive any cash compensation for their services in 2011.

(2) Messrs. Hornish and Rovit resigned from the Board in early 2011.

The following table indicates the aggregate number of shares of our common stock subject to outstanding option awards and the number of stock awards that our non-employee directors held as of December 31, 2011 (after taking into account the two-for-one reverse split of our common stock which occurred on February 29, 2012):

<u>Name</u>	<u>Stock Options #(a)</u>	<u>Stock Awards (#)</u>
Leonard M. Anthony	11,207	3,650(b)
Rhys J. Best	21,762	—
Peter C. Boylan, III	19,065	—
Craig Ketchum	—	381.31
Gerard P. Krans	2,697	—
Dr. Cornelis A. Linse	5,393	—
John A. Perkins	4,370	—
Sam B. Rovit	5,749	—
H.B. Wehrle, III	—	381.31

(a) We granted all stock options that directors held pursuant to the McJ Holding Stock Option Plan. Stock options that directors held vest in equal increments on each of the third, fourth and fifth anniversaries of the date of grant or in equal increments on each of the second, third, fourth and fifth anniversaries of the date of grant. Vesting of all options is conditioned on continued service and subject to accelerated vesting under certain circumstances, including termination of service by reason of death or disability or the occurrence of a Transaction (as defined in the plan).

(b) The restricted stock that Mr. Anthony held was granted pursuant to the McJ Holding Restricted Stock Plan and will vest on the fifth anniversary of the date of grant, conditioned on continued service and subject to accelerated vesting under certain circumstances including termination of service by reason of death or disability or the occurrence of a Transaction (as defined in the plan).

2011 Omnibus Incentive Plan

Overview. We adopted the MRC Global Inc. 2011 Omnibus Incentive Plan (the “2011 Plan”) in November 2011. The 2011 Plan will become effective on the date of the Company’s submission to the SEC of a request to declare the registration statement to which this prospectus forms a part effective, on which date the Committee also intends to terminate the 2007 Stock Option Plan and 2007 Restricted Stock Plan on a prospective basis and release any shares under those plans that have not yet been granted. Following the offering, we expect that the 2011 Plan will be the primary plan pursuant to which we will grant equity-based awards and other long-term incentive awards. The following is a summary of the material terms of the Plan.

Purpose. The purpose of the 2011 Plan is to foster and promote the long-term financial success of the Company and materially increase shareholder value by:

- motivating superior performance by means of performance-related incentives;
- encouraging and providing for the acquisition of an ownership interest in the Company by employees, directors and consultants; and
- enabling the Company to attract and retain qualified and competent persons to serve as members of management, directors and consultants.

Authorized Shares. The Board authorized a total of 3,250,000 shares of Company common stock for awards to be granted under the 2011 Plan. Shares will be subject to awards that:

- terminate by expiration, forfeiture, cancellation or otherwise without any shares being issued;
- are settled in cash; or
- are exchanged with the Committee’s permission prior to the issuance of shares for awards pursuant to which no shares may be issued,

and will again be available for awards under the 2011 Plan.

No person may receive awards of stock options or stock appreciation rights (“SARs”) during any calendar year in respect of more than 150,000 shares, and no person may receive awards of restricted stock, restricted stock units (“RSUs”), performance shares or other stock-based awards, in each case, that are intended to be “performance-based compensation” (within the meaning of Section 162(m) of the Internal Revenue Code), during any calendar year in respect of more than 150,000 shares. The maximum aggregate amount that the plan permits us to pay under an award of performance units, cash-based awards or any other award that is not denominated in shares of common stock, in each case, that is intended to be performance-based compensation, will be \$5 million, determined as of the date of payout.

If certain changes in capitalization of the Company occur (such as reclassifications, recapitalizations, mergers, consolidations, reorganizations, stock splits, stock dividends and other changes in capitalization of the Company), the Committee will make appropriate adjustments to the maximum number of shares that may be delivered under the 2011 Plan and the individual annual limits included in the 2011 Plan. The Committee will also make appropriate adjustments to the number and kind of shares of stock or securities subject to outstanding awards, the exercise prices of outstanding awards and any other terms of outstanding awards that the change in capitalization affects.

Administration. The Committee will administer the 2011 Plan unless the Board designates another committee. The Committee will have the discretion to determine the individuals to whom we may grant awards, what type of award we grant, when and how we grant each award and other terms

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and conditions of awards (including the number of shares of common stock subject to each award and the vesting schedule or conditions of each award). The Committee will be authorized to construe and interpret the 2011 Plan and awards we grant under the 2011 Plan, to establish, amend and revoke any rules and regulations relating to the 2011 Plan's administration and to make any other determinations that it deems necessary or desirable for the administration of the 2011 Plan. All actions taken and all interpretations and determinations that the Committee makes will be final and binding upon participants, the Company and all other interested individuals.

Eligibility. The Committee may grant awards under the 2011 Plan to employees, directors and consultants of the Company and its subsidiaries that the Committee selects.

Types of Awards. The 2011 Plan permits the grant of nonqualified stock options ("NSOs"), incentive stock options ("ISOs"), SARs, restricted stock, RSUs, performance shares, performance units, cash-based awards and other stock-based awards.

- *Stock Options.* The Committee will determine the terms and conditions of each award of options, including whether the options will be NSOs or ISOs, and ISOs are subject to certain restrictions. To the extent an option intended to be an ISO does not qualify as an ISO, it will be treated as a NSO. The exercise price per share of each option the Committee grants will not be less than 100% of the fair market value of our common stock on the date of grant. A grantee may exercise an option by written notice and payment of the exercise price in cash or, as the Committee determines, by delivery of previously owned shares or withholding of shares deliverable upon exercise or through a broker-assisted cashless exercise, or by any other method the Committee approves in its sole discretion. The maximum term of any option the Committee grants under the 2011 Plan will be ten years from the date of grant, except that an option (other than an ISO) may provide that it can be exercised for a period of up to one year following a grantee's death even if that extends beyond ten years.
- *SARs.* The Committee will determine the terms and conditions applicable to each award of SARs, including the vesting schedule. The grant price per share of each SAR will not be less than 100% of the fair market value of our common stock on the date of grant. Generally, each SAR will entitle a grantee, upon exercise of the SAR, to an amount equal to the excess of the fair market value on the date of exercise of one share of our common stock over the grant price, multiplied by the number of shares of common stock the SAR covers. Payment may be made in shares of our common stock, in cash, or in a combination of stock and cash, as the Committee determines. The maximum term of any SAR granted under the 2011 Plan will be ten years from the date of grant except that a SAR may provide that in can be exercised for a period of up to one year following a grantee's death even if that extends beyond ten years.
- *Restricted Stock and RSUs.* The Committee will determine the terms and conditions applicable to each award of restricted stock and RSUs, including the vesting conditions (which may be time-based, performance-based or a combination of time-based and performance-based). Restricted stock awards consist of shares of stock that are transferred to a grantee subject to vesting conditions that will result in forfeiture of the shares if the specified conditions are not satisfied. Dividends paid in respect of shares of restricted stock may be paid to the grantee as and when dividends are paid to shareholders or at the time that the restricted stock vests, as the Committee determines. Unless the Committee determines otherwise, holders of restricted stock will have the right to vote the shares prior to vesting. RSUs provide a grantee the right to receive shares of our common stock, or cash equal to the fair market value of our shares, at a future date upon or following the attainment of certain conditions the Committee specifies.
- *Performance Shares and Performance Units.* The Committee will determine the terms and conditions applicable to each award of performance shares and performance units, including

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the performance conditions. Performance shares will be awards denominated in shares of our common stock, while performance units will be awards denominated as a dollar amount. At the end of the applicable performance period, the number of performance shares or performance units earned will be determined based on the extent to which the performance goals the Committee establishes have been achieved. Performance shares and performance units may be settled in cash, shares of our common stock or a combination of cash and stock, as the Committee determines.

• *Other Stock-Based Awards and Cash-Based Awards.* The Committee will have the authority to award other types of equity-based or cash-based awards under the 2011 Plan, including the grant or offer for sale of shares of our common stock that are not subject to vesting requirements or the right to receive one or more cash payments subject to the satisfaction of conditions the Committee specifies.

Performance Criteria. Vesting of awards granted under the 2011 Plan may be subject to the satisfaction of one or more performance goals the Committee establishes. The performance goals may vary from participant to participant, group to group and period to period. Performance goals may be weighted for different factors and measures. For awards intended to constitute "performance-based compensation" (within the meaning of Section 162(m) of the Internal Revenue Code), the performance goals applicable to the payment or vesting of an award will be one of the following: book value; cash flow; earnings; earnings before or after any of, or any combination of, interest, taxes, depreciation, and amortization (EBITDA) with such adjustments in calculation as the Committee determines; economic value added (net operating profit after tax minus the sum of capital multiplied by the cost of capital); expenses/costs; gross or operating margins with such adjustments in calculation as the Committee determines; gross or net revenues; market share; net income; operating income/profit; pre-tax income; profit; profitability ratios; share price; total shareholder return; transactions relating to acquisitions or divestitures; or working capital. The Committee will certify the degree of attainment of performance goals after the end of the relevant performance period.

Transferability. Unless the Committee determines otherwise, awards granted under the 2011 Plan will generally not be transferable by grantees except pursuant to domestic relations orders.

Change in Control. The Committee will determine the treatment of awards granted under the 2011 Plan if a change in control occurs (as defined in the 2011 Plan).

Effect of Certain Transactions. If a liquidation, dissolution, merger or consolidation of the Company occurs (a "Transaction"), either:

- each outstanding award will be treated in accordance with the agreement entered into in connection with the relevant Transaction, which may include, the assumption or continuation of awards by, or the substitution for the awards of new awards of, the surviving, successor or resulting entity, or a parent or subsidiary any of those entities, with equitable adjustments; or
- if not so provided in the Transaction agreement, all outstanding awards will terminate upon the consummation of the transaction, provided, however, that vested awards shall not be terminated without:
 - in the case of vested options and SARs, (1) providing the holders of affected options and SARs a reasonable period of time prior to the date of the consummation of the Transaction to exercise the options and SARs, or (2) providing the holders of affected options and SARs payment (in cash or other consideration) in respect of each share covered by the option or SARs being cancelled an amount equal to the excess, if any, of the per share price to be paid or distributed to stockholders in the Transaction over the exercise price of the options or the grant price of the SARs; for the avoidance of doubt, the Company may cancel any option

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or SAR without any payment if the exercise price of the option or SAR exceeds the per share price for our common stock in the relevant Transaction; and

• in the case of vested awards other than options or SARs, providing the holders of affected awards payment (in cash or other consideration) in respect of each share covered by the award being cancelled of the per share price to be paid or distributed to stockholders in the Transaction.

The Committee may, in its discretion and without the need for the consent of any recipient of an award, take one or more of the following actions to be effective upon the occurrence of or at any time prior to any Transaction (and any such action may be made contingent upon the occurrence of the Transaction):

• cause any or all outstanding awards to become vested and immediately exercisable (as applicable), in whole or in part;

• cancel all or any outstanding options or SARs by either:

• providing holders with a reasonable period of time to exercise the options or SARs (whether or not they were otherwise exercisable); or

• providing them with a cash payment in respect of each share covered by the options or SARs being cancelled in an amount equal to the excess, if any, of the per share price being paid in the transaction over the exercise or grant price of the option or SAR. For the avoidance of doubt, the Company may cancel any option or SAR without any payment if the exercise price of the option or SAR exceeds the per share price for our common stock in the relevant Transaction; or

• cancel awards other than options and SARs by providing holders with a payment equal to the per share price being paid in the transaction, which may in the case of unvested awards, be paid in accordance with the vesting schedule of the award.

Tax Withholding. The Company has the right to withhold all amounts required to be withheld from any payment under the 2011 Plan or to require a grantee to satisfy all applicable tax withholding requirements prior to any payment or issuance or release of shares pursuant to any award. The 2011 Plan authorizes us to withhold from grantees shares of common stock having a fair market value equal to our withholding obligation with respect to restricted stock and RSUs.

Effectiveness of the 2011 Plan; Amendment and Termination. The 2011 Plan will become effective on the date on which the Company submits to the SEC a request to declare the registration statement to which this prospectus forms a part effective. The 2011 Plan will remain available for the grant of awards until the tenth anniversary of the effective date. The Board may amend or terminate the 2011 Plan or any outstanding awards made under the 2011 Plan at any time, except that stockholder approval will be required for any amendment to the Plan if required by applicable law or stock market requirements. Notwithstanding the foregoing, no amendment or termination the 2011 Plan or outstanding awards under the 2011 Plan that would adversely affect the rights of a grantee under any outstanding award may be made without the relevant grantee's consent.

Section 162(m). Section 162(m) of the Internal Revenue Code disallows a Company tax deduction for any publicly held corporation for individual compensation exceeding \$1 million in any taxable year for a company's named executive officers, other than its chief financial officer, unless compensation qualifies as "performance-based compensation" (as defined in Section 162(m) of the Internal Revenue Code). As we are not currently publicly traded, the Committee has not previously taken the deductibility limit imposed by Section 162(m) into consideration in setting compensation. Following this offering, the Company intends to rely, to the maximum extent permitted, on a transition rule under Section 162(m) that would result in deductions not being disallowed with respect to amounts paid under the 2011 Plan during the transition

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period (and with respect to options, SARs and Restricted Stock, granted during the transition period even if the award is exercised or becomes vested after the end of the transition period). It is expected that the Company will seek to qualify the 2011 Plan under 162(m) following the end of the transition period so that options, SARs and other performance awards can qualify for the exemption from the deduction limitations of Section 162(m) for "performance-based compensation". Among other things, that will require that the 2011 Plan be submitted for approval by the Company's stockholders at that time. However, the Committee may, in its judgment, authorize compensation payments that do not comply with the exemptions in Section 162(m) when it believes that any payments are appropriate.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table presents information as of March 26, 2012 regarding beneficial ownership of common stock by:

- the selling stockholder;
- each of our directors;
- each of our named executive officers;
- each stockholder known by us to beneficially hold five percent or more of our common stock; and
- all of our executive officers and directors as a group.

Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power with respect to securities. Unless indicated below, to our knowledge, the persons and entities that the table names have sole voting and sole investment power with respect to all shares beneficially owned, subject to community property laws where applicable. Shares of common stock subject to options that are currently exercisable or exercisable within 60 days of the date of this prospectus are deemed to be outstanding and to be beneficially owned by the person holding the options for the purpose of computing the percentage ownership of that person but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Except as otherwise indicated, the business address for each of our beneficial owners is c/o MRC Global Inc., 2 Houston Center, 909 Fannin, Suite 3100, Houston, Texas 77010.

Name and Address	Shares Beneficially Owned Prior to the Offering†		Shares Being Offered	Shares Beneficially Owned After the Offering†	
	Number	Percent		Number	Percent†
PVF Holdings(1)	84,214,026	99.6%	5,681,818	78,532,208	77.4%
The Goldman Sachs Group, Inc.(1) 200 West Street, New York, New York 10282	84,214,026	99.6%	5,681,818	78,532,208	77.4%
Andrew R. Lane(2)	639,841	*	—	639,841	*
James E. Braun	—	—	—	—	—
Daniel J. Churay	—	—	—	—	—
Gary A. Ittner(3)	—	—	—	—	—
James F. Underhill(4)	—	—	—	—	—
Leonard M. Anthony(5)	21,345	*	—	21,345	*
Rhys J. Best(6)	13,384	*	—	13,384	*
Peter C. Boylan III(7)	12,710	*	—	12,710	*
Henry Cornell(1)	84,214,026	99.6%	5,681,818	78,532,208	77.4%
Christopher A.S. Crampton(1)	—	—	—	—	—
John F. Daly(1)	84,214,026	99.6%	5,681,818	78,532,208	77.4%
Craig Ketchum(8)	—	—	—	—	—
Gerard P. Krans(9)	674	*	—	674	*
Dr. Cornelis A. Linse	12,135	*	—	12,135	*
John A. Perkins	22,945	*	—	22,945	*
H.B. Wehrle, III(10)	—	—	—	—	—
All directors and executive officers, as a group (20 persons) (11)	84,937,060	99.8%	5,681,818	79,255,242	78.1%

† Does not reflect exercise of the underwriters' option to purchase additional shares. If the underwriters' option to purchase additional shares is exercised in full, then following the offering

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PVF Holdings, The Goldman Sachs Group, Inc., Henry Cornell and John F. Daly will be deemed to beneficially own 75,123,117 shares of common stock, or 74.0% of the shares outstanding, and all directors and executive officers as a group will be deemed to beneficially own 75,846,151 shares of common stock, or 74.7% of the shares outstanding.

* Less than 1%.

‡ See "Corporate Structure" for an illustration of our expected capital structure upon completion of this offering. Unless otherwise indicated, the share numbers presented in the footnotes below relate to shares beneficially owned prior to the offering.

(1) PVF Holdings is the selling stockholder in this offering. PVF Holdings directly owns 84,214,026 shares of common stock. GS Capital Partners V Fund, L.P., GS Capital Partners V Offshore Fund, L.P., GS Capital Partners V GmbH & Co. KG, GS Capital Partners V Institutional, L.P., GS Capital Partners VI Fund, L.P., GS Capital Partners VI Offshore Fund, L.P., GS Capital Partners VI Parallel, L.P., and GS Capital Partners VI GmbH & Co. KG (collectively, the "Goldman Sachs Funds") are members of PVF Holdings and own common units of PVF Holdings. The Goldman Sachs Funds' common units in PVF Holdings correspond to 51,258,887 shares of common stock. The Goldman Sachs Group, Inc., and Goldman, Sachs & Co. may be deemed to beneficially own indirectly, in the aggregate, all of the common stock owned by PVF Holdings because:

- (i) affiliates of Goldman, Sachs & Co. and The Goldman Sachs Group, Inc. are the general partner, managing general partner, managing partner, managing member or member of the Goldman Sachs Funds; and
- (ii) the Goldman Sachs Funds control PVF Holdings and have the power to vote or dispose of all of the common stock of the Company owned by PVF Holdings. Goldman, Sachs & Co. is a direct and indirect wholly owned subsidiary of The Goldman Sachs Group, Inc.

Goldman, Sachs & Co. is the investment manager of certain of the Goldman Sachs Funds. Shares of common stock that may be deemed to be beneficially owned by the Goldman Sachs Funds that correspond to the Goldman Sachs Funds' common units of PVF Holdings consist of:

- 14,428,428 shares of common stock deemed to be beneficially owned by GS Capital Partners V Fund, L.P. and its general partner, GSCP V Advisors, L.L.C.;
- 7,453,123 shares of common stock deemed to be beneficially owned by GS Capital Partners V Offshore Fund, L.P. and its general partner, GSCP V Offshore Advisors, L.L.C.;
- 4,947,704 shares of common stock deemed to be beneficially owned by GS Capital Partners V Institutional, L.P. and its general partner, GS Advisors V, L.L.C.;
- 572,037 shares of common stock deemed to be beneficially owned by GS Capital Partners V GmbH & Co. KG and its managing limited partner, GS Advisors V, L.L.C.;
- 11,136,505 shares of common stock deemed to be beneficially owned by GS Capital Partners VI Fund, L.P. and its general partner, GSCP VI Advisors, L.L.C.;
- 9,262,952 shares of common stock deemed to be beneficially owned by GS Capital Partners VI Offshore Fund, L.P. and its general partner, GSCP VI Offshore Advisors, L.L.C.;
- 3,062,347 shares of common stock deemed to be beneficially owned by GS Capital Partners VI Parallel, L.P. and its general partner, GS Advisors VI, L.L.C.; and
- 395,791 shares of common stock deemed to be beneficially owned by GS Capital Partners VI GmbH & Co. KG and its managing limited partner, GS Advisors VI, L.L.C.

Henry Cornell and John F. Daly are managing directors of Goldman, Sachs & Co. Mr. Cornell, Mr. Daly, The Goldman Sachs Group, Inc. and Goldman, Sachs & Co. each disclaims beneficial ownership of the shares of common stock owned directly or indirectly by PVF Holdings and the Goldman Sachs Funds, except to the extent of their pecuniary interest therein, if any.

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- (2) Mr. Lane owns no shares of common stock directly. Mr. Lane owns 85,109 shares of common stock, 115,000 shares of restricted common stock and options to purchase 439,732 shares of our common stock, which are exercisable within the next 60 days, through a limited partnership.
- (3) Mr. Ittner owns no shares of common stock directly. Mr. Ittner owns 6,462 shares indirectly through his ownership of common units in PVF Holdings. Mr. Ittner does not have the power to vote or dispose of shares of common stock that correspond to his ownership of common units in PVF Holdings and thus does not have beneficial ownership of the shares. Mr. Ittner also owns profits units in PVF Holdings. These profits units do not give Mr. Ittner beneficial ownership of any shares of our common stock because the profits units do not give Mr. Ittner the power to vote or dispose of the shares.
- (4) Mr. Underhill owns no shares of common stock directly. Mr. Underhill owns 6,434 shares indirectly through his ownership of common units in PVF Holdings. Mr. Underhill does not have the power to vote or dispose of shares of common stock that correspond to his ownership of common units in PVF Holdings and thus does not have beneficial ownership of the shares. Mr. Underhill also owns profits units in PVF Holdings. These profits units do not give Mr. Underhill beneficial ownership of any shares of our common stock because the profits units do not give Mr. Underhill the power to vote or dispose of the shares.
- (5) Mr. Anthony owns 14,184 shares of common stock and 3,650 shares of restricted common stock directly. Mr. Anthony also owns options to purchase 3,511 shares of our common stock, which are exercisable within the next 60 days.
- (6) Mr. Best owns no shares of common stock directly. Mr. Best owns 32,036 shares indirectly due to his limited liability company's ownership of common units in PVF Holdings. Mr. Best does not have the power to vote or dispose of shares of common stock that correspond to the limited liability company's ownership of common units in PVF Holdings and thus does not have beneficial ownership of the shares. Mr. Best also owns options to purchase 13,384 shares of our common stock, which are exercisable within the next 60 days.
- (7) Mr. Boylan owns no shares of common stock directly. Mr. Boylan owns 64,073 shares indirectly through his ownership of common units in PVF Holdings. Mr. Boylan does not have the power to vote or dispose of shares of common stock that correspond to his ownership of common units in PVF Holdings and thus does not have beneficial ownership of the shares. Mr. Boylan also owns options to purchase 12,710 shares of our common stock, which are exercisable within the next 60 days.
- (8) Mr. Ketchum owns no shares of common stock directly. Mr. Ketchum owns common units in PVF Holdings both directly and through a limited liability company that correspond to 2,828,006 shares of common stock. Mr. Ketchum does not have the power to vote or dispose of shares of common stock that correspond to his ownership or his limited liability company's ownership of common units in PVF Holdings and thus does not have beneficial ownership of the shares. Mr. Ketchum also owns profits units in PVF Holdings. These profits units do not give Mr. Ketchum beneficial ownership of any shares of our common stock because the profits units do not give Mr. Ketchum the power to vote or dispose of the shares.
- (9) Mr. Krans owns no shares of common stock directly. Mr. Krans owns 5,307,019 shares indirectly through his ownership of common units in PVF Holdings. Mr. Krans does not have the power to vote or dispose of shares of common stock that correspond to his ownership of common units in PVF Holdings and thus does not have beneficial ownership of the shares. Mr. Krans also owns options to purchase 674 shares of our common stock, which are exercisable within the next 60 days.
- (10) Mr. Wehrle owns no shares of common stock directly. Mr. Wehrle owns 1,305,235 shares through his ownership of common units in PVF Holdings. Mr. Wehrle does not have the power to vote or dispose of shares of common stock that correspond to his ownership of common units in PVF Holdings and thus does not have beneficial ownership of the shares. Mr. Wehrle also owns profits units in PVF Holdings. These profits units do not give Mr. Wehrle beneficial ownership of any shares of our common stock because the profits units do not give Mr. Wehrle the power to vote or dispose of the shares.

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- (11) The number of shares of common stock owned by all directors and executive officers, as a group, reflects:
- all shares of common stock directly owned by PVF Holdings, with respect to which Henry Cornell and John F. Daly may be deemed to share beneficial ownership;
 - 85,109 shares of unrestricted common stock, 115,000 shares of restricted common stock and options to purchase 439,733 of our common stock held indirectly by Andrew R. Lane, the chairman, president and CEO and a director of MRC Global Inc. through a limited partnership;
 - 14,184 shares of unrestricted common stock, 3,650 shares of restricted common stock and options to purchase 3,511 shares of our common stock held directly by Leonard Anthony, a director of MRC Global Inc.;
 - options to purchase 13,384 shares of our common stock held by Rhys J. Best, a director of MRC Global Inc.;
 - options to purchase 12,710 shares of our common stock held by Peter C. Boylan III, a director of MRC Global Inc.;
 - 10,787 shares of unrestricted common stock and options to purchase 1,348 shares of our common stock held directly by Dr. Cornelis A. Linse, a director of MRC Global Inc.;
 - 21,853 shares of unrestricted common stock and options to purchase 1,092 shares of our common stock held directly by John Perkins, a director of MRC Global Inc.; and
 - options to purchase 674 shares of our common stock held by Gerard P. Krans, a director of MRC Global Inc.

Distributions of the Proceeds of this Offering Received by PVF Holdings LLC

PVF Holdings LLC expects to distribute the proceeds of its sale of common stock in this offering to its members pursuant to its limited liability company agreement. Based on the midpoint of the price range on the cover of this prospectus, each of the entities and individuals named below is expected to receive the following approximate amounts, assuming both no exercise and full exercise by the underwriters of their option to purchase additional shares (the distribution amounts set forth below may be adjusted in immaterial amounts following final review and calculation).

<u>Entity/Individual</u>	<u>Amount Distributed</u>	
	<u>No Exercise</u>	<u>Full Exercise</u>
The Goldman Sachs Group, Inc.	\$71,550,746	\$114,481,192
Andrew R. Lane	—	—
James E. Braun	—	—
James F. Underhill(1)	15,265	24,424
Daniel J. Churay	—	—
Gary Ittner(2)	15,704	25,127
Rory M. Isaac(2)	51,480	82,367
Scott Hutchinson(3)	20,861	33,377
Neil P. Wagstaff	1,084,084	1,734,535
Leonard M. Anthony	—	—
Rhys J. Best(4)	44,719	71,551
Peter C. Boylan III(5)	89,438	143,101
Henry Cornell	—	—
Christopher A.S. Crampton	—	—
John F. Daly	—	—
Craig Ketchum(6)	3,954,212	6,326,740
Gerard P. Krans(7)	7,407,909	11,852,654
Dr. Cornelis A. Linse	—	—
John A. Perkins	—	—
H.B. Wehrle, III(8)	1,828,622	2,925,796
Wehrle immediate family members(9)	4,201,438	6,772,301
Ketchum immediate family members(10)	5,994,605	9,591,369
Others(11)	21,240,917	33,985,466
Total Distributions	\$117,500,000	\$188,000,000

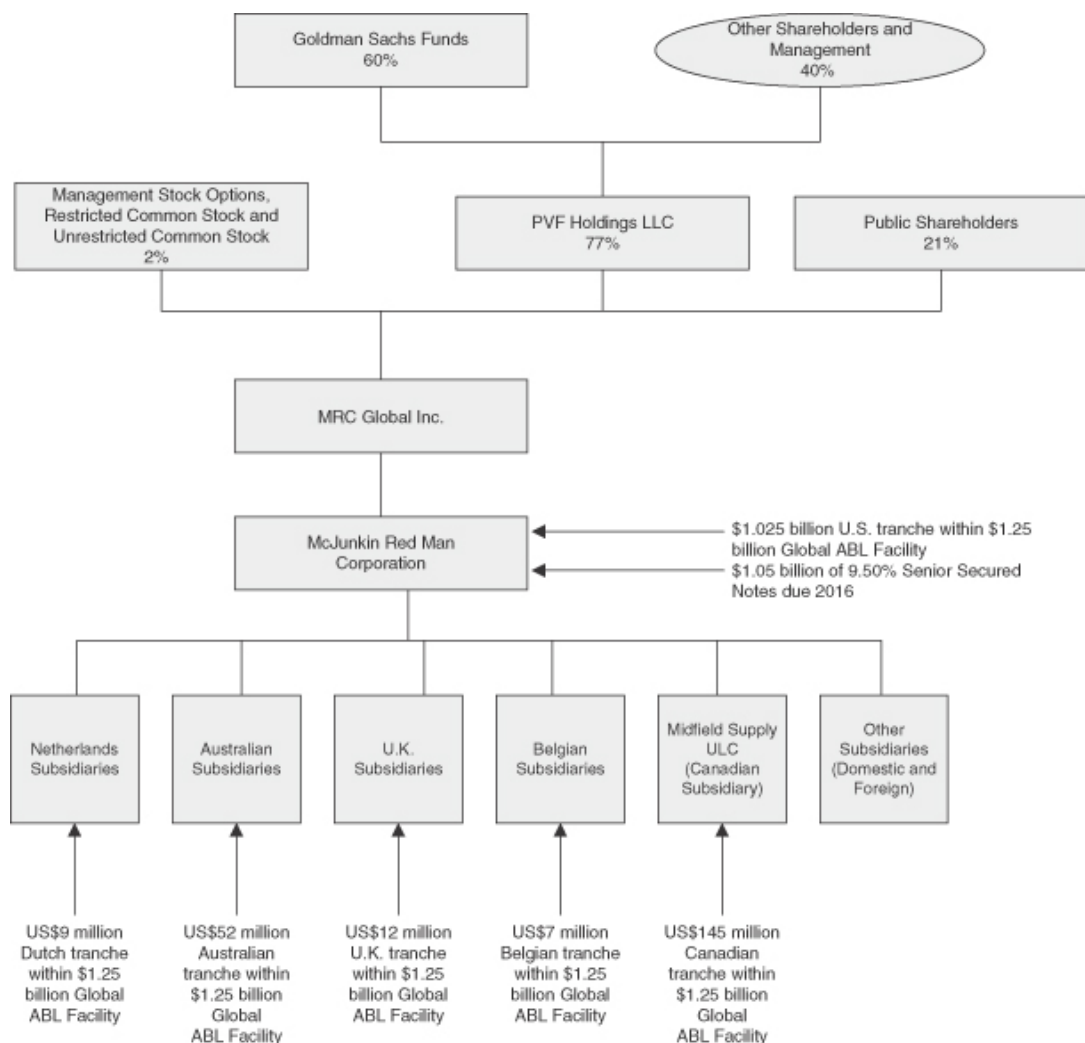
- (1) The amount distributed to Mr. Underhill includes \$6,283 (No Exercise) and \$10,052 (Full Exercise) paid as a tax distribution with respect to profits units.
- (2) The amount distributed to Messrs. Ittner and Isaac includes \$6,684 (No Exercise) and \$10,694 (Full Exercise) paid as a tax distribution with respect to profits units.
- (3) The amount distributed to Mr. Hutchinson includes \$2,896 (No Exercise) and \$4,634 (Full Exercise) paid as a tax distribution with respect to profits units.
- (4) Mr. Best holds common units in PVF Holdings through a limited liability company which he controls.
- (5) Mr. Boylan holds common units in PVF Holdings through a limited liability company which he owns and controls.
- (6) Mr. Ketchum holds common units in PVF Holdings through a limited liability company which he controls. The amount distributed to Mr. Ketchum also includes \$6,684 (No Exercise) and \$10,694 (Full Exercise) with respect to common units that he holds directly.
- (7) Mr. Krans holds common units in PVF Holdings through a limited liability company which he controls.

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- (8) The amount distributed to Mr. Wehrle includes \$6,684 (No Exercise) and \$10,694 (Full Exercise) paid as a tax distribution with respect to profits units.
- (9) Includes immediate family members of H.B. Wehrle, III. The amount distributed to the Wehrle immediate family members includes \$3,342 (No Exercise) and \$5,347 (Full Exercise) paid as a tax distribution with respect to profits units.
- (10) Includes immediate family members of Craig Ketchum.
- (11) Includes members of PVF Holdings LLC who are not directors, officers or 5% beneficial owners of MRC Global Inc. The amount distributed to others includes \$39,352 (No Exercise) and \$62,963 (Full Exercise) paid as a tax distribution with respect to all other profits units holders.

CORPORATE STRUCTURE

The following chart illustrates our simplified organizational and ownership structure following the consummation of the offering of our common stock as set forth in this prospectus and assumes no exercise of the underwriters' option to purchase additional shares of common stock from the selling stockholder:



CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

This section describes related party transactions between us and our directors, executive officers and 5% stockholders and their immediate family members that have occurred since January 1, 2008. See “Corporate Structure” for an illustration of where the related entities discussed below sit in our corporate structure.

Transactions with the Goldman Sachs Funds

Certain affiliates of The Goldman Sachs Group, Inc., including GS Capital Partners V Fund, L.P., GS Capital Partners VI Fund, L.P. and related entities, or the Goldman Sachs Funds, are the majority owners of PVF Holdings, our largest shareholder. See “Corporate Structure”.

May 2008 Dividend

On May 22, 2008, McJunkin Red Man Corporation borrowed \$25 million in revolving loans under its revolving credit facility and distributed the proceeds of the loans to MRC Global Inc. On the same date, MRC Global Inc. borrowed \$450 million in term loans under its term loan facility and distributed the proceeds of the term loans, together with the proceeds of the revolving loans, to its stockholders, including PVF Holdings. PVF Holdings used the proceeds from the dividend to fund distributions to members of PVF Holdings in May 2008. The Goldman Sachs Funds were paid \$311,722,411.39 in such distribution.

LaBarge Acquisition

On October 9, 2008, we acquired LaBarge. In connection with the LaBarge acquisition, McJunkin Red Man Corporation paid an affiliate of the Goldman Sachs Funds a \$1.6 million merger and acquisition advisory fee.

MRC Transmark Acquisition

On October 30, 2009, we acquired MRC Transmark. In connection with the acquisition of MRC Transmark, McJunkin Red Man Corporation agreed to pay to an affiliate of the Goldman Sachs Funds a €4.0 (US\$6.0) million merger and acquisition advisory fee.

ABL Credit Facility

Goldman Sachs Lending Partners LLC was the co-documentation agent and a managing agent for our ABL Credit Facility and is a lender under our Global ABL Facility. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Description of Our Indebtedness—Global ABL Facility”.

Prior Credit Facilities

Goldman Sachs Credit Partners L.P., an affiliate of Goldman, Sachs & Co., or Goldman Sachs, was a lender under our prior revolving credit facility and our prior Term Loan Facility and Junior Term Loan Facility. Goldman Sachs Credit Partners was also a co-lead arranger and joint bookrunner under our prior revolving credit facility, was a co-lead arranger and joint bookrunner under our prior Term Loan Facility and our prior Junior Term Loan Facility and was also the syndication agent under our prior Term Loan Facility and our prior Junior Term Loan Facility.

We paid a \$4.4 million fee to Goldman Sachs Credit Partners in May 2008 in connection with our prior Junior Term Loan Facility, a fee of \$0.5 million to Goldman Sachs Credit Partners in June 2008 in

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connection with the \$50 million upsizing of our prior revolving credit facility and a fee of \$2 million to Goldman Sachs Credit Partners in October 2008 in connection with the \$100 million upsizing of our prior revolving credit facility.

Notes Offerings

Goldman Sachs was a joint book-running manager for our December 2009 and February 2010 Notes offerings and received fees of \$9.5 million in connection with serving in this capacity. In addition, pursuant to the registration rights agreements we entered into at the time of the Notes offerings, we have filed and are obligated to keep effective a market-making registration statement to enable Goldman Sachs to engage in market-making for the Notes. The SEC declared the initial market-making registration statement effective in July 2011.

Transactions with USI Southwest

In January 2010, we engaged Anco Insurance Services of Houston, Inc. (doing business as USI Southwest), an affiliate of the Goldman Sachs Funds, to provide insurance brokerage services to us. During the year ended December 31, 2011 and the year ended December 31, 2010, we paid USI Southwest \$1.6 million and \$2.2 million, respectively, for these services.

Transactions with Kinder Morgan Energy Partners, L.P.

On September 1, 2009, we entered into a Supply Agreement with Kinder Morgan Energy Partners, L.P., an affiliate of the Goldman Sachs Funds, pursuant to which we have agreed to provide maintenance, repair and operating supplies and related products for an initial term expiring on December 31, 2014. Including services provided to Kinder Morgan prior to the entry of the Supply Agreement, we received \$15.5 million in the year ended December 31, 2009, \$13.7 million in the year ended December 31, 2010 and \$9.9 million in the year ended December 31, 2011.

Transactions with Cobalt, Energy Future Holdings, CCS and EF Energy

Cobalt International Energy LP ("Cobalt"), Luminant Generation Company LLC, Luminant Mining Company LLC and Oncor Electric Delivery Company LLC (together with Luminant Generation Company LLC and Luminant Mining Company LLC, "Energy Future Holdings"), CCS Corporation ("CCS") and EF Energy Holdings, L.L.C. ("EF Energy"), affiliates of the Goldman Sachs Funds, are customers of our Company. Our sales to Cobalt were \$1.3 million in the year ended December 31, 2009, \$6.1 million in the year ended December 31, 2010 and none for the in the year ended December 31, 2011. Our sales to Energy Future Holdings were \$0.5 million in the year ended December 31, 2009, \$4.1 million in the year ended December 31, 2010 and \$61,000 in the year ended December 31, 2011. Our sales to CCS were \$0.5 million in the year ended December 31, 2009, \$0.4 million in the year ended December 31, 2010 and \$1.2 million in the year ended December 31, 2011. Our sales to EF Energy were \$1.0 million in the year ended December 31, 2011, and we had no sales to EF Energy prior to 2011.

Transactions with Prideco

We lease certain equipment and buildings from Prideco, LLC, an entity that Craig Ketchum (a member of the Board and our former president and CEO) and certain of his immediate family members own. Craig Ketchum owns a 25% interest in Prideco, LLC. We paid Prideco, LLC an aggregate rental amount of approximately \$2.4 million in the year ended December 31, 2009, \$1.5 million in the year ended December 31, 2010 and \$0.6 million in the year ended December 31, 2011.

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Under four separate real property leases, we lease office and warehouse space for the wholesale distribution of PVF from Prideco, LLC. The total rental amount under these leases was approximately \$0.1 million in the year ended December 31, 2008, \$0.1 million in the year ended December 31, 2009, \$0.1 million in the year ended December 31, 2010 and \$0.1 million in the year ended December 31, 2011. The location of the leased property, monthly rent for 2011, term, expiration date, square footage of the leased premises and renewal option for each of these leases are included in the table below:

<u>Location</u>	<u>Monthly 2011 Rent</u>	<u>Term</u>	<u>Expiration</u>	<u>Square Feet</u>	<u>Renewal Option</u>
Artesia, NM	\$ 2,200	5 years	May 31, 2013	8,750	One five-year renewal option
Lovington, NM	\$ 2,350	3 years	September 30, 2012	6,000	Open option to renew
Tulsa, OK	\$ 3,000	3 years	March 31, 2012	7,980	One five-year renewal option
Woodward, OK	\$ 3,500	5 years	July 31, 2012	6,000	None

Additionally, under one master lease, Prideco, LLC leases approximately 35 trucks, cars and sports utility vehicles to us. All of these vehicles are used in our operations. Under the master lease, most vehicles are leased for a term of 36 months. The total rental amount under this lease was approximately \$2.3 million in the year ended December 31, 2009, \$1.4 million in the year ended December 31, 2010 and \$0.5 million in the year ended December 31, 2011.

We believe the rental amounts under our leases with Prideco, LLC are generally comparable to market rates negotiable among unrelated third parties.

Transactions with Hansford Associates Limited Partnership

McJunkin Red Man Corporation leases certain land and buildings from Hansford Associates Limited Partnership, a limited partnership in which H. B. Wehrle, III (a member of the Board), E. Gaines Wehrle (a former member of the Board), Stephen D. Wehrle (a former executive officer of MRC Global Inc.) and certain of their immediate family members are limited partners. Together, these three persons and their immediate family members have a 50% ownership interest in the limited partnership. McJunkin Red Man Corporation paid Hansford Associates Limited Partnership an aggregate rental amount of approximately \$2.5 million in the year ended December 31, 2008, \$2.5 million in the year ended December 31, 2009, \$2.5 million in the year ended December 31, 2010 and \$2.3 million in the year ended December 31, 2011.

We believe that the rental amounts under McJunkin Red Man Corporation's leases with Hansford Associates Limited Partnership are generally comparable to market rates negotiable among unrelated third parties.

Transactions with Executive Officers and Directors

GS Acquisition

Under the terms of the merger agreement for the GS Acquisition, McJunkin Red Man Corporation is required to use its commercially reasonable efforts promptly following the closing of the merger to sell certain of its assets (the "Non-Core Assets") for cash and to distribute 95% of the net proceeds of the sales, less 40% of taxable gains, to McJunkin Red Man Corporation's shareholders of record immediately prior to the merger, including H.B. Wehrle, III. All Non-Core Assets have subsequently been sold.

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In connection with the GS Acquisition, on December 4, 2006, we entered into an indemnity agreement with certain former shareholders of McJunkin Red Man Corporation, including H.B. Wehrle, III and Stephen D. Wehrle. Under the indemnity agreement, certain former shareholders of McJunkin Red Man Corporation agreed to jointly and severally indemnify (i) McJunkin Red Man Corporation, (ii) MRC Global Inc. and (iii) the wholly owned subsidiary of MRC Global Inc. that merged with and into McJunkin Red Man Corporation in connection with the GS Acquisition, and their respective shareholders, members, partners, officers, directors, employees, attorneys, accountants, affiliates, agents, other advisors and successors, from and against all costs the indemnified parties incur relating to the holding and disposition of certain of the Non-Core Assets, and the distribution of net proceeds with respect to the disposition, to the extent the costs for each Non-Core Asset exceed the net proceeds received in the sale of the asset.

Additionally, the indemnity agreement provided that from and after the effective time of the merger that was consummated in connection with the GS Acquisition, the indemnifying shareholders would jointly and severally indemnify the indemnified parties for (i) any amounts paid or payable by McJunkin Red Man Corporation or any of its subsidiaries to any of its officers, directors or employees in excess of \$965,000 in the nature of any "stay-pay bonuses" as a result of the merger, other than payments to certain specific employees, and (ii) any failure to properly withhold any amounts required to be withheld by McJunkin Red Man Corporation or any of its subsidiaries relating to stay-pay bonuses or any similar such payments (which indemnity only applied to withholding obligations that arose before the effective time of the merger on January 31, 2007).

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May 2008 Dividend

Certain members of our management team and certain current and former members of the Board are members of PVF Holdings and therefore participated in PVF Holdings' cash distributions to its members in May 2008. See “—Transactions with the Goldman Sachs Funds—May 2008 Dividend” above. The table below sets forth the proceeds of the distributions paid to the account of the profits units and common units held by our current and former executive officers and directors who are members of PVF Holdings:

Name	Proceeds from Distributions Paid on Common Units	Proceeds from Distributions Paid on Profits Units	Total
Randy K. Adams	\$ 6,131.28	\$ 48,420.00	\$ 54,551.28
Rhys J. Best(1)	\$ 194,826.51	—	\$ 194,826.51
Peter C. Boylan, III(2)	\$ 389,653.01	—	\$ 389,653.01
David Fox, III(3)	\$ 1,975,013.20	—	\$ 1,975,013.20
Ken Hayes	\$ 82,772.33	\$ 16,140.00	\$ 98,912.33
Harry K. Hornish, Jr	\$ 584,479.52	—	\$ 584,479.52
Scott A. Hutchinson	\$ 78,264.60	\$ 20,982.00	\$ 99,246.60
Rory M. Isaac	\$ 195,160.51	\$ 48,420.00	\$ 243,580.51
Russell L. Isaacs	\$ 137,300.00	—	\$ 137,300.00
Gary A. Ittner	\$ 39,299.30	\$ 48,420.00	\$ 87,719.30
Craig Ketchum(4)	\$ 17,198,047.58	\$ 48,420.00	\$ 17,246,467.58
Kent Ketchum(5)	\$ 6,878,317.54	\$ 24,210.00	\$ 6,902,527.54
Stephen W. Lake	\$ 78,264.59	\$ 16,140.00	\$ 94,404.59
Jeffrey Lang	\$ 38,965.30	\$ 48,420.00	\$ 87,385.30
Diana D. Morris	\$ 19,482.65	—	\$ 19,482.65
Dennis Niver	\$ 333.99	\$ 32,280.00	\$ 32,613.99
Dee Paige	\$ 77,930.60	\$ 72,630.00	\$ 150,560.60
James F. Underhill	\$ 78,264.60	\$ 75,858.00	\$ 154,122.60
E. Gaines Wehrle(6)	\$ 7,306,083.68	—	\$ 7,306,083.68
H.B. Wehrle, III	\$ 7,860,472.35	\$ 48,420.00	\$ 7,908,892.35
Stephen D. Wehrle	\$ 6,627,379.72	\$ 24,210.00	\$ 6,651,589.72
Michael H. Wehrle	\$ 7,095,097.13	—	\$ 7,095,097.13
Martha G. Wehrle	\$ 870,319.63	—	\$ 870,319.63
Other Wehrle Family Members(7)	\$ 34,345,051.70	—	\$ 34,345,051.70
Other Ketchum Family Members(8)	\$ 19,238,151.48	—	\$ 19,238,151.48
All executive officers, directors and their immediate family members	\$ 111,395,062.80	\$ 572,970.00	\$ 111,968,032.80

- (1) Mr. Best holds common units in PVF Holdings through a limited liability company which he controls.
- (2) Mr. Boylan holds common units in PVF Holdings through a limited liability company which he owns and controls.
- (3) The \$1,975,013.20 that is indicated as being distributed on account of Mr. Fox's common units (including common units) was distributed to a trust that Mr. Fox established. Of this sum, \$993,087.61 was distributed with respect to common units and \$81,345.60 was paid as a tax distribution with respect to restricted common units. The balance of this sum (\$900,579.99) relates to proceeds of the dividend distributed with respect to restricted common units which are being held by PVF Holdings subject to vesting of the restricted common units.
- (4) Craig Ketchum was paid \$17,197,713.60 in proceeds with respect to common units held by a limited liability company which he controls. Craig Ketchum received \$333.99 in proceeds with respect to common units that he holds directly.

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- (5) Kent Ketchum was paid \$6,877,983.55 in proceeds with respect to common units held by a limited liability company which he controls. Kent Ketchum received \$333.99 in proceeds with respect to common units that he holds directly.
- (6) The \$7,306,083.68 that is indicated as being distributed with respect to Mr. Wehrle's common units was distributed to a trust that Mr. Wehrle established.
- (7) As used in this table, "Other Wehrle Family Members" include the immediate family members of H.B. Wehrle, III, E. Gaines Wehrle, Stephen D. Wehrle and Michael H. Wehrle.
- (8) As used in this table, "Other Ketchum Family Members" include the immediate family members of Craig Ketchum and Kent Ketchum.

Registration Rights Agreement

Prior to this offering, we intend to enter into a new registration rights agreement with PVF Holdings pursuant to which we may be required to register the sale of our shares that PVF Holdings holds. Under the registration rights agreement, PVF Holdings will have the right, including in connection with this offering, to request that we use our reasonable best efforts to register the sale of shares that PVF Holdings holds on its behalf on up to six occasions including requiring us to file shelf registration statements permitting sales of shares into the market from time to time over an extended period. PVF Holdings' right to demand registration will be subject to certain limitations contained in the registration rights agreement, including our right to decline to cause a registration statement for a demand registration to be declared effective within 180 days after the effective date of any of our other registration statements.

In addition, PVF Holdings will have the ability to exercise certain piggyback registration rights with respect to its own securities if we elect to register any of our equity securities. The registration rights agreement will also include provisions dealing with allocation of securities included in registration statements, registration procedures, indemnification, contribution and allocation of expenses. The registration rights agreement will be in effect until such time as PVF distributes all of the common stock which it holds to its members.

In connection with this offering, we also intend to amend the existing registration rights agreement, which will become effective at such time as PVF distributes any of the common stock which it holds to its members. Pursuant to the terms of such amended registration rights agreement, the existing members of PVF Holdings would thereafter be entitled to certain registration rights with respect to our shares of common stock which are distributed to them by PVF Holdings. In particular, the Goldman Sachs Funds would be able to request that we use our reasonable best efforts to register the sale of shares that they own on up to five occasions, and Transmark Holdings would be able to request that we use our reasonable best efforts to register the sale of shares it owns on one occasion, and all of the members of PVF Holdings party to the existing registration rights agreement would have the ability to exercise certain piggyback registration rights with respect to their own securities if we elect to register any of our equity securities.

Management Stockholders Agreement

Each holder of a stock option or restricted stock award, including the members of the Board who have received awards, is a party to a management stockholders agreement. Employees or directors that purchase common stock of MRC Global Inc. must also become a party to the management stockholders agreement. The management stockholders agreement sets forth the terms and conditions governing common stock of MRC Global Inc., including vested restricted stock and shares of common stock received upon the exercise of stock option awards.

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The management stockholders agreement provides that upon the termination of a shareholder's employment with MRC Global Inc. or its affiliates (including, in the case of a non-employee member of the Board, the termination of his or her service on the Board), MRC Global Inc. may exercise its right to purchase from shareholder (or his or her permitted transferee) all or a portion of the shareholder's vested restricted stock, common stock received upon the exercise of the shareholder's stock options, or common stock the shareholder purchased. In the event of a termination by the Company or its affiliates for cause (as defined in the management stockholders agreement), the call option price would be the lesser of:

- (i) the fair market value on the date of repurchase (determined in accordance with the management stockholders agreement); or
- (ii) the price paid for the stock by such shareholder. Under all other circumstances, the call option price would be the fair market value of the stock subject to the call option on the date of repurchase (determined in accordance with the management stockholders agreement).

Prior to the consummation of an initial public offering of our common stock, if PVF Holdings proposes to:

- (i) transfer common stock to any person who is not its affiliate; or
- (ii) effect an Exit Event (as defined in the management stockholders agreement), PVF Holdings may require shareholders to transfer a proportionate number of their shares of common stock to the person.

In this event, shareholders would receive the same price for their common stock as PVF Holdings receives for its common stock and would be required to pay for a proportionate share of all transaction expenses.

Other than as described above in this section, the management stockholders agreement prohibits the transfer of any shares of common stock of MRC Global Inc. (including vested shares restricted stock) by a shareholder, other than following the death of the holder pursuant to the terms of any trust or will of the deceased or by the laws of intestate succession.

Our directors hold various equity interests in respect of our shares of common stock. Andrew R. Lane, Leonard Anthony, Dr. Cornelis A. Linse and John Perkins hold shares of our common stock that they have purchased for fair market value; Andrew R. Lane and Leonard Anthony hold awards of restricted stock; and Andrew R. Lane, Leonard Anthony, Rhys Best, Peter C. Boylan III, Gerard P. Krans, John Perkins and Dr. Cornelis A. Linse hold stock options to purchase shares of our common stock. Accordingly, each of them is a party to the management stockholders agreement. Upon the consummation of this offering, none of Messrs. Lane, Anthony, Linse or Perkins will be a party to the management stockholders agreement in respect of common stock purchased by them, and neither Mr. Lane nor Mr. Anthony will be a party to the management stockholders agreement in respect of common stock acquired by them upon exercise of their stock options.

We will terminate the management stockholders agreements in connection with the consummation of this offering.

Governance Agreement

Currently our largest shareholder is PVF Holdings. PVF Holdings owned approximately 98% of our common stock prior to the offering and will own approximately 77% of our common stock following consummation of this offering (74% if the underwriters exercise their option to purchase additional shares). The Goldman Sachs Funds own a majority of the interests of PVF Holdings and have the right to select all of the directors of PVF Holdings. Accordingly, the Goldman Sachs Funds control PVF

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Holdings and the shares of common stock that PVF Holdings owns. Beginning one year after the closing date of this offering, certain holders of interests of PVF Holdings have the right to require that PVF Holdings distribute to them the shares of common stock which PVF Holdings owns in an aggregate amount equal to the value of their interests in PVF Holdings.

Prior to this offering, we intend to enter into a governance agreement with PVF Holdings, which will grant PVF Holdings certain rights relating to the nomination of candidates to our board of directors.

The governance agreement will allow PVF Holdings, for so long as it beneficially owns at least 15% of the shares of our common stock outstanding, to designate a number of director nominees in the slate of director nominees that we propose to stockholders in connection with an election of directors. The number of nominees that PVF Holdings will have the right to designate will be equal to the product of (i) the percentage of the total outstanding shares of our common stock beneficially owned by PVF Holdings multiplied by (ii) the total number of directors comprising our board of directors. In the event that this calculation results in PVF Holdings having the right to designate a non-whole number of nominees, the number of nominees that PVF Holdings has a right to designate will be rounded up to the nearest whole number.

PVF Holdings will have the right to assign its rights and obligations under the governance agreement to Goldman, Sachs & Co. and/or one or more of its affiliates, including the Goldman Sachs Funds, but not to any other person. In the event of an assignment, the director nomination rights described above will inure to the benefit of the assignee or assignees, and the shares of our common stock beneficially owned by Goldman, Sachs & Co. and its affiliates, taken together, will be counted towards the ownership thresholds referred to above.

Related Party Transaction Policy

We have in place a formal written policy for the review, approval, ratification and disclosure of related party transactions. This policy applies to any transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we were, are or will be a participant and the amount involved exceeds \$120,000, and in which any related party had or will have a direct or indirect material interest. The audit committee of the Board must review, approve and ratify a related party transaction if the transaction is consistent with the Related Party Transaction Policy and is on terms, taken as a whole, that the audit committee believes are no less favorable to us than could be obtained in an arm's-length transaction with an unrelated third-party, unless the audit committee otherwise determines that the transaction is not in our best interests. Our audit committee does not need to approve or ratify any related party transaction or modification of the transaction that the Board has approved or ratified by the affirmative vote of a majority of directors, who do not have a direct or indirect material interest in such transaction. In addition, our compensation committee will approve related party transactions involving compensation rather than our audit committee.

In addition, we are bound by a provision in the PVF LLC Agreement, which provides that neither we nor any of our subsidiaries may enter into any transactions with any of the Goldman Sachs Funds or any of their affiliates except for transactions that:

- (i) are otherwise permitted or contemplated by the PVF LLC Agreement; or
- (ii) are on fair and reasonable terms not materially less favorable to us than we would obtain in a hypothetical comparable arm's length transaction with a person that was not an affiliate of the Goldman Sachs Funds.

Our credit facilities also contain covenants which, subject to certain exceptions, require us to conduct all transactions with any of our affiliates on terms that are substantially as favorable to us as we would obtain in a comparable arm's length transaction with a person that is not an affiliate.

DESCRIPTION OF OUR CAPITAL STOCK

Immediately following the completion of this offering, our authorized capital stock will consist of 500 million shares of common stock, par value \$0.01 per share, and 100 million shares of preferred stock, par value \$0.01 per share, the rights and preferences of which the Board may establish from time to time. Upon the completion of this offering, there will be outstanding 101,487,198 shares of common stock (excluding 127,301 shares of non-vested restricted stock) and no outstanding shares of preferred stock. As of February 29, 2012, there were 83 record holders of our common stock. The following description of our capital stock does not purport to be complete and is subject to and qualified by our amended and restated certificate of incorporation and bylaws, forms of which are included as exhibits to the registration statement of which this prospectus forms a part, and by the provisions of applicable Delaware law.

Common Stock

Holders of our common stock are entitled to one vote for each share on all matters that our stockholders vote upon, including the election of directors, and do not have cumulative voting rights. Subject to the rights of holders of any then outstanding shares of our preferred stock, our common stockholders are entitled to any dividends that our Board may declare. Holders of our common stock are entitled to share ratably in our net assets upon our dissolution or liquidation after payment or provision for all liabilities and any preferential liquidation rights of our preferred stock then outstanding. Holders of our common stock have no preemptive rights to purchase shares of our stock. The shares of our common stock are not subject to any redemption provisions and are not convertible into any other shares of our capital stock. All outstanding shares of our common stock are fully paid and nonassessable. The rights, preferences and privileges of holders of our common stock will be subject to those of the holders of any shares of our preferred stock we may issue in the future.

Our common stock will be represented by certificates, unless the Board adopts a resolution providing that some or all of our common stock shall be uncertificated. Any resolution will not apply to any shares of common stock that are already certificated until the shares are surrendered to us.

Preferred Stock

The Board may, from time to time, authorize the issuance of one or more series of preferred stock without stockholder approval. We have no current intention to issue any shares of preferred stock.

One of the effects of undesignated preferred stock may be to enable the Board to discourage an attempt to obtain control of our Company by means of a tender offer, proxy contest, merger or otherwise. The issuance of preferred stock may adversely affect the rights of our common stockholders by, among other things:

- restricting dividends on the common stock;
- diluting the voting power of the common stock;
- impairing the liquidation rights of the common stock; or
- delaying or preventing a change in control without further action by the stockholders.

Limitation on Liability and Indemnification of Officers and Directors

Our amended and restated certificate of incorporation limits the liability of directors to the fullest extent Delaware law permits. The effect of these provisions is to eliminate the rights of our Company

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and our stockholders, through stockholders' derivative suits on behalf of our Company, to recover monetary damages against a director for breach of fiduciary duty as a director, including breaches resulting from grossly negligent behavior. However, our directors will be personally liable to us and our stockholders for any breach of the director's duty of loyalty, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, under Section 174 of the Delaware General Corporation Law or for any transaction from which the director derived an improper personal benefit. In addition, our amended and restated certificate of incorporation and bylaws provide that we will indemnify our directors and officers to the fullest extent Delaware law permits. We have entered into indemnification agreements with our current directors and officers, and we intend to enter into amended indemnification agreements with our directors and executive officers prior to the consummation of this offering. We also maintain directors and officers insurance.

Corporate Opportunities

Our amended and restated certificate of incorporation provides that Goldman, Sachs & Co. and its affiliates (which include the Goldman Sachs Funds) have no obligation to offer us any opportunity to participate in business opportunities presented to any of them, even if the opportunity is one that we might reasonably have pursued, and that neither Goldman, Sachs & Co. nor its affiliates will be liable to us or our stockholders for breach of any duty by reason of any of these activities unless, in the case of any person who is a director or officer of our Company, the business opportunity is expressly offered to the director or officer in writing solely in his or her capacity as an officer or director of our Company. Stockholders will be deemed to have notice of and consented to this provision of our amended and restated certificate of incorporation.

Business Combinations with Interested Stockholders

We have elected in our amended and restated certificate of incorporation not to be subject to Section 203 of the Delaware General Corporation Law, an antitakeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination, such as a merger, with a person or group owning 15% or more of the corporation's voting stock for a period of three years following the date the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. Accordingly, we are not subject to any antitakeover effects of Section 203. However, our amended and restated certificate of incorporation contains provisions that have the same effect as Section 203 beginning on the date that Goldman, Sachs & Co. and its affiliates first cease to beneficially own at least 15% of our common stock. However, our amended and restated certificate of incorporation exempts Goldman, Sachs & Co. and its affiliates, and any persons to whom they sell shares of their common stock (other than persons buying shares in a registered public offering of common stock), from the effect of those provisions.

Removal of Directors; Vacancies

Our amended and restated certificate of incorporation and bylaws provide that any director or the entire Board may be removed with or without cause by the affirmative vote of at least 75.0% of all shares then entitled to vote at an election of directors. Our amended and restated certificate of incorporation and bylaws also provide that any vacancies on the Board will be filled by the affirmative vote of a majority of the Board then in office, even if less than a quorum, or by a sole remaining director.

Voting

Stockholders holding a majority of our common stock, present in person or by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders, except as otherwise provided under our amended and restated certificate of incorporation or under our bylaws.

At any stockholder meeting for which notice of the meeting was delivered to stockholders prior to the date that Goldman, Sachs & Co. and its affiliates cease to beneficially own at least 15% of the outstanding shares of our common stock, directors will be elected by the affirmative vote of a plurality of the shares of our common stock present, in person or by proxy. At any stockholder meeting for which notice of the meeting was delivered to stockholders on or after the date that Goldman, Sachs & Co. and its affiliates cease to own at least 15% of the outstanding shares of our common stock, a nominee for director will be elected if the votes cast for the nominee's election exceed the votes cast against the nominee's election (unless the election is contested, in which case the affirmative vote of a plurality of the shares of our common stock present, in person or by proxy will decide the election). The affirmative vote of a majority of the shares of our common stock present, in person or by proxy will decide all other matters voted on by stockholders, unless the question is one upon which, by express provision of law, under our amended and restated certificate of incorporation, or under our bylaws, a different vote is required, in which case the specific provision will control.

Action by Written Consent

Our amended and restated certificate of incorporation and bylaws provide that stockholder action cannot be taken by written consent.

Ability to Call Special Meetings

Our amended and restated certificate of incorporation and bylaws provide that special meetings of our stockholders can only be called pursuant to a resolution adopted by a majority of the Board or by the chairman of the Board. Stockholders will not be permitted to call a special meeting or to require the Board to call a special meeting.

Amending Our Certificate of Incorporation and Bylaws

Our amended and restated certificate of incorporation provides that our certificate of incorporation may generally be amended by the affirmative vote of a majority of the Board and by the affirmative vote of the majority of all shares of our stock then entitled to vote at any annual or special meeting of stockholders. However, our amended and restated certificate of incorporation also provides that the affirmative vote of at least 75.0% of the outstanding shares of our common stock is required to amend the provisions in our amended and restated certificate of incorporation relating to corporate opportunities, business combinations with significant shareholders, amendments to the amended and restated certificate of incorporation and bylaws and limitation on liability and indemnification of officers and directors.

In addition, our amended and restated certificate of incorporation and bylaws provide that our bylaws may be amended, repealed or new bylaws may be adopted by the affirmative vote of a majority of the Board, or, when a quorum is present at any stockholder meeting, by the affirmative vote of at least 75.0% of the voting power of our stock entitled to vote thereon.

Advance Notice Provisions for Stockholders

To nominate directors to the Board or bring other business before an annual meeting of our stockholders, a stockholder's notice must be delivered to the Secretary of the Company at the principal

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executive offices of the Company not earlier than 120 calendar days and not later than 90 calendar days before the first anniversary of the previous year's annual meeting of stockholders, subject to certain exceptions contained in our bylaws. If the date of the applicable annual meeting is more than 30 days before or more than 30 days after the anniversary date, notice by a stockholder to be timely must be so delivered not earlier than 120 calendar days before the date of the annual meeting and not later than 90 calendar days before the date of the annual meeting or, if the first public announcement of the date of the annual meeting is less than 100 days prior to the date of the annual meeting, the tenth day following the date on which public announcement of the date of the meeting is first made by the Company. The adjournment or postponement of an annual meeting or the announcement shall not commence a new time period for the giving of a stockholder's notice as described above.

Listing

Our common stock has been approved for listing on the New York Stock Exchange under the symbol "MRC," subject to official notice of issuance.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

SHARES ELIGIBLE FOR FUTURE SALE

Upon the completion of this offering, we will have outstanding 101,487,198 shares of common stock (excluding 127,301 shares of non-vested restricted stock). The 22,727,273 shares sold in this offering plus any additional shares sold upon exercise of the underwriters' option will be freely tradable without restriction under the Securities Act, unless purchased by our "affiliates" as that term is defined in Rule 144 under the Securities Act. In general, affiliates include executive officers, directors and our largest stockholders. Shares of common stock that affiliates purchase will be subject to the resale limitations of Rule 144.

The remaining 78,759,925 shares outstanding following this offering are restricted securities within the meaning of Rule 144. Restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration such as under Rule 144 promulgated under the Securities Act, which is summarized below.

Our executive officers and directors and our principal stockholder, PVF Holdings, will enter into lock-up agreements in connection with this offering, generally providing that they will not offer, sell, contract to sell, or grant any option to purchase or otherwise dispose of our common stock or any securities exercisable for or convertible into our common stock that they own for a period of 180 days after the date of this prospectus without the prior written consent of the representatives of the underwriters.

Despite possible earlier eligibility for sale under the provisions of Rule 144 under the Securities Act, any shares subject to the lock-up agreement will not be salable until the lock-up agreement expires or the representatives of the underwriters waives the agreement. Taking into account the lock-up agreements, and assuming that our affiliates are not released from their lock-up agreements, the 78,664,131 shares held by our affiliates will be eligible for future sale in accordance with the requirements of Rule 144 upon the expiration of the lock-up agreement. In addition, taking into account the lock-up agreements, and assuming that our non-affiliates are not released from their lock-up agreements, 95,794 shares held by our non-affiliates will be eligible for future sale in accordance with the requirements of Rule 144 upon the expiration of the lock-up agreements.

Rule 144 generally allows a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of us at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months (including any period of consecutive ownership of preceding non-affiliated holders) to sell those shares, subject only to the availability of current public information about us. A non-affiliated person who has beneficially owned restricted securities within the meaning of Rule 144 for at least one year would be entitled to sell those shares without regard to the provisions of Rule 144.

A person (or persons whose shares are aggregated) who is deemed to be an affiliate of ours and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months would be entitled to sell within any three-month period a number of shares that does not exceed the greater of one percent of the then outstanding shares of our common stock or the average weekly trading volume of our common stock reported through the NYSE during the four calendar weeks preceding the filing of the notice of the sale. Such sales are also subject to certain manner of sale provisions, notice requirements and the availability of current public information about us.

PVF Holdings, which will hold 78,532,208 shares of our common stock upon the completion of this offering (75,123,117 if the underwriters exercise their option to purchase additional shares in full), will enter into a new registration rights agreement with us prior to the consummation of this offering. Pursuant to this registration rights agreement, PVF Holdings can request that we use our reasonable

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best efforts to register its shares with the SEC on up to six occasions, including pursuant to shelf registration statements. In addition, PVF Holdings will have the ability to exercise certain piggyback registration rights with respect to its own securities if we elect to register any of our equity securities. The registration rights agreement will also include provisions dealing with allocation of securities included in registration statements, registration procedures, indemnification, contribution and allocation of expenses. The registration rights agreement will be in effect until such time as PVF distributes all of the common stock which it holds to its members.

In connection with this offering, we also intend to amend the existing registration rights agreement, which will become effective at such time as PVF distributes any of the common stock which it holds to its members. Pursuant to the terms of such amended registration rights agreement, the existing members of PVF Holdings would thereafter be entitled to certain registration rights with respect to our shares of common stock which are distributed to them by PVF Holdings. In particular, the Goldman Sachs Funds would be able to request that we use our reasonable best efforts to register the sale of shares that they own on up to five occasions, and Transmark Holdings would be able to request that we use our reasonable best efforts to register the sale of shares it owns on one occasion, and all of the members of PVF Holdings party to the existing registration rights agreement would have the ability to exercise certain piggyback registration rights with respect to their own securities if we elect to register any of our equity securities.

MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following is a general discussion of the material U.S. federal income and estate tax considerations relating to the ownership and disposition of our common stock by non-U.S. holders who purchase our common stock in this offering. This discussion does not purport to be a complete analysis of all the potential tax considerations relevant to non-U.S. holders of our common stock.

For purposes of this discussion, the term “non-U.S. holder” means a beneficial owner of our common stock that is not, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity classified as a corporation for these purposes) created or organized in, or under the laws of, the United States or any political subdivision of the United States;
- a partnership (including any entity or arrangement classified as a partnership for these purposes);
- an estate whose income is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust, if (1) a United States court is able to exercise primary supervision over the trust’s administration and one or more “United States persons” (within the meaning of the U.S. Internal Revenue Code of 1986, as amended (the “Code”)) has the authority to control all of the trust’s substantial decisions, or (2) the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

If a partnership (or other entity or arrangement classified as a partnership for U.S. federal income tax purposes) owns our common stock, the tax treatment of a partner in the partnership may depend upon the status of the partner and the activities of the partnership and upon certain determinations made at the partner level. Partners in partnerships that own our common stock should consult their own tax advisors as to the particular U.S. federal income and estate tax consequences applicable to them.

This discussion assumes that shares of our common stock are held as capital assets within the meaning of Section 1221 of the Code (generally, investment property). This discussion does not address all of the aspects of U.S. federal income and estate taxation that may be relevant to a non-U.S. holder in light of the non-U.S. holder’s particular investment circumstances or status, nor does it address specific tax considerations that may be relevant to particular persons, including for example:

- financial institutions, tax-exempt organizations, controlled foreign corporations, passive foreign investment companies, certain U.S. expatriates, and dealers and traders in stocks, securities or currencies;
- non-U.S. holders holding our common stock as part of a conversion, constructive sale, wash sale, integrated transaction or straddle; or
- non-U.S. holders who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation.

This discussion is based on provisions of the Code, applicable U.S. Treasury regulations and administrative and judicial interpretations, all as in effect or in existence on the date of this prospectus. Subsequent developments in U.S. federal income or estate tax law, including changes in law or differing interpretations, which may be applied retroactively, could have a material effect on the U.S. federal income and estate tax consequences of owning and disposing of our common stock as set forth in this discussion.

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There can be no assurance that the Internal Revenue Service (“IRS”) will not challenge one or more of the tax considerations described herein, and we have not obtained, nor do we intend to obtain, a ruling from the IRS with respect to the U.S. federal income or estate tax consequences to a non-U.S. Holder of the ownership or disposition of our common stock.

If you are considering purchasing our common stock, you should consult your tax advisor regarding the U.S. federal, state and local and non-U.S. income, estate and other tax consequences to you of owning and disposing of our common stock.

Dividends

As discussed above under “Dividend Policy”, we do not anticipate paying cash dividends on our common stock in the foreseeable future. If we do make distributions of cash or property with respect to our common stock, the distributions generally will constitute dividends for U.S. federal income tax purposes to the extent of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds our current or accumulated earnings and profits, the excess will constitute a return of capital and will first reduce a non-U.S. holder’s basis in our common stock, but not below zero. Any remaining excess will be treated as described below under “Gain on disposition of our common stock”.

In the event that we do pay dividends, dividends paid to a non-U.S. holder of our common stock generally will be subject to U.S. federal withholding tax at a rate of 30%, or a lower rate under an applicable income tax treaty.

To claim the benefit of an applicable income tax treaty, a non-U.S. holder will be required to provide a properly completed and executed IRS Form W-8BEN (or applicable successor form). Special rules apply to partnerships and other pass-through entities, and these certification and disclosure requirements also may apply to beneficial owners of partnerships and other pass-through entities that hold our common stock. A non-U.S. holder that is eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty may obtain a refund or credit of any excess amounts withheld by filing an appropriate claim for a refund with the IRS. Non-U.S. holders should consult their own tax advisors regarding their entitlement to benefits under a relevant income tax treaty and the manner of claiming the benefits.

Dividends that are effectively connected with a non-U.S. holder’s conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will not be subject to U.S. federal withholding tax if the non-U.S. holder provides a properly completed and executed IRS Form W-8ECI (or applicable successor form), but generally will be taxed on a net income basis at the regular graduated rates and in the same manner as if such non-U.S. holder were a resident of the United States. In addition, a “branch profits tax” may be imposed at a 30% rate, or a lower rate under an applicable income tax treaty, on dividends received by a foreign corporation that are effectively connected with its conduct of a trade or business in the United States.

Gain on disposition of our common stock

A non-U.S. holder generally will not be taxed on any gain realized on a disposition of our common stock unless:

- the gain is effectively connected with the non-U.S. holder’s conduct of a trade or business in the United States and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States; in these cases, the gain generally will be taxed on a net income basis at the regular graduated rates

and in the same manner as if such non-U.S. holder were a resident of the United States (unless an applicable income tax treaty provides otherwise) and, if the non-U.S. holder is a foreign corporation, the “branch profits tax” described above may also apply;

- the non-U.S. holder is an individual who is present in the United States for at least 183 days in the taxable year of the disposition and meets other requirements (in which case, except as otherwise provided by an applicable income tax treaty, the gain, which may be offset by U.S. source capital losses, generally will be subject to a flat 30% U.S. federal income tax, even though the non-U.S. holder is not considered a resident alien under the Code); or
- we are or have been a “U.S. real property holding corporation” (a “USRPHC”) for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition and the period that the non-U.S. holder held our common stock.

Generally, a corporation is a USRPHC if the fair market value of its “U.S. real property interests” equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. The tax relating to stock in a USRPHC generally will not apply to a non-U.S. holder whose holdings, direct and indirect, at all times during the applicable period, constituted 5% or less of our common stock, provided that our common stock was regularly traded on an established securities market. We believe that we are not currently, and we do not anticipate becoming in the future, a USRPHC.

Federal estate tax

Our common stock that is owned or treated as owned by an individual who is not a citizen or resident of the United States (as specially defined for U.S. federal estate tax purposes) at the time of death generally will be included in the individual’s gross estate for U.S. federal estate tax purposes, unless an applicable estate tax or other treaty provides otherwise, and, therefore, may be subject to U.S. federal estate tax.

Information reporting and backup withholding

Dividends paid to a non-U.S. holder may be subject to U.S. information reporting and backup withholding (currently at a rate of 28% and scheduled to increase to 31% for taxable years 2013 and thereafter). A non-U.S. holder will be exempt from backup withholding if the non-U.S. holder provides a properly completed and executed IRS Form W-8BEN (or applicable successor form) or otherwise establishes an exemption.

The gross proceeds from the disposition of our common stock may be subject to U.S. information reporting and backup withholding (currently at a rate of 28% and scheduled to increase to 31% for taxable years 2013 and thereafter). If a non-U.S. holder sells our common stock outside the United States through a non-U.S. office of a non-U.S. broker and the sales proceeds are paid to the non-U.S. holder outside the United States, then the U.S. information reporting and backup withholding requirements generally will not apply to that payment. However, U.S. information reporting, but not U.S. backup withholding, will apply to a payment of sales proceeds, even if that payment is made outside the United States, if a non-U.S. holder sells our common stock through a non-U.S. office of a broker that:

- is a United States person;
- derives 50% or more of its gross income in specific periods from the conduct of a trade or business in the United States;
- is a controlled foreign corporation for U.S. federal income tax purposes; or

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Y is a foreign partnership, if at any time during its tax year:

- Y one or more of its partners are United States persons who in the aggregate hold more than 50% of the income or capital interests in the partnership; or
- Y the foreign partnership is engaged in a United States trade or business,

unless the broker has documentary evidence in its files that the non-U.S. holder is not a United States person and certain other conditions are met or the non-U.S. holder otherwise establishes an exemption.

If a non-U.S. holder receives a payment of the proceeds of a sale of our common stock from or through a U.S. office of a broker, the payment is subject to both U.S. information reporting and backup withholding unless the non-U.S. holder provides a properly completed and executed IRS Form W-8BEN (or applicable successor form) certifying that the non-U.S. Holder is not a United States person or the non-U.S. holder otherwise establishes an exemption.

Backup withholding is not an additional tax. A non-U.S. holder generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed the non-U.S. holder's U.S. federal income tax liability, if any, by filing a refund claim with the IRS.

Legislation relating to foreign accounts

Legislation enacted in March 2010, stated to be effective for payments made after December 31, 2012, imposes a U.S. federal withholding tax of 30% on certain payments (including dividends on, and gross proceeds from the disposition of, our common stock) made to certain foreign financial institutions (including in their capacity as agents or custodians for beneficial owners of our common stock) and to other foreign entities unless various certification, information reporting and other specified requirements are satisfied. Under recent guidance from the IRS, the legislation's implementation has been delayed and this 30% U.S. federal withholding tax is set to apply to dividends we pay on our common stock after December 31, 2013, and to gross proceeds from the sale or other disposition of our common stock paid after December 31, 2014. The IRS's guidance with respect to these rules is only preliminary, and the scope of these rules remains unclear and potentially subject to material changes. You should consult your tax advisor regarding the possible impact of these rules on your investment in our common stock, including, without limitation, the process and deadlines for meeting the applicable requirements to prevent the imposition of this 30% U.S. federal withholding tax. We will not pay any additional amounts in respect of any amounts withheld.

YOU SHOULD CONSULT YOUR TAX ADVISOR TO DETERMINE THE U.S. FEDERAL, STATE AND LOCAL AND NON-U.S. TAX CONSEQUENCES TO YOU OF OWNING AND DISPOSING OF OUR COMMON STOCK.

UNDERWRITING (CONFLICTS OF INTEREST)

The Company, the selling stockholder and the underwriters named below will enter into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of shares indicated in the following table. Goldman, Sachs & Co. and Barclays Capital Inc. are the representatives of the underwriters and the joint book-running managers for this offering.

<u>Underwriters</u>	<u>Number of Shares</u>
Goldman, Sachs & Co.	
Barclays Capital Inc.	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Robert W. Baird & Co. Incorporated	
Wells Fargo Securities, LLC	
Raymond James & Associates, Inc.	
William Blair & Company, L.L.C.	
Stephens Inc.	
Total	<u>22,727,273</u>

The underwriters are committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

The underwriters have an option to buy up to an additional 3,409,091 shares from the selling stockholder to cover sales by the underwriters of a greater number of shares than the total number set forth in the table above. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling stockholder. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase 3,409,091 additional shares of common stock.

	<u>Paid by Company</u>		<u>Paid by Selling Stockholder</u>	
	<u>No Exercise</u>	<u>Full Exercise</u>	<u>No Exercise</u>	<u>Full Exercise</u>
Per Share	\$	\$	\$	\$
Total	\$	\$	\$	\$

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to \$ _____ per share from the initial public offering price. After the initial offering of the shares, the representatives may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We and our executive officers and directors and PVF Holdings have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of our common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date 180 days after the date of this prospectus, except with the prior written consent of the representatives. This agreement does not apply to any existing employee benefit plans. See "Shares Eligible for Future Sale" for a description of certain transfer restrictions. We have

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been advised by the underwriters that they do not currently anticipate waiving the lock-up period. The underwriters have further advised us that the underwriters cannot currently speculate as to the circumstances which would lead them to waive the lock-up period.

The 180-day restricted period described in the preceding paragraph will be automatically extended if: (1) during the last 17 days of the 180-day restricted period the Company issues an earnings release or announces material news or a material event; or (2) prior to the expiration of the 180-day restricted period, the Company announces that it will release earnings results during the 15-day period following the last day of the 180-day period, in which case the restrictions described in the preceding paragraph will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or material event.

Prior to this offering, there has been no public market for the common stock. The initial public offering price will be negotiated between us and the representatives. Among the factors to be considered in determining the initial public offering price of the shares, in addition to prevailing market conditions, will be our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses.

Our common stock has been approved for listing on the New York Stock Exchange under the symbol "MRC," subject to official notice of issuance. In order to meet one of the requirements for listing the common stock on the NYSE, the underwriters have undertaken to sell lots of 100 or more shares to a minimum of 400 beneficial holders.

In connection with the offering, the underwriters may purchase and sell shares of common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A "covered short position" is a short position that is not greater than the amount of additional shares for which the underwriters' option described above may not be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to cover the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option described above. "Naked" short sales are any short sales that create a short position greater than the amount of additional shares for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of that underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of the company's stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the common stock. As a result, the price of the

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common stock may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on NYSE, in the over-the-counter market or otherwise.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") an offer to the public of any shares which are the subject of the offering contemplated by this Prospectus (the "shares") may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares shall result in a requirement for the publication by the Company or any representative of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase any shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Each underwriter has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

The shares may not be offered or sold by means of any document other than:

- in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong); or
- to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder; or
- (i) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong);

and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere),

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which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than:

- (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”);
- (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; or
- (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except:
 - (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA;
 - (2) where no consideration is given for the transfer; or
 - (3) by operation of law.

The securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

The underwriters do not expect sales to discretionary accounts to exceed five percent of the total number of shares offered.

We estimate that the total expenses of this offering, including the selling stockholder’s expenses but excluding underwriting discounts and commissions, will be approximately \$2.6 million, and will be payable by us.

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We and the selling stockholder have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, investment banking, commercial banking and other services for the Company and the selling stockholder, for which they received or will receive customary fees and expenses. Furthermore, certain of the underwriters and their respective affiliates may, from time to time, enter into arm's-length transactions with us or the selling stockholder in the ordinary course of their business.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments, including serving as counterparties to certain derivative and hedging arrangements, and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Company. For instance, affiliates of Goldman Sachs & Co., Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC and Raymond James & Associates were lenders under our ABL Credit Facility and affiliates of Goldman, Sachs & Co., Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC and Raymond James & Associates are lenders under the Global ABL Facility. In addition, the underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. A prospectus in electronic format may be made available on Internet sites or through other online services maintained by one or more of the underwriters or selling group members participating in this offering, or by their affiliates. In those cases, prospective investors may view offering terms online and, depending upon the particular underwriter or selling group member, prospective investors may be allowed to place orders online. The underwriters may agree with us and the selling stockholder to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the representatives on the same basis as other allocations.

Other than the prospectus in electronic format, the information on any underwriter's or selling group member's web site and any information contained in any other web site maintained by an underwriter or selling group member is not part of the prospectus or the registration statement of which this prospectus forms a part, has not been approved or endorsed by us or the selling stockholder or any underwriter or selling group member in its capacity as underwriter or selling group member and should not be relied upon by investors.

If you purchase shares of common stock offered in this prospectus, you may be required to pay stamp taxes and other charges under the laws and practices of the country of purchase, in addition to the offering price listed on the cover page of this prospectus.

Conflicts of Interest

Because Goldman, Sachs & Co., one of the participating underwriters, beneficially owns in excess of 10% of our issued and outstanding common stock, FINRA deems Goldman, Sachs & Co. to be our "affiliate" and to have a "conflict of interest" with us within the meaning of Rule 5121, as administered by FINRA. Additionally, because we may use more than 5% of the net proceeds from the sale of our common stock to repay indebtedness under our Global ABL Facility owed by us to affiliates of Goldman, Sachs & Co., Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC and Raymond James & Associates, FINRA deems these underwriters to

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have a “conflict of interest” with us within the meaning of Rule 5121, as administered by FINRA. Therefore, this offering will be conducted in accordance with Rule 5121, which requires that a QIU, as defined in Rule 5121, participate in the preparation of the registration statement of which this prospectus forms a part and perform its usual standard of due diligence with respect thereto. Robert W. Baird & Co. Incorporated has agreed to act as QIU for this offering. We have agreed to indemnify Robert W. Baird & Co. Incorporated against certain liabilities incurred in connection with acting as QIU for this offering, including liabilities under the Securities Act. In accordance with Rule 5121, these underwriters who are deemed to have a “conflict of interest” with us will not sell our common stock to a discretionary account without receiving the written approval from the account holder.

LEGAL MATTERS

The validity of the shares of common stock offered by this prospectus will be passed upon for us by Fried, Frank, Harris, Shriver & Jacobson LLP, New York, New York. Davis Polk & Wardwell LLP is acting as counsel to the underwriters.

EXPERTS

The consolidated financial statements of MRC Global Inc. as of December 31, 2011 and 2010, and for each of the three years in the period ended December 31, 2011, appearing in this prospectus, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules to the registration statement. For further information with respect to us and our common stock, we refer you to the registration statement and the exhibits and schedules filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit and reference thereto is qualified in all respects by the terms of the filed exhibit.

We are subject to the informational requirements of the Exchange Act and are required to file annual, quarterly and current reports and other information with the SEC. Any of these reports, statements or other information and the registration statement, including exhibits and schedules, may be inspected without charge at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, DC 20549, and copies of all or any part of these documents may be obtained from that office after payment of fees prescribed by the SEC. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC maintains a web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. at <http://www.sec.gov>.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
MRC Global Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of MRC Global Inc. and subsidiaries as of December 31, 2011 and 2010, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of MRC Global Inc. and subsidiaries at December 31, 2011 and 2010, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Charleston, West Virginia
March 5, 2012

CONSOLIDATED BALANCE SHEETS
MRC GLOBAL INC.

	December 31,	
	2011	2010
	(In thousands, except per share amounts)	
Assets		
Current assets:		
Cash	\$ 46,127	\$ 56,202
Accounts receivable, net	791,280	596,404
Inventories	899,064	765,367
Income taxes receivable	—	32,593
Other current assets	11,437	10,209
Total current assets	1,747,908	1,460,775
Other assets:		
Debt issuance costs, net	25,818	32,211
Assets held for sale	—	12,722
Other assets	13,394	14,212
	39,212	59,145
Fixed assets:		
Property, plant and equipment, net	107,430	104,725
Intangible assets:		
Goodwill, net	561,270	549,384
Other intangible assets, net	771,867	817,165
	1,333,137	1,366,549
	<u>\$ 3,227,687</u>	<u>\$ 2,991,194</u>
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	\$ 479,584	\$ 426,632
Accrued expenses and other current liabilities	108,973	102,807
Income taxes payable	11,950	—
Deferred revenue	4,450	18,140
Deferred income taxes	68,210	70,636
Total current liabilities	673,167	618,215
Long-term obligations:		
Long-term debt, net	1,526,740	1,360,241
Deferred income taxes	288,985	303,083
Other liabilities	17,933	19,897
	1,833,658	1,683,221
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.01 par value per share; 400,000 shares authorized, issued and outstanding December 2011—84,427, issued and outstanding December 2010—84,404	844	844
Preferred stock, \$0.01 par value per share; 150,000 shares authorized, no shares issued and outstanding	—	—
Additional paid-in-capital	1,282,949	1,274,560
Retained (deficit)	(536,791)	(565,790)
Accumulated other comprehensive loss	(26,140)	(19,856)
	720,862	689,758
	<u>\$ 3,227,687</u>	<u>\$ 2,991,194</u>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS
MRC GLOBAL INC.

	Year Ended December 31,		
	2011	2010	2009
	(In thousands, except per share amounts)		
Sales	\$ 4,832,423	\$ 3,845,536	\$ 3,661,922
Cost of sales	4,124,271	3,327,072	3,067,437
Inventory write-down	—	362	46,491
Gross margin	708,152	518,102	547,994
Operating expenses:			
Selling, general and administrative expenses	513,563	451,680	411,580
Goodwill and intangible impairment	—	—	386,100
Total operating expenses	513,563	451,680	797,680
Operating income (loss)	194,589	66,422	(249,686)
Other income (expense):			
Interest expense	(136,844)	(139,641)	(116,504)
Write off of debt issuance costs	(9,450)	—	—
Change in fair value of derivative instruments	7,044	(4,926)	8,946
Other, net	429	2,968	2,490
	(138,821)	(141,599)	(105,068)
Income (loss) before income taxes	55,768	(75,177)	(354,754)
Income tax expense (benefit)	26,784	(23,353)	(14,983)
Net income (loss)	\$ 28,984	\$ (51,824)	\$ (339,771)
Basic (loss) earnings per common share	\$ 0.34	\$ (0.61)	\$ (4.30)
Diluted (loss) earnings per common share	\$ 0.34	\$ (0.61)	\$ (4.30)
Weighted-average common shares, basic	84,417	84,384	79,067
Weighted-average common shares, diluted	84,655	84,384	79,067
Dividends per common share	\$ —	\$ —	\$ 0.04

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
MRC GLOBAL INC.

	Common Stock		Additional Paid-in Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2008	77,949	\$ 779	\$1,213,016	\$(171,545)	\$ (55,089)	\$ 987,161
Net loss	—	—	—	(339,771)	—	(339,771)
Foreign currency translation	—	—	—	—	23,434	23,434
Pension related adjustments, net of tax	—	—	—	—	651	651
Change in fair value of derivative instrument	—	—	—	—	1,761	1,761
Fair value of derivative instrument reclassified into earnings	—	—	—	—	15,898	15,898
Net comprehensive loss	—	—	—	—	—	(298,027)
Common stock issued for acquisition of Transmark Fcx	6,367	64	49,340	—	—	49,404
Equity contribution	21	—	500	—	—	500
Restricted stock vested during period	33	—	—	—	—	—
Repurchase of common stock	(2)	—	(70)	—	—	(70)
Dividends	—	—	—	(2,900)	—	(2,900)
Equity-based compensation expense	—	—	7,830	—	—	7,830
Balance at December 31, 2009	84,368	843	1,270,616	(514,216)	(13,345)	743,898
Net loss	—	—	—	(51,824)	—	(51,824)
Foreign currency translation	—	—	—	—	(4,707)	(4,707)
Pension related adjustments, net of tax	—	—	—	—	(1,804)	(1,804)
Net comprehensive loss	—	—	—	—	—	(58,335)
Equity contribution	11	—	200	—	—	200
Restricted stock vested during period	25	1	—	—	—	1
Forfeited dividends on forfeited unvested restricted stock	—	—	—	250	—	250
Equity-based compensation expense	—	—	3,744	—	—	3,744
Balance at December 31, 2010	84,404	844	1,274,560	(565,790)	(19,856)	689,758
Net income	—	—	—	28,984	—	28,984
Foreign currency translation	—	—	—	—	(6,919)	(6,919)
Pension related adjustments, net of tax	—	—	—	—	635	635
Net comprehensive income	—	—	—	—	—	22,700
Restricted stock vested during period	23	—	1	—	—	1
Forfeited dividends on forfeited unvested restricted stock	—	—	—	15	—	15
Equity-based compensation expense	—	—	8,385	—	—	8,385
Exercise of stock options	—	—	3	—	—	3
Balance at December 31, 2011	<u>84,427</u>	<u>\$ 844</u>	<u>\$1,282,949</u>	<u>\$(536,791)</u>	<u>\$ (26,140)</u>	<u>\$ 720,862</u>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
MRC GLOBAL INC.

(In thousands)

	Year Ended December 31,		
	2011	2010	2009
Operating activities			
Net income (loss)	\$ 28,984	\$ (51,824)	\$(339,771)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operations:			
Depreciation and amortization	17,046	16,579	14,516
Amortization of intangibles	50,652	53,852	46,575
Equity-based compensation expense	8,385	3,744	7,830
Deferred income tax (benefit) expense	(16,362)	2,673	(49,237)
Amortization of debt issuance costs	10,456	11,800	6,900
Write off of debt issuance costs	9,450	—	—
Increase (decrease) in LIFO reserve	73,703	74,557	(115,597)
Change in fair value of derivative instruments	(7,044)	4,926	(8,946)
Hedge termination	—	(25,038)	—
Provision for uncollectible accounts	433	(2,042)	994
Inventory write-down	—	362	46,491
Goodwill and other intangible asset impairment	—	—	386,100
Amortization and release of previously designated hedge from OCI	—	—	27,925
Net gain on early extinguishment of debt	—	—	(1,304)
Non-operating losses (gains) and other items not using (providing) cash	4,025	260	(573)
Changes in operating assets and liabilities:			
Accounts receivable	(177,744)	(83,648)	311,613
Inventories	(182,173)	27,098	521,528
Income taxes	45,333	(12,278)	(79,827)
Other current assets	(35)	1,249	9,296
Accounts payable	36,550	85,074	(193,825)
Deferred revenue	(13,642)	1,071	(18,322)
Accrued expenses and other current liabilities	9,086	4,293	(66,874)
Net cash (used in) provided by operations	(102,897)	112,708	505,492
Investing activities			
Purchases of property, plant and equipment	(18,056)	(14,307)	(16,698)
Proceeds from the disposition of property, plant & equipment	3,087	3,054	6,518
Acquisitions, net of cash acquired of \$2,036, \$781 and \$42,989 for 2011, 2010, and 2009, respectively	(39,865)	(12,393)	(55,490)
Proceeds from the sale of assets held for sale	10,594	4,060	—
Other investment and notes receivable transactions	(3,795)	3,351	(1,266)
Net cash used in investing activities	(48,035)	(16,235)	(66,936)
Financing activities			
Net proceeds (payments) on/from revolving credit facilities	150,428	(141,899)	(342,476)
Proceeds from issuance of senior secured notes	—	47,897	975,330
Payments on long-term obligations	—	—	(997,359)
Debt issuance costs paid	(9,836)	(4,386)	(26,875)
Proceeds from exercise of stock options	3	—	—
Cash equity contributions	—	200	500
Repurchase of common stock	—	—	(70)
Dividends paid	—	—	(2,900)
Net cash provided by (used in) financing activities	140,595	(98,188)	(393,850)
(Decrease) increase in cash	(10,337)	(1,715)	44,706
Effect of foreign exchange rate on cash	262	1,673	(567)
Cash—beginning of period	56,202	56,244	12,105
Cash—end of period	<u>\$ 46,127</u>	<u>\$ 56,202</u>	<u>\$ 56,244</u>
Supplemental disclosures of cash flow information:			
Cash paid for interest	\$ 124,039	\$ 125,419	\$ 78,398
Cash (received) paid for income taxes	\$ (1,051)	\$ (10,250)	\$ 112,620

See notes to consolidated financial statements.

NOTE 1—SIGNIFICANT ACCOUNTING POLICIES

Business Operations: MRC Global, Inc. is a holding company headquartered in Houston, Texas. We are a majority owned subsidiary of PVF Holdings LLC. Our wholly owned subsidiaries, McJunkin Red Man Corporation and its subsidiaries, are global distributors of pipe, valves, fittings and related products and services across each of the upstream (exploration, production and extraction of underground oil and gas), midstream (gathering and transmission of oil and gas, gas utilities, and the storage and distribution of oil and gas) and downstream (crude oil refining, petrochemical processing and general industrials) markets. We have branches in principal industrial, hydrocarbon producing and refining areas throughout the United States, Canada, Europe, Asia and Australasia. Our products are obtained from a broad range of suppliers.

Basis of Presentation: PVF Holdings LLC was formed on November 20, 2006 by affiliates of the Goldman Sachs Group, Inc. (“Goldman Sachs”) and certain shareholders of McJunkin Corporation (“McJunkin”) for the purposes of acquiring McJunkin on January 31, 2007. The affiliates of Goldman Sachs referred to in the previous sentence are GS Capital Partners V Fund, L.P., GS Capital Partners V Offshore Fund, L.P., GS Capital Partners V GmbH & Co. KG, and GS Capital Partners V Institutional, L.P. (collectively, the “GSCP V Funds”). In connection with the business combination transaction with Red Man Pipe & Supply Co. (“Red Man”) in October 2007, the GSCP V Funds and GS Capital Partners VI Fund, L.P., GS Capital Partners VI Offshore Fund, L.P., GS Capital Partners VI GmbH & Co. KG, and GS Capital Partners VI Parallel, L.P. (collectively, the “GSCP VI Funds,” and together with the GSCP V Funds, the “Goldman Sachs Funds”) and certain existing members of PVF Holdings LLC and certain shareholders of Red Man made cash and noncash equity contributions to PVF Holdings LLC in exchange for common units of PVF Holdings LLC. Management and control of all of the Goldman Sachs Funds is vested exclusively in their general partners and investment managers, which are affiliates of Goldman Sachs. The investment manager of certain of the Goldman Sachs Funds is Goldman, Sachs & Co., which is a wholly owned subsidiary of Goldman Sachs.

The consolidated financial statements include the accounts of MRC Global Inc. and its wholly owned and majority owned subsidiaries (collectively referred to as the “Company” or by such terms as “we,” “our” or “us”). All material intercompany balances and transactions have been eliminated in consolidation. Investments in our unconsolidated joint ventures, over which we exercise significant influence, but do not control, are accounted for by the equity method. Our unconsolidated joint ventures, along with our percentage of ownership of each, are: (a) TFCX Finland Oy (50%) and (b) Transmark DRW GmbH (50%). As of December 31, 2011 and 2010, our total investment in these entities was insignificant.

Use of Estimates: The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. We believe that our most significant estimates and assumptions are related to estimated losses on accounts receivable, the last-in, first-out (LIFO) inventory costing methodology, estimated realizable value on excess and obsolete inventories, goodwill, intangibles, deferred taxes and self-insurance programs. Actual results could differ materially from those estimates.

Cash Equivalents: We consider all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

Allowance for Doubtful Accounts: We evaluate the adequacy of the allowance for losses on receivables based upon periodic evaluation of accounts that may have a higher credit risk using information available about the customer and other relevant data. This formal analysis is inherently

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subjective and requires us to make significant estimates of factors affecting doubtful accounts, including customer specific information, current economic conditions, volume, growth and composition of the account, and other factors such as financial statements, news reports and published credit ratings. The amount of the allowance for the remainder of the trade balance is not evaluated individually but is based upon historical loss experience. Because this process is subjective and based on estimates, ultimate losses may differ from those estimates. Receivable balances are written off when we determine that the balance is uncollectible. Subsequent recoveries, if any, are credited to the allowance when received. The provision for losses on receivables is included in selling, general and administrative expenses in the accompanying consolidated statements of income.

Inventories: Our inventories are generally valued at the lower of cost, principally LIFO or market. We believe that the use of LIFO results in a better matching of costs and revenues. This practice excludes certain inventories, which are held outside of the United States, approximating \$217.0 million and \$140.0 million at December 31, 2011 and 2010, which are valued at the lower of weighted-average cost or market. Our inventory is substantially comprised of finished goods.

Allowances for excess and obsolete inventories are determined based on analyses comparing inventories on hand to sales trends. The allowance, which totaled \$16.5 million and \$11.0 million at December 31, 2011 and 2010, is the amount deemed necessary to reduce the cost of the inventory to its estimated realizable value.

Debt Issuance Costs: We defer costs directly related to obtaining financing and amortize them over the term of the indebtedness on a straight-line basis. The use of the straight-line method does not produce results that are materially different from those which would result from the use of the effective interest method. Such amounts are reflected in the consolidated statement of operations as a component of interest expense. Debt issuance costs are shown net of accumulated amortization of \$3.5 million and \$14.2 million at December 31, 2011 and 2010.

Fixed Assets: Land, buildings and equipment are stated on the basis of cost. For financial statement purposes, depreciation is computed over the estimated useful lives of such assets principally by the straight-line method; accelerated depreciation and cost recovery methods are used for income tax purposes. Leasehold improvements are amortized using the straight-line method over the shorter of the remaining lease term or the estimated useful life of the improvements. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in income for the period. Maintenance and repairs are charged to expense as incurred.

Goodwill and Other Intangible Assets: Goodwill represents the excess of cost over the fair value of net assets acquired. Goodwill is tested for impairment annually or more frequently if circumstances indicate that impairment may exist. We evaluate goodwill for impairment at two reporting units that mirror our two segments (North America and International).

The goodwill impairment test compares the carrying value of the reporting unit that has the goodwill with the estimated fair value of that reporting unit. If the carrying value is more than the estimated fair value, we then calculate the implied fair value of goodwill by deducting the fair value of all tangible and intangible net assets of the reporting unit from the estimated fair value of the reporting unit. Impairment losses are recognized to the extent that recorded goodwill exceeds implied goodwill. Our impairment methodology uses discounted cash flow and multiples of cash earnings valuation techniques, plus valuation comparisons to similar businesses. These valuation methods require us to make certain assumptions and estimates regarding future operating results, the extent and timing of future cash flows, working capital, sales prices, profitability, discount rates and growth trends. While we believe that such assumptions and estimates are reasonable, the actual results may differ materially from the projected results.

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Intangible assets with indefinite useful lives are tested for impairment annually or more frequently if circumstances indicate that impairment may exist. This test compares the carrying value of the indefinite lived intangible assets with their estimated fair value. If the carrying value is more than the estimated fair value, impairment losses are recognized in an amount equal to the excess of the carrying value over the estimated fair value. Our impairment methodology uses discounted cash flow and estimated royalty rate valuation techniques. These valuation methods require us to make certain assumptions and estimates regarding future operating results, sales prices, discount rates and growth trends. While we believe that such assumptions and estimates are reasonable, the actual results may differ materially from the projected results.

Other intangible assets primarily include customer bases and noncompetition agreements resulting from business acquisitions. Other intangible assets are recorded at fair value at the date of acquisition. Amortization is provided using the straight-line method over their estimated useful lives, ranging from one to twenty years.

The carrying value of amortizable intangible assets is subject to an impairment test when events or circumstances indicate a possible impairment. When events or circumstances indicate a possible impairment, we assess recoverability from future operations using undiscounted cash flows derived from the lowest appropriate asset group. To the extent the carrying value exceeds the undiscounted cash flows, an impairment charge would be recognized to the extent that the carrying value exceeds the fair value, which is determined based on a discounted cash flow analysis. While we believe that assumptions and estimates utilized in the impairment analysis are reasonable, the actual results may differ materially from the projected results. These impairments are determined prior to performing our goodwill impairment test.

Derivatives and Hedging: We utilize interest rate swaps to reduce our exposure to potential interest rate increases. Changes in the fair values of our derivative instruments are based upon independent market quotes. We do not designate our interest rate swaps as hedging instruments; therefore, we record our interest rate swaps on the consolidated balance sheets at fair value, with the gains and losses recognized in earnings in the period of change.

We utilize foreign exchange forward contracts (exchange contracts) to manage our foreign exchange rate risks resulting from purchase commitments and sales orders. Changes in the fair values of our exchange contracts are based upon independent market quotes. We do not designate our exchange contracts as hedging instruments; therefore, we record our exchange contracts on the consolidated balance sheets at fair value, with the gains and losses recognized in earnings in the period of change.

Fair Value: We measure certain of our assets and liabilities at fair value on a recurring basis. Fair value is an exit price, representing the amount that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or a liability. A three-tier fair value hierarchy is established as a basis for considering such assumptions for inputs used in the valuation methodologies to measuring fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2: Significant observable inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

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Level 3: Significant unobservable inputs for the asset or liability. Unobservable inputs reflect our own assumptions about the assumptions that market participants would use in pricing an asset or liability (including all assumptions about risk).

Certain assets and liabilities are measured at fair value on a nonrecurring basis. Our assets and liabilities measured at fair value on a nonrecurring basis include property, plant and equipment, goodwill and other intangible assets. We do not measure these assets at fair value on an ongoing basis; however, these assets are subject to fair value adjustments in certain circumstances, such as when there is evidence of impairment.

Our impairment methodology for goodwill and other intangible assets uses both (i) a discounted cash flow analysis requiring certain assumptions and estimates to be made regarding the extent and timing of future cash flows, discount rates and growth trends and (ii) valuation comparisons to a group of similar, publicly traded companies. As all of the assumptions employed to measure these assets and liabilities on a nonrecurring basis are based on management's judgment using internal and external data, these fair value determinations are classified as Level 3. We have not elected to apply the fair value option to any of our eligible financial assets and liabilities.

Insurance: We are self-insured for first party automobile coverage, product recall, ocean cargo shipments and portions of employee healthcare and asbestos claims. In addition, we maintain a nonmaterial deductible program as it relates to workers' compensation, automobile liability, property and general liability claims including, but not limited to, certain product liability claims, which are secured by various letters of credit totaling \$4.6 million. Our estimated liability and related expenses for claims are based in part upon estimates provided by insurance carriers, third-party administrators, and actuaries. Insurance reserves are deemed by us to be sufficient to cover outstanding claims, including those incurred but not reported as of the estimation date. Further, we maintain a commercially reasonable umbrella/excess policy that covers liabilities in excess of the primary limits.

Income Taxes: We use the liability method for determining our income taxes, under which current and deferred tax liabilities and assets are recorded in accordance with enacted tax laws and rates. Under this method, the amounts of deferred tax liabilities and assets at the end of each period are determined using the tax rate expected to be in effect when taxes are actually paid or recovered.

Deferred tax assets and liabilities are recorded for differences between the financial reporting and tax bases of assets and liabilities using the tax rate expected to be in effect when the taxes will actually be paid or refunds received. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date. A valuation allowance to reduce deferred tax assets is established when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Our tax provision is based upon our expected taxable income and statutory rates in effect in each country in which we operate. We are subject to the jurisdiction of numerous domestic and foreign tax authorities, as well as to tax agreements and treaties among these governments. Determination of taxable income in any jurisdiction requires the interpretation of the related tax laws and regulations and the use of estimates and assumptions regarding significant future events such as the amount, timing and character of deductions, permissible revenue recognition methods under the tax law and the sources and character of income and tax credits. Changes in tax laws, regulations, agreements and treaties, foreign currency exchange restrictions or our level of operations or profitability in each taxing jurisdiction could have an impact on the amount of income taxes we provide during any given year.

A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including any related appeals or litigation processes,

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on the basis of the technical merits. We adjust these liabilities when our judgment changes as a result of the evaluation of new information not previously available. Because of the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which the new information is available.

We classify interest and penalties related to unrecognized tax positions as income taxes in our financial statements. We intend to permanently reinvest certain earnings of our foreign subsidiaries in operations outside the U.S., and accordingly, we have not provided for U.S. income taxes on such earnings.

Foreign Currency Translation and Transactions: The functional currency of our foreign operations is the applicable local currency. The cumulative effects of translating the balance sheet accounts from the functional currency into the U.S. dollar at current exchange rates are included in accumulated other comprehensive income. The balance sheet accounts (with the exception of stockholders' equity) are translated using current exchange rates as of the balance sheet date. Stockholders' equity is translated at historical exchange rates and revenue and expense accounts are translated using a weighted-average exchange rate during the year. Historically, gains or losses resulting from foreign currency transactions have been immaterial and are recognized in the consolidated statements of income within other, net.

Equity-Based Compensation: Our equity-based compensation consists of (1) restricted common units and profit units of PVF Holdings LLC and (2) restricted stock and nonqualified stock options of our Company. The cost of employee services received in exchange for an award of an equity instrument is measured based on the grant-date fair value of the award. Our policy is to expense equity-based compensation using the fair-value of awards granted, modified or settled. Restricted common units, profit units and restricted stock are credited to equity as they are expensed over their vesting periods based on the then current market value of the shares vested.

The fair value of nonqualified stock options is measured on the grant date of the related equity instrument using the Black-Scholes option-pricing model and is recognized as compensation expense over the applicable vesting period.

Revenue Recognition: Sales to our principal customers are made pursuant to agreements that normally provide for transfer of legal title and risk upon shipment. We recognize revenue as products are shipped, title has transferred to the customer and the customer assumes the risks and rewards of ownership, and collectability is reasonably assured. Freight charges billed to customers are reflected in revenues. Return allowances, which are not material, are estimated using historical experience. Amounts received in advance are deferred and recognized as revenue when the products are shipped and title transfers.

Sales taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore are excluded from net sales in the accompanying consolidated statements of income.

Cost of Sales: Cost of sales includes the cost of inventory sold and related items, such as vendor rebates, inventory allowances, and shipping and handling costs associated with inbound and outbound freight.

Certain purchasing costs and warehousing activities (including receiving, inspection and stocking costs), as well as general warehousing expenses, are included in selling, general and administrative expenses and not in cost of sales. As such, our gross margin may not be comparable to others that may include these expenses as a component of cost of sales. Purchasing and warehousing costs approximated \$27.3 million, \$25.5 million, and \$24.4 million for the years ended December 31, 2011, 2010, and 2009.

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Earnings per Share: Basic earnings per share are computed based on the weighted-average number of common shares outstanding, excluding any dilutive effects of unexercised stock options and unvested restricted stock. Diluted earnings per share are computed based on the weighted-average number of common shares outstanding including any dilutive effect of unexercised stock options and unvested restricted stock. The dilutive effect of unexercised stock options and unvested restricted stock is calculated under the treasury stock method.

Concentration of Credit Risk: Most of our business activity is with customers in the energy and industrial sectors. In the normal course of business, we grant credit to these customers in the form of trade accounts receivable. These receivables could potentially subject us to concentrations of credit risk; however, we minimize this risk by closely monitoring extensions of trade credit. We generally do not require collateral on trade receivables.

We maintain the majority of our cash and cash equivalents with several financial institutions. These financial institutions are located in many different geographical regions with varying economic characteristics and risks. Deposits held with banks may exceed insurance limits. We believe the risk of loss associated with our cash equivalents to be remote.

We have a broad customer base doing business in many regions of the world. During 2011, 2010 and 2009, we did not have sales to any one customer in excess of 10% of gross sales. At those respective year-ends, no individual customer balances exceeded 10% of gross accounts receivable. Accordingly, no significant concentration of credit risk is considered to exist.

We have a broad supplier base, sourcing our products in most regions of the world. During 2011, we did not have purchases from any one vendor in excess of 10% of our gross purchases. During 2010, we had purchases from one vendor in excess of 10% of our gross purchases (11%), while during 2009 we did not have purchases from any one vendor in excess of 10% of our gross purchases, and at those respective year-ends no individual vendor balance exceeded 10% of gross accounts payable. Accordingly, no significant concentration is considered to exist.

Segment Reporting: We have two operating segments, one consisting of our North American operations, including the United States and Canada, and one consisting of our other International operations, including Europe, Asia, and Australasia. These segments represent our global business of providing pipe, valves, fittings and related products and services to the energy and industrial sectors, across each of the upstream (exploration, production and extraction of underground oil and gas), midstream (gathering and transmission of oil and gas, gas utilities, and the storage and distribution of oil and gas) and downstream (crude oil refining and petrochemical processing) markets, through our distribution operations located throughout the world.

Reclassifications: Certain immaterial amounts in the prior year's statement of operations and statement of cash flows have been reclassified to conform to the current year's presentation.

Recent Accounting Pronouncements: In June 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU No. 2011-05), *Presentation of Comprehensive Income*, an amendment to ASC Topic 220, *Comprehensive Income*. Under this amendment, an entity has the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The new guidance eliminates the current option to report other comprehensive income and its components in the statement of changes in stockholders' equity. While the new guidance changes the presentation of comprehensive income, there are no changes to the components that are recognized in net income or other comprehensive income under current accounting guidance. The guidance for public entities is

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effective for fiscal years or interim periods beginning after December 15, 2011 with early adoption permitted. The amendments in this update are to be applied retrospectively.

In December 2011, the FASB issued Accounting Standards Update to the above statement (ASU No. 2011-12), *Deferral of the Effective Date for Amendments to the Presentation of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05*, an amendment to ASC Topic 220, *Comprehensive Income*. Under this amendment, changes in Update 2011-05 that relate to presentation of reclassification adjustments have been deferred. All other requirements in Update 2011-05 are not affected by this update. The guidance for public entities is effective for fiscal years or interim periods beginning after December 15, 2011 with early adoption permitted. We do not expect the guidance to materially impact our consolidated financial statements.

In September 2011, the FASB issued Accounting Standards Update (ASU No. 2011-08), *Testing for Goodwill Impairment*, an amendment to ASC Topic 350, *Intangibles – Goodwill and Other*. Under this amendment, an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is unnecessary. The guidance for public entities is effective during interim or annual goodwill impairment tests performed for fiscal years beginning after December 15, 2011 with early adoption permitted. We do not believe that ASU No. 2011-08 will have a material impact on our consolidated financial statements.

NOTE 2—TRANSACTIONS

Acquisitions

In October 2009, we acquired Transmark Fcx Group BV (together with its subsidiaries, “Transmark”) for total consideration \$147.9 million which included 6.4 million shares of the Company’s common stock with a fair value of \$49.4 million. Headquartered in Bradford, United Kingdom, Transmark is a global distributor of specialty valves and flow control equipment, with a network of 37 distribution and service facilities in 13 countries throughout Europe, Asia and Australasia. The purchase price has been allocated in the following table. In connection with this transaction, we expensed approximately \$17.4 million in transaction costs, including \$5.8 million paid to an affiliate of the Goldman Sachs Funds as reimbursement of their costs associated with due diligence and advisory services. These expenses are included within selling, general and administrative expenses in our consolidated statements of income. As a part of the acquisition, we renamed Transmark Fcx Group BV as MRC Transmark Group B.V. (“MRC Transmark”).

In May and August 2010, we acquired The South Texas Supply Company, Inc. (“South Texas”) and the operations and assets from Dresser Oil Tools, Inc. (“Dresser”), respectively. South Texas operates two branches in southern Texas, within the Eagle Ford Shale region. Dresser operates five branches in North Dakota and Montana, within the Bakken Shale region. The impact of these acquisitions was not material to our consolidated financial statements.

In June 2011, we acquired Stainless Pipe and Fittings Australia Pty. Ltd. (“MRC SPF”). MRC SPF, a distributor of stainless steel piping products, which operates in seven locations across Australia, Korea, Italy, United Kingdom, and the United Arab Emirates. The impact of this acquisition was not material to our consolidated financial statements.

In July 2011, we acquired certain assets and operations of the distribution business of the Valve Systems and Controls (“VSC”) business unit of Curtiss-Wright Flow Control Corporation. VSC is based

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in Houston, Texas with a sales office in Baton Rouge, Louisiana. VSC specializes in valve automation for upstream projects and maintenance, repairs and operation in the downstream sector. The impact of this acquisition was not material to our consolidated financial statements.

In December 2011, we signed an agreement to acquire the operations and assets of OneSteel Piping Systems (“OPS”). This acquisition was completed in March 2012. OPS is a leading PVF product and service specialist supplying the oil and gas, mining and mineral processing industries in Australia. The impact of this acquisition will not be material to our financial statements.

The consideration paid for these acquisitions has been allocated as follows (in millions):

	2011 Acquisition of MRC SPF and VSC	2010 Acquisition of South Texas and Dresser	2009 Acquisition of Transmark Fcx Group BV
Cash consideration paid	\$ 41.9	\$ 13.2	\$ 98.5
Value of common stock issued	—	—	49.4
Total consideration	\$ 41.9	\$ 13.2	\$ 147.9
Net assets acquired:			
Cash	\$ 2.0	\$ 0.7	\$ 43.0
Accounts receivable	24.6	7.1	71.9
Inventory	35.4	7.3	65.1
Other current assets	2.5	—	11.4
Fixed assets	5.9	0.9	11.1
Other assets	0.8	0.1	11.2
Customer base intangibles	4.9	—	43.0
Trade name	2.3	—	14.0
Sales order backlog	—	—	6.0
Goodwill	14.3	3.6	44.4
Accounts payable	(20.3)	(5.5)	(47.2)
Accrued expenses	(6.5)	(0.6)	(22.0)
Income taxes payable	—	—	(6.8)
Deferred income taxes	(2.2)	—	(12.8)
Debt	(17.9)	—	(80.2)
Other liabilities	(3.9)	(0.4)	(4.2)
	\$ 41.9	\$ 13.2	\$ 147.9
Goodwill deductible for tax purposes	No	No	No

NOTE 3—ACCOUNTS RECEIVABLE

The rollforward of our allowance for doubtful accounts is as follows (in thousands):

	2011	December 31, 2010	2009
Allowance for doubtful accounts			
Beginning balance	\$ 4,451	\$ 8,790	\$ 9,915
Net charge-offs	(69)	(2,297)	(2,119)
Provision	433	(2,042)	994
Ending balance	\$ 4,815	\$ 4,451	\$ 8,790

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Our accounts receivable is also presented net of other volume related allowances. Those allowances approximated \$4.2 million and \$4.7 million at December 31, 2011 and 2010.

NOTE 4—INVENTORIES

The composition of our inventory is as follows (in thousands):

	December 31,	
	2011	2010
Finished goods inventory at average cost:		
Energy carbon steel tubular products	\$ 488,938	\$ 396,611
Valves, fittings, flanges and all other products	601,706	481,137
	<u>1,090,644</u>	<u>877,748</u>
Less: Excess of average cost over LIFO cost (LIFO reserve)	(175,122)	(101,419)
Less: Other inventory reserves	(16,458)	(10,962)
	<u>\$ 899,064</u>	<u>\$ 765,367</u>

During 2010 and 2009, our inventory quantities were reduced, resulting in a liquidation of a LIFO inventory layer that was carried at a higher cost prevailing from a prior year, as compared with current costs in the current year (a "LIFO decrement"). A LIFO decrement results in the erosion of layers created in earlier years, and, therefore, a LIFO layer is not created for years that have decrements. In 2010, the effect of this LIFO decrement decreased cost of sales by approximately \$10.5 million and in 2009 increased cost of sales by \$45.2 million. There was no LIFO decrement in 2011.

NOTE 5—PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following (in thousands):

	Depreciable Life	December 31,	
		2011	2010
Land and improvements	—	\$ 16,894	\$ 16,964
Building and building improvements	40 years	55,458	50,609
Machinery and equipment	3 to 10 years	103,224	76,875
Construction in progress	—	638	2,902
Property held under capital leases	20 to 30 years	3,217	2,089
		<u>179,431</u>	<u>149,439</u>
Allowances for depreciation and amortization		(72,001)	(44,714)
		<u>\$ 107,430</u>	<u>\$ 104,725</u>

NOTE 6—GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill by segment for the years ended December 31, 2011 and 2010 are as follows (in thousands):

	North America	International	Total
Goodwill at December 31, 2008	\$ 807,250	\$ —	\$ 807,250
Goodwill impairment charge	(309,900)	—	(309,900)
Acquisition of Transmark	—	44,441	44,441
Other	(172)	—	(172)
Effect of foreign currency translation	9,396	(1,282)	8,114
Goodwill at December 31, 2009(a)	\$ 506,574	\$ 43,159	\$ 549,733
Acquisition of South Texas Supply and Dresser	3,591	—	3,591
Other	(687)	—	(687)
Effect of foreign currency translation	—	(3,253)	(3,253)
Goodwill at December 31, 2010(a)	509,478	39,906	549,384
Acquisition of Valve Systems and Controls	2,780	—	2,780
Acquisition of Stainless Pipe and Fittings Australia Pty. Ltd.	—	11,565	11,565
Other	(211)	—	(211)
Effect of foreign currency translation	—	(2,248)	(2,248)
Goodwill at December 31, 2011(a)	<u>\$ 512,047</u>	<u>\$ 49,223</u>	<u>\$ 561,270</u>

(a) Net of accumulated impairment losses of \$309,900 in the North American segment.

During 2009, our earnings progressively decreased due to the weakening of the U.S. and global economies, the reductions in oil and natural gas prices, and the reductions in our customers' expenditure programs (both new programs and recurring maintenance programs). These factors resulted in a reduced demand for our product; consequently, we revised our long-term projections, which in turn impacted the fair value of our business. As a result, we concluded that the carrying value of our reporting unit exceeded the fair value of our reporting unit and thus, for the year ended December 31, 2009, we recorded a pre-tax goodwill impairment charge of \$309.9 million and a \$76.2 million pre-tax impairment charge on indefinite lived trade names in our North American segment. No impairment charges were recorded in 2010 and 2011.

Other intangible assets by major classification consist of the following (in thousands):

	Weighted-Average Amortization Period (in years)	Gross	Accumulated Amortization	Net Book Value
December 31, 2011				
Customer base	16.1	\$696,326	\$ (194,836)	\$501,490
Amortizable trade names	6.0	21,980	(11,642)	10,338
Indefinite lived trade names	N/A	260,023	—	260,023
Noncompete agreements	5	970	(954)	16
	<u>15.8</u>	<u>\$979,299</u>	<u>\$ (207,432)</u>	<u>\$771,867</u>
December 31, 2010				
Customer base	16.2	\$693,809	\$ (149,312)	\$544,497
Amortizable trade names	5.8	20,409	(7,974)	12,435
Indefinite lived trade names	N/A	260,023	—	260,023
Noncompete agreements	5	970	(760)	210
	<u>15.8</u>	<u>\$975,211</u>	<u>\$ (158,046)</u>	<u>\$817,165</u>

[Table of Contents](#)**Amortization of Intangible Assets**

Total amortization of intangible assets for each of the years ending December 31, 2012 to 2016 is currently estimated as follows (in thousands):

2012	\$48,777
2013	48,761
2014	48,634
2015	48,086
2016	47,793

NOTE 7—LONG-TERM DEBT

The significant components of our long-term debt are as follows (in thousands):

	December 31,	
	2011	2010
9.50% senior secured notes due 2016, net of discount of \$18,358 and \$22,062	\$ 1,031,642	\$ 1,027,938
ABL Credit Facility	456,411	—
MRC Transmark term loan facility	30,824	—
MRC Transmark factoring facility	7,189	6,979
MRC Transmark revolving credit facility	—	23,214
Other	674	—
Asset-based revolving credit facility	—	286,398
Midfield revolving credit facility	—	1,297
Midfield term loan facility	—	14,415
	<u>1,526,740</u>	<u>1,360,241</u>
Less current portion	—	—
	<u>\$ 1,526,740</u>	<u>\$ 1,360,241</u>

Senior Secured Notes: In December 2009, McJunkin Red Man Corporation issued \$1.0 billion of aggregate principle amount of its 9.5% senior secured notes (“the Notes”). We used the proceeds of the offering of the Notes to pay all the outstanding borrowings under our then-existing term loan facility and junior term loan facility. McJunkin Red Man Corporation issued an additional \$50 million of Notes in February 2010.

The Notes mature on December 15, 2016. Interest accrues at 9.50% per annum and is payable semi-annually in arrears on June 15 and December 15, commencing on June 15, 2010. The Notes are guaranteed on a senior secured basis by MRC Global Inc. and all of the current and future wholly owned domestic subsidiaries of McJunkin Red Man Corporation (other than certain excluded subsidiaries) and any of McJunkin Red Man Corporation’s future restricted subsidiaries that guarantee any indebtedness of McJunkin Red Man Corporation or any subsidiary guarantor, including the ABL Credit Facility (the “Subsidiary Guarantors”).

Redemption and Repurchase. At any time prior to December 15, 2012 and subject to certain conditions, McJunkin Red Man Corporation may, on any one or more occasions, redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture at a redemption price of 109.50%, plus accrued and unpaid interest, with the cash proceeds of certain qualifying equity offerings. Additionally, at any time prior to December 15, 2012, McJunkin Red Man Corporation may, on any one or more occasions, redeem all or a part of the Notes at a redemption price equal to 100%, plus any accrued and unpaid interest, and plus a make-whole premium. On or after December 15, 2012, McJunkin Red Man Corporation may redeem all or a part of the Notes upon not less than 15 nor more

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than to 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest:

<u>Year</u>	<u>Percentage</u>
On or after December 15, 2012, but before December 15, 2013	107.125%
On or after December 15, 2013, but before December 15, 2014	104.750%
On or after December 15, 2014, but before December 15, 2015	102.375%
On or after December 15, 2015 and thereafter	100.000%

Upon the occurrence of a change of control as defined under the Indenture, McJunkin Red Man Corporation will be required to make an offer to repurchase each holder's Notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest to the date of repurchase.

Covenants. The Indenture contains covenants that limit the ability of McJunkin Red Man Corporation and its restricted subsidiaries to, among other things, incur additional indebtedness, issue certain preferred stock or disqualified capital stock, create liens, pay dividends or make other restricted payments, make certain payments on debt that is subordinated or secured on a basis junior to the Notes, make investments, sell assets, create restrictions on the payment of dividends or other amounts to McJunkin Red Man Corporation from restricted subsidiaries, consolidate, merge, sell or otherwise dispose of all or substantially all of McJunkin Red Man Corporation's assets, enter into transactions with affiliates, and designate subsidiaries as unrestricted subsidiaries.

Collateral. The Notes and the Subsidiary Guarantor guarantees are secured on a senior basis (subject to permitted prior liens), together with any other Notes issued under the Indenture or other debt that is secured equally and ratably with the Notes, subject to certain conditions ("Priority Lien Obligations"), equally and ratably by security interests granted to the collateral trustee in all Notes Priority Collateral (as such term is defined in the Indenture) from time to time owned by McJunkin Red Man Corporation or the Subsidiary Guarantors. The guarantee of MRC Global Inc. of the Notes is not secured. The Notes Priority Collateral generally comprises substantially all of McJunkin Red Man Corporation's and the Subsidiary Guarantors' tangible and intangible assets, other than specified excluded assets.

The Notes and the guarantees by the Subsidiary Guarantors are also secured on a junior basis (subject to the lien to secure the ABL Credit Facility and other permitted prior liens) by security interests granted to the collateral trustee in all ABL Priority Collateral (as such term is defined in the Indenture) that McJunkin Red Man Corporation or the Subsidiary Guarantors owns from time to time. Subject to certain exceptions, the ABL Priority Collateral generally comprises substantially all of McJunkin Red Man Corporation's and the Subsidiary Guarantors' accounts receivable, inventory, general intangibles and other assets relating to the foregoing, deposit and securities accounts, and proceeds and products of the foregoing, other than specified excluded assets. Assets owned by McJunkin Red Man Corporation's non-guarantor subsidiaries and by MRC Global Inc. are not part of the collateral securing the Notes.

ABL Credit Facility:

In June 2011, McJunkin Red Man Corporation and certain of its subsidiaries entered into an asset-based revolving credit facility with Bank of America, N.A., as agent and a lender (the "Agent") and other lenders from time to time parties to the facility. McJunkin Red Man Corporation is a wholly owned, direct subsidiary of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation). The ABL Credit Facility consists of:

- a U.S. tranche, under which McJunkin Red Man Corporation and certain of its U.S. subsidiaries (the "U.S. Borrowers") may borrow in U.S. Dollars up to a maximum amount of the lesser of the U.S. Borrowing Base (as defined below) and \$900 million (the "Total U.S. Commitment"), and

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• a Canadian tranche, under which Midfield Supply LLC, a wholly owned Canadian subsidiary of McJunkin Red Man Corporation, may borrow in Canadian Dollars up to a maximum amount of the lesser of its Canadian Borrowing Base (as defined below) and CAD\$150 million (the "Total Canadian Commitment").

The U.S. Borrowers may use up to \$80 million of the U.S. tranche for letters of credit and up to \$75 million for swingline loans. Subject to certain conditions, McJunkin Red Man Corporation has the power to designate other Canadian subsidiaries as borrowers under the ABL Credit Facility (together with Midfield Supply LLC, the "Canadian Borrowers"). The Canadian Borrowers may use up to CAD\$20 million of the Canadian tranche for letters of credit and up to CAD\$25 million for swingline loans. The ABL Credit Facility matures on June 14, 2016. We refer to the Canadian Borrowers and the U.S. Borrowers collectively as the "Borrowers" in this "ABL Credit Facility" description.

Each Canadian Borrower is permitted to make borrowings under the Canadian tranche in Canadian Dollars of up to the maximum amount of the lesser of its Canadian Borrowing Base (calculated separately from the Canadian Borrowing Bases of the other Canadian Borrowers) and the Total Canadian Commitment (less the borrowings of any other Canadian Borrowers). Subject to certain conditions, the Total U.S. Commitment and the Total Canadian Commitment may be increased from time to time up to an amount which, in the aggregate for all such increases, does not exceed \$250 million.

Borrowing Bases. The "U.S. Borrowing Base" will be equal to the sum of:

• the book value of eligible accounts receivable of the U.S. Borrowers; plus

• the lesser of:

• 70% of the net book value of eligible inventory (adding back the LIFO reserve calculated in accordance with GAAP) of the U.S. Borrowers and

• the net orderly liquidation value of eligible inventory (net of current monthly shrinkage reserve calculated in accordance with GAAP and valued at cost) of the U.S. Borrowers multiplied by the advance rate of 85%;

• minus certain reserves.

Each "Canadian Borrowing Base" will be equal to the sum of:

• the book value of eligible accounts receivable of the applicable Canadian Borrower; plus

• the lesser of:

• 70% of the net book value of eligible inventory (adding back the LIFO reserve calculated in accordance with GAAP) of the applicable Canadian Borrower and

• the net orderly liquidation value of eligible inventory (net of current monthly shrinkage reserve calculated in accordance with GAAP and valued at cost) of the applicable Canadian Borrower multiplied by the advance rate of 85%;

• minus certain reserves.

Guarantees and Security. The U.S. Borrowers guarantee the obligations under the U.S. tranche. The U.S. Borrowers and the Canadian Borrowers guarantee the obligations under the Canadian tranche.

Obligations under the U.S. tranche are secured, subject to certain exceptions, by a first-priority security interest in the accounts receivable and inventory of the U.S. Borrowers. Obligations under the Canadian tranche are secured, subject to certain exceptions, by:

• a first-priority security interest in the accounts receivable and inventory of the U.S. Borrowers and the Canadian Borrowers and

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• a pledge of indebtedness owing to the Canadian Borrowers and capital stock of their wholly owned subsidiaries.

The security interest in accounts receivable and inventory of the U.S. Borrowers ranks prior to the security interest in this collateral, which secures the Notes (as defined below).

Interest Rate and Fees. Borrowings under the U.S. tranche bear interest at a rate per annum equal to, at the U.S. Borrower's option, either:

• the adjusted LIBOR rate plus an applicable margin or

• a U.S. base rate plus an applicable margin.

Borrowings under the Canadian Tranche bear interest at a rate per annum equal to, at the Canadian Borrower's option, either:

• the adjusted Canadian BA Rate (as defined) plus an applicable margin,

• a Canadian base rate plus an applicable margin or

• a Canadian prime rate plus an applicable margin.

The applicable margin was initially 2.00% for LIBOR and Canadian BA Rate borrowings and 1.00% for the U.S. base rate, Canadian base rate and Canadian prime rate borrowings, in each case subject to a 0.25% step-up or step-down based on a consolidated fixed charge coverage ratio as of the end of the most recent fiscal quarter. The applicable margin for the U.S. base rate, Canadian base rate and Canadian prime rate borrowings will be 100 basis points lower than the applicable margin for LIBOR and Canadian BA Rate borrowings.

In addition to paying interest on outstanding principal under the ABL Credit Facility, the Borrowers are required to pay a commitment fee in respect of unutilized commitments under the ABL Credit Facility, which is equal to 0.375% per annum.

Voluntary Prepayments. The Borrowers may voluntarily prepay the principal of any advance, without penalty or premium, at any time in whole or in part, subject to the payment of certain costs in the case of LIBOR and Canadian BA Rate borrowings.

Restrictive Covenants and Other Matters. The ABL Credit Facility requires the Company and its restricted subsidiaries, on a consolidated basis, to maintain a fixed charge coverage ratio (defined as the ratio of EBITDA to the sum of cash interest, principal payments on indebtedness, unfinanced capital expenditures and accrued income taxes) of at least 1.0 to 1.0 when excess availability is less than or equal to the greater of:

• 10% of the total commitments under the ABL Credit Facility; and

• \$75 million.

The ABL Credit Facility also contains restrictive covenants (in each case, subject to exclusions) that limit, among other things, the ability of the Borrowers and their restricted subsidiaries to:

• create, incur, assume, or suffer to exist, any liens;

• create, incur, assume or permit to exist, directly or indirectly, any additional indebtedness;

• consolidate, merge, amalgamate, liquidate, wind up, or dissolve themselves;

• convey, sell, lease, license, assign, transfer or otherwise dispose of the Borrowers' or their restricted subsidiaries' assets;

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- make certain restricted payments;
- make certain investments;
- amend or otherwise alter the terms of documents related to certain subordinated indebtedness;
- enter into transactions with affiliates; and
- prepay certain subordinated indebtedness.

The ABL Credit Facility also contains other customary restrictive covenants. The covenants are subject to various baskets and materiality thresholds, with many restrictions on the repayment of subordinated indebtedness, restricted payments and investments not being applicable when the Borrowers' excess availability exceeds a certain threshold. The restriction on incurring unsecured indebtedness is not applicable when the Borrowers' and their restricted subsidiaries' total debt to EBITDA ratio is less than or equal to 5.5:1.0, and the restriction on incurring secured indebtedness is not applicable when, among other things, the Borrowers' and their restricted subsidiaries' secured debt to EBITDA ratio is less than or equal to 5.0:1.0.

The ABL Credit Facility contains certain customary representations and warranties, affirmative covenants and events of default, including, among other things, payment defaults, breach of representations and warranties, covenant defaults, cross-defaults to certain indebtedness, certain events of bankruptcy, certain events under ERISA, judgment defaults, actual or asserted failure of any material guaranty or security document supporting the ABL Credit Facility to be in force and effect and change of control. If such an event of default occurs, the Agent under the ABL Credit Facility is entitled to take various actions, including the acceleration of amounts due under the ABL Credit Facility, the termination of all revolver commitments and all other actions that a secured creditor is permitted to take.

MRC Transmark Revolving Credit and Term Loan Facilities: On September 17, 2010, MRC Transmark, our international subsidiary, refinanced its revolving credit facility ("MRC Transmark Revolver"). This facility provides for borrowings up to €60 million (USD \$78 million), with a €20 million (USD \$26 million) sub-limit on letters of credit. The facility matures on September 17, 2013.

The facility reduces by €10 million (USD \$13 million) over its term, as follows: €0.5 million (USD \$0.6 million) per quarter starting in the fourth quarter of 2010 through the third quarter of 2012, and then by €1.5 million (USD \$2.0 million) per quarter, starting in the fourth quarter of 2012 through the third quarter of 2013.

The facility bears interest at LIBOR or, in relation to any loan in Euros, EURIBOR, plus an applicable margin. The margin varies based on MRC Transmark's leverage as described in the following table:

<u>MRC Transmark's Leverage Ratio</u>	<u>Margin</u>
Less than or equal to 0.75:1	1.50%
Greater than 0.75:1, but less than or equal to 1.00:1	1.75%
Greater than 1.00:1, but less than or equal to 1.50:1	2.00%
Greater than 1.50:1, but less than or equal to 2.00:1	2.25%
Greater than 2.00:1	2.50%

The facility is secured by substantially all of the assets of MRC Transmark and its wholly owned subsidiaries.

The facility also requires MRC Transmark to maintain: (i) an interest coverage ratio not less than 3.50:1 and (ii) a leverage ratio not to exceed 2.50:1. We were in compliance with these covenants as of and for the year ended December 31, 2011.

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On October 4, 2011, this facility was amended to bifurcate the remaining unamortized €58 million commitment between a €34.5 million revolving credit facility and an AUD \$30.9 million term loan facility.

MRC Transmark Overdraft Facility: On June 30, 2011, MRC Transmark entered into an overdraft facility associated with an existing revolving credit facility. This facility consists of two components, a Collective Sterling Net Overdraft Facility and a Multi Currency Overdraft Facility. These facilities provide for aggregate borrowings of €10.0 million (USD \$13 million). The interest rate on the Collective Sterling Net Overdraft Facility is based on the Bank of England Base Rate plus 2.00% per annum and the lending rate on the Multi Currency Overdraft Facility is based on the lending rate of HSBC as established on the HSBC website plus 2.00% per annum. The facility is secured by substantially all of the assets of MRC Transmark and its wholly owned subsidiaries.

MRC Transmark Factoring Facility: MRC Transmark also maintains a factoring facility for one of its wholly owned subsidiaries. The subsidiary factors all invoices for certain approved customers in transactions through which the lender will advance the face value of the invoices (subject to a 10% withholding deposit). The lender receives a commission of 0.18%. The interest rate on this facility is EURIBOR plus 0.45%.

Availability: At December 31, 2011, our availability under our revolving credit facilities was as follows (in thousands):

	<u>Commitment Amount</u>	<u>Eligible Collateral (up to Commitment Amount)</u>	<u>Amount Outstanding</u>	<u>Letters of Credit and Other Deductions</u>	<u>Availability</u>
ABL Credit Facility	\$1,047,105	\$ 999,772	\$ 456,411	\$ 4,639	\$538,722
MRC Transmark revolving credit facility	56,980	56,980	—	12,011	44,969
	<u>\$1,104,085</u>	<u>\$ 1,056,752</u>	<u>\$ 456,411</u>	<u>\$ 16,650</u>	<u>\$583,691</u>

Interest on Borrowings: Our weighted-average interest rate on average borrowings outstanding at December 31, 2011 and 2010 were as follows:

	<u>December 31,</u>	
	<u>2011</u>	<u>2010</u>
9.50% senior secured notes due 2016, net of discount	9.88%	9.88%
ABL Credit Facility	2.66%	—
MRC Transmark term loan facility	7.17%	—
MRC Transmark factoring facility	1.85%	1.46%
Asset based revolving credit facility	—	3.34%
Midfield revolving credit facility	—	5.00%
Midfield term loan facility	—	5.86%
MRC Transmark revolving credit facility	—	2.61%
	<u>7.63%</u>	<u>8.29%</u>

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Maturities of Long-Term Debt: At December 31, 2011, annual maturities of long-term debt during the next five fiscal years and thereafter are as follows (in thousands):

2012	\$ —
2013	38,537
2014	109
2015	41
2016	1,488,053
Thereafter	—

At December 31, 2011, we classified \$11.6 million of short-term debt as long term. Settlement of these obligations is not expected to require the use of working capital in 2012, as we have the ability and intent to refinance the debt on a long term basis.

NOTE 8—DERIVATIVE FINANCIAL INSTRUMENTS

We use derivative financial instruments to help manage our exposure to interest rate risk and fluctuations in foreign currencies.

Effective March 31, 2009, we entered into a freestanding \$500 million interest rate swap contract to pay interest at a fixed rate of approximately 1.77% and receive 1-month LIBOR variable interest rate payments monthly through March 31, 2012. We have several additional interest rate swap derivatives, with notional amounts approximating \$19 million in the aggregate. All of our derivative instruments are freestanding and, accordingly, changes in their fair market value are recorded in earnings.

The table below provides data about the fair value of the derivative instruments that are recorded in our consolidated balance sheets (in thousands):

	December 31, 2011		December 31, 2010	
	Assets	Liabilities	Assets	Liabilities
Derivatives not designated as hedging instruments:				
Foreign exchange forward contracts(1)	\$ —	\$ 144	\$ —	\$ 209
Interest rate contracts(1)	—	2,010	—	8,975

(1) Included in "Accrued expenses and other current liabilities" in our consolidated balance sheets. The total notional amount of our interest rate swaps was approximately \$519 million at December 31, 2011 and December 31, 2010. The total notional amount of our forward foreign exchange contracts was approximately \$39 million and \$8 million at December 31, 2011 and December 31, 2010.

The table below provides data about the amount of gains and (losses) recognized in our consolidated statements of operations related to our derivative instruments (in thousands):

	Year Ended December 31,		
	2011	2010	2009
Derivatives designated as hedging instruments:			
Interest rate contracts(2)	\$ —	\$ —	\$(27,925)
Derivatives not designated as hedging instruments:			
Interest rate contracts	6,973	(5,548)	8,045
Foreign exchange forward contracts	71	622	901

(2) On June 29, 2009, we removed the designation of a \$700 million interest rate swap as a cash flow hedge. As a result, we reclassified \$28 million from accumulated other comprehensive income to earnings. The amount is included in "Interest expense" in our consolidated statements of operations.

NOTE 9—INCOME TAXES

The components of our income (loss) before income taxes were (in thousands):

	Year Ended December 31,		
	2011	2010	2009
United States	\$50,654	\$(59,375)	\$(273,416)
Foreign	5,114	(15,802)	(81,338)
	<u>\$55,768</u>	<u>\$(75,177)</u>	<u>\$(354,754)</u>

Income taxes included in the consolidated statements of income consist of (in thousands):

	Year Ended December 31,		
	2011	2010	2009
Current:			
Federal	\$ 32,080	\$(26,111)	\$ 32,684
State	2,878	(1,709)	3,609
Foreign	8,188	1,794	(2,039)
	<u>43,146</u>	<u>(26,026)</u>	<u>34,254</u>
Deferred:			
Federal	(14,960)	5,801	(44,214)
State	(1,177)	458	(3,443)
Foreign	(225)	(3,586)	(1,580)
	<u>(16,362)</u>	<u>2,673</u>	<u>(49,237)</u>
Income tax expense (benefit)	<u>\$ 26,784</u>	<u>\$(23,353)</u>	<u>\$(14,983)</u>

Our effective tax rate varied from the statutory federal income tax rate for the following reasons (in thousands):

	Year Ended December 31,		
	2011	2010	2009
Federal tax expense at statutory rates	\$19,518	\$(26,311)	\$(124,246)
State taxes	977	(813)	6
Nondeductible expenses	1,121	1,024	1,303
Goodwill impairment charge	—	—	104,049
Effect of tax rate changes on existing temporary differences	3,993	—	—
Effect of foreign operations	(499)	701	3,501
Change in valuation allowance	522	1,615	—
Other	1,152	431	404
Income tax expense (benefit)	<u>\$26,784</u>	<u>\$(23,353)</u>	<u>\$(14,983)</u>
Effective tax rate	<u>48.0%</u>	<u>31.1%</u>	<u>4.2%</u>

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Significant components of our current deferred tax assets and liabilities are as follows (in thousands):

	December 31,	
	2011	2010
Deferred tax assets:		
Accounts receivable valuation	\$ 2,336	\$ 1,141
Accruals and reserves	4,009	2,445
Net operating loss carryforwards	5,250	3,005
Other	3,352	3,103
Total deferred tax assets	14,947	9,694
Valuation allowance	(2,137)	(1,615)
	12,810	8,079
Deferred tax liabilities:		
Accounts receivable	(4,550)	(4,550)
Inventory valuation	(70,198)	(73,470)
Property, plant and equipment	(23,554)	(21,006)
Interest in foreign subsidiary	(11,880)	(9,813)
Intangible assets	(253,351)	(266,437)
Debt	(5,745)	(5,745)
Other	(727)	(777)
Total deferred tax liabilities	(370,005)	(381,798)
Net deferred tax liability	<u>\$ (357,195)</u>	<u>\$ (373,719)</u>

We record a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of the deferred tax assets depends on the ability to generate sufficient taxable income of the appropriate character in the future and in the appropriate taxing jurisdictions. We have provided a valuation allowance for operating loss carryforwards in certain non-U.S. jurisdictions.

In the United States, we had approximately \$77.6 million of state net operating loss carryforwards as of December 31, 2011, which will expire in future years through 2031. In certain non-U.S. jurisdictions, we had \$20.8 million of net operating loss carryforwards, of which \$13.3 million have no expiration and \$7.5 will expire in future years through 2021.

We consider the undistributed earnings of our foreign subsidiaries to be indefinitely reinvested, as we have no current intention to repatriate these earnings. As such, deferred income taxes are not provided for temporary differences of approximately \$98.8 million, and \$126.2 million as of December 31, 2011 and 2010, representing earnings of non-U.S. subsidiaries intended to be permanently reinvested. These additional foreign earnings could become subject to additional tax if remitted, or deemed remitted, as a dividend. Computation of the potential deferred tax liability associated with these undistributed earnings and any other basis differences is not practicable.

Our tax filings for various periods are subject to audit by the tax authorities in most jurisdictions where we conduct business. We are no longer subject to U.S. federal income tax examination for all years through 2007 and the statute of limitations at our international locations is generally six to seven years.

At December 31, 2011 and 2010, our unrecognized tax benefits were immaterial to our consolidated financial statements.

NOTE 10—STOCKHOLDERS' EQUITY**Preferred Stock**

We have authorized 150,000,000 shares of preferred stock. Our Board of Directors has the authority to issue shares and set the terms of the shares of preferred stock. As of December 31, 2011 and 2010, there were no shares of preferred stock issued or outstanding.

Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss in the accompanying consolidated balance sheets consists of the following (in thousands):

	December 31,	
	2011	2010
Currency translation adjustments	\$ (25,622)	\$ (18,703)
Pension related adjustments	(518)	(1,153)
Accumulated other comprehensive loss	<u>\$ (26,140)</u>	<u>\$ (19,856)</u>

Reverse Stock Split

On February 29, 2012, our Board of Directors and our shareholders approved a two-for-one reverse stock split which reduced the number of shares by one half. All share and per share amounts have been adjusted to retroactively reflect this change. In connection with the reverse stock split, the number of authorized shares was reduced from 800 million to 400 million.

Earnings per Share

Earnings per share are calculated in the table below (in thousands, except per share amounts).

	Year Ended December 31,		
	2011	2010	2009
Net income (loss)	<u>\$28,984</u>	<u>\$ (51,824)</u>	<u>\$ (339,771)</u>
Average basic shares outstanding	84,417	84,384	79,067
Effect of dilutive securities	238	—	—
Average diluted shares outstanding	<u>84,655</u>	<u>84,384</u>	<u>79,067</u>
Net income (loss) per share:			
Basic	\$ 0.34	\$ (0.61)	\$ (4.30)
Diluted	\$ 0.34	\$ (0.61)	\$ (4.30)

Stock options and shares of restricted stock are disregarded in this calculation if they are determined to be anti-dilutive.

For the years ended December 31, 2011, 2010 and 2009, our anti-dilutive stock options approximated 2.3 million, 2.0 million and 2.0 million. Our anti-dilutive restricted stock for the years ended December 31, 2010 and 2009, approximated 0.1 million and 0.1 million.

NOTE 11—EMPLOYEE BENEFIT PLANS

Stock Option and Restricted Stock Plans: The 2007 Stock Option Plan permits the grant of stock options to our employees, directors and consultants for up to 3.8 million shares of new common stock. The options may not be granted at prices less than their fair value on the date of the grant, nor for a term exceeding ten years. Vesting generally occurs over a five year period on the anniversaries of the date specified in the employees' respective option agreements, subject to accelerated vesting under certain circumstances set forth in the option agreements. We expense the fair value of the stock option grants on a straight-line basis over the vesting period. A Black-Scholes option-pricing model is used to estimate the fair value of the stock options. One of the key inputs into the Black-Scholes option pricing model is the fair value of the Company's common equity. The Company determined the fair value of its common stock by a combination of consistently applied valuation procedures based on an internally prepared discounted cash flow analysis and multiples of cash earnings valuation techniques, plus valuation comparisons to similar businesses.

The Company's Board of Directors periodically grants stock options to directors and employees. In June 2011, 133,156 stock options were granted to two new employees with an exercise price \$15.02. In August 2011, 66,577 stock options were granted to one new employee with an exercise price of \$15.02. In September 2011, 23,301 stock options were issued to new employees with an exercise price of \$15.02. In November 2011, as part of an annual issuance, the Board granted 764,935 stock options to a broad group of employees with an exercise price of \$18.10. In addition, as more fully described below, in 2011 we modified the exercise price of a total of 1,865,118 stock options, which were treated as forfeitures and new grants.

Under the terms of the restricted stock plan, up to 500,000 shares of restricted stock may be granted at the direction of the Board of Directors and vesting generally occurs in one-fourth increments on the first, second, third, and fourth anniversaries of the date specified in the employees' respective restricted stock agreements, subject to accelerated vesting under certain circumstances set forth in the restricted stock agreements. The fair value of the restricted stock was based on the fair value of our stock on the date of issuance determined by an internally prepared discounted cash flow analysis and multiples of cash earnings valuation techniques, plus valuation comparisons to similar businesses. We expense the fair value of the restricted stock grants on a straight-line basis over the vesting period. In August of 2011, 90,000 shares of restricted stock were issued to one employee. The fair value of each restricted share was \$15.02.

	<u>Options</u>	<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Contractual Term (years)</u>	<u>Aggregate Intrinsic Value (thousands)</u>
<i>Stock Options</i>				
Balance at December 31, 2010	1,968,561	\$ 19.90		
Granted	2,853,087	16.90		
Exercised	(318)	9.62		
Forfeited	(1,963,992)	19.74		
Expired	(11,650)	9.62		
Balance at December 31, 2011	<u>2,845,688</u>	<u>\$ 17.04</u>	<u>7.7</u>	<u>\$ 3,616</u>
At December 31, 2011:				
Options outstanding, vested and exercisable	818,679	\$ 14.56	6.3	\$ 2,284
Options outstanding, vested and expected to vest	2,714,193	\$ 17.00	7.7	\$ 3,524

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	Shares	Weighted Average Grant-Date Fair Value
Restricted Stock		
Nonvested at December 31, 2010	77,733	\$ 11.94
Granted	90,000	15.02
Vested	(23,353)	9.42
Forfeited	(2,383)	9.42
Nonvested at December 31, 2011	<u>141,997</u>	<u>\$ 14.36</u>

The following table summarizes award activity under our stock option and restricted stock plans:

	Year Ended December 31,		
	2011	2010	2009
Stock Options			
Weighted-average, grant-date fair value of awards granted	\$ 3.46	\$ 5.10	\$ 1.82
Total intrinsic value of stock options exercised	\$ 1,715	\$ —	\$ —
Total fair value of stock options vested	\$1,833,836	\$727,441	\$ 23,061
Restricted Stock			
Weighted-average, grant-date fair value of awards granted	\$ 14.36	\$ —	\$ 9.42
Total fair value of restricted stock vested	\$ 378,670	\$514,082	\$955,866

Stock Options

Following are the weighted-average assumptions used to estimate the fair values of our stock options:

	Year Ended December 31,		
	2011	2010	2009
Risk-free interest rate	1.32%	2.54%	2.45%
Dividend yield(1)	0.00%	0.00%	0.00%
Expected volatility	46.05%	22.07%	22.07%
Expected life (in years)	5.0	6.2	6.2

(1) The expected dividend yield reflects the restriction on our ability to pay dividends and does not anticipate "special" dividends.

During 2009, we modified the exercise price of approximately 0.9 million stock option grants from \$35.24 to \$25.00. Also, in conjunction with the \$3 million dividend paid during 2009, we reduced the exercise prices of the outstanding options by between \$0.02 and \$0.04 per option. In August 2011, we modified the exercise price of approximately 0.9 million stock option grants from \$24.96 to \$15.02. The effect of the modifications were evaluated and accounted for in accordance with U.S. generally accepted accounting principles, ASC 718 Compensation – Stock Compensation, which resulted in additional compensation expense of \$2.5 million incurred in 2011 and an incremental \$2.4 million of compensation expense to be recognized over the remaining vesting period of the modified options. The exercise price of these stock options, along with 0.1 million additional stock options, were subsequently modified in 2011 from \$15.02 to \$18.10 with no impact on compensation expense.

Restricted Common Units: Certain of our key employees received restricted common units of PVF Holdings LLC that vested over a three-to-five year requisite service period. At December 31,

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2011, all of the restricted common units were either vested or forfeited. Prior to full vesting or forfeiture, the expense was being recognized on a straight-line basis over the vesting period.

Profits Units: Certain of our key employees received profit units in PVF Holdings LLC that vest over a five-year requisite service period. The holders of these units are entitled to a share of any distributions made by PVF Holdings LLC once common unit holders have received a return of their capital contributions (for purposes of the Amended and Restated Limited Liability Company Agreement of PVF Holdings LLC, dated October 31, 2007, as amended). Expense is being recognized on a straight-line basis over the vesting period.

Recognized compensation expense and related income tax benefits under our equity-based compensation plans are set forth in the table below (in thousands):

	Year Ended December 31,		
	2011	2010	2009
Equity-based compensation expense:			
Stock options	\$ 6,707	\$ 2,425	\$ 3,077
Restricted stock	412	253	247
Restricted common units	(1)	(337)	2,466
Profit units	1,267	1,403	2,040
Total equity-based compensation expense	<u>\$ 8,385</u>	<u>\$ 3,744</u>	<u>\$ 7,830</u>
Income tax benefits related to equity-based compensation	<u>\$ 3,081</u>	<u>\$ 1,383</u>	<u>\$ 2,892</u>

Unrecognized compensation expense under our equity-based compensation plans is set forth in the table below (in thousands):

	Weighted-Average Vesting Period (in years)		December 31,
			2011
Unrecognized equity-based compensation expense:			
Stock options	3.2	\$	14,557
Restricted stock	4.1		1,528
Profit units	0.7		461
Total unrecognized equity-based compensation expense		\$	<u>16,546</u>

Defined Contribution Employee Benefit Plans: Immediately upon hire employees may participate in the McJunkin Red Man Retirement Plan whereby employees elect to defer a percentage of their base earnings and overtime, pursuant to Section 401(k) of the Internal Revenue Code. In addition, we make matching contributions with respect to participant contributions. The McJunkin Red Man Retirement Plan also features a discretionary profit-sharing component.

Eligible employees of Midfield Supply ULC located in Canada participate in a Registered Retirement Savings Plan after three months of service. Elective contributions are made by employees to defer a percentage of their base, overtime, commission and bonus compensation and we make matching contributions on the base pay portion of the employee's compensation.

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We maintain defined contribution plans in the following international locations:

Country	Approximate Employer Contribution
Belgium	Service prior to January 1, 1999, contributions at a rate of 1.5% of salary plus 3% paid at death Service after January 1, 1999, contributions at a rate of 4% of salary
Australia	Statutory minimum of 9% of salary
United Kingdom	Employer contributions at rates of 5%, 8% and 10% of salary
New Zealand	Service after April 1, 2008, statutory minimum of 1% of salary in 2008, 2% of salary in 2009, 3% of salary in 2010, and 4% of salary in 2011.
France	Service prior to April 1, 2008, contributions at a rate of 5% of salary Employer contribution rate of 5% of salary

Our provisions for the defined contribution plans are set forth in the table below (in thousands):

	Year Ended December 31,		
	2011	2010	2009
Defined contribution plans	\$6,531	\$5,179	\$4,075
Profit-sharing expenses	—	—	—
	<u>\$6,531</u>	<u>\$5,179</u>	<u>\$4,075</u>

Defined Benefit Employee Benefit Plans: We sponsor defined benefit pension plans in Europe for two subsidiaries of MRC Transmark. Independent trusts or insurance companies administer these plans. Benefits are dependent on years of service and the employees' compensation. Pension costs under our retirement plans are actuarially determined.

The following tables set forth the benefit obligations, the fair value of the plan assets and the funded status of our pension plans; and the amounts recognized in our consolidated financial statements (in thousands):

	December 31,	
	2011	2010
Change in projected benefit obligation:		
Projected benefit obligation at beginning of period	\$27,538	\$26,277
Service cost	1,073	927
Interest cost	1,465	1,315
Curtailment for change in projected benefit obligation	(311)	—
Actuarial loss	511	2,362
Benefits paid	(1,528)	(1,139)
Expenses paid	(146)	(133)
Foreign currency exchange	(704)	(2,071)
Projected benefit obligation at end of period	<u>\$27,898</u>	<u>\$27,538</u>
Accumulated benefit obligation at end of period	<u>\$25,892</u>	<u>\$25,388</u>

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	December 31,	
	2011	2010
Change in plan assets:		
Fair value of plan assets at beginning of period	\$29,231	\$29,838
Return on plan assets	2,692	1,703
Employer contributions	556	755
Participant contributions	459	457
Benefits paid	(1,528)	(1,139)
Expenses paid	(146)	(133)
Foreign currency exchange	(811)	(2,250)
Fair value of plan assets at end of period	<u>\$30,453</u>	<u>\$29,231</u>
Funded status and net amounts recognized:		
Plan assets, net of projected benefit obligation	\$ 2,555	\$ 1,693
Unrecognized actuarial loss (gain)	947	1,401
Net amount recognized in the consolidated balance sheets	<u>\$ 3,502</u>	<u>\$ 3,094</u>
Amounts recognized in the consolidated balance sheets consist of:		
Noncurrent other assets	\$ 2,798	\$ 2,306
Noncurrent other liabilities	(243)	(613)
Accrued benefit obligation	2,555	1,693
Other comprehensive loss	947	1,401
Net amount recognized in the consolidated balance sheets	<u>\$ 3,502</u>	<u>\$ 3,094</u>

The following table sets forth our net periodic pension cost (in thousands):

	Year Ended December 31,	
	2011	2010
Service cost	\$ 1,073	\$ 927
Interest cost	1,465	1,315
(Gain) of curtailment	(311)	—
Expected return on plan assets	(1,762)	(1,498)
Net periodic pension cost	<u>\$ 465</u>	<u>\$ 744</u>

Valuation: We use the corridor approach in the valuation of our defined benefit plans. The corridor approach defers all actuarial gains and losses resulting from variances between actual results and economic estimates or actuarial assumptions. These unrecognized gains and losses are amortized when the net gains and losses exceed 10% of the greater of the market-related value of plan assets or the projected benefit obligation at the beginning of the year. The amount in excess of the corridor is amortized over the average remaining service period to retirement date for active plan participants or, for retired participants, the average remaining life expectancy.

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The following table sets forth the principal weighted-average assumptions used to determine benefit obligation and benefit costs:

	Year Ended December 31,	
	2011	2010
Benefit obligation:		
Discount rate	4.70%	5.00%
Rate of compensation increase	2.00%	2.00%
Benefit cost:		
Discount rate	4.70%	5.00%
Rate of compensation increase	2.00%	2.00%
Expected return on plan assets	5.27%	5.55%

We determine our discount rates in the Euro zone using the iBoxx Euro Corporate AA Bond indices, with appropriate adjustments for the duration of the plan obligations.

The expected rate of return is assessed annually and is based on long-term relationships among major asset classes and the level of incremental returns that can be earned by investment management strategies. Equity returns are based on estimates of long-term inflation rates, real rates of return, fixed income premiums over cash and equity risk premiums. Fixed income returns are based on maturity, long-term inflation, real rates of return and credit spreads. Insurance contract returns are based upon the average fixed return on contracts and the historical supplemental profit sharing of the insurers.

Plan Assets: The investment objective for the plans are to earn a long-term expected rate of return, net of investment fees and transaction costs, to satisfy the benefit obligations of the plan, while at the same time maintaining sufficient liquidity to pay benefit obligations and expenses and meet any other cash needs, in the short-to-medium term.

The following table sets forth the weighted-average target asset allocations for our pension plans:

	2011	2010
Fixed income securities	78%	73%
Equity securities	18%	22%
Insurance contracts	4%	5%
Total	<u>100%</u>	<u>100%</u>

Our investment policies and strategies for the pension benefit plans do not use target allocations for the individual asset categories. Our goals are to maximize returns subject to specific risk management policies. We address diversification by the use of investments in domestic and international fixed income securities and domestic and international equity securities. These investments are readily marketable and can be sold to fund benefit obligations as they become payable.

Our defined benefit plan assets are measured at fair value on a recurring basis and include the following items:

Cash and cash equivalents: Foreign and domestic currencies, as well as short-term securities, are valued at cost plus accrued interest, which approximates fair value.

Equity securities and fixed income: Valued at the closing price reported on the active market in which the individual securities are traded. These securities are traded on exchanges, as well as in the over-the-counter market.

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Insurance contracts: Valued at contributions made, plus earnings, less participant withdrawals and administrative expenses, which approximates fair value.

The following table sets forth the fair values of our pension plan assets (in thousands):

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
December 31, 2011				
Cash and cash equivalents	\$ 66	\$ 66	\$ —	\$ —
Fixed income	21,438	—	21,438	—
Mutual fund	5,399	—	5,399	—
Insurance contracts	3,550	—	3,550	—
	<u>\$30,453</u>	<u>\$ 66</u>	<u>\$30,387</u>	<u>\$ —</u>
December 31, 2010				
Cash and cash equivalents	\$ 200	\$200	\$ —	\$ —
Fixed income	19,250	—	19,250	—
Mutual fund	5,886	—	5,886	—
Insurance contracts	3,895	—	3,895	—
	<u>\$29,231</u>	<u>\$200</u>	<u>\$29,031</u>	<u>\$ —</u>

During 2011, we determined that pension assets previously classified as Level 1 should be classified as Level 2. Accordingly, the 2010 classifications have been revised based on this determination.

The financial objectives of the qualified pension plans are determined in conjunction with a comprehensive review of each plan's liability structure. Our asset allocation policy is based on detailed asset/liability analyses. In developing investment policy and financial goals, consideration is given to each plan's demographics, the returns and risks associated with alternative investment strategies and the current and projected cash, expense and funding ratios of each plan. Investment policies must also comply with local statutory requirements as determined by each country. We have adopted a long-term investment horizon such that the risk and duration of investment losses are weighed against the long-term potential for appreciation of assets. Although there cannot be complete assurance that these objectives will be realized, it is believed that the likelihood for their realization is reasonably high, based upon the asset allocation chosen and the historical and expected performance of the asset classes utilized by the plans. The intent is for investments to be broadly diversified across asset classes, investment styles, market sectors, investment managers, developed and emerging markets and securities in order to moderate portfolio volatility and risk. Investments may be in separate accounts, commingled trusts, mutual funds and other pooled asset portfolios provided they all conform to fiduciary standards.

External investment managers are hired to manage pension assets. Over the long-term, the investment portfolio is expected to earn returns that exceed a composite of market indices that are weighted to match each plan's target asset allocation. The portfolio return should also (over the long-term) meet or exceed the return used for actuarial calculations in order to meet the future needs of the plan.

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We expect to contribute approximately \$1.0 million to our defined benefit pension plans in 2012. The table below reflects pension benefits expected to be paid from the plan assets for the next ten years (in thousands). The expected benefits are based on the same assumptions used to measure our benefit obligation at December 31, 2011 and include estimated future employee service.

2012	\$ 1,168
2013	1,210
2014	1,268
2015	1,879
2016	1,355
2017-2021	7,396

NOTE 12—RELATED-PARTY TRANSACTIONS

Europump Systems Inc.

Certain Midfield Supply ULC employees, who are shareholders, serve as executive officers of Europump Systems Inc. ("Europump"). Europump is engaged in the business of selling, servicing and renting industrial pumps. On July 1, 2007, we entered into a five-year distribution agreement with Europump. During the years ended December 31, 2011, 2010 and 2009, our purchases from Europump approximated \$42.0 million, \$28.1 million and \$10.0 million. At December 31, 2011 and 2010, we had payables to Europump of approximately \$5.2 million and \$1.2 million. During the years ended December 31, 2011, 2010 and 2009, our sales to Europump approximated \$2.5 million, \$0.8 million and \$0.6 million. At December 31, 2011 and 2010, we had receivables of approximately \$0.3 million from Europump. We also agreed to make certain profit sharing payments to the Europump shareholders in respect of certain oilfield supply and service stores located in Western Canada. For the years ended December 31, 2011, 2010 and 2009, the expense we recognized for the aggregate profit participation for Europump was approximately \$5.8 million, \$1.1 million and \$0.1 million.

Leases

We lease land and buildings at various locations from Hansford Associates Limited Partnership ("Hansford Associates") and Prideco LLC ("Prideco"), as well as certain employees and former Midfield shareholders. We lease equipment and vehicles from Prideco. Certain of our directors participate in ownership of Hansford Associates and Prideco. Most of these leases are renewable for various periods through 2019 and are renewable at our option. The renewal options are subject to escalation clauses. These leases contain clauses for payment of real estate taxes, maintenance, insurance and certain other operating expenses of the properties.

Rent expense attributable to related parties is set forth in the following table (in thousands):

	Year Ended December 31,		
	2011	2010	2009
Hansford Associates	\$2,284	\$2,545	\$2,547
Prideco	596	1,510	2,374
Employees and former Midfield shareholders	2,572	2,484	1,998
	<u>\$5,452</u>	<u>\$6,539</u>	<u>\$6,919</u>

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Future minimum rental payments required under operating leases with related parties that have initial or remaining noncancelable lease terms in excess of one year are set forth in the following table (in thousands):

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016 and thereafter</u>
Hansford Associates	\$ 682	\$ 405	\$ 79	\$ —	\$ —
Prideco	208	65	5	—	—
Employees and former Midfield shareholders	2,413	2,113	1,413	928	947
	<u>\$3,303</u>	<u>\$2,583</u>	<u>\$1,497</u>	<u>\$928</u>	<u>\$ 947</u>

Credit Facilities

Goldman Sachs Credit Partners L.P. ("GSCP"), an affiliate of the Goldman Sachs Funds, was a co-lead arranger and joint bookrunner under our previous asset-based revolving credit facility, and was the co-lead arranger and joint bookrunner under previous term loan facilities in addition to serving as the syndication agent under those facilities. In addition, Goldman Sachs Lending Partners L.L.C. is a participant in our ABL Credit Facility.

Payments made to affiliates of the Goldman Sachs Funds in connection with these credit facilities are set forth in the following table (in thousands):

	<u>Year Ended December 31,</u>		
	<u>2011</u>	<u>2010</u>	<u>2009</u>
Affiliates of the Goldman Sachs Funds	<u>\$250</u>	<u>\$700</u>	<u>\$10,750</u>

Affiliates of the Goldman Sachs Funds

From time to time, we sell products to affiliates of the Goldman Sachs Funds. The total revenues from these affiliates are set forth in the following table (in thousands):

	<u>Year Ended December 31,</u>		
	<u>2011</u>	<u>2010</u>	<u>2009</u>
Affiliates of the Goldman Sachs Funds	<u>\$12,049</u>	<u>\$24,430</u>	<u>\$17,839</u>

The total receivables due from these affiliates are set forth in the following table (in thousands):

	<u>Year Ended December 31,</u>	
	<u>2011</u>	<u>2010</u>
Affiliates of the Goldman Sachs Funds	<u>\$ 1,390</u>	<u>\$ 1,900</u>

In January of 2010, we engaged an affiliate of the Goldman Sachs Funds to provide insurance brokerage services. During 2011 and 2010, we paid this affiliate approximately \$1.6 million and \$2.2 million, respectively.

Certain affiliates of the Goldman Sachs Funds are counterparties to our interest rate swap agreements. The notional amount attributable to these affiliates was \$325 million of the \$0.5 billion outstanding at December 31, 2011 and 2010.

NOTE 13—SEGMENT, GEOGRAPHIC AND PRODUCT LINE INFORMATION

We operate as two business segments, North America and International. Our North American segment consists of our operations in the United States and Canada. Our International segment consists of our operations outside of North America, principally Europe, Asia and Australasia. These segments represent our business of selling pipe, valves and fittings to the energy and industrial sectors, across each of the upstream (exploration, production and extraction of underground oil and gas), midstream (gathering and transmission of oil and gas, gas utilities, and the storage and distribution of oil and gas) and downstream (crude oil refining, petrochemical processing and general industrials) markets.

The following table presents financial information for each segment (in millions):

	Year Ended December 31,		
	2011	2010	2009
Sales			
North America	\$4,502.8	\$3,589.9	\$3,610.1
International	329.6	255.6	51.8
Consolidated revenues	<u>\$4,832.4</u>	<u>\$3,845.5</u>	<u>\$3,661.9</u>
Depreciation and amortization			
North America	\$ 14.1	\$ 14.8	\$ 14.0
International	2.9	1.8	0.5
Total depreciation and amortization expense	<u>\$ 17.0</u>	<u>\$ 16.6</u>	<u>\$ 14.5</u>
Amortization of intangibles			
North America	\$ 44.6	\$ 44.1	\$ 44.6
International	6.1	9.8	2.0
Total amortization of intangibles expense	<u>\$ 50.7</u>	<u>\$ 53.9</u>	<u>\$ 46.6</u>
Goodwill and intangible impairment			
North America	\$ —	\$ —	\$ 386.1
International	—	—	—
Total goodwill and intangible impairment	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 386.1</u>
Operating income (loss)			
North America	\$ 183.9	\$ 56.0	\$ (253.5)
International	10.7	10.4	3.8
Total operating income (loss)	194.6	66.4	(249.7)
Interest expense	136.8	139.6	116.5
Other expense (income)	2.0	2.0	(11.4)
Income (loss) before income taxes	<u>\$ 55.8</u>	<u>\$ (75.2)</u>	<u>\$ (354.8)</u>

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	December 31,	
	2011	2010
Goodwill		
North America	\$ 512.1	\$ 509.5
International	49.2	39.9
Total goodwill	<u>\$ 561.3</u>	<u>\$ 549.4</u>
Total assets		
North America	\$2,923.3	\$2,748.7
International	304.4	242.5
Total assets	<u>\$3,227.7</u>	<u>\$2,991.2</u>

The percentages of our revenues relating to the following geographic areas are as follows:

	Year Ended December 31,		
	2011	2010	2009
Revenues			
United States	80%	80%	88%
Canada	13%	13%	11%
International(1)	7%	7%	1%
	<u>100%</u>	<u>100%</u>	<u>100%</u>

	December 31,	
	2011	2010
Fixed assets		
United States	60%	63%
Canada	25%	28%
International(1)	15%	9%
	<u>100%</u>	<u>100%</u>

(1) International includes our operations in Europe, Asia and Australasia.

The percentages of our net sales by product line are as follows:

Type	Year Ended December 31,		
	2011	2010	2009
Energy carbon steel tubular products:			
Line pipe	21%	18%	20%
Oil country tubular goods	17%	20%	21%
	<u>38%</u>	<u>38%</u>	<u>41%</u>
Valves, fittings, flanges and other products:			
Valves and specialty products	24%	25%	20%
Carbon steel fittings and flanges and stainless steel and alloy pipe and fittings	18%	17%	18%
Other	20%	20%	21%
	<u>62%</u>	<u>62%</u>	<u>59%</u>

NOTE 14—FAIR VALUE MEASUREMENTS

We used the following methods and significant assumptions to estimate fair value for assets and liabilities recorded at fair value.

Interest Rate Contracts: Interest rate contracts are reported at fair value utilizing Level 2 inputs. We obtain dealer quotations to value our interest rate swap agreements. These quotations rely on observable market inputs such as yield curves and other market-based factors.

Foreign Exchange Forward Contracts: Foreign exchange forward contracts are reported at fair value utilizing Level 2 inputs, as the fair value is based on broker quotes for the same or similar derivative instruments.

The following table presents assets and liabilities measured at fair value on a recurring basis, and the basis for that measurement (in thousands):

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
December 31, 2011				
Assets:	\$ —	\$ —	\$ —	\$ —
Liabilities:				
Foreign exchange forward contracts	144	—	144	—
Interest rate swap agreements	2,010	—	2,010	—
December 31, 2010				
Assets:	\$ —	\$ —	\$ —	\$ —
Liabilities:				
Foreign exchange forward contracts	209	—	209	—
Interest rate swap agreements	8,975	—	8,975	—

The following table presents the carrying value and estimated fair value of our financial instruments that are carried at adjusted historical cost (in thousands):

	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Carrying Value</u>	<u>Estimated Fair Value</u>	<u>Carrying Value</u>	<u>Estimated Fair Value</u>
Financial assets				
Cash	\$ 46,127	\$ 46,127	\$ 56,202	\$ 56,202
Accounts receivable, net	791,280	791,280	596,404	596,404
Financial liabilities				
Trade accounts payable	479,584	479,584	426,632	426,632
Accrued expenses and other liabilities	108,973	108,973	102,807	102,807
Long-term debt	1,526,740	1,542,490	1,360,241	1,292,826

The carrying values of our financial instruments, including cash and cash equivalents, accounts receivable, trade accounts payable and accrued liabilities, approximate fair value because of the short maturity of these financial instruments.

We estimated the fair value of the senior secured notes using quoted market prices as of December 31, 2011 and 2010.

The carrying value of our ABL Credit Facility and remaining portions of our long-term debt approximate their fair values.

NOTE 15—COMMITMENTS AND CONTINGENCIES**Leases**

We regularly enter into operating and capital lease arrangements for certain of our facilities and equipment. Our leases are renewable at our option for various periods through 2021. Certain renewal options are subject to escalation clauses and contain clauses for payment of real estate taxes, maintenance, insurance and certain other operating expenses of the properties. Leases with escalation clauses based on an index, such as the consumer price index, are expensed and projected based on current rates. Leases with specified escalation steps are expensed and projected based on the rate in effect in the respective period which is not materially different than the straight-line method. We amortize leasehold improvements over the remaining life of the lease. Rental expense under our operating lease arrangements is as follows:

	Year Ended December 31,		
	2011	2010	2009
Operating rental expense	<u>\$40,255</u>	<u>\$37,804</u>	<u>\$30,371</u>

Future minimum lease payments under noncancelable operating and capital lease arrangements having initial terms of one year or more are as follows (in thousands):

	Operating Leases	Capital Leases
2012	\$ 31,311	\$ 480
2013	26,014	532
2014	18,792	524
2015	13,609	313
2016	8,070	268
Thereafter	16,812	1,206
	<u>\$114,608</u>	<u>\$3,323</u>

Litigation

Asbestos Claims. We are involved in various legal proceedings and claims, both as a plaintiff and a defendant, which arise in the ordinary course of business. These legal proceedings include claims that individuals brought against a large number of defendant entities, including us, seeking damages for injuries that certain products containing asbestos allegedly caused. As of December 31, 2011, we are a defendant in lawsuits involving approximately 981 of these claims. Each claim involves allegations of exposure to asbestos-containing materials by an individual or his or her family members. The complaints typically name many defendants. In a majority of these lawsuits, little or no information is known regarding the nature of the plaintiff's alleged injuries or their connection with products that we distributed. Through December 31, 2011, lawsuits involving 11,831 claims have been brought against us. No asbestos lawsuit has resulted in a judgment against us to date, with the majority being settled, dismissed or otherwise resolved. In total, since the first asbestos claim brought against us in 1984 through December 31, 2011, approximately \$1.8 million has been paid to asbestos claimants in connection with settlements of claims against us without regard to insurance recoveries. Of this amount, approximately \$1.4 million has been paid to settle claims alleging mesothelioma, \$0.4 million for claims alleging lung cancer and \$0.1 million for non-malignant claims.

We annually conduct analyses of our asbestos-related litigation to estimate the adequacy of the reserve for pending and probable asbestos-related claims. These analyses consist of separately estimating our reserve with respect to pending claims (both those scheduled for trial and those for

which a trial date had not been scheduled), mass filings (including lawsuits brought in West Virginia each involving many, in some cases over a hundred, plaintiffs, which include little information regarding the nature of each plaintiff's claim and historically have rarely resulted in any payments to plaintiff) and probable future claims. A key element of the analysis is categorizing our claims by the type of disease the plaintiffs allege and developing "benchmark" estimated settlement values for each claim category based on our historical settlement experience. These estimated settlement values are applied to each of our pending individual claims. With respect to pending claims where the disease type is unknown, the outcome is projected based on historic experience. The reserve with respect to mass filings is estimated by determining the number of individual plaintiffs included in the mass filings likely to have claims resulting in settlements based on our historical experience with mass filings. Finally, we estimate the value of probable claims that plaintiffs may assert against us over the next 15 years based on public health estimates of future incidences of certain asbestos-related diseases in the general U.S. population. Estimated settlement values are applied to those projected claims. Our annual assessment, dated September 30, 2011, projected that our payments to asbestos claimants over the next 15 years are estimated to range from \$5 million to \$11 million. Given these estimates and existing insurance coverage that historically has been available to cover substantial portions of our past payments to claimants and defense costs, we believe that our current accruals and associated estimates relating to pending and probable asbestos-related litigation likely to be asserted over the next 15 years are currently adequate. Our belief that our accruals and associated estimates are currently adequate, however, relies on a number of significant assumptions, including:

- That our future settlement payments, disease mix and dismissal rates will be materially consistent with historic experience;
- That future incidences of asbestos-related diseases in the U.S. will be materially consistent with current public health estimates;
- That the rates at which future asbestos-related mesothelioma incidences result in compensable claims filings against us will be materially consistent with its historic experience;
- That insurance recoveries for settlement payments and defense costs will be materially consistent with historic experience;
- That legal standards (and the interpretation of these standards) applicable to asbestos litigation will not change in material respects;
- That there are no materially negative developments in the claims pending against us; and
- That key co-defendants in current and future claims remain solvent.

If any of these assumptions prove to be materially different in light of future developments, liabilities related to asbestos-related litigation may be materially different than amounts accrued or estimated. Further, while we anticipate that additional claims will be filed in the future, we are unable to predict with any certainty the number, timing and magnitude of such future claims.

Other Legal Claims and Proceedings. From time to time, we have been subject to various claims and involved in legal proceedings incidental to the nature of our businesses. We maintain insurance coverage to reduce financial risk associated with certain of these claims and proceedings. It is not possible to predict the outcome of these claims and proceedings. However, in our opinion, there are no material pending legal proceedings that are likely to have a material effect on our business, financial condition or results of operations.

Product Claims. From time to time, in the ordinary course of our business, our customers may claim that the products that we distribute are either defective or require repair or replacement under warranties that either we or the manufacturer may provide to the customer. These proceedings are, in

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the opinion of management, ordinary and routine matters incidental to our normal business. Our purchase orders with our suppliers generally require the manufacturer to indemnify us against any product liability claims, leaving the manufacturer ultimately responsible for these claims. In many cases, state, provincial or foreign law provides protection to distributors for these sorts of claims, shifting the responsibility to the manufacturer. In some cases, we could be required to repair or replace the products for the benefit of our customer and seek our recovery from the manufacturer for our expense. In the opinion of management, the ultimate disposition of these claims and proceedings is not expected to have a material adverse effect on our financial position, results of operations or cash flows.

NiSource Claim. In the summer of 2010, our customer NiSource, Inc. notified us that certain polyethylene pipe that PolyPipe, Inc. manufactured may be defective. NiSource requested that the Company and PolyPipe repair and replace the allegedly defective pipe and reimburse NiSource for the costs of locating and removing the pipe. When installing the pipe, NiSource did not track where the pipe was installed, so to locate the allegedly defective pipe, NiSource has embarked on a program of “potholing” or digging holes by possible sites where the pipe was used to locate the serial numbers of the pipe that may be defective. This has caused NiSource to test locations far in excess of the locations where the allegedly defective pipe may have been used.

On April 28, 2011, PolyPipe filed a petition in the District Court in Cooke County, Texas against the Company and NiSource seeking, among other things, a declaratory judgment that PolyPipe was not responsible for the costs relating to NiSource’s alleged failure to track and record the installation locations of the pipe and NiSource’s expenditures to implement a potential remediation plan including finding the pipe and removing the pipe. On June 1, 2011, the Court entered an order of non-suit, dismissing PolyPipe’s claims without prejudice to their re-filing the same claims.

NiSource is in the process of locating where the allegedly defective pipe was used while the parties discuss a possible resolution of their respective claims. NiSource has asserted that the Company and PolyPipe are liable for the costs of finding the allegedly defective pipe. Under its contract with NiSource, the Company is not liable for consequential damages. The Company believes that this applies to damages such as finding the allegedly defective pipe. To the extent that pipe is actually defective, the Company may be liable under its warranty to replace the defective pipe. The Company believes that PolyPipe, as the manufacturer of the pipe, is ultimately liable for any manufacturing defects. The Company believes that the ultimate outcome of NiSource’s claim will not be material.

Former Shareholder Litigation. On July 30, 2010, an action was brought against the Company in Delaware Chancery Court by a former shareholder of our predecessor, McJunkin Corporation, on his own behalf and as trustee for a trust, alleging the Company has not fully complied with a contractual obligation to divest of certain non-core assets contained in the December 2006 merger agreement, and seeking damages and equitable relief. We have also received written notice from other former shareholders who similarly claim the Company has not fully complied with that contractual obligation. On September 28, 2010, we filed a motion to dismiss the action in its entirety. On February 11, 2011, the Court granted our motion to dismiss the claims for equitable relief with prejudice, but denied the motion to dismiss the contractual claims. The Company moved for summary judgment to dismiss the remaining claims, and the plaintiffs moved for summary judgment to uphold their claims, in each case, on October 21, 2011. The Delaware Chancery Court heard oral arguments with respect to the summary judgment motion on February 8, 2012. The parties subsequently reached an agreement whereby the Company agreed to distribute \$1.9 million to the former shareholders (excluding the plaintiffs in the litigation) and both parties have released each other from their respective claims. The final settlement documents were executed by the parties in February 2012.

Customer Contracts

We have contracts and agreements with many of our customers that dictate certain terms of our sales arrangements (pricing, deliverables, etc.). While we make every effort to abide by the terms of these contracts, certain provisions are complex and often subject to varying interpretations. Under the terms of these contracts, our customers have the right to audit our adherence to the contract terms. Historically, any settlements that have resulted from these customer audits have been immaterial to our consolidated financial statements.

Letters of Credit

Our letters of credit outstanding at December 31, 2011 approximated \$9 million.

Bank Guarantees

Certain of our international subsidiaries have trade guarantees given by bankers on their behalf. The amount of these guarantees at December 31, 2011 was approximately €6 million (USD \$8 million).

Purchase Commitments

We have purchase obligations consisting primarily of inventory purchases made in the normal course of business to meet operating needs. While our vendors often allow us to cancel these purchase orders without penalty, in certain cases, cancellations may subject us to cancellation fees or penalties depending on the terms of the contract.

Warranty Claims

We are involved from time to time in various warranty claims, which arise in the ordinary course of business. Historically, any settlements that have resulted from these warranty claims have been immaterial to our consolidated financial statements.

Insurance Coverage

In the area of first party auto collision, we do not have excess coverage. In addition, we had no self insurance accrued liabilities in this area as of December 31, 2011 or 2010.

In the area of product recall, we do not have excess coverage. However, manufacturers are liable for replacement under the Uniform Commercial Code to the extent that they are identifiable and have the financial wherewithal. The net amount of self-insurance accrued liabilities in North America was \$0.3 million and \$0.8 million as of December 31, 2011 and 2010.

In the area of ocean cargo shipments, we do not have excess coverage. In addition, there was no self-insurance accrued as of December 31, 2011 and 2010.

In the area of asbestos claims, we have excess coverage to the extent claims do not arise from entities acquired or exposures dated after 1986. The net amount of self-insurance accrued liabilities in North America was \$0.8 million and \$0.8 million as of December 31, 2011 and 2010.

In the area of employee healthcare, we have excess stop loss protection attaching after \$0.3 million per person per year. The amount of self-insurance accrued liabilities in North America were \$2.8 million and \$2.4 million as of December 31, 2011 and 2010.

NOTE 16—GUARANTOR AND NON-GUARANTOR FINANCIAL STATEMENTS

In December 2009 and February 2010, McJunkin Red Man Corporation (presented as Issuer in the following tables), a 100%-owned subsidiary of MRC Global Inc. (presented as Parent in the following tables), issued senior secured notes due December 15, 2016. The senior secured notes are fully and unconditionally, and jointly and severally, guaranteed on a senior basis by MRC Global Inc. and substantially all existing and future 100%-owned domestic restricted subsidiaries of McJunkin Red Man Corporation (collectively, the “Guarantors”). All other subsidiaries of McJunkin Red Man Corporation, whether direct or indirect, do not guarantee the senior secured notes (the “Non-Guarantors”).

The following condensed consolidating financial statements present the results of operations, financial position and cash flows of (1) the Parent, (2) the Issuer, (3) the Guarantors, (4) the Non-Guarantors, and (5) eliminations to arrive at the information for MRC Global Inc. on a consolidated basis. Separate financial statements and other disclosures concerning the Guarantors are not presented because management does not believe such information is material to investors. Therefore, each of the Guarantors is combined in the presentation below.

Condensed Consolidated Balance Sheets
(in millions)

	December 31, 2011					
	Parent	Issuer	Guarantors	Non-Guarantors	Elim	Total
Cash	\$ 0.1	\$ 4.8	\$ 0.2	\$ 41.0	\$ —	\$ 46.1
Accounts receivable, net	0.7	585.9	—	204.7	—	791.3
Inventory, net	—	682.1	—	217.0	—	899.1
Income taxes receivable	0.8	28.5	—	—	(29.3)	—
Other current assets	—	2.2	2.1	7.1	—	11.4
Total current assets	1.6	1,303.5	2.3	469.8	(29.3)	1,747.9
Investment in subsidiaries	718.0	607.1	—	—	(1,325.1)	—
Intercompany receivable	7.3	258.3	561.3	—	(826.9)	—
Other assets	—	31.8	0.1	7.3	—	39.2
Fixed assets, net	—	45.2	19.6	42.6	—	107.4
Goodwill	—	512.0	—	49.3	—	561.3
Other intangible assets, net	—	707.2	—	64.7	—	771.9
	<u>\$726.9</u>	<u>\$3,465.1</u>	<u>\$ 583.3</u>	<u>\$ 633.7</u>	<u>\$(2,181.3)</u>	<u>\$3,227.7</u>
Trade accounts payable	\$ —	\$ 328.1	\$ 2.5	\$ 149.0	\$ —	\$ 479.6
Accrued expenses	0.2	63.1	12.4	33.3	—	109.0
Income taxes payable	—	—	37.1	4.2	(29.3)	12.0
Deferred revenue	—	3.7	—	0.7	—	4.4
Deferred income taxes	—	71.0	(0.6)	(2.2)	—	68.2
Total current liabilities	0.2	465.9	51.4	185.0	(29.3)	673.2
Long-term debt, net	—	1,469.8	—	56.9	—	1,526.7
Intercompany payable	—	530.2	—	296.7	(826.9)	—
Deferred income Taxes	5.7	269.7	1.0	12.6	—	289.0
Other liabilities	0.1	11.5	0.2	6.1	—	17.9
Shareholders' equity	720.9	718.0	530.7	76.4	(1,325.1)	720.9
	<u>\$726.9</u>	<u>\$3,465.1</u>	<u>\$ 583.3</u>	<u>\$ 633.7</u>	<u>\$(2,181.3)</u>	<u>\$3,227.7</u>

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December 31, 2010						
	Parent	Issuer	Guarantors	Non-Guarantors	Elim	Total
Cash	\$ 1.1	\$ 4.4	\$ —	\$ 50.7	\$ —	\$ 56.2
Accounts receivable, net	0.7	447.1	—	148.6	—	596.4
Inventory, net	—	625.4	—	140.0	—	765.4
Income taxes receivable	1.0	89.8	—	1.9	(60.1)	32.6
Other current assets	—	2.7	2.1	5.4	—	10.2
Total current assets	2.8	1,169.4	2.1	346.6	(60.1)	1,460.8
Investment in subsidiaries	686.6	478.3	—	—	(1,164.9)	—
Intercompany receivable	6.5	88.7	480.2	—	(575.4)	—
Other assets	—	49.3	0.1	9.7	—	59.1
Fixed assets, net	—	46.3	19.9	38.5	—	104.7
Goodwill	—	509.5	—	39.9	—	549.4
Other intangible assets, net	—	747.3	—	69.9	—	817.2
	<u>\$ 695.9</u>	<u>\$ 3,088.8</u>	<u>\$ 502.3</u>	<u>\$ 504.6</u>	<u>\$ (1,800.4)</u>	<u>\$ 2,991.2</u>
Trade accounts payable	\$ —	\$ 306.5	\$ 1.1	\$ 119.0	\$ —	\$ 426.6
Accrued expenses	0.1	67.2	11.1	24.4	—	102.8
Income taxes payable	—	—	60.1	—	(60.1)	—
Deferred revenue	—	17.4	—	0.7	—	18.1
Deferred income taxes	—	73.2	(0.6)	(2.0)	—	70.6
Total current liabilities	0.1	464.3	71.7	142.1	(60.1)	618.1
Long-term debt, net	—	1,314.3	—	45.9	—	1,360.2
Intercompany payable	—	327.6	—	247.8	(575.4)	—
Deferred Taxes	5.7	285.4	2.3	9.7	—	303.1
Other liabilities	0.4	10.6	1.1	8.0	—	20.1
Shareholders' equity	689.7	686.6	427.2	51.1	(1,164.9)	689.7
	<u>\$ 695.9</u>	<u>\$ 3,088.8</u>	<u>\$ 502.3</u>	<u>\$ 504.6</u>	<u>\$ (1,800.4)</u>	<u>\$ 2,991.2</u>

Condensed Consolidated Statements of Income
(in millions)

Year Ended December 31, 2011						
	Parent	Issuer	Guarantors	Non-Guarantors	Elim	Total
Sales	\$ —	\$ 3,849.2	\$ —	\$ 983.2	\$ —	\$ 4,832.4
Cost of sales	—	3,336.6	4.1	783.5	—	4,124.2
Gross margin	—	512.6	(4.1)	199.7	—	708.2
Operating expenses	1.0	263.5	85.7	163.4	—	513.6
Operating (loss) income	(1.0)	249.1	(89.8)	36.3	—	194.6
Other (expense) income	—	(364.3)	256.6	(31.1)	—	(138.8)
(Loss) income before taxes	(1.0)	(115.2)	166.8	5.2	—	55.8
Equity in earnings of subsidiary	29.2	101.5	—	—	(130.7)	—
Income tax (benefit)	(0.8)	(42.9)	62.5	8.0	—	26.8
Net (loss) income	<u>\$ 29.0</u>	<u>\$ 29.2</u>	<u>\$ 104.3</u>	<u>\$ (2.8)</u>	<u>\$ (130.7)</u>	<u>\$ 29.0</u>

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	Year Ended December 31, 2010					
	Parent	Issuer	Guarantors	Non-Guarantors	Elim	Total
Sales	\$ —	\$ 3,124.8	\$ —	\$ 726.7	\$ (6.0)	\$ 3,845.5
Cost of sales	—	2,742.1	3.8	587.5	(6.0)	3,327.4
Gross margin	—	382.7	(3.8)	139.2	—	518.1
Operating expenses	1.7	244.8	78.5	126.7	—	451.7
Operating (loss) income	(1.7)	137.9	(82.3)	12.5	—	66.4
Other (expense) income	—	(266.2)	153.0	(28.4)	—	(141.6)
(Loss) income before taxes	(1.7)	(128.3)	70.7	(15.9)	—	(75.2)
Equity in earnings of subsidiary	(51.1)	29.2	—	—	21.9	—
Income tax (benefit)	(1.0)	(48.0)	27.4	(1.8)	—	(23.4)
Net (loss) income	\$ (51.8)	\$ (51.1)	\$ 43.3	\$ (14.1)	\$ 21.9	\$ (51.8)

	Year Ended December 31, 2009					
	Parent	Issuer	Guarantors	Non-Guarantors	Elim	Total
Sales	\$ —	\$ 3,215.6	\$ —	\$ 448.3	\$ (2.0)	\$ 3,661.9
Cost of sales	—	2,690.1	2.6	376.7	(2.0)	3,067.4
Inventory write-down	—	44.1	—	2.4	—	46.5
Gross margin	—	481.4	(2.6)	69.2	—	548.0
Operating expenses	1.2	248.5	89.4	72.5	—	411.6
Goodwill and intangible impairment	—	317.1	—	69.0	—	386.1
Operating (loss) income	(1.2)	(84.2)	(92.0)	(72.3)	—	(249.7)
Other (expense) income	(6.2)	(383.3)	293.5	(9.1)	—	(105.1)
(Loss) income before taxes	(7.4)	(467.5)	201.5	(81.4)	—	(354.8)
Equity in earnings of subsidiary	(334.7)	47.9	—	—	286.8	—
Income tax (benefit)	(2.3)	(84.9)	75.8	(3.6)	—	(15.0)
Net (loss) income	\$ (339.8)	\$ (334.7)	\$ 125.7	\$ (77.8)	\$ 286.8	\$ (339.8)

**Condensed Consolidated Statements of Cash Flows
(in millions)**

	Year Ended December 31, 2011					
	Parent	Issuer	Guarantors	Non-Guarantors	Elim	Total
Cash flows provided by (used in):						
Operating activities	\$ (0.8)	\$ (147.5)	\$ 7.1	\$ 38.3	\$ —	\$ (102.9)
Investing activities	(0.2)	1.2	(6.9)	(42.1)	—	(48.0)
Financing activities	—	144.2	—	(3.6)	—	140.6
Increase (decrease) in cash	(1.0)	(2.1)	0.2	(7.4)	—	(10.3)
Effect of exchange rate on cash	—	2.5	—	(2.3)	—	0.2
Cash – beginning of period	1.1	4.4	—	50.7	—	56.2
Cash – end of period	\$ 0.1	\$ 4.8	\$ 0.2	\$ 41.0	\$ —	\$ 46.1

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Year Ended December 31, 2010						
	Parent	Issuer	Guarantors	Non-Guarantors	Elim	Total
Cash flows provided by (used in):						
Operating activities	\$ (0.2)	\$ 32.6	\$ 5.5	\$ 74.8	\$—	\$112.7
Investing activities	0.6	(13.6)	(5.5)	2.3	—	(16.2)
Financing activities	0.3	(15.8)	—	(82.7)	—	(98.2)
Increase (decrease) in cash	0.7	3.2	—	(5.6)	—	(1.7)
Effect of exchange rate on cash	—	(4.0)	—	5.7	—	1.7
Cash – beginning of period	0.4	5.2	—	50.6	—	56.2
Cash – end of period	<u>\$ 1.1</u>	<u>\$ 4.4</u>	<u>\$ —</u>	<u>\$ 50.7</u>	<u>\$—</u>	<u>\$ 56.2</u>

Year Ended December 31, 2009						
	Parent	Issuer	Guarantors	Non-Guarantors	Elim	Total
Cash flows provided by (used in):						
Operating activities	\$ (9.2)	\$ 480.7	\$ 4.8	\$ 29.2	\$—	\$ 505.5
Investing activities	(0.2)	(106.3)	(4.9)	44.5	—	(66.9)
Financing activities	9.8	(377.1)	—	(26.6)	—	(393.9)
Increase (decrease) in cash	0.4	(2.7)	(0.1)	47.1	—	44.7
Effect of exchange rate on cash	—	1.4	—	(2.0)	—	(0.6)
Cash—beginning of period	—	6.5	0.1	5.5	—	12.1
Cash—end of period	<u>\$ 0.4</u>	<u>\$ 5.2</u>	<u>\$ —</u>	<u>\$ 50.6</u>	<u>\$—</u>	<u>\$ 56.2</u>

NOTE 17—QUARTERLY INFORMATION (UNAUDITED)

Our quarterly financial information is presented in the table below (in thousands, except per share amounts):

	First	Second	Third	Fourth	Year
2011					
Revenues	\$991.8	\$1,168.0	\$1,366.2	\$1,306.4	\$4,832.4
Gross margin	147.0	172.7	201.1	187.4	708.2
Net income (loss)	(1.1)	4.7	21.9	3.5	29.0
EPS:					
Basic	\$ (0.01)	\$ 0.06	\$ 0.26	\$ 0.04	\$ 0.34
Diluted	\$ (0.01)	\$ 0.06	\$ 0.26	\$ 0.04	\$ 0.34
2010					
Revenues	\$858.3	\$ 926.9	\$1,025.5	\$1,034.8	\$3,845.5
Gross margin	129.5	117.4	136.8	134.4	518.1
Net loss	(11.9)	(15.9)	(10.5)	(13.5)	(51.8)
EPS:					
Basic	\$ (0.14)	\$ (0.19)	\$ (0.12)	\$ (0.16)	\$ (0.61)
Diluted	\$ (0.14)	\$ (0.19)	\$ (0.12)	\$ (0.16)	\$ (0.61)



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Raymond James

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William Blair & Company

Barclays
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Through and including _____, 2012 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the costs and expenses to be paid by the registrant in connection with the sale of the shares of common stock being registered pursuant to this registration statement. All amounts are estimates except for the SEC registration fee, the Financial Regulatory Authority ("FINRA") filing fee and the NYSE Listing fee.

SEC registration fee	\$ 68,892
FINRA filing fee	60,614
NYSE listing fee	250,000
Accounting fee and expenses	125,000
Legal fees and expenses	1,750,000
Printing and engraving expenses	300,000
Blue Sky qualification fees and expenses	15,000
Transfer agent and registrar fees and expenses	5,000
Miscellaneous expenses	10,000
Total	<u>\$ 2,584,506</u>

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities (including reimbursement for expenses incurred) arising under the Securities Act of 1933, as amended (the "Securities Act").

As permitted by the Delaware General Corporation Law, the registrant's Certificate of Incorporation includes a provision that eliminates the personal liability of its directors for monetary damages for breach of fiduciary duty as a director, except for liability:

- for any breach of the director's duty of loyalty to the registrant or its stockholders;
- for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- under section 174 of the Delaware General Corporation Law regarding unlawful dividends and stock purchases; or
- for any transaction for which the director derived an improper personal benefit.

As permitted by the Delaware General Corporation Law, the registrant's Bylaws provide that:

- the registrant is required to indemnify its directors and officers to the fullest extent permitted by the Delaware General Corporation Law, subject to very limited exceptions;
- the registrant may indemnify its other employees and agents to the fullest extent permitted by the Delaware General Corporation Law, subject to very limited exceptions;
- the registrant is required to advance expenses, as incurred, to its directors and officers in connection with a legal proceeding to the fullest extent permitted by the Delaware General Corporation Law, subject to very limited exceptions;
- the registrant may advance expenses, as incurred, to its employees and agents in connection with a legal proceeding; and
- the rights conferred in the Bylaws are not exclusive.

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The registrant has entered into Indemnity Agreements with each of its current directors and officers to give these directors and officers additional contractual assurances regarding the scope of the indemnification set forth in the registrant's Certificate of Incorporation and to provide additional procedural protections. The registrant intends to enter into amended Indemnity Agreements with its directors and officers in connection with its initial public offering. At present, there is no pending litigation or proceeding involving a director, officer or employee of the registrant regarding which indemnification is sought, nor is the registrant aware of any threatened litigation that may result in claims for indemnification.

The indemnification provisions in the registrant's Certificate of Incorporation and Bylaws and the Indemnity Agreements entered into between the registrant and each of its directors and officers may be sufficiently broad to permit indemnification of the registrant's directors and officers for liabilities arising under the Securities Act.

The registrant and its subsidiaries are covered by liability insurance policies which indemnify their directors and officers against loss arising from claims by reason of their legal liability for acts as such directors, officers or trustees, subject to limitations and conditions as set forth in the policies.

The underwriting agreement to be entered into among the Company and the underwriters will contain indemnification and contribution provisions.

Item 15. Recent Sales of Unregistered Securities.

During the three years preceding the filing of this registration statement, the registrant has not sold its securities without registration under the Securities Act of 1933, as amended (the "Securities Act") except as described below.

On December 21, 2009 and February 11, 2010, the registrant issued an aggregate of \$1,050,000,000 of 9.50% senior secured notes due December 15, 2016 (the "Notes"). The sales of the Notes were made in private placements pursuant to Section 4(2) of the Securities Act. To the extent applicable, the initial resale of the Notes by Goldman, Sachs & Co. and the other initial purchasers thereof was made to qualified institutional buyers pursuant to Rule 144A and Regulation S under the Securities Act.

On October 30, 2009, the registrant sold 21,853 shares of common stock for \$500,000 to a director of the registrant. On October 21, 2010, the registrant sold 10,788 shares of common stock for \$200,000 to a director of the registrant. On April 1, 2011, the registrant sold 317 shares of common stock for \$3,054 to an employee of the registrant. All of these sales were made in reliance on Section 4(2) under the Securities Act and Rule 506 thereunder.

The amounts of our common stock, restricted stock and stock options described in this Item 15 and the corresponding share prices are adjusted to give retroactive effect to the two-for-one reverse split of our common stock which occurred on February 29, 2012.

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Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
1.1	Form of Underwriting Agreement
2.1	Agreement and Plan of Merger, dated as of December 4, 2006, by and among McJunkin Corporation, McJ Holding Corporation and Hg Acquisition Corp. (incorporated by reference to Exhibit 2.1 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
2.1.1	McJunkin Contribution Agreement, dated as of December 4, 2006, by and among McJunkin Corporation, McJ Holding LLC and certain shareholders of McJunkin Corporation (incorporated by reference to Exhibit 2.1.1 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
2.1.2	McApple Contribution Agreement, dated as of December 4, 2006, among McJunkin Corporation, McJ Holding LLC and certain shareholders of McJunkin Appalachian Oilfield Supply Company (incorporated by reference to Exhibit 2.1.2 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
2.2	Stock Purchase Agreement, dated as of April 5, 2007, by and between McJunkin Development Corporation, Midway-Tristate Corporation and the other parties thereto (incorporated by reference to Exhibit 2.2 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
2.2.1	Assignment Agreement, dated as of April 27, 2007, by and among McJunkin Development Corporation, McJunkin Appalachian Oilfield Supply Company, Midway-Tristate Corporation, and John A. Selzer, as Representative of the Shareholders (incorporated by reference to Exhibit 2.2.1 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
2.3	Stock Purchase Agreement, dated as of July 6, 2007, by and among West Oklahoma PVF Company, Red Man Pipe & Supply Co., the Shareholders listed on Schedule 1 thereto, PVF Holdings LLC, and Craig Ketchum, as Representative of the Shareholders (incorporated by reference to Exhibit 2.3 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
2.3.1	Contribution Agreement, dated July 6, 2007, by and among McJ Holding LLC and certain shareholders of Red Man Pipe & Supply Co. (incorporated by reference to Exhibit 2.3.1 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
2.3.2	Amendment No. 1 to Stock Purchase Agreement, dated as of October 24, 2007, by and among West Oklahoma PVF Company, Red Man Pipe & Supply Co., and Craig Ketchum, as Representative of the Shareholders (incorporated by reference to Exhibit 2.3.2 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).

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<u>Exhibit Number</u>	<u>Description</u>
2.3.3	Joinder Agreement and Amendment No. 2 to the Stock Purchase Agreement, dated as of October 31, 2007, by and among West Oklahoma PVF Company, Red Man Pipe & Supply Co., PVF Holdings LLC, Craig Ketchum, as Representative of the Shareholders, and the other parties thereto (incorporated by reference to Exhibit 2.3.3 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
3.1++	Form of Amended and Restated Certificate of Incorporation of MRC Global Inc.
3.2++	Form of Amended and Restated Bylaws of MRC Global Inc.
3.3	Amended and Restated Certificate of Incorporation of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (incorporated by reference to Exhibit 3.3 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035)).
3.3.1	Certificate of Amendment to Amended and Restated Certificate of Incorporation of MRC Global Inc. dated January 10, 2012 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of MRC Global Inc. filed with the SEC on January 13, 2012).
3.3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation of MRC Global Inc. dated February 29, 2012 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K of MRC Global Inc. filed with the SEC on March 1, 2012.)
3.4	Bylaws of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8- K of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) filed with the SEC on November 16, 2011).
4.1	Specimen Common Stock Certificate.
4.2	Indenture, dated as of December 21, 2009, by and among McJunkin Red Man Corporation, the guarantors named therein and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
4.3	Form of 9.50% Senior Secured Notes due December 15, 2016 (included as part of Exhibit 4.2 above).
4.4	Exchange and Registration Rights Agreement, dated as of December 21, 2009, by and among McJunkin Red Man Corporation, MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), the subsidiary guarantors party thereto, Goldman, Sachs & Co., Barclays Capital Inc., Banc of America Securities LLC and J.P. Morgan Securities Inc. (incorporated by reference to Exhibit 4.3 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
4.5	Exchange and Registration Rights Agreement, dated as of February 11, 2010, by and among McJunkin Red Man Corporation, MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), the subsidiary guarantors party thereto, Goldman, Sachs & Co. and Barclays Capital Inc. (incorporated by reference to Exhibit 4.4 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).

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<u>Exhibit Number</u>	<u>Description</u>
4.6	Reaffirmation Agreement, dated as of February 11, 2010, by and among McJunkin Red Man Corporation, MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), the subsidiary guarantors party thereto, and U.S. Bank National Association, as collateral trustee (incorporated by reference to Exhibit 4.5 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
5.1	Opinion of Fried, Frank, Harris, Shriver & Jacobson LLP.
10.1	Amended and Restated Loan, Security and Guarantee Agreement, dated March 27, 2012, between McJunkin Red Man Corporation and the other parties thereto.
10.2	Revolving Facility Agreement, dated September 17, 2010, between MRC Transmark Holdings UK Limited, HSBC Bank plc and the other parties thereto (incorporated by reference to Exhibit 10.6 to Amendment No. 4 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on July 1, 2011).
10.3++	Form of Registration Rights Agreement between MRC Global Inc. and PVF Holding LLC.
10.3.1++	Form of Second Amendment to the Registration Rights Agreement among MRC Global Inc., PVF Holdings LLC and the other parties thereto.
10.4++	Form of Indemnification Agreement between MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) and Directors.
10.5†	Employment Agreement, dated as of September 10, 2008, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) and Andrew R. Lane incorporated by reference to Exhibit 10.29 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.5.1†	Amendment to Employment Agreement by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) and Andrew R. Lane, dated February 23, 2011 (incorporated by reference to Exhibit 10.7.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
10.6++†	Amended and Restated Employment Agreement, dated as of December 5, 2011, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) and James Underhill.
10.7†	Employment Agreement, dated as of September 10, 2009, by and between Transmark Fcx Limited and Neil P. Wagstaff (incorporated by reference to Exhibit 10.10.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.7.1†	Amendment to Employment Agreement by and between MRC Transmark Limited and Neil P. Wagstaff, dated February 23, 2011 (incorporated by reference to Exhibit 10.10.2 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).

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<u>Exhibit Number</u>	<u>Description</u>
10.8†	Letter Agreement, dated as of September 24, 2008, by and among H.B. Wehrle, III, PVF Holdings LLC and McJunkin Red Man Corporation (incorporated by reference to Exhibit 10.11 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333- 153091), filed with the SEC on September 26, 2008).
10.9†	Letter Agreement, dated as of December 22, 2008, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) and Craig Ketchum (incorporated by reference to Exhibit 10.12 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
10.10†	2007 Stock Option Plan, as amended (incorporated by reference to Exhibit 10.13.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.10.1†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement (incorporated by reference to Exhibit 10.17.1 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.10.2†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement (Director Grant May 2010—Dutch residents) (incorporated by reference to Exhibit 10.9.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
10.10.3†	Form of McJunkin MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement (Director Grant May 2010—US residents) (incorporated by reference to Exhibit 10.9.2 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
10.11†	2007 Restricted Stock Plan, as amended (incorporated by reference to Exhibit 10.14.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.12.1†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Restricted Stock Award Agreement (incorporated by reference to Exhibit 10.18.1 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.13†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) 2007 Stock Option Plan (Canada) (incorporated by reference to Exhibit 10.19 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.13.1†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement (Canada) (for plan participants who are parties to non-competition agreements) (incorporated by reference to Exhibit 10.19.1 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333- 153091), filed with the SEC on September 26, 2008).

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<u>Exhibit Number</u>	<u>Description</u>
10.13.2†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement (Canada) (for plan participants who are not parties to non-competition agreements) (incorporated by reference to Exhibit 10.19.2 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.14†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Deferred Compensation Plan (incorporated by reference to Exhibit 10.20 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.15	Indemnity Agreement, dated as of December 4, 2006, by and among McJunk MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), Hg Acquisition Corp., McJunkin Red Man Corporation, and certain shareholders of McJunkin Red Man Corporation named therein (incorporated by reference to Exhibit 10.21 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.16†	Management Stockholders Agreement, dated as of March 27, 2007, by and among PVF Holdings LLC, MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), and the other parties thereto (incorporated by reference to Exhibit 10.22 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.16.1†	Amendment No. 1 to the Management Stockholders Agreement, dated as of December 21, 2007, executed by PVF Holdings LLC (incorporated by reference to Exhibit 10.22.1 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333- 153091), filed with the SEC on September 26, 2008).
10.16.2†	Amendment No. 2 to the Management Stockholders Agreement, dated as of December 26, 2007, executed by PVF Holdings LLC (incorporated by reference to Exhibit 10.22.2 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333- 153091), filed with the SEC on September 26, 2008).
10.17†	Amended and Restated Limited Liability Company Agreement of PVF Holdings LLC, dated as of October 31, 2007 (incorporated by reference to Exhibit 10.19 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.17.1†	Amendment No. 1, dated as of December 18, 2007, to the Amended and Restated Limited Liability Company Agreement of PVF Holdings LLC (incorporated by reference to Exhibit 10.20.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.17.2†	Amendment No. 2, dated as of October 31, 2009, to the Amended and Restated Limited Liability Company Agreement of PVF Holdings LLC (incorporated by reference to Exhibit 10.20.2 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).

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<u>Exhibit Number</u>	<u>Description</u>
10.18†	Subscription Agreement, dated as of September 10, 2008, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), Andrew R. Lane, and PVF Holdings LLC (incorporated by reference to Exhibit 10.30 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008).
10.19.1†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement, dated as of September 10, 2008, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), PVF Holdings LLC, and Andrew R. Lane (incorporated by reference to Exhibit 10.31 to Amendment No. 1 to the Registration Statement on Form S-1 of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) (No. 333-153091), filed with the SEC on September 26, 2008)
10.19.2†	Amendment to the MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Corporation Nonqualified Stock Option Agreement, dated as of June 1, 2009, by and among McJunkin Red Man Holding Corporation, PVF Holdings LLC, and Andrew R. Lane (incorporated by reference to Exhibit 10.23.2 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.19.3†	Second Amendment to the MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement, dated as of September 10, 2009, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), PVF Holdings LLC, and Andrew R. Lane (incorporated by reference to Exhibit 10.23.3 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
10.20.1†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Restricted Stock Award Agreement, dated as of February 24, 2009, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), PVF Holdings LLC, and Andrew R. Lane (incorporated by reference to Exhibit 10.24.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.20.2†	Amendment to the MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Restricted Stock Award Agreement, dated as of June 1, 2009, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), PVF Holdings LLC, and Andrew R. Lane (incorporated by reference to Exhibit 10.24.2 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.21†	Subscription Agreement, dated as of October 3, 2008, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), Len Anthony, and PVF Holdings LLC (incorporated by reference to Exhibit 10.25 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.21.1†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement, dated as of October 3, 2008, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), PVF Holdings LLC, and Len Anthony (incorporated by reference to Exhibit 10.26.1 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).

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<u>Exhibit Number</u>	<u>Description</u>
10.21.2†	Amendment to the MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement, dated as of September 10, 2009, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), PVF Holdings LLC, and Len Anthony (incorporated by reference to Exhibit 10.26.2 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.22†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Restricted Stock Award Agreement, dated as of September 10, 2009, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), PVF Holdings LLC, and Len Anthony (incorporated by reference to Exhibit 10.27 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.23†	Subscription Agreement, dated as of October 30, 2009, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), John A. Perkins, and PVF Holdings LLC (incorporated by reference to Exhibit 10.28 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
10.24†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement, dated as of December 3, 2009, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation), PVF Holdings LLC, and John A. Perkins (incorporated by reference to Exhibit 10.29 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333- 173035) filed with the SEC on March 24, 2011).
10.25†	Indemnification Agreement by and between the Company and Peter C. Boylan, III dated August 11, 2010 (incorporated by reference to Exhibit 10.30 to the Registration Statement on Form S-4 of McJunkin Red Man Corporation (No. 333-173035) filed with the SEC on March 24, 2011).
10.26+++†	Employment Agreement, dated as of November 15, 2011, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) and Daniel J. Churay.
10.27†	Employment Agreement, dated as of November 15, 2011, by and among MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) and James E. Braun (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) filed with the SEC on November 16, 2011).
10.28†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) 2011 Omnibus Incentive Plan (Incorporated by reference to Exhibit 10.27 the Annual Report on Form 10-K of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) filed with the SEC on March 5, 2012).
10.28.1+++†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Director Option Agreement.
10.28.2+++†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Nonqualified Stock Option Agreement.
10.28.3+++†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Director Restricted Stock Award Agreement.
10.28.4+++†	Form of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Restricted Stock Award Agreement.

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<u>Exhibit Number</u>	<u>Description</u>
10.29†	MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) Director Compensation Plan (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation) filed with the SEC on November 16, 2011).
10.30++	Form of Governance Agreement, by and among PVF Holdings LLC and MRC Global Inc.
21.1++	List of Subsidiaries of MRC Global Inc. (formerly known as McJunkin Red Man Holding Corporation).
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm.
23.2	Consent of Fried, Frank, Harris, Shriver & Jacobson LLP (included in Exhibit 5.1)
23.3	Consent of Spears & Associates, Inc.
24.1++	Powers of Attorney (included on signature page)

+ To be filed by amendment.

++ Previously filed.

† Management contract or compensatory plan or arrangement required to be posted as an exhibit to this report.

Item 17. Undertakings.

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described in Item 14 above, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective; and

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act, MRC Global Inc. has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Houston, State of Texas, on the 28th day of March, 2012.

MRC GLOBAL INC.

By: /s/ ANDREW R. LANE
Andrew R. Lane
Chairman, President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ ANDREW R. LANE</u> Andrew R. Lane	Chairman, President and Chief Executive Officer (Principal Executive Officer)	March 28, 2012
<u>/s/ JAMES E. BRAUN</u> James E. Braun	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	March 28, 2012
<u>/s/ ELTON BOND</u> Elton Bond	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	March 28, 2012
<u> *</u> Leonard M. Anthony	Director	March 28, 2012
<u> *</u> Rhys J. Best	Director	March 28, 2012
<u> *</u> Peter C. Boylan III	Director	March 28, 2012
<u> *</u> Henry Cornell	Director	March 28, 2012
<u> *</u> Christopher A.S. Crampton	Director	March 28, 2012
<u> *</u> John F. Daly	Director	March 28, 2012

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
* _____ Craig Ketchum	Director	March 28, 2012
* _____ Gerard P. Krans	Director	March 28, 2012
* _____ Dr. Cornelis A. Linse	Director	March 28, 2012
* _____ John A. Perkins	Director	March 28, 2012
* _____ H.B. Wehrle, III	Director	March 28, 2012

BY: /s/ ANDREW R. LANE

Attorney-in-Fact

MRC Global Inc.

Common Stock, Par Value \$0.01 per Share

Underwriting Agreement

, 2012

Goldman, Sachs & Co.,
Barclays Capital Inc.

As representatives of the several Underwriters
named in Schedule I hereto,

c/o Goldman, Sachs & Co.
200 West Street
New York, New York 10282-2198

c/o Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019

Ladies and Gentlemen:

MRC Global Inc., a Delaware corporation (the "Company"), proposes, subject to the terms and conditions stated herein, to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") an aggregate of [·] shares of common stock, par value \$0.01 per share ("Stock"), of the Company and the stockholder of the Company named in Schedule II hereto (the "Selling Stockholder") proposes, subject to the terms and conditions stated herein, to sell to the Underwriters an aggregate of [·] shares of Stock and, at the election of the Underwriters, up to [·] additional shares of Stock. The aggregate of [·] shares to be sold by the Company and [·] shares to be sold by the Selling Stockholder is herein called the "Firm Shares" and the aggregate of [·] additional shares that may be sold by the Selling Stockholder is herein called the "Optional Shares." The Firm Shares and the Optional Shares, which the Underwriters elect to purchase pursuant to Section 2 hereof, are herein collectively called the "Shares."

The Company hereby confirms its engagement of Robert W. Baird & Co. Incorporated (“Baird”) as, and Baird hereby confirms its agreement with the Company to render services as, a “qualified independent underwriter” within the meaning of Rule 5121(f)(12) of the Financial Industry Regulatory Authority, Inc. (“FINRA”) with respect to the offering and sale of the Shares. Baird, in its capacity as qualified independent underwriter and not otherwise, is referred to herein as the “Independent Underwriter.” Baird hereby consents to the reference to it as set forth under the heading “Underwriting” in the Pricing Prospectus and the Prospectus (as defined in Section 1(i)(a) below) and any amendment or supplement thereto made in accordance with Section 5(c) hereof.

1. (i) The Company represents and warrants to, and agrees with, each of the Underwriters and the Independent Underwriter, as of the Applicable Time, that:

(a) A registration statement on Form S-1 (File No. 333-178980) (the “Initial Registration Statement”) in respect of the Shares has been filed with the Securities and Exchange Commission (the “Commission”); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you, and, excluding exhibits thereto, to you for each of the other Underwriters, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a “Rule 462(b) Registration Statement”), filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the “Act”), which became effective upon filing, no other document with respect to the Initial Registration Statement has heretofore been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or, to the Company’s knowledge, threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act is hereinafter called a “Preliminary Prospectus”; the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the Initial Registration Statement at the time it was declared effective, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the “Registration Statement”; the Preliminary Prospectus

relating to the Shares that was included in the Registration Statement immediately prior to the Applicable Time (as defined in Section 1(i)(c) hereof) is hereinafter called the "Pricing Prospectus"; and such final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, is hereinafter called the "Prospectus"; and any "issuer free writing prospectus" as defined in Rule 433 under the Act relating to the Shares is hereinafter called an "Issuer Free Writing Prospectus");

(b) No order preventing or suspending the use of any Preliminary Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and the Pricing Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the representatives expressly for use therein;

(c) For the purposes of this Agreement, the "Applicable Time" is : [a/p.]m (Eastern time) on the date of this Agreement; the Pricing Prospectus as supplemented by those Issuer Free Writing Prospectuses and other information and documents listed in Schedule III(a) hereto, taken together (collectively, the "Pricing Disclosure Package"), as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus listed on Schedule III(a) or Schedule III(b) hereto does not conflict with the information contained in the Registration Statement, the Pricing Prospectus or the Prospectus and each such Issuer Free Writing Prospectus, as supplemented by and taken together with the Pricing Prospectus as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that this representation and warranty shall not apply to statements or omissions made in the Pricing Prospectus or an Issuer Free Writing Prospectus in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the representatives expressly for use therein;

(d) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will conform, in all material respects to the requirements of

the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each part of the Registration Statement and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; *provided, however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the representatives expressly for use therein;

(e) Neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included in the Pricing Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, that would reasonably be expected, individually or in the aggregate, to have a material adverse effect on the current or future financial position, stockholders' equity or results of operations of the Company and its subsidiaries taken as a whole ("Material Adverse Effect") otherwise than as set forth or contemplated in the Pricing Disclosure Package and the Prospectus; and, since the respective dates as of which information is given in the Registration Statement and the Pricing Disclosure Package, there has not been any change in the capital stock or long-term debt of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries taken as a whole, otherwise than as set forth or contemplated in the Pricing Disclosure Package and the Prospectus;

(f) The Company and its subsidiaries have good and marketable title in fee simple to all material real property owned by them and good and marketable title to all material personal property owned by them, in each case free and clear of all liens, encumbrances and defects, except such liens, encumbrances and defects as are described in the Pricing Disclosure Package and the Prospectus or such as are not reasonably expected to have in the aggregate a Material Adverse Effect; and any material real property and material buildings held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not reasonably expected to have a Material Adverse Effect;

(g) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and

conduct its business as described in the Pricing Disclosure Package and the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except where the failure to be so qualified or be in good standing in any jurisdiction would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and each “significant subsidiary” (as such term is defined in Rule 1-02(w) of Regulation S-X of the rules and regulations of the Commission, “Significant Subsidiary”) of the Company has been duly incorporated or organized and is validly existing and in good standing under the laws of its jurisdiction of incorporation or organization;

(h) The Company has an authorized capitalization as set forth in the Pricing Disclosure Package and the Prospectus and all of the issued shares of capital stock of the Company (including the Shares to be sold by Selling Stockholder) have been duly authorized and validly issued and are fully paid and non-assessable and conform to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus; and all of the issued shares of capital stock of each Significant Subsidiary of the Company have been duly authorized and validly issued, are fully paid and non-assessable and (except as otherwise set forth in the Pricing Disclosure Package and the Prospectus and except for directors’ qualifying shares) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims;

(i) The unissued Shares to be issued and sold by the Company to the Underwriters hereunder have been duly authorized and, when issued and delivered against payment therefor as provided herein, will be validly issued and fully paid and non-assessable and will conform to the description of the Stock contained in the Prospectus;

(j) The issue and sale of the Shares to be sold by the Company and the compliance by the Company with all of the provisions of this Agreement and the consummation of the transactions herein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such action result in any violation of the provisions of the Amended and Restated Certificate of Incorporation or Amended and Restated By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, except for such conflicts, breaches, violations or

defaults, as would not reasonably be expected to have a Material Adverse Effect or a material adverse effect on the ability of the Company to consummate the transactions contemplated by this Agreement; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body having jurisdiction over the Company or the subsidiaries is required for the issue of the Shares to be sold by the Company and the sale of the Shares or the consummation by the Company of the transactions contemplated by this Agreement, except the registration under the Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), of the Shares and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws or the rules and regulations of FINRA in connection with the purchase and distribution of the Shares by the Underwriters;

(k) (i) The Company is not in violation of its Amended and Restated Certificate of Incorporation or Amended and Restated By-laws, (ii) none of the Company's Significant Subsidiaries are in violation of their respective certificates of incorporation or by-laws (or similar organizational documents), and (iii) neither the Company nor any of its Significant Subsidiaries is in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of each of (i), (ii) and (iii) where such default would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(l) The statements set forth in the Pricing Prospectus and the Prospectus under the caption "Description of Our Capital Stock", insofar as they purport to constitute a summary of the terms of the Stock, and under the captions "Material United States Federal Tax Considerations for Non-U.S. Holders" and "Underwriting", insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair in all material respects;

(m) Other than as set forth in the Pricing Disclosure Package and the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate reasonably be expected to have a Material Adverse Effect; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(n) The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof, will not be an “investment company”, as such term is defined in the Investment Company Act of 1940, as amended (the “Investment Company Act”);

(o) Ernst & Young LLP, who has certified certain financial statements of the Company and its consolidated subsidiaries included in the Pricing Prospectus and the Prospectus, is an independent public accounting firm with respect to the Company and its consolidated subsidiaries, as required by the Act and the rules and regulations of the Commission thereunder;

(p) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management’s general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with United States generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company is not aware of any material weaknesses in its internal accounting controls;

(q) Since the date of the latest audited financial statements included in the Pricing Disclosure Package, there has been no change in the Company’s internal control over financial reporting that has materially adversely affected, or is reasonably likely to materially adversely affect, the Company’s internal control over financial reporting;

(r) The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that comply with the requirements of the Exchange Act; such disclosure controls and procedures have been designed to ensure that material information required to be disclosed by the Company and its subsidiaries in the reports it files or will file or submit under the Exchange Act, as applicable, is made known to the Company’s principal executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective to perform the functions for which they were established;

(s) The Company and its subsidiaries (i) are in compliance with any and all applicable federal, state, local and foreign laws, rules, regulations, decisions and orders relating to the protection of employee health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants (collectively, “Environmental Laws”); (ii) have

received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (iii) have not received notice of any actual or potential liability for the actual or alleged exposure to, or the investigation or remediation of any disposal or release of, any hazardous or toxic substances or wastes, pollutants or contaminants (including asbestos or asbestos containing materials), except in the case of (i), (ii) and (iii) above, for any such failure to comply, or failure to receive required permits, licenses or approvals, or liability as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect;

(t) The Company and each of its subsidiaries have filed all federal, state, local and foreign tax returns required to be filed through the date of this Agreement or have requested extensions thereof (except where the failure to file would not, individually or in the aggregate, have a Material Adverse Effect) and have paid all taxes required to be paid thereon (except for cases in which the failure to file or pay would not have a Material Adverse Effect, or, except as currently being contested in good faith and for which reserves required by U.S. GAAP have been created in the financial statements of the Company), and no tax deficiency has been determined adversely to the Company or any of its subsidiaries which has had (nor does the Company nor any of its subsidiaries have any notice or knowledge of any tax deficiency which could reasonably be expected to be determined adversely to the Company or its subsidiaries and which could reasonably be expected to have) a Material Adverse Effect.

(u) Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent or employee acting on behalf of the Company or any of its subsidiaries, is aware of or has taken any action, directly or indirectly, that would result in a material violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA; and, except as would not reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries have conducted their businesses in compliance in all respects with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith;

(v) The operations of the Company and its subsidiaries are currently in material compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions where the Company and its subsidiaries conduct business, the applicable rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency, including Section 352(a) of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (collectively, the “Money Laundering Laws”); and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened or contemplated;

(w) Neither the Company nor any of its subsidiaries is established under the laws of, or doing a material amount of business or otherwise resident in, any country that is the subject of sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“OFAC”), nor is the Company or any such subsidiary or, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries currently (i) on any SDN or Blocked Persons List issued by OFAC or (ii) the subject of any investigation or other proceedings related to the economic sanctions regulations administered by OFAC; and

(x) There is and has been no failure on the part of the Company or, to the knowledge of the Company, any of the Company’s directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith, including Section 402 related to loans and Sections 302 and 906 related to certifications, that are effective and applicable to the Company as of the date hereof.

(ii) The Selling Stockholder represents and warrants to, and agrees with, each of the Underwriters and the Company, as of the Applicable Time, that:

(a) The Selling Stockholder has full right, power and authority to enter into this Agreement and to sell, assign, transfer and deliver the Shares to be sold by the Selling Stockholder hereunder;

(b) The sale of the Shares to be sold by the Selling Stockholder hereunder and the compliance by the Selling Stockholder with this Agreement and the consummation by the Selling Stockholder of the transactions herein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default

under, any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which the Selling Stockholder is a party or by which the Selling Stockholder is bound or to which any of the property or assets of the Selling Stockholder is subject, nor will such action result in any violation of the provisions of the limited liability company agreement of the Selling Stockholder or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Selling Stockholder or any property or assets of the Selling Stockholder, except in each such case for such conflicts, breaches, violations or defaults which would not have a material adverse effect on the Selling Stockholder, and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental body or agency is required for the performance by the Selling Stockholder of its obligations under this Agreement and the consummation by the Selling Stockholder of the transactions contemplated by this Agreement in connection with the Shares to be sold by the Selling Stockholder hereunder, except the approval by FINRA of the underwriting terms and arrangements and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under the federal securities laws or state securities or Blue Sky laws in connection with the registration, purchase and distribution of the Shares;

(c) The Selling Stockholder has, and immediately prior to each Time of Delivery (as defined in Section 4 hereof) the Selling Stockholder will have, good and valid title to the Shares to be sold by the Selling Stockholder hereunder at such Time of Delivery, free and clear of all liens, encumbrances, equities or claims; and, upon delivery of the Shares and payment therefor pursuant hereto, good and valid title to the Shares, free and clear of all liens, encumbrances, equities or claims, will pass to the several Underwriters;

(d) On or prior to the date of the Pricing Prospectus, the Selling Stockholder has executed and delivered to the Underwriters a lock-up agreement substantially in the form attached as Annex II hereto;

(e) The Selling Stockholder has not taken and will not take, directly or indirectly, any action that is designed to or that has constituted or might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares;

(f) The Selling Stockholder Information does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading. As used in this Agreement, the "Selling Stockholder Information" means information relating to the Selling Stockholder furnished in writing by or on

behalf of the Selling Stockholder expressly for use in the Registration Statement, the Pricing Disclosure Package or the Prospectus, it being understood and agreed that the only Selling Stockholder Information so furnished by the Selling Stockholder consists solely of the name and address of the Selling Stockholder, the number of shares owned and the number of shares proposed to be sold by the Selling Stockholder, and the information about the Selling Stockholder appearing in the text corresponding to the footnote adjacent to such Selling Stockholder's name under the caption "Principal and Selling Stockholders" in the Pricing Disclosure Package and the Prospectus or any amendments or supplements thereto; and

(g) In order to document the Underwriters' compliance with the reporting and withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the transactions herein contemplated, the Selling Stockholder will deliver to you prior to or at the First Time of Delivery a properly completed and executed United States Treasury Department Form W-9 (or other applicable form or statement specified by Treasury Department regulations in lieu thereof).

2. Subject to the terms and conditions herein set forth, (a) the Company and the Selling Stockholder agree, severally and not jointly, to sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company and the Selling Stockholder, at a purchase price per share of \$[·], the number of Firm Shares (to be adjusted by you so as to eliminate fractional shares) determined by multiplying the aggregate number Firm Shares to be sold by the Company and the Selling Stockholder as set forth opposite their respective names in Schedule II hereto by a fraction, the numerator of which is the aggregate number of Firm Shares to be purchased by such Underwriter as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the aggregate number of Firm Shares to be purchased by all of the Underwriters from the Company and the Selling Stockholder hereunder and (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Shares as provided below, the Selling Stockholder, to the extent indicated in Schedule II hereto, agrees to sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Selling Stockholder, at the purchase price per share set forth in clause (a) of this Section 2, that portion of the number of Optional Shares as to which such election shall have been exercised (to be adjusted by you so as to eliminate fractional shares) determined by multiplying such number

of Optional Shares by a fraction, the numerator of which is the maximum number of Optional Shares which such Underwriter is entitled to purchase as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the maximum number of Optional Shares that all of the Underwriters are entitled to purchase hereunder. The public offering price of the Shares is not in excess of the price recommended by the Independent Underwriter, acting as a "qualified independent underwriter" within the meaning of FINRA Rule 5121(f)(12).

The Selling Stockholder, as and to the extent indicated in Schedule II hereto, hereby grants to the Underwriters the right to purchase at their election up to [·] Optional Shares, at the purchase price per share set forth in the paragraph above, for the sole purpose of covering sales of shares in excess of the number of Firm Shares, provided that the purchase price per Optional Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares. If any Optional Shares are to be purchased, the number of Optional Shares to be purchased by each Underwriter shall be the number of Optional Shares which bears the same ratio to the aggregate number of Optional Shares being purchased as the number of Firm Shares set forth opposite the name of such Underwriter in Schedule I hereto bears to the aggregate number of Firm Shares being purchased by the several Underwriters, subject, however, to such adjustments to eliminate any fractional Shares as the representatives in their sole discretion shall make. Any such election to purchase Optional Shares may be exercised only by written notice from you to the Company and the Selling Stockholder, given within a period of 30 calendar days after the date of this Agreement, setting forth the aggregate number of Optional Shares to be purchased and the date on which such Optional Shares are to be delivered, as determined by you but in no event earlier than the First Time of Delivery (as defined in Section 4 hereof) or, unless you and the Company and the Selling Stockholder otherwise agree in writing, earlier than two or later than ten business days after the date of such notice.

3. Upon the authorization by you of the release of the Firm Shares, the several Underwriters propose to offer the Firm Shares for sale upon the terms and conditions set forth in the Prospectus.

4. (a) The Shares to be purchased by each Underwriter hereunder, in definitive form and in such authorized denominations and registered in such names as the representatives may request upon at least forty-eight hours' prior notice to the Company and the Selling Stockholder, shall be delivered by or on behalf of the Company and the Selling Stockholder to the representatives, through the facilities of the Depository Trust Company ("DTC"), for the account of such Underwriter, against payment by or on behalf of such Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company and the Selling

Stockholder to the representatives at least forty-eight hours in advance. The Company and the Selling Stockholder will cause the certificates representing the Shares to be made available for checking and packaging or will otherwise make Shares available through DTC in uncertificated form at least twenty-four hours prior to the Time of Delivery (as defined below) with respect thereto at the office of DTC or its designated custodian (the "Designated Office"). The time and date of such delivery and payment shall be, with respect to the Firm Shares, 9:30 a.m., New York City time, on [·], 2012 or such other time and date as the representatives, the Company and the Selling Stockholder may agree upon in writing, and, with respect to the Optional Shares, 9:30 a.m., New York time, on the date specified by the representatives in the written notice given by the representatives of the Underwriters' election to purchase such Optional Shares, or such other time and date as the representatives, the Company and the Selling Stockholder may agree upon in writing. Such time and date for delivery of the Firm Shares is herein called the "First Time of Delivery", such time and date for delivery of the Optional Shares, if not the First Time of Delivery, is herein called the "Second Time of Delivery", and each such time and date for delivery is herein called a "Time of Delivery."

(b) The documents to be delivered at each Time of Delivery by or on behalf of the parties hereto pursuant to Section 8 hereof, including the cross receipt for the Shares and any additional documents requested by the Underwriters pursuant to Section 8(l) hereof, will be delivered at the offices of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 (the "Closing Location"), and the Shares will be delivered at the Designated Office, all at such Time of Delivery. A meeting will be held at the Closing Location at 2:00 p.m., New York City time, on the New York Business Day next preceding such Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Section 4, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City are generally authorized or obligated by law or executive order to close.

5. The Company agrees with each of the Underwriters:

(a) To prepare the Prospectus in a form to which you shall not reasonably object and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make no further amendment or any supplement to the Registration Statement or the Prospectus prior to the last Time of Delivery to which you reasonably object promptly after reasonable notice thereof; to advise you,

promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to file promptly all material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Shares, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as you may reasonably request to qualify the Shares for offering and sale under the securities laws of such jurisdictions as you may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Shares, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process or subject itself to taxation for doing business in any jurisdiction;

(c) Prior to 10:00 a.m., New York City time, on the second New York Business Day next succeeding the date of this Agreement (or as otherwise agreed to by the parties) and from time to time, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the Underwriters notify the Company that, or the Company otherwise has knowledge that, the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Shares and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus in order to comply with the Act, to notify you and upon your request to prepare and furnish without charge to each Underwriter

and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance; and in case any Underwriter is required to deliver a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) in connection with sales of any of the Shares at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of such Underwriter, to prepare and deliver to such Underwriter as many written and electronic copies as you may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than sixteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) (1) During the period beginning from the date hereof and continuing to and including the date 180 days after the date of the Prospectus (the "Company Lock-Up Period"), not to (a) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or file with the Commission a registration statement under the Act relating to, any securities of the Company that are substantially similar to the Shares, including but not limited to any options or warrants to purchase shares of Stock or any securities that are convertible into or exchangeable for, or that represent the right to receive, Stock or any such substantially similar securities or publicly disclose the intention to make any offer, sale, pledge, disposition or filing or (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Stock or such other securities, in cash or otherwise (other than (i) the Shares to be sold hereunder or pursuant to employee benefit plans and stock option, restricted stock and other equity plans pursuant to which employees and directors may receive awards in respect of Stock, (ii) upon the conversion or exchange of convertible or exchangeable securities outstanding as of, the date of this Agreement, (iii) the filing of any registration statement on Form S-8 or S-8/S-3 relating to securities described in clauses (i) and (ii) above or any other securities eligible to be covered by a Form S-8, and (iv) offers, sales and issuances of up to 10% of the Stock outstanding at the time of the issuance as consideration or partial consideration for acquisitions of businesses or in connection with the formation of joint ventures), without your prior written consent; *provided, however*, that if (1) during the last 17 days of

the Company Lock-Up Period, the Company releases earnings results or announces material news or a material event or (2) prior to the expiration of the Company Lock-Up Period, the Company announces that it will release earnings results during the 15-day period following the last day of the Company Lock-Up Period, then in each case the Company Lock-Up Period will be automatically extended until the expiration of the 18-day period beginning on the date of release of the earnings results or the announcement of the material news or material event, as applicable, unless Goldman, Sachs & Co. waives, in writing, such extension; the Company will provide Goldman, Sachs & Co. and each person subject to the Lock-Up Period pursuant to the lock-up agreements described in Section 8(j) with prior written notice of any such announcement that gives rise to an extension of the Company Lock-up Period or the Stockholder Lock-Up Period (as defined in the lock-up agreements described in Section 8(j));

(2) If Goldman, Sachs & Co., in its sole discretion, agrees to release or waive the restrictions set forth in a lock-up letter described in Section 8(j) hereof for an officer or director of the Company and provides the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Annex I hereto through a major news service at least two business days before the effective date of the release or waiver.

(f) To furnish to its stockholders as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements of income, stockholders' equity and cash flows of the Company and its consolidated subsidiaries certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the effective date of the Registration Statement), to make available to its stockholders consolidated summary financial information of the Company and its subsidiaries for such quarter in reasonable detail; *provided, however*, that the Company shall be deemed to comply with this covenant so long as it files all reports required under Section 13 or 15(d) of the Exchange Act with the Commission;

(g) During a period of five years from the effective date of the Registration Statement, to furnish to you copies of all reports or other communications (financial or other) furnished to stockholders, and to deliver to you as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed; *provided, however*, that the Company shall be deemed to comply with this covenant so long as it files all reports required under Section 13 or 15(d) of the Exchange Act with the Commission;

(h) To use the net proceeds received by it from the sale of the Shares pursuant to this Agreement in the manner specified in the Pricing Prospectus under the caption “Use of Proceeds”;

(i) To use its best efforts to list, subject to notice of issuance, the Shares on the New York Stock Exchange (the “Exchange”);

(j) To file with the Commission such information on Form 10-Q or Form 10-K as may be required by Rule 463 under the Act;

(k) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act;

(l) Upon request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company’s trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Shares (the “License”); *provided, however*, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred; and

(m) To use its best efforts to maintain, within the time periods specified in and to the extent required by Rule 13a-15 under the Exchange Act, a system of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that complies with the requirements of the Exchange Act.

6. (a) The Company represents and agrees that, without the prior consent of the representatives, it has not made and will not make any offer relating to the Shares that would constitute a “free writing prospectus” as defined in Rule 405 under the Act; the Selling Stockholder represents and agrees that, without the prior consent of the Company and the representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus; and each Underwriter represents and agrees that, without the prior consent of the Company and the representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus; any such free writing prospectus the use of which has been consented to in accordance with this Section 6(a) is listed on Schedule III(a) or Schedule III(b) hereto;

(b) The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and

legending; and the Company represents that it has satisfied and agrees that it will satisfy the conditions under Rule 433 under the Act to avoid a requirement to file with the Commission any electronic road show; and

(c) The Company agrees that if at any time following issuance of an Issuer Free Writing Prospectus any event occurred or occurs as a result of which such Issuer Free Writing Prospectus would conflict with the information in the Registration Statement, the Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing at the time of such issuance, not misleading, the Company will give prompt notice thereof to the representatives and, following such notice, if requested by the representatives, will prepare and furnish without charge to each Underwriter an Issuer Free Writing Prospectus or other document which will correct such conflict, statement or omission; *provided, however*, that this Section 6(c) shall not apply to any statements or omissions in an Issuer Free Writing Prospectus made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter through the representatives expressly for use therein.

7. The Company and the Selling Stockholder covenant and agree with one another and with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's and Selling Stockholder's counsel and accountants in connection with the registration of the Shares under the Act and all other expenses in connection with the preparation, printing, reproduction and filing of the Registration Statement, any Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement and the Blue Sky Memorandum, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Shares; (iii) all expenses in connection with the qualification of the Shares for offering and sale under state securities laws as provided in Section 5(b) hereof, including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky survey (such fees and disbursements of counsel not to exceed \$15,000); (iv) all fees and expenses in connection with listing the Shares on the Exchange; (v) the filing fees incident to, and the reasonable fees and disbursements of counsel for the Underwriters in connection with, any required review by the FINRA of the terms of the sale of the Shares; (vi) the cost of preparing stock certificates; (vii) the reasonable expenses of the Independent Underwriter acting as "qualified independent underwriter" within the meaning of FINRA Rule 5121; (viii) the cost and charges of any transfer agent or registrar; (ix) all expenses and taxes incident to the sale and delivery of the Shares to be sold by the Selling Stockholder to the

Underwriters hereunder; and (x) all other costs and expenses incident to the performance of the Company and the Selling Stockholder's respective obligations hereunder which are not otherwise specifically provided for in this Section, including costs incurred in connection with investor presentations or any "road show" in connection with the offering and sale of the Shares; *provided, however*, that each of the Company and the Underwriters will be liable for the travel expenses of their own representatives for such investor presentations or road shows and the Underwriters and Company will each pay 50% of the costs of any chartered airplanes jointly used. In connection with clause (ix) of the preceding sentence, Goldman, Sachs & Co. agrees to pay New York State stock transfer tax, and the Selling Stockholder agrees to reimburse Goldman, Sachs and Co. for associated carrying costs if such tax payment is not rebated on the day of payment and for any portion of such tax payment not rebated. It is understood, however, that the Company shall bear, and the Selling Stockholder shall not be required to pay or to reimburse the Company for, the cost of any other matters not directly relating to the sale and purchase of the Shares pursuant to this Agreement, and that, except as provided in this Section, and Sections 9 and 12 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, stock transfer taxes on resale of any of the Shares by them, and any advertising expenses connected with any offers they may make.

8. The obligations of the Underwriters hereunder, as to the Shares to be delivered at each Time of Delivery, shall be subject, in their discretion, to the condition that all representations and warranties and other statements of the Company and the Selling Stockholder herein are, at and as of such Time of Delivery, true and correct, the condition that the Company and the Selling Stockholder shall have performed all of their respective obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; all material required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433; if the Company has elected to rely upon Rule 462(b) under the Act, the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; no stop order suspending or preventing the use of the Prospectus or any Issuer Free Writing Prospectus shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to your reasonable satisfaction;

(b) Davis Polk & Wardwell LLP, counsel for the Underwriters, shall have furnished to you such written opinion or opinions dated such Time of Delivery with respect to such matters as you may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Fried, Frank, Harris, Shriver & Jacobson LLP, counsel for the Company and the Selling Stockholder, shall have furnished to you their written opinions, dated such Time of Delivery, in form and substance satisfactory to you;

(d) On the date of the Prospectus, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at each Time of Delivery, Ernst & Young LLP shall have furnished to you a letter or letters, dated the respective dates of delivery thereof, in form and substance satisfactory to you;

(e) The Chief Financial Officer of the Company shall have furnished to you a certificate dated such Time of Delivery, in form and substance satisfactory to you;

(f) (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included in the Pricing Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus, and (ii) since the respective dates as of which information is given in the Pricing Prospectus there shall not have been any change in the capital stock or long-term debt of the Company or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, otherwise than as set forth or contemplated in the Pricing Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in your judgment so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Prospectus;

(g) On or after the Applicable Time (i) no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization", as that term is defined in Section 3(a)(62) of the Exchange Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities;

(h) On or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in your judgment makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Prospectus;

(i) The Shares to be sold at such Time of Delivery shall have been duly listed, subject to notice of issuance, on the Exchange;

(j) The persons listed on Schedule IV hereto shall have furnished executed copies of lock-up agreements to you, substantially in the form attached as Annex II hereto;

(k) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the second New York Business Day next succeeding the date of this Agreement; and

(l) The Company and the Selling Stockholder shall have furnished or caused to be furnished to you at such Time of Delivery certificates of officers of the Company and the Selling Stockholder, respectively, satisfactory to you stating that, to their knowledge and in their capacity as officers of the Company or the Selling Stockholder, as the case may be, and not in their individual capacities, the representations and warranties of the Company and the Selling Stockholder, respectively, herein are true and correct, at and as of such Time of Delivery, and the Company and the Selling Stockholder have performed all of their respective obligations hereunder to be performed at or prior to such Time of Delivery, and as to such other matters as you may reasonably request, and the Company shall have furnished or caused to be furnished certificates as to the matters set forth in subsections (a) and (e) of this Section.

9. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any

Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or any “road show” (as defined in Rule 433 under the Act) that does not otherwise constitute an Issuer Free Writing Prospectus (a “Non-Prospectus Road Show”), or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; *provided, however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any Non-Prospectus Road Show in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the representatives expressly for use therein.

Without limitation of and in addition to its obligations under the other paragraphs of this section 9, the Company will indemnify and hold harmless Baird in its capacity as Independent Underwriter, its directors, officers and employees and each person who controls the Independent Underwriter within the meaning of Section 15 of the Act from and against any losses, claims, damages or liabilities, joint or several, or any action in respect thereof (including, but not limited to, any loss, claim, damage, liability or action relating to purchases and sales of Shares) to which the Independent Underwriter, director, officer, employee or controlling person may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon the Independent Underwriter’s acting as a “qualified independent underwriter” (within the meaning of FINRA Rule 5121) in connection with the offering contemplated by this Agreement; and the Company will reimburse the Independent Underwriter for any legal or other expenses reasonably incurred by the Independent Underwriter in connection with investigating or defending or preparing to defend any such loss, claim, damage, liability or action as such expenses are incurred; *provided, however*, that the Company shall not be liable in any such case to the extent that it is determined in a final judgment by a court of competent jurisdiction that any such loss, claim, damage, liability or action resulted directly from the gross negligence or willful misconduct of the Independent Underwriter or such director, officer, employee or controlling person of the Independent Underwriter.

(b) The Selling Stockholder will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Act, or any Non-Prospectus Road Show, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any Non-Prospectus Road Show in reliance upon and in conformity with the Selling Stockholder Information and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Selling Stockholder shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any Non-Prospectus Road Show in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the representatives expressly for use therein; provided, further, that the liability of the Selling Stockholder pursuant to this subsection (b) shall be limited to an amount equal to the aggregate proceeds (less underwriters' discounts and commissions, but before expenses) received by the Selling Stockholder from the sale of the Shares sold by the Selling Stockholder pursuant to this Agreement.

(c) Each Underwriter will indemnify and hold harmless the Company and the Selling Stockholder against any losses, claims, damages or liabilities to which the Company or the Selling Stockholder may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged

omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the representatives expressly for use therein; and will reimburse the Company and the Selling Stockholder for any legal or other expenses reasonably incurred by the Company or the Selling Stockholder in connection with investigating or defending any such action or claim as such expenses are incurred.

(d) Promptly after receipt by an indemnified party under subsection (a), (b) or (c) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party (i) otherwise than under such subsection and (ii) except to the extent that the indemnifying party was otherwise unaware of the proceedings and suffers actual and material prejudice as a result of such failure but shall not relieve the indemnifying party from its obligations to provide reimbursements and contribution. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(e) If the indemnification provided for in this Section 9 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a), (b) or (c) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholder on the one hand and the Underwriters or the Independent Underwriter (in the case of indemnification under the second paragraph of Section 9(a)), on the other, from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (d) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Selling Stockholder on the one hand and the Underwriters or the Independent Underwriter (in the case of indemnification under the second paragraph of Section 9(a)), on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholder on the one hand and the Underwriters or the Independent Underwriter (in the case of indemnification under the second paragraph of Section 9(a)), on the other, shall be deemed to be in the same proportion as the total net proceeds from the offering (net of underwriting discounts and commissions but before deducting expenses) received by the Company and the Selling Stockholder bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus, or the amount of any compensation received by the Independent Underwriter for acting in such capacity. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Selling Stockholder on the one hand or the Underwriters or the Independent Underwriter (in the case of indemnification under the second paragraph of Section 9(a)), on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, the Selling Stockholder and the Underwriters and the Independent Underwriter agree that it would not be just and equitable if contributions pursuant to this subsection (e) were determined by *pro rata* allocation (even if the Underwriters were

treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (e). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (e), (i) no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission and (ii) in the case of indemnification under the second paragraph of Section 9(a), the Independent Underwriter shall not be required to contribute any amount in excess of the compensation received by the Independent Underwriter for acting in such capacity. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (e) to contribute are several in proportion to their respective underwriting obligations and not joint. The Selling Stockholder shall have no liability under this Section 9(e) unless such Selling Stockholder would have had liability for indemnification under Section 9(b) in accordance with its terms. In addition, the Selling Stockholder shall have no liability under Sections 9(b) and 9(e) hereof in any amount in excess of the proceeds (less underwriters' discounts and commissions but before expenses) received by the Selling Stockholder from the sale of the Shares sold by the Selling Stockholder pursuant to this Agreement.

(f) The obligations of the Company and the Selling Stockholder under this Section 9 shall be in addition to any liability which the Company and the Selling Stockholder may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter or the Independent Underwriter within the meaning of the Act and each broker-dealer affiliate of any Underwriter or the Independent Underwriter; and the obligations of the Underwriters and the Independent Underwriter under this Section 9 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Registration Statement as about to become a director of the Company) and to each person, if any, who controls the Company or the Selling Stockholder within the meaning of the Act.

10. (a) If any Underwriter shall default in its obligation to purchase the Shares which it has agreed to purchase hereunder at a Time of Delivery, you

may in your discretion arrange for you or another party or other parties to purchase such Shares on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such Shares, then the Company and the Selling Stockholder shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Shares on such terms. In the event that, within the respective prescribed periods, you notify the Company and the Selling Stockholder that you have so arranged for the purchase of such Shares, or the Company or the Selling Stockholder notifies you that it has so arranged for the purchase of such Shares, you or the Company or the Selling Stockholder shall have the right to postpone such Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in your opinion may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section 10 with like effect as if such person had originally been a party to this Agreement with respect to such Shares.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company and the Selling Stockholder as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased does not exceed one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, then the Company and the Selling Stockholder shall have the right to require each non-defaulting Underwriter to purchase the number of Shares which such Underwriter agreed to purchase hereunder at such Time of Delivery and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Shares which such Underwriter agreed to purchase hereunder) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you, the Company and the Selling Stockholder as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased exceeds one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, or if the Company and the Selling Stockholder shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Shares of a defaulting Underwriter or Underwriters, then this Agreement (or, with respect to the Second Time of Delivery, the obligations of

the Underwriters to purchase and of the Company and the Selling Stockholder to sell the Optional Shares) shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company or the Selling Stockholder, except for the expenses to be borne by the Company, the Selling Stockholder and the Underwriters as provided in Section 7 hereof and the indemnity and contribution agreements in Section 9 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

11. The respective indemnities, agreements, representations, warranties and other statements of the Company, the Selling Stockholder and the several Underwriters and the Independent Underwriter, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or the Independent Underwriter or any controlling person of any Underwriter or the Independent Underwriter, the Company, or the Selling Stockholder, or any officer or director or controlling person of the Company, or any controlling person of the Selling Stockholder, and shall survive delivery of and payment for the Shares.

12. If this Agreement shall be terminated pursuant to Section 10 hereof, neither the Company nor the Selling Stockholder shall be under any liability to any Underwriter or the Independent Underwriter except as provided in Sections 7 and 9 hereof; but, if for any other reason, any Shares are not delivered by or on behalf of the Company and the Selling Stockholder as provided herein, the Company will reimburse the Underwriters and the Independent Underwriter through you for all out-of-pocket expenses approved in writing by you, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Shares not so delivered, but the Company and the Selling Stockholder shall then be under no further liability to any Underwriter except as provided in Sections 7 and 9 hereof.

13. In all dealings hereunder, you shall act on behalf of each of the Underwriters (other than Baird with respect to its engagement as Independent Underwriter), and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by you jointly or by Goldman, Sachs & Co. or Barclays Capital Inc. on behalf of you as the representatives.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex, facsimile transmission, overnight courier (confirmed with return receipt), or email (confirmed by a returned email) to you as the representatives at Goldman, Sachs & Co. at 200 West Street, New York, New York 10282-2198, Attention: Registration Department (Fax: [-]), and at Barclays Capital Inc. at 745 Seventh Avenue, New York, New York 10019, Attention: Syndicate Registration (Fax: 646-834-8133); if to the Independent Underwriter shall be delivered or sent by mail,

telex, facsimile transmission, overnight courier (confirmed with return receipt), or email (confirmed by a returned email) to [·] at the address above; and if to the Company or any signatory to a lock-up agreement referenced in (8)(i), shall be delivered or sent by mail, telex, facsimile transmission, overnight courier (confirmed with return receipt), or email (confirmed by a returned email) to MRC Global Inc., 2 Houston Center, 909 Fannin, Suite 3100, Houston, Texas 77010, Attention: Daniel J. Churay, Esq. (Fax: 713-655-0159); and if to the Selling Stockholder shall be delivered or sent by mail, telex, facsimile transmission, overnight courier (confirmed with return receipt), or email (confirmed by a returned email) to [·] at [·], Attention: [·] (Fax: [·]); *provided, however*, that any notice to an Underwriter pursuant to Section 9(d) hereof shall be delivered or sent by mail, telex, facsimile transmission overnight courier (confirmed with return receipt), or email (confirmed by a returned email) to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company or the Selling Stockholder by you upon request; *provided, however*, that notices under subsection 5(e) shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex, facsimile transmission overnight courier (confirmed with return receipt), or email (confirmed by a returned email) to you as the representatives at Goldman, Sachs & Co., 200 West Street, New York, New York 10282-2198, Attention: Control Room (Fax: [·]) and at Barclays Capital Inc., 745 Seventh Avenue, New York, New York 10019, Attention: Syndicate Registration (Fax: 646-834-8133). Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholder, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

14. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Independent Underwriter, the Company and the Selling Stockholder and, to the extent provided in Sections 9 and 11 hereof, the officers and directors of the Company and each person who controls the Company, the Selling Stockholder or any Underwriter or the Independent Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Shares from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

15. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

16. The Company and the Selling Stockholder acknowledge and agree that (i) the purchase and sale of the Shares pursuant to this Agreement is an arm's-length commercial transaction between the Company and the Selling Stockholder, on the one hand, and the several Underwriters, on the other, (ii) in connection therewith and with the process leading to such transaction each Underwriter is acting solely as a principal and not the agent or fiduciary of the Company or the Selling Stockholder, (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favor of the Company or the Selling Stockholder with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or the Selling Stockholder on other matters) or any other obligation to the Company or the Selling Stockholder except the obligations expressly set forth in this Agreement and (iv) the Company and the Selling Stockholder have consulted their own legal and financial advisors to the extent they each deemed appropriate. The Company and the Selling Stockholder agree that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company or the Selling Stockholder, in connection with such transaction or the process leading thereto.

17. This Agreement supersedes all prior agreements and understandings (whether written or oral) among the Company, the Selling Stockholder, the Underwriters and the Independent Underwriter, or any of them, with respect to the subject matter hereof.

18. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAWS OF THE STATE OF NEW YORK. The Company and the Selling Stockholder agree that any suit or proceeding arising in respect of this agreement or our engagement will be tried exclusively in the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, in any state court located in The City and County of New York and the Company and the Selling Stockholder agree to submit to the jurisdiction of, and to venue in, such courts.

19. The Company, the Selling Stockholder, the Independent Underwriter and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

20. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

21. Notwithstanding anything herein to the contrary, the Company and the Selling Stockholder are authorized to disclose to any persons the U.S. federal and state income tax treatment and tax structure of the potential transaction and all materials of any kind (including tax opinions and other tax analyses) provided to the Company and the Selling Stockholder relating to that treatment and structure, without the Underwriters imposing any limitation of any kind. However, any information relating to the tax treatment and tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent necessary to enable any person to comply with securities laws. For this purpose, "tax structure" is limited to any facts that may be relevant to that treatment.

If the foregoing is in accordance with your understanding, please sign and return to us five counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement among each of the Underwriters, the Company and the Selling Stockholder. It is understood that your acceptance of this letter on behalf of each of the Underwriters is pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company and the Selling Stockholder for examination, upon request, but without warranty on your part as to the authority of the signers thereof.

Very truly yours,

MRC Global Inc.

By: _____
Name:
Title:

PVF Holdings LLC

By: _____
Name:
Title:

Accepted as of the date hereof:

Goldman, Sachs & Co.

(Goldman, Sachs & Co.)

Barclays Capital Inc.

By: _____

Name:

Title:

On behalf of each of the Underwriters

SCHEDULE I

<u>Underwriter</u>	<u>Total Number of Firm Shares to be Purchased</u>	<u>Number of Optional Shares to be Purchased if Maximum Option Exercised</u>
Goldman, Sachs & Co.		
Barclays Capital Inc.		
Merrill Lynch, Pierce, Fenner & Smith Incorporated		
Robert W. Baird & Co. Incorporated		
Wells Fargo Securities, LLC		
Raymond James & Associates, Inc.		
William Blair & Company, LLC		
Stephens Inc.		
Total		

SCHEDULE II

	Total Number of Firm Shares to be Sold	Number of Optional Shares to be Sold if Maximum Option Exercised
The Company:		—
PVF Holdings LLC		
Total		

SCHEDULE III

(a) [Materials and information other than the Pricing Prospectus that comprise the Pricing Disclosure Package]

price per share: \$[]

number of shares: []

(b) [Issuer Free Writing Prospectuses not included in the Pricing Disclosure Package, if any]

SCHEDULE IV

[List of persons subject to lock-up agreements pursuant to section 8(j)]

Directors

Andrew R. Lane
Leonard M. Anthony
Rhys J. Best
Peter C. Boylan III
Henry Cornell
Christopher A.S. Crampton
John F. Daly
Craig Ketchum
Gerard P. Krans
Dr. Cornelis A. Linse
John A. Perkins
H.B. Wehrle, III

Officers

Andrew R. Lane
James E. Braun
James F. Underhill
Daniel J. Churay
Gary A. Ittner
Rory M. Isaac
Scott A. Hutchinson
Neil P. Wagstaff

Significant Stockholders

PVF Holdings LLC

[Form of Press Release]**MRC Global Inc.****[Date]**

MRC Global Inc. (the “Company”) announced today that [Goldman, Sachs & Co.], the lead book-running manager in the recent public sale of _____ shares of the Company’s common stock, is [waiving] [releasing] a lock-up restriction with respect to _____ shares of the Company’s common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on _____, _____ 2012, and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

[Form of Lock-Up Agreement]**MRC Global Inc.****Lock-Up Agreement****[Date]**

Goldman, Sachs & Co.
Barclays Capital Inc.

c/o Goldman, Sachs & Co.
200 West Street
New York, New York 10282-2198

c/o Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019

Re: MRC Global Inc. - Lock-Up Agreement

Ladies and Gentlemen:

The undersigned understands that you, as representatives (the "Representatives"), propose to enter into an Underwriting Agreement on behalf of the several Underwriters named in Schedule I to such agreement (collectively, the "Underwriters"), with MRC Global Inc., a Delaware corporation (the "Company"), and the Selling Stockholder named in Schedule II to such agreement, providing for a public offering of the common stock, \$0.01 par value, of the Company (the "Shares") pursuant to a Registration Statement on Form S-1 filed with the Securities and Exchange Commission (the "SEC").

In consideration of the agreement by the Underwriters to offer and sell the Shares, and of other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that, during the period specified in the following paragraph (the "Stockholder Lock-Up Period"), the undersigned will not offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of any shares of Common Stock of the Company, or any options or warrants to purchase any shares of Common Stock of the Company, or any securities convertible into, exchangeable for or

that represent the right to receive shares of Common Stock of the Company, whether now owned or hereinafter acquired, owned directly by the undersigned (including holding as a custodian) or with respect to which the undersigned has beneficial ownership within the rules and regulations of the SEC (collectively the "Undersigned's Shares"). The foregoing restriction is expressly agreed to preclude the undersigned from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead to or result in a sale or disposition of the Undersigned's Shares even if such Shares would be disposed of by someone other than the undersigned. Such prohibited hedging or other transactions would include without limitation any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of the Undersigned's Shares or with respect to any security that includes, relates to, or derives any significant part of its value from such Shares. If the undersigned is an officer or director of the issuer, the undersigned further agrees that the foregoing provisions shall be equally applicable to any issuer-directed Shares the undersigned may purchase in the offering.

The Stockholder Lock-Up Period will commence on the date of this Lock-Up Agreement and continue for 180 days after the public offering date set forth on the final prospectus used to sell the Shares (the "Public Offering Date") pursuant to the Underwriting Agreement; provided, however, that if (1) during the last 17 days of the Stockholder Lock-Up Period, the Company releases earnings results or announces material news or a material event or (2) prior to the expiration of the Stockholder Lock-Up Period, the Company announces that it will release earnings results during the 15-day period following the last day of the Stockholder Lock-Up Period, then in each case the Stockholder Lock-Up Period will be automatically extended until the expiration of the 18-day period beginning on the date of release of the earnings results or the announcement of the material news or material event, as applicable, unless Goldman, Sachs & Co. waives, in writing, such extension.

If the undersigned is an officer or director of the Company, (i) Goldman, Sachs & Co. agrees that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Common Stock, Goldman, Sachs & Co. will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by Goldman, Sachs & Co. hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this letter to the extent and for the duration that such terms remain in effect at the time of the transfer.

The undersigned hereby acknowledges that the Company has agreed in the Underwriting Agreement to provide written notice of any event that would result in an extension of the Stockholder Lock-Up Period pursuant to the previous paragraph to the undersigned (in accordance with Section 13 of the Underwriting Agreement) and agrees that

any such notice properly delivered will be deemed to have been given to, and received by, the undersigned. The undersigned hereby further agrees that, prior to engaging in any transaction or taking any other action that is subject to the terms of this Lock-Up Agreement during the period from the date of this Lock-Up Agreement to and including the 34th day following the expiration of the Stockholder Lock-Up Period, it will give notice thereof to the Company and will not consummate such transaction or take any such action unless it has received written confirmation from the Company that the Stockholder Lock-Up Period (as such may have been extended pursuant to the previous paragraph) has expired.

Notwithstanding the foregoing, the undersigned may transfer the Undersigned's Shares (i) as a *bona fide* gift or gifts, provided that the donee or donees thereof agree to be bound in writing by the restrictions set forth herein, (ii) by will or other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the immediate family of the undersigned, provided that the recipient agrees in writing to be bound by the terms of this Lock-Up Agreement, (iii) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value, (iv) through the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Common Stock, provided that such plan does not provide for the transfer of Common Stock during the Stockholder Lock-Up Period and no public announcement or filing under the Exchange Act regarding the establishment of such plan shall be required of or voluntarily made by or on behalf of the undersigned or the Company, (v) to its affiliates, shareholders, members or partners, so long as the recipients agree in writing to be bound by the terms of this Lock-Up Agreement, and provided further that any such transfer shall not involve a disposition for value or be required or be voluntarily reported in any public report or filing with the SEC (other than a filing on Form 5 after the expiration of the Stockholder Lock-Up Period), (vi) to any corporation, partnership, limited liability company or other entity with whom the transferor shares in common an investment manager or advisor, in each case who has investment discretionary authority with respect to the transferor's and such other entity's investments pursuant to an investment management, investment advisory or similar agreement, so long as such entity agrees in writing to be bound by the terms of this Lock-Up Agreement, and provided further that any such transfer shall not involve a disposition for value or be required or be voluntarily reported in any public report or filing with the SEC (other than a filing on Form 5 after the expiration of the Stockholder Lock-Up Period) or (vii) with the prior written consent of Goldman, Sachs & Co. on behalf of the Underwriters. For purposes of this Lock-Up Agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin. In addition, notwithstanding the foregoing, if the undersigned is a corporation, the corporation may transfer the capital stock of the Company to any wholly-owned subsidiary of such corporation; provided, however, that in any such case, it shall be a condition to the transfer that the transferee execute an agreement stating that the transferee is receiving and holding such capital stock subject to the provisions of this Lock-Up Agreement and there shall be no further transfer of such capital stock except in accordance with this Lock-Up Agreement, and provided further that any such transfer shall not involve a disposition for value. The undersigned now

has, and, except as contemplated by clause (i), (ii), (iii), (iv), (v), (vi) or (vii) above, for the duration of this Lock-Up Agreement will have, good and marketable title to the Undersigned's Shares, free and clear of all liens, encumbrances, and claims whatsoever. The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the Undersigned's Shares except in compliance with the foregoing restrictions. In addition, any of the Company's Common Stock acquired by the undersigned on the open market will not be subject to this Lock-Up Agreement, provided that no public report or filing with the SEC reporting a reduction in beneficial ownership of Shares (other than a filing on Form 5 after the expiration of the Stockholder Lock-Up Period) shall be required or voluntarily made in connection with any such open-market transactions.

[Notwithstanding anything herein to the contrary, Goldman, Sachs & Co. and its affiliates, other than the undersigned, may engage in brokerage, investment advisory, financial advisory, anti-raid advisory, merger advisory, financing, asset management, trading, market making, arbitrage, principal investing and other similar activities conducted in the ordinary course of their affiliates' business.]¹

The undersigned understands that the Company and the Underwriters are relying upon this Lock-Up Agreement in proceeding toward consummation of the offering. The undersigned further understands that this Lock-Up Agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors, and assigns. This Lock-Up Agreement shall automatically terminate and be of no further force and effect if (i) the Representatives, on behalf of the Underwriters, advise the Company, or the Company advises the Representatives, in writing, prior to the execution of the Underwriting Agreement, that they have determined not to proceed with the public offering of the Shares, (ii) the Public Offering Date shall not have occurred on or before September 30, 2012, or (iii) the Underwriting Agreement is terminated pursuant to its terms with respect to all (but not less than all) Shares.

Very truly yours,

Exact Name of Shareholder

Authorized Signature

Title

¹ For the PVF Holdings and GS directors' Lock-ups

(SPECIMEN COMMON STOCK CERTIFICATE - FRONT SIDE)

A Delaware Corporation

NUMBER

SHARES

MRC GLOBAL INC.
Common Stock, Par Value \$0.01 Per Share

This Certifies that _____ is the owner of _____ fully paid and non-assessable Shares of the above Corporation transferable only on the books of the Corporation by the holder hereof in person or by duly authorized Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said corporation has caused this Certificate to be signed by its duly authorized officers and to be sealed with the Seal of the Corporation.

Dated _____, _____

By: _____ (SEAL)
Name:
Title:

By: _____
Name:
Title:

(SPECIMEN COMMON STOCK CERTIFICATE - BACK SIDE)

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY REGULATORY AUTHORITY IN ANY STATE, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, EXCHANGED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF EXCEPT IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations. Additional abbreviations may also be used though not in the list.

- | | | | |
|---------|---|---|--|
| TEN COM | - | as tenants in common | UNIF GIFT MIN ACT - _____ Custodian _____ (Minor) |
| TEN ENT | - | as tenants by the entireties | under Uniform Gifts to Minors Act _____ (State) |
| JT TEN | - | as joint tenants with right of survivorship
and not as tenants in common | UNIF TRF MIN ACT - _____ Custodian _____ (Minor) |
| | | | under _____ (State) Uniform Transfer to Minors Act |

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

For value received, the undersigned hereby sells, assigns and transfers unto

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF ASSIGNEE

Shares represented by the within Certificate, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the said shares on the books of the within-named Corporation with full power of substitution in the premises.

Dated, _____

—
In presence of X _____

X _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the certificate in every particular without alteration or enlargement, or any change whatever.

March 27, 2012

MRC Global Inc.
2 Houston Center
909 Fannin, Suite 3100
Houston, Texas 77010

Re: Registration Statement on Form S-1, File No. 333-178980

Ladies and Gentlemen:

We have acted as counsel to MRC Global Inc., a Delaware corporation (the "Company"), and PVF Holdings, a Delaware limited liability company (the "Selling Stockholder"), in connection with the Company's Registration Statement on Form S-1 (Registration No. 333-178980) filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), and as subsequently amended (the "Registration Statement"), relating to the registration of 22,727,273 shares of the Company's common stock, par value \$.01 per share (the "Common Stock"). Of the shares of Common Stock to be registered pursuant to the Registration Statement, 17,045,455 shares are being offered by the Company (the "Company Shares"), 5,681,818 shares are being offered by the Selling Stockholder (the "Selling Stockholder Shares" and, together with the Company Shares, collectively the "Shares") and up to 3,409,091 additional shares may be sold by the Selling Stockholder at the option of the several underwriters. The Shares are proposed to be sold pursuant to an underwriting agreement (the "Underwriting Agreement") to be entered into among the Company, the Selling Stockholder and Goldman, Sachs & Co. and Barclays Capital Inc., as representatives of the several underwriters named therein. With your permission, all assumptions and statements of reliance herein have been made without any independent investigation or verification on our part, except to the extent otherwise expressly stated, and we express no opinion with respect to the subject matter or accuracy of such assumptions or items relied upon.

In connection with this opinion, we have (i) investigated such questions of law, (ii) examined originals or certified, conformed or reproduction copies of such agreements, instruments, documents and records of the Company, such certificates of public officials and such other documents and (iii) received such information from officers and representatives of the Company as we have deemed necessary or appropriate for the purposes of this opinion.

In all such examinations, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of original and certified documents and the conformity to original or certified documents of all copies submitted to us as conformed or reproduction copies. As to various questions of fact relevant to the opinion expressed herein, we have relied upon, and assume the accuracy of, certificates and oral or written statements and other information of or from public officials and officers and representatives of the Company.

Based upon the foregoing and subject to the limitations, qualifications and assumptions set forth herein, we are of the opinion that (i) the Company Shares have been duly authorized by the Company and, when issued and delivered pursuant to the Underwriting Agreement against payment of the consideration set forth therein, will be validly issued, fully paid and nonassessable, and (ii) the Selling Stockholder Shares have been duly authorized by the Company and are validly issued, fully paid and non-assessable.

The opinion expressed herein is limited to the applicable provisions of the General Corporation Law of the State of Delaware (the "DGCL") and the Constitution of the State of Delaware, in each case as currently in effect, and reported judicial decisions interpreting such provisions of the DGCL and the Constitution of the State of Delaware. The opinion expressed herein is limited to the matters stated herein and no opinion is implied or may be inferred beyond the matters expressly stated herein. We undertake no obligation to supplement this letter if any applicable laws change after the effectiveness of the Registration Statement or if we become aware of any facts that might change the opinion expressed herein after that date or for any other reason.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to this firm under the caption "Legal Matters" in the prospectus included therein. In giving this consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission.

Very truly yours,

/s/ Fried, Frank, Harris, Shriver & Jacobson LLP

FRIED, FRANK, HARRIS, SHRIVER & JACOBSON LLP

AMENDED AND RESTATED LOAN, SECURITY AND GUARANTEE AGREEMENT

Dated as of March 27, 2012

among

**MCJUNKIN RED MAN CORPORATION,
GREENBRIER PETROLEUM CORPORATION,
MCJUNKIN RED MAN DEVELOPMENT CORPORATION,
MIDWAY – TRISTATE CORPORATION,
MILTON OIL & GAS COMPANY,
MRC MANAGEMENT COMPANY,
RUFFNER REALTY COMPANY**

and

THE SOUTH TEXAS SUPPLY COMPANY, INC.,
as U.S. Borrowers and Guarantors,

MRC TRANSMARK PTY LTD

and

MRC SPF PTY LTD.,
as Australian Borrowers,

MRC TRANSMARK NV,
as Belgian Borrower,

MIDFIELD SUPPLY ULC,
as a Canadian Borrower,

MRC TRANSMARK B.V.

and

MRC TRANSMARK INTERNATIONAL B.V.,
as Dutch Borrowers,

MRC TRANSMARK HOLDINGS UK LIMITED,

MRC TRANSMARK LIMITED,

MRC TRANSMARK (DRAGON) LIMITED

and

MRC SPF SCANFIT LIMITED,
as UK Borrowers,

any other Borrowers party hereto from time to time

and

certain Persons party hereto from time to time as Guarantors,

CERTAIN FINANCIAL INSTITUTIONS,
as **Lenders,**

BANK OF AMERICA, N.A.,
as Administrative Agent and Collateral Agent,

ARRANGERS AND AGENTS

BARCLAYS BANK PLC
and
WELLS FARGO CAPITAL FINANCE, LLC,
as Co-Syndication Agents,

RBS CITIZENS BUSINESS CAPITAL,
U.S. BANK NATIONAL ASSOCIATION,
SUNTRUST BANK,
UNION BANK, N.A.,
GOLDMAN SACHS LENDING PARTNERS LLC
and
REGIONS BANK,
as Co-Documentation Agents,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
as Lead Arranger and Book Manager

and

BARCLAYS BANK PLC
and
WELLS FARGO CAPITAL FINANCE, LLC,
as Joint Lead Arrangers and as Joint Book Managers

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**AMENDED AND RESTATED
LOAN, SECURITY AND GUARANTEE AGREEMENT**

THIS AMENDED AND RESTATED LOAN, SECURITY AND GUARANTEE AGREEMENT is dated as of March 27, 2012, among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas" and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers"), MRC TRANSMARK PTY LTD, a company incorporated under the laws of Australia (as defined herein) ("Transmark Australia"), and MRC SPF PTY LTD., a company incorporated under the laws of Australia ("SPF Australia" and together with Transmark Australia, the "Initial Australian Borrowers"), MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands" and together with Transmark Netherlands, the "Initial Dutch Borrowers"), MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK" and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"; and collectively with any other UK Borrowers (as defined herein), the Australian Borrowers (as defined herein), the Belgian Borrowers (as defined herein), the Canadian Borrowers (as defined herein), the Dutch Borrowers (as defined herein), any New Zealand Borrowers (as defined herein), any Singapore Borrowers (as defined herein) and the U.S. Borrowers (as defined herein), the "Borrowers" and each, a "Borrower"), the Persons from time to time party to this Agreement as Guarantors (as defined herein), the financial institutions party to this Agreement from time to time as lenders (collectively, "Lenders"), BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (as defined herein) (together with any successor agent appointed pursuant to Section 12.10, the "Agent"), and Barclays Bank PLC and Wells Fargo Capital Finance LLC, as Co-Syndication Agents.

RECITALS:

A. Certain of the Initial U.S. Borrowers, the Initial Canadian Borrower, the Agent and the financial institutions named therein entered into that certain Loan, Security and Guarantee Agreement dated as of June 14, 2011 (the "Existing Loan Agreement").

B. The parties hereto desire to amend and restate the Existing Loan Agreement in its entirety in order to, among other things, increase the commitments thereunder and provide additional foreign revolving credit facilities to borrowers domiciled in Australia, Belgium, the Netherlands, New Zealand, Singapore and the United Kingdom.

C. Lenders are willing to amend and restate the Existing Loan Agreement and provide the senior secured revolving credit facilities on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration hereby acknowledged, the parties hereto agree that the Existing Loan Agreement is hereby amended and restated in its entirety as follows:

SECTION 1. DEFINITIONS; RULES OF CONSTRUCTION

1.1 Definitions. As used herein, the following terms have the meanings set forth below:

Account: as defined in the UCC, the PPSA or the PPSA Australia, as applicable, and, with respect to an Account of a New Zealand Domiciled Loan Party, an “account receivable” as defined in the PPSA New Zealand, in each case including all rights to payment for goods sold or leased, or for services rendered, whether or not they have been earned by performance.

Account Debtor: any Person who is obligated under an Account, Chattel Paper or General Intangible.

Accounting Change: as defined in Section 1.2.

Acquired EBITDA: with respect to any Acquired Entity or Business or any Converted Restricted Subsidiary (any of the foregoing, a “Pro Forma Entity”) for any period, the amount for such period of Consolidated EBITDA of such Pro Forma Entity (determined using such definitions as if references to the Borrowers and their Subsidiaries therein were to such Pro Forma Entity and its Subsidiaries), all as determined on a consolidated basis for such Pro Forma Entity in accordance with GAAP.

Acquired Entity or Business: as defined in the term “Consolidated EBITDA”.

Additional Australian Lender: as defined in Section 2.1.7(a).

Additional Belgian Lender: as defined in Section 2.1.7(b).

Additional Canadian Lender: as defined in Section 2.1.7(c).

Additional Dutch Lender: as defined in Section 2.1.7(d).

Additional Lender: as defined in Section 2.1.7(h).

Additional New Zealand Lender: as defined in Section 2.1.7(e).

Additional Singapore Lender: as defined in Section 2.1.7(f).

Additional UK Lender: as defined in Section 2.1.7(g).

Additional U.S. Lender: as defined in Section 2.1.7(h).

Affiliate: with respect to any Person, any branch of such Person or any other Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. “Control” means the possession, directly or indirectly, of the power (a) to vote 20% or more of the securities having ordinary voting power for the election of directors, in the case of a corporation, or equivalent governing body, in the case of any other type of legal entity, of a Person or (b) to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have correlative meanings.

Agent: as defined in the preamble to this Agreement.

Agent Indemnitees: the Agent and its officers, directors, employees, Affiliates and agents, including, without limitation, the Security Trustees.

Agent Professionals: attorneys, accountants, appraisers, auditors, business valuation experts, environmental engineers or consultants, turnaround consultants, and other professionals and experts retained by Agent.

Agreement: this Amended and Restated Loan, Security and Guarantee Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

Allocable Amount: as defined in Section 5.10.3(b).

AML Legislation: as defined in Section 14.19.

Applicable Australian Borrower: (a) Transmark Australia, (b) SPF Australia, or (c) any other Australian Borrower, as the context requires.

Applicable Australian Borrower Commitment: with respect to any Australian Borrower, the maximum amount of Australian Revolver Commitments under which such Australian Borrower may borrow Australian Revolver Loans or request the issuance of Australian Letters of Credit, as designated by the Asian Loan Party Agent from time to time, and in an aggregate amount for all Australian Borrowers not to exceed the total Australian Revolver Commitments.

Applicable Australian Borrower Secured Obligations: the Australian Facility Secured Obligations of the Applicable Australian Borrower.

Applicable Belgian Borrower: (a) the Initial Belgian Borrower or (b) any other Belgian Borrower, as the context requires.

Applicable Belgian Borrower Commitment: with respect to any Belgian Borrower, the maximum amount of Belgian Revolver Commitments under which such Belgian Borrower may borrow Belgian Revolver Loans or request the issuance of Belgian Letters of Credit, as designated by the European Loan Party Agent from time to time, and in an aggregate amount for all Belgian Borrowers not to exceed the total Belgian Revolver Commitments.

Applicable Belgian Borrower Secured Obligations: (a) if the Initial Belgian Borrower is the only Belgian Borrower, the Belgian Facility Secured Obligations and (b) if there is more than one Belgian Borrower, the Belgian Facility Secured Obligations of the Applicable Belgian Borrower.

Applicable Canadian Borrower: (a) the Initial Canadian Borrower or (b) any other Canadian Borrower, as the context requires.

Applicable Canadian Borrower Commitment: with respect to any Canadian Borrower, the maximum amount of Canadian Revolver Commitments under which such Canadian Borrower may borrow Canadian Revolver Loans or request the issuance of Canadian Letters of Credit, as designated by the North American Loan Party Agent from time to time, and in an aggregate amount for all Canadian Borrowers not to exceed the total Canadian Revolver Commitments.

Applicable Canadian Borrower Secured Obligations: (a) if the Initial Canadian Borrower is the only Canadian Borrower, the Canadian Facility Secured Obligations and (b) if there is more than one Canadian Borrower, the Canadian Facility Secured Obligations of the Applicable Canadian Borrower.

Applicable Dutch Borrower: (a) Transmark Netherlands, (b) International Netherlands, or (c) any other Dutch Borrower, as the context requires.

Applicable Dutch Borrower Commitment: with respect to any Dutch Borrower, the maximum amount of Dutch Revolver Commitments under which such Dutch Borrower may borrow Dutch Revolver Loans or request the issuance of Dutch Letters of Credit, as designated by the European Loan Party Agent from time to time, and in an aggregate amount for all Dutch Borrowers not to exceed the total Dutch Revolver Commitments.

Applicable Dutch Borrower Secured Obligations: the Dutch Facility Secured Obligations of the Applicable Dutch Borrower.

Applicable Foreign Borrower: an Applicable Australian Borrower, Applicable Belgian Borrower, Applicable Canadian Borrower, Applicable Dutch Borrower, Applicable New Zealand Borrower, Applicable Singapore Borrower or Applicable UK Borrower, as the context may require.

Applicable Foreign Borrower Commitment: any Applicable Australian Borrower Commitment, Applicable Belgian Borrower Commitment, Applicable Canadian Borrower Commitment, Applicable Dutch Borrower Commitment, Applicable New Zealand Borrower Commitment, Applicable Singapore Borrower Commitment or Applicable UK Borrower Commitment, as the context may require.

Applicable Law: all laws, rules, regulations and legally binding governmental guidelines applicable to the Person and its Property, conduct, transaction, agreement or matter in question, including all applicable statutory law and common law, and all provisions of constitutions, treaties, statutes, rules, regulations, orders and decrees of Governmental Authorities (having the force of law) and, with respect to any Person, such Person's Organic Documents.

Applicable Lenders: (a) with respect to the Australian Borrowers, the Australian Lenders, (b) with respect to the Belgian Borrowers, the Belgian Lenders, (c) with respect to the Canadian Borrowers, the Canadian Lenders, (d) with respect to the Dutch Borrowers, the Dutch Lenders, (e) with respect to the New Zealand Borrowers, the New Zealand Lenders, (f) with respect to the Singapore Borrowers, the Singapore Lenders, (g) with respect to the UK Borrowers, the UK Lenders, and (h) with respect to the U.S. Borrowers, the U.S. Lenders.

Applicable Margin: with respect to any Type of Loan and such other Obligations specified below, the respective margin set forth below, as determined by reference to the Consolidated Fixed Charge Coverage Ratio as calculated as of the last day of the fiscal quarter then most recently ended:

Level	Consolidated Fixed Charge Coverage Ratio	Australian Bank Bill Rate Loans, Canadian BA Rate Loans, LIBOR Loans, Australian Base Rate Loans, Belgian Base Rate Loans, Dutch Base Rate Loans, UK Base Rate Loans, and Letter of Credit Fees	U.S. Base Rate Loans, Canadian Base Rate Loans and Canadian Prime Rate Loans
I	≤ 1.50: 1.00	2.00%	1.00%
II	> 1.50: 1.00 but ≤ 2.25: 1.00	1.75%	0.75%
III	> 2.25: 1.00	1.50%	0.50%

Until September 1, 2012, margins shall be determined as if Level II were applicable. Thereafter, the margins shall be subject to increase or decrease upon receipt by the Agent pursuant to Sections 10.1.1(a) and (b) of the financial statements and corresponding Compliance Certificate, which change shall be effective on the first day of the calendar month immediately following receipt. If, by the first day of a month, any financial statement or Compliance Certificate due in the preceding month has not been received, then, at the option of the Agent or Required Lenders, the margins shall be determined as if Level I were applicable, from such day until the first day of the calendar month immediately following actual receipt.

Applicable New Zealand Borrower: (a) if there is only one New Zealand Borrower, the New Zealand Borrower and (b) if there is more than one New Zealand Borrower, the applicable New Zealand Borrower, as the context requires.

Applicable New Zealand Borrower Commitment: with respect to any New Zealand Borrower, the maximum amount of New Zealand Revolver Commitments under which such New Zealand Borrower may borrow New Zealand Revolver Loans or request the issuance of New Zealand Letters of Credit, as designated by the Asian Loan Party Agent from time to time, and in an aggregate amount for all New Zealand Borrowers not to exceed the total New Zealand Revolver Commitments.

Applicable New Zealand Borrower Secured Obligations: (a) if there is only one New Zealand Borrower, the New Zealand Facility Secured Obligations and (b) if there is more than one New Zealand Borrower, the New Zealand Facility Secured Obligations of the Applicable New Zealand Borrower.

Applicable Singapore Borrower: (a) if there is only one Singapore Borrower, the Singapore Borrower and (b) if there is more than one Singapore Borrower, the applicable Singapore Borrower, as the context requires.

Applicable Singapore Borrower Commitment: with respect to any Singapore Borrower, the maximum amount of Singapore Revolver Commitments under which such Singapore Borrower may borrow Singapore Revolver Loans or request the issuance of Singapore Letters of Credit, as designated by the Asian Loan Party Agent from time to time, and in an aggregate amount for all Singapore Borrowers not to exceed the total Singapore Revolver Commitments.

Applicable Singapore Borrower Secured Obligations: (a) if there is only one Singapore Borrower, the Singapore Facility Secured Obligations and (b) if there is more than one Singapore Borrower, the Singapore Facility Secured Obligations of the Applicable Singapore Borrower.

Applicable UK Borrower: (a) Holdings UK, (b) Transmark UK, (c) Dragon UK, (d) SPF UK, or (e) any other UK Borrower, as the context requires.

Applicable UK Borrower Commitment: with respect to any UK Borrower, the maximum amount of UK Revolver Commitments under which such UK Borrower may borrow UK Revolver Loans or request the issuance of UK Letters of Credit, as designated by the European Loan Party Agent from time to time, and in an aggregate amount for all UK Borrowers not to exceed the total UK Revolver Commitments.

Applicable UK Borrower Secured Obligations: the UK Facility Secured Obligations of the Applicable UK Borrower.

Approved Fund: any Person (other than a natural person) that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in its ordinary course of activities, has the capacity to fund Revolver Loans hereunder and is administered or managed by a Lender, an entity that administers or manages a Lender, or an Affiliate of either.

Asian Loan Party Agent: as defined in Section 4.4.3.

Assignment and Acceptance: an assignment agreement between a Lender and Eligible Assignee (and, to the extent required by the definition of “Eligible Assignee,” consented to by the North American Loan Party Agent), in the form of **Exhibit A-1**.

AUS-NZ Security Trustee: Bank of America (Australia) or any successor security trustee appointed in accordance with this Agreement.

Australia: the Commonwealth of Australia.

Australian Allocated U.S. Availability: U.S. Availability designated by the North American Loan Party Agent for application to clause (c) of an Australian Borrowing Base.

Australian Availability: as of any date of determination, (a) the lesser of (i) the Australian Revolver Commitments *minus* all Australian LC Obligations as of such date of determination and (ii) the Total Australian Borrowing Base as of such date of determination, *minus* (b) the Dollar Equivalent of the principal balance of all Australian Revolver Loans.

Australian Availability Reserves: the sum (without duplication) of (a) the aggregate amount of the Australian Rent Reserve, if any, established pursuant to clause (h) of the definition of Australian Eligible Inventory; (b) the Australian LC Reserve; (c) the Australian Bank Product Reserve; (d) the Australian Priority Payables Reserve; and (e) such additional reserves, in such amounts and with respect to such matters, as the Agent may establish in its Permitted Discretion.

Australian Bank Bill Rate: with respect to each Interest Period for an Australian Bank Bill Rate Loan, (a) the average bid rate (the “BBR Screen Rate”) displayed at or about 10:30 a.m. (Melbourne, Australia time) on the first day of that Interest Period on the Reuters screen BBSY page for a term equivalent to such Interest Period; or (b) to the extent the BBR Screen Rate is not displayed for a term equivalent to such Interest Period, the rate determined by the Agent in good faith and notified by it to the Applicable Australian Borrower on or prior to the close of business on the first day of the relevant Interest Period to be the arithmetic mean (rounded upward to four decimal places) of the buying rates (for bills of exchange accepted by leading Australian banks which have a term equivalent to such Interest Period) quoted by three leading banks in Australia appointed by Agent in consultation with the Asian Loan Party Agent at or about that time on that date.

Australian Bank Bill Rate Loan: a Australian Revolver Loan, or portion thereof, funded in Australian Dollars and bearing interest calculated by reference to the Australian Bank Bill Rate.

Australian Bank Product Reserve: the aggregate amount of reserves, as established by the Agent from time to time in its Permitted Discretion and in consultation with the Asian Loan Party Agent, to reflect the reasonably anticipated liabilities in respect of the then outstanding Secured Bank Product Obligations of the Australian Domiciled Loan Parties.

Australian Base Rate Loan: an Australian Revolver Loan, or portion thereof, funded in Australian Dollars, Dollars, Euros or Sterling and bearing interest calculated by reference to the Eurasian Base Rate.

Australian Borrowers: (a) the Initial Australian Borrowers and (b) each other Australian Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 and has satisfied the other requirements set forth in Section 10.1.13 in order to become an Australian Borrower.

Australian Borrowing Base: at any time, with respect to the Applicable Australian Borrower, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

- (a) the book value of Australian Eligible Accounts of the Applicable Australian Borrower multiplied by the advance rate of 85%, *plus*
- (b) the lesser of (i) 70% of the net book value of Australian Eligible Inventory of the Applicable Australian Borrower and (ii) 85% of the Net Orderly Liquidation Value of Australian Eligible Inventory of the Applicable Australian Borrower (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*
- (c) Australian Allocated U.S. Availability for such Applicable Australian Borrower, *minus*
- (d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Australian Availability Reserves allocable to the Applicable Australian Borrower which would cause the aggregate amount of the Australian Revolver Loans allocable to the Applicable Australian Borrower at such time to exceed the lesser of the Applicable Australian Borrower's Applicable Australian Borrower Commitment and the Applicable Australian Borrower's Australian Borrowing Base then in effect, in each case, notification thereof to the Asian Loan Party Agent by the Agent, any and all such Australian Availability Reserves.

The Australian Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Australian Borrowing Base is calculated in accordance with the terms of this Agreement. Transmark Australia may include the Australian Eligible Accounts and the Australian Eligible Inventory acquired by it prior to the Closing Date from OneSteel Trading Pty Ltd., notwithstanding that Agent was unable to complete an audit and appraisal prior to the Closing Date, provided, that (i) such assets shall be deemed ineligible on the 90th day following the Closing Date if Agent does not obtain such audit and appraisal with results reasonably satisfactory to Agent on or prior to such date, and (ii) the maximum amount attributable to Transmark Australia's Australian Borrowing Base from such assets during such period may not exceed \$20,000,000. Notwithstanding the foregoing, the Australian Borrowing Base will exclude clauses (a) and (b) thereof until such time as the Applicable Australian Borrower has complied with Section 8.1.4.

Australian Cash Collateral Account: a demand deposit, money market or other account established by Agent at Bank of America (Australia) or such other financial institution as Agent may select in its discretion with the consent of Asian Loan Party Agent (not to be unreasonably

withheld or delayed), which account shall be for the benefit of the Australian Facility Secured Parties and shall be subject to Agent's or AUS-NZ Security Trustee's Liens securing the Australian Facility Secured Obligations; *provided* that the foregoing consent of Asian Loan Party Agent to the selection by Agent in its discretion of a financial institution other than Bank of America (Australia) shall not be required if an Event of Default has occurred and is continuing.

Australian Dollars or AUS\$: the lawful currency of Australia.

Australian Domiciled Loan Party: any Australian Borrower and each Australian Subsidiary now or hereafter party hereto as a Loan Party, and "Australian Domiciled Loan Parties" means all such Persons, collectively.

Australian Dominion Account: each special account established by the Australian Domiciled Loan Parties at Bank of America (Australia) (or, subject to Section 8.1.4, HSBC Bank Australia Limited ABN 48 006 434 162) over which Agent or AUS-NZ Security Trustee has exclusive control for withdrawal purposes.

Australian Eligible Accounts: at any time, the Accounts of the Applicable Australian Borrower at such date except any Account:

(a) which is not subject to a valid Lien in favor of the Agent or AUS-NZ Security Trustee (including under the relevant laws of the Account Debtor's jurisdiction of organization);

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or AUS-NZ Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent; *provided* that, with respect to any tax Lien having such priority, eligibility of Accounts shall be reduced by the amount of such tax Lien having such priority;

(c) owing by any Account Debtor with respect to which more than 120 days have elapsed since the date of the original invoice therefor or which is more than 60 days past the due date for payment;

(d) which is owing by an Account Debtor for which more than 50% of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (c) above;

(e) which is owing by any Account Debtor to the extent the aggregate amount of otherwise Australian Eligible Accounts owing from such Account Debtor and its Affiliates to Australian Borrowers exceeds 20% of the aggregate Australian Eligible Accounts (or such higher percentage as the Agent may establish for the Account Debtor from time to time), in each case, only to the extent of such excess;

(f) with respect to which any covenant, representation or warranty relating to such Account contained in this Agreement or a Security Document has been breached or is not true in any material respect;

(g) which (i) does not arise from the sale of goods or performance of services in the Ordinary Course of Business, (ii) is not evidenced by an invoice, or other documentation satisfactory to the Agent, which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the Applicable Australian Borrower's completion of any further performance, or (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment which is billed prior to actual sale to the end user, cash-on-delivery or any other repurchase or return basis, except with respect to up to \$15,000,000 of such Accounts in the aggregate for all Borrowing Bases on a combined basis;

(h) for which the goods giving rise to such Account (other than Accounts described in the foregoing paragraph (g)(v)) have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the Applicable Australian Borrower;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor in respect of which an Insolvency Proceeding has been commenced or which is otherwise a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any state or territory) receivership, insolvency relief or other law or laws for the relief of debtors, including the Bankruptcy Act 1996 (Cth) and the Corporations Act 2001 (Cth), unless the payment of Accounts from such Account Debtor is secured by assets of, or guaranteed by, in either case, in a manner reasonably satisfactory to the Agent, a Person that is reasonably acceptable to the Agent or, if the Account from such Account Debtor arises subsequent to a decree or order for relief with respect to such Account Debtor under the Bankruptcy Act 1996 (Cth) or the Corporations Act 2001 (Cth), as now or hereafter in effect, the Agent shall have reasonably determined that the timely payment and collection of such Account will not be impaired;

(k) which is owed by an Account Debtor which has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs or is not Solvent;

(l) which is owed by an Account Debtor which is not organized under the applicable law of an Eligible Account Debtor Jurisdiction unless such Account is backed by a letter of credit or other credit support reasonably acceptable to the Agent and which is in the possession of the Agent;

(m) which is owed in any currency other than an Eligible Account Currency;

(n) which is owed by any Governmental Authority (other than a Governmental Authority representing the Crown in Australia), unless (i) such Account is backed by a letter of credit reasonably acceptable to the Agent and which is in the possession of the Agent or (ii) Agent otherwise approves;

(o) which is owed by any Affiliate, employee, director, or officer of any Loan Party; *provided* that portfolio companies of the Sponsor that do business with the Applicable Australian Borrower in the Ordinary Course of Business will not be treated as Affiliates for purposes of this clause (o);

(p) which is owed by an Account Debtor or any Affiliate of such Account Debtor which is the holder of Indebtedness issued or incurred by any Loan Party; *provided*, that any such Account shall only be ineligible as to that portion of such Account which is less than or equal to the amount owed by the Loan Party to such Person;

(q) which is subject to any counterclaim, deduction, defense, setoff, right of compensation or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff, right of compensation or dispute, unless (i) the Agent, in its Permitted Discretion, has established Australian Availability Reserves and determines to include such Account as an Australian Eligible Account or (ii) such Account Debtor has entered into an agreement reasonably acceptable to the Agent to waive such rights;

(r) which is evidenced by any promissory note, Chattel Paper or Instrument (in each case, other than any such items that are delivered to the Agent or the AUS-NZ Security Trustee);

(s) which is owed by an Account Debtor located in any jurisdiction that requires, as a condition to access to the courts of such jurisdiction, that a creditor qualify to transact business, file a business activities report or other report or form, or take one or more other actions, unless the Applicable Australian Borrower has so qualified, filed such reports or forms, or taken such actions (and, in each case, paid any required fees or other charges), except to the extent the Applicable Australian Borrower may qualify subsequently as a foreign entity authorized to transact business in such jurisdiction and gain access to such courts, without incurring any cost or penalty reasonably viewed by the Agent to be material in amount, and such later qualification cures any access to such courts to enforce payment of such Account;

(t) with respect to which the Applicable Australian Borrower has made any agreement with the Account Debtor for any reduction thereof, but only to the extent of such reduction, other than discounts and adjustments given in the Ordinary Course of Business; or

(u) which the Agent determines is ineligible in its Permitted Discretion.

Subject to Sections 14.1 and 7.5 and the definition of Australian Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Australian Eligible Inventory: at any date of determination thereof, the aggregate amount of all Inventory owned by the Applicable Australian Borrower at such date except any Inventory:

(a) which is not subject to a valid Lien in favor of the Agent or AUS-NZ Security Trustee;

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or AUS-NZ Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent or AUS-NZ Security Trustee (other than any bailee, warehouseman, landlord or similar non-consensual Liens having priority by operation of law to the extent either subclause (i) or (ii) of clauses (h) or (i) below of Australian Eligible Inventory is satisfied with respect to the relevant Inventory); provided that, with respect to any tax Lien having such priority, eligibility of Inventory shall be reduced by the amount of such tax Lien having such priority;

(c) which is, in the Agent's Permitted Discretion, slow moving, obsolete, unmerchantable, defective, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the Ordinary Course of Business or unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation or warranty contained in this Agreement or any Security Document has been breached or is not true in any material respect;

(e) which does not conform in all material respects to all standards imposed by any applicable Governmental Authority (except that any standard that is qualified as to "materiality" shall have been conformed to in all respects);

(f) which constitutes packaging and shipping material, manufacturing supplies, display items, bill-and-hold goods (other than bill-and-hold goods, the sale of which has been excluded from Australian Eligible Accounts pursuant to clause (g)(v) of the definition thereof), returned or repossessed goods (other than goods that are undamaged and able to be resold in the Ordinary Course of Business), defective goods, goods held on consignment, goods to be returned to the Applicable Australian Borrower's suppliers or goods which are not of a type held for sale in the Ordinary Course of Business;

(g) which is not located in Australia or is not at a location listed on **Schedule 8.4.1** (as updated from time to time in accordance with the provisions hereof) other than goods in transit between locations of the Australian Domiciled Loan Parties;

(h) which is located, at any time after the Temporary Eligibility Period, in any location leased by the Applicable Australian Borrower unless (i) the lessor has delivered to the Agent a Collateral Access Agreement or (ii) an Australian Rent Reserve has been established by the Agent;

(i) which is located, at any time after the Temporary Eligibility Period, in any third party warehouse or is in the possession of a bailee, processor or other Person and is not evidenced by a Document, unless (i) such warehouseman, bailee, processor or other Person has delivered to the Agent a Collateral Access Agreement and/or such other documentation as the Agent may reasonably require or (ii) appropriate Australian Availability Reserves have been established by the Agent in its Permitted Discretion;

(j) which is the subject of a consignment by the Applicable Australian Borrower as consignor unless (i) an effective first ranking Lien under the PPSA Australia in respect of the relevant Inventory in favor of the Agent or the AUS-NZ Security Trustee has been established and all relevant financing statements have been properly filed against the consignee (as assigned to the Agent or the AUS-NZ Security Trustee), and (ii) there is a written agreement acknowledging that such Inventory is held on consignment, that the Applicable Australian Borrower retains title to such Inventory, that no Lien arising by, through or under such consignment has attached or will attach to such Inventory (and proceeds thereof) and requiring consignee to segregate the consigned Inventory from the consignee's other personal or movable property;

(k) which is perishable as determined in accordance with GAAP; or

(l) which contains or bears any intellectual property rights licensed to the Applicable Australian Borrower unless the Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor in any material respect or (ii) incurring any material liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement.

Subject to Sections 14.1 and 7.5 and the definition of Australian Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Australian Facility Collateral: Collateral that now or hereafter secures (or is intended to secure) any of the Australian Facility Secured Obligations, including Property of the U.S. Domiciled Loan Parties pledged to secure the Australian Facility Secured Obligations under their guarantee of the Secured Obligations.

Australian Facility Guarantor: each U.S. Borrower, each U.S. Facility Guarantor and each other Person (if any) who guarantees payment and performance of any Australian Facility Secured Obligations.

Australian Facility Loan Party: an Australian Borrower or an Australian Facility Guarantor.

Australian Facility Obligations: all Obligations of the Australian Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Australian Facility Loan Party, the other Foreign Facility Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Obligations).

Australian Facility Secured Obligations: all Secured Obligations of the Australian Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Australian Facility Loan Party, the other Foreign Facility Secured Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Secured Obligations).

Australian Facility Secured Parties: Agent, AUS-NZ Security Trustee, any Australian Fronting Bank, Australian Lenders and Secured Bank Product Providers of Bank Products to Australian Domiciled Loan Parties, and, following the Foreign Cross-Guarantee Date for any Australian Domiciled Loan Party, the other Secured Parties that are the beneficiaries of such Foreign Cross-Guarantee.

Australian Fronting Bank: (a) Bank of America (Australia) or any Affiliate thereof that agrees to issue Australian Letters of Credit, (b) if reasonably acceptable to Asian Loan Party Agent, any other Australian Lender or Affiliate thereof that agrees to issue Australian Letters of Credit, or (c) if requested by Asian Loan Party Agent and subject to Section 2.10, a Non-Lender Fronting Bank that agrees to issue Australian Letters of Credit.

Australian Fronting Bank Indemnitees: any Australian Fronting Bank and its officers, directors, employees, Affiliates and agents.

Australian LC Application: an application by any Australian Borrower on behalf of itself or any other Australian Borrower to an Australian Fronting Bank for issuance of an Australian Letter of Credit, in form and substance reasonably satisfactory to such Australian Fronting Bank.

Australian LC Conditions: the following conditions necessary for issuance of an Australian Letter of Credit: (a) each of the conditions set forth in Section 6 being satisfied or waived; (b) after giving effect to such issuance, the total Ex-NA LC Obligations do not exceed the Ex-NA Letter of Credit Sublimit, no Australian Overadvance exists or would result therefrom and, in the case of any Australian Borrower, Section 2.11 is satisfied; (c) the expiration date of such Australian Letter of Credit is (i) no more than 365 days from issuance (*provided* that each Australian Letter of Credit may, upon the request of the Applicable Australian Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of twelve (12) months or less (but no later than 20 Business Days prior to the Facility Termination Date)), and (ii) unless the applicable Australian Fronting Bank and the Agent otherwise consent (subject to the satisfaction of the Cash Collateral requirements set forth in Section 2.2.3) at least 20 Business Days prior to the Facility Termination Date; (d) the Australian Letter of Credit and payments thereunder are denominated in Australian Dollars, Dollars, Euros or Sterling; (e) the form of the proposed Australian Letter of Credit is reasonably satisfactory to the Agent and the applicable Australian Fronting Bank; and (f) the proposed use of the Australian Letter of Credit is for a lawful purpose.

Australian LC Documents: all documents, instruments and agreements (including Australian LC Requests and Australian LC Applications) delivered by any Australian Borrower or by any other Person to an Australian Fronting Bank or the Agent in connection with issuance, amendment or renewal of, or payment under, any Australian Letter of Credit.

Australian LC Obligations: with respect to the Applicable Australian Borrower, the Dollar Equivalent of the sum (without duplication) of (a) all amounts owing by such Applicable Australian Borrower for any drawings under Australian Letters of Credit; (b) the stated amount of all outstanding Australian Letters of Credit issued for the account of such Applicable Australian Borrower; and (c) all fees and other amounts owing with respect to such Australian Letters of Credit.

Australian LC Request: a request for issuance of an Australian Letter of Credit, to be provided by an Australian Borrower to an Australian Fronting Bank, in form reasonably satisfactory to Agent and such Australian Fronting Bank.

Australian LC Reserve: with respect to the Applicable Australian Borrower, the aggregate of all Australian LC Obligations of such Applicable Australian Borrower, other than (a) those that have been Cash Collateralized and (b) if no Event of Default exists, those constituting charges owing to any Australian Fronting Bank.

Australian Lenders: Bank of America (Australia) and each other Lender that has issued an Australian Revolver Commitment (*provided* that such Person or an Affiliate of such Person also has a U.S. Revolver Commitment).

Australian Letter of Credit: any standby or documentary letter of credit issued by an Australian Fronting Bank for the account of an Australian Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or an Australian Fronting Bank for the benefit of an Australian Borrower.

Australian Overadvance: as defined in Section 2.1.5(a).

Australian Overadvance Loan: a Loan made to an Australian Borrower when an Australian Overadvance exists or is caused by the funding thereof.

Australian Overadvance Loan Balance: on any date, the Dollar Equivalent of the amount by which the aggregate Australian Revolver Loans of the Applicable Australian Borrower or all Australian Borrowers, as the case may be, exceed the amount of the Australian Borrowing Base of such Applicable Australian Borrower or the Total Australian Borrowing Base, as applicable, on such date.

Australian Pension Plan: the Australian Superannuation Guarantee Scheme (established under the Superannuation Guarantee (Administration) Act 1992 (Cth)), a defined benefit scheme (whether established by deed or under statute of Australia or any state or territory of Australia) and any other superannuation or pension plan maintained or contributed to by, or to which there is or may be an obligation to contribute by, any Loan Party in respect of its Australian employees or former employees.

Australian Priority Payables Reserve: on any date of determination, a reserve in such amount as Agent may determine in its Permitted Discretion which reflects amounts secured by any rights (whether imposed under a statute of Australia or any state or territory of Australia), Liens, choate or inchoate, which rank or are capable of ranking in priority to the Agent's and/or the Secured Parties' Liens and/or for amounts which may represent costs relating to the enforcement of the Agent's or AUS-NZ Security Trustee's Liens including, without limitation, to the extent applicable by operation of law, any such amounts due and not paid for wages, long service leave or vacation pay (including amounts protected by the Fair Work Act 2009 (Cth)), any preferential claims as set out in the Corporations Act 2001 (Commonwealth of Australia), amounts due and not paid under any legislation relating to workers' compensation or to employment insurance, all amounts deducted or withheld and not paid and remitted when due under the Taxation Administration Act 1953 (Cth) (but excluding Pay as You Go income withholding tax) and amounts currently or past due and not contributed, remitted or paid in respect of any Australian Pension Plan.

Australian Protective Advances: as defined in Section 2.1.6(a).

Australian Reimbursement Date: as defined in Section 2.2.2(a).

Australian Rent Reserve: the aggregate of (a) all past due rent and other past due charges owing by any Australian Borrower to any landlord or other Person who possesses any Australian Facility Collateral or could assert a Lien on such Australian Facility Collateral; plus (b) a reserve in an amount not to exceed rent and other charges that could be payable to any such Person for the time period used to determine the Net Orderly Liquidation Value of Australian Facility Collateral.

Australian Revolver Commitment: for any Australian Lender, its obligation to make Australian Revolver Loans and to issue Australian Letters of Credit, in the case of any Australian Fronting Bank, or participate in Australian LC Obligations, in the case of the other Australian Lenders, to the Australian Borrowers up to the maximum principal amount shown on **Schedule 2.1.1(a)**, or as hereafter determined pursuant to each Assignment and Acceptance to which it is a party, as such Australian Revolver Commitment may be adjusted from time to time in accordance with the provisions of Sections 2.1.4, 2.1.7 or 11.1. "Australian Revolver Commitments" means the aggregate amount of such commitments of all Australian Lenders.

Australian Revolver Commitment Increase: as defined in Section 2.1.7(a).

Australian Revolver Commitment Termination Date: the earliest of (a) the U.S. Revolver Commitment Termination Date (without regard to the reason therefor), (b) the date on which the Asian Loan Party Agent terminates or reduces to zero all of the Australian Revolver Commitments pursuant to Section 2.1.4, and (c) the date on which the Australian Revolver Commitments are terminated pursuant to Section 11.1. From and after the Australian Revolver Commitment Termination Date, the Australian Borrowers shall no longer be entitled to request a Australian Revolver Commitment Increase pursuant to Section 2.1.7 hereof.

Australian Revolver Exposure: on any date, the Dollar Equivalent of an amount equal to the sum of (a) the Australian Revolver Loans outstanding on such date and (b) the Australian LC Obligations on such date.

Australian Revolver Loan: a Revolver Loan made by Australian Lenders to an Australian Borrower pursuant to Section 2.1.1(a), which Revolver Loan shall, if denominated in Australian Dollars, be either an Australian Bank Bill Rate Loan or an Australian Base Rate Loan and, if denominated in Dollars, Euros or Sterling, shall be either an Australian Base Rate Loan or a LIBOR Loan, in each case as selected by Applicable Australian Borrower, and including any Australian Swingline Loan, Australian Overadvance Loan or Australian Protective Advance.

Australian Revolver Notes: the promissory notes, if any, executed by Australian Borrowers in favor of each Australian Lender to evidence the Australian Revolver Loans funded from time to time by such Australian Lender, which shall be in the form of **Exhibit C-1** to this Agreement, together with any replacement or successor notes therefor.

Australian Security Agreements: the Australian Security Trust Deed and each specific security agreement among any Australian Domiciled Loan Party and Agent or the AUS-NZ Security Trustee.

Australian Security Trust: the trust established under the Australian Security Trust Deed.

Australian Security Trust Deed: the security trust deed dated prior to this Agreement among the Australian Domiciled Loan Parties (as at the date of this Agreement), Agent and the AUS-NZ Security Trustee.

Australian Subsidiary: Each Wholly-Owned Subsidiary of MRC incorporated or organized under the laws of Australia or any state or territory of Australia.

Australian Swingline Commitment: \$26,000,000.

Australian Swingline Commitment Termination Date: with respect to any Australian Swingline Loan, the date that is five Business Days prior to the Australian Revolver Commitment Termination Date.

Australian Swingline Lender: Bank of America (Australia) or an Affiliate of Bank of America (Australia).

Australian Swingline Loan: a Swingline Loan made by the Australian Swingline Lender to an Australian Borrower pursuant to Section 2.1.8(a), which Swingline Loan shall be an Australian Base Rate Loan.

Australian Trust Fund: (a) the sum of \$10 held by the AUS-NZ Security Trustee under the Australian Security Trust Deed; (b) any other property that the AUS-NZ Security Trustee acquires or is held by the AUS-NZ Security Trustee, as trustee of the Security Trust, including (i) all its interest in and under any Australian Facility Collateral and Loan Documents that it executes after the Australian Security Trust Deed in its capacity as trustee of the Australian Security Trust; (ii) the benefit of any representation, warranty, undertaking or covenant under the Australian Security Agreements; (iii) any other property that represents the proceeds of sale or enforcement of any property forming part of the Australian Trust Fund; (iv) any property representing the proceeds of any insurance claims payable to the AUS-NZ Security Trustee in that capacity; (v) any property into which any other property forming part of the Australian Trust Fund is converted or invested and the property representing the proceeds of that property; and (vi) the proceeds of enforcement or other recovery of money under the Australian Facility Collateral and the Loan Documents.

Availability: Australian Availability, Belgian Availability, Canadian Availability, Dutch Availability, New Zealand Availability, Singapore Availability, UK Availability and/or U.S. Availability, as the context may require.

Bank of America: Bank of America, N.A., a national banking association, and its successors and assigns.

Bank of America (Australia): Bank of America, National Association, ARBN 064 874 531 (acting through its Australia Branch).

Bank of America (Canada): Bank of America, N.A. (acting through its Canada branch).

Bank of America (Hong Kong): Bank of America, N.A. (acting through its Hong Kong branch).

Bank of America (London): Bank of America, N.A. (acting through its London branch).

Bank of America (Singapore): Bank of America, N.A. (acting through its Singapore branch).

Bank of America Indemnitees: Bank of America, Bank of America (Canada), Bank of America (London), Bank of America (Singapore), Bank of America (Australia) and their respective officers, directors, employees, Affiliates and agents.

Bank Product: any of the following products, services or facilities extended to any Borrower or any other Loan Party by a Lender or any of its Affiliates: (a) Cash Management Services; (b) products under Hedge Agreements (other than Hedge Agreements that constitute Notes Priority Lien Debt for purposes of the Intercreditor Agreement); (c) commercial credit card, purchase card and merchant card services; and (d) other banking products or services as may be requested by any Borrower or any other Loan Party, other than loans and letters of credit.

Bank Product Debt: Indebtedness and other obligations of a Loan Party relating to Bank Products.

Bank Product Document: any agreement, instrument or other document entered into in connection with any Bank Product Debt.

Base Rate: Canadian Base Rate, Eurasian Base Rate and/or U.S. Base Rate, as the context requires.

Base Rate Loan: an Australian Base Rate Loan, Belgian Base Rate Loan, Canadian Base Rate Loan, Dutch Base Rate Loan, New Zealand Base Rate Loan, Singapore Base Rate Loan, UK Base Rate Loan and/or U.S. Base Rate Loan, as the context requires.

Belgian Allocated U.S. Availability: U.S. Availability designated by the North American Loan Party Agent for application to clause (c) of a Belgian Borrowing Base.

Belgian Availability: as of any date of determination, (a) the lesser of (i) the Belgian Revolver Commitments *minus* all Belgian LC Obligations as of such date of determination and (ii) the Total Belgian Borrowing Base as of such date of determination, *minus* (b) the Dollar Equivalent of the principal balance of all Belgian Revolver Loans.

Belgian Availability Reserves: the sum (without duplication) of (a) the aggregate amount of the Belgian Rent Reserve, if any, established pursuant to clause (h) of the definition of Belgian Eligible Inventory; (b) the Belgian LC Reserve; (c) the Belgian Bank Product Reserve; (d) the Belgian Priority Payables Reserve; and (e) such additional reserves, in such amounts and with respect to such matters, as the Agent may establish in its Permitted Discretion.

Belgian Bank Product Reserve: the aggregate amount of reserves, as established by the Agent from time to time in its Permitted Discretion and in consultation with the European Loan Party Agent, to reflect the reasonably anticipated liabilities in respect of the then outstanding Secured Bank Product Obligations of the Belgian Domiciled Loan Parties.

Belgian Base Rate Loan: a Belgian Revolver Loan, or portion thereof, funded in Dollars or Euros and bearing interest calculated by reference to the Eurasian Base Rate.

Belgian Borrowers: (a) the Initial Belgian Borrower and (b) each other Belgian Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 and has satisfied the other requirements set forth in Section 10.1.13 in order to become a Belgian Borrower.

Belgian Borrowing Base: at any time, with respect to the Applicable Belgian Borrower, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

(a) the book value of Belgian Eligible Accounts of the Applicable Belgian Borrower multiplied by the advance rate of 85%, *plus*

(b) the lesser of (i) 70% of the net book value of Belgian Eligible Inventory of the Applicable Belgian Borrower and (ii) 85% of the Net Orderly Liquidation Value of Belgian Eligible Inventory of the Applicable Belgian Borrower (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost); *provided*, that the net book value of Belgian Eligible Inventory and Net Orderly Liquidation Value of Belgian Eligible Inventory shall be multiplied by 50% to the extent that such Belgian Eligible Inventory is, in either case, subject to a business pledge and not a possessory pledge, *plus*

(c) Belgian Allocated U.S. Availability for such Applicable Belgian Borrower *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Belgian Availability Reserves allocable to the Applicable Belgian Borrower which would cause the aggregate amount of the Belgian Revolver Loans allocable to the Applicable Belgian Borrower at such time to exceed the lesser of the Applicable Belgian Borrower's Applicable Belgian Borrower Commitment and the Applicable Belgian Borrower's Belgian Borrowing Base then in effect, in each case, notification thereof to the European Loan Party Agent by the Agent, any and all such Belgian Availability Reserves.

The Belgian Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Belgian Borrowing Base is calculated in accordance with the terms of this Agreement.

Belgian Cash Collateral Account: a demand deposit, money market or other account established by Agent at Bank of America (London) or such other financial institution as Agent may select in its discretion with the consent of European Loan Party Agent (not to be unreasonably withheld or delayed), which account shall be for the benefit of the Belgian Facility Secured Parties and shall be subject to Agent's or European Security Trustee's Liens securing the Belgian Facility Secured Obligations; *provided* that the foregoing consent of European Loan Party Agent to the selection by Agent in its discretion of a financial institution other than Bank of America (London) shall not be required if an Event of Default has occurred and is continuing.

Belgian Domiciled Loan Party: any Belgian Borrower and each Belgian Subsidiary now or hereafter party hereto as a Loan Party, and "Belgian Domiciled Loan Parties" means all such Persons, collectively.

Belgian Dominion Account: each special account established by the Belgian Domiciled Loan Parties at Bank of America (London) (or, subject to Section 8.1.4, HSBC), over which Agent or European Security Trustee has springing control for withdrawal purposes.

Belgian Eligible Accounts: at any time, the Accounts of the Applicable Belgian Borrower at such date except any Account:

(a) which is not subject to a valid Lien in favor of the Agent or European Security Trustee (including under the relevant laws of the Account Debtor's jurisdiction of organization);

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or European Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent; *provided* that, with respect to any tax Lien having such priority, eligibility of Accounts shall be reduced by the amount of such tax Lien having such priority;

(c) owing by any Account Debtor with respect to which more than 120 days have elapsed since the date of the original invoice therefor or which is more than 60 days past the due date for payment;

(d) which is owing by an Account Debtor for which more than 50% of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (c) above;

(e) which is owing by any Account Debtor to the extent the aggregate amount of otherwise Belgian Eligible Accounts owing from such Account Debtor and its Affiliates to Belgian Borrowers exceeds 20% of the aggregate Belgian Eligible Accounts (or such higher percentage as the Agent may establish for the Account Debtor from time to time), in each case, only to the extent of such excess;

(f) with respect to which any covenant, representation, or warranty relating to such Account contained in this Agreement or a Security Document has been breached or is not true in any material respect;

(g) which (i) does not arise from the sale of goods or performance of services in the Ordinary Course of Business, (ii) is not evidenced by an invoice, or other documentation satisfactory to the Agent, which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the Applicable Belgian Borrower's completion of any further performance, or (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment which is billed prior to actual sale to the end user, cash-on-delivery or any other repurchase or return basis, except with respect to up to \$15,000,000 of such Accounts in the aggregate for all Borrowing Bases on a combined basis;

(h) for which the goods giving rise to such Account (other than Accounts described in the foregoing paragraph (g)(v)) have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the Applicable Belgian Borrower;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor in respect of which an Insolvency Proceeding has been commenced or which is otherwise a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any province or territory) receivership, insolvency relief or other law or laws for the relief of debtors, including the Belgian bankruptcy law of 8 August 1997 and the law on the continuity of enterprises of 31 January 2009, unless the payment of Accounts from such Account Debtor is secured by assets of, or guaranteed by, in either case, in a manner reasonably satisfactory to the Agent, a Person that is reasonably acceptable to the Agent or, if the Account from such Account Debtor arises subsequent to a decree or order for relief with respect to such Account Debtor under the Belgian bankruptcy law of 8 August 1997 or the law on the continuity of enterprises of 31 January 2009, as now or hereafter in effect, the Agent shall have reasonably determined that the timely payment and collection of such Account will not be impaired;

(k) which is owed by an Account Debtor which has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs or is not Solvent;

(l) which is owed by an Account Debtor which is not organized under the applicable law of an Eligible Account Debtor Jurisdiction unless such Account is backed by a letter of credit or other credit support reasonably acceptable to the Agent and which is in the possession of the Agent;

(m) which is owed in any currency other than an Eligible Account Currency;

(n) which is owed by any Governmental Authority, unless (i) such Account is backed by a letter of credit reasonably acceptable to the Agent and which is in the possession of the Agent or (ii) Agent otherwise approves;

(o) which is owed by any Affiliate, employee, director, or officer of any Loan Party; *provided* that portfolio companies of the Sponsor that do business with the Applicable Belgian Borrower in the Ordinary Course of Business will not be treated as Affiliates for purposes of this clause (o);

(p) which is owed by an Account Debtor or any Affiliate of such Account Debtor which is the holder of Indebtedness issued or incurred by any Loan Party; *provided*, that any such Account shall only be ineligible as to that portion of such Account which is less than or equal to the amount owed by the Loan Party to such Person;

(q) which is subject to any counterclaim, deduction, defense, setoff, right of compensation or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff, right of compensation or dispute, unless (i) the Agent, in its Permitted Discretion, has established Belgian Availability Reserves and determines to include such Account as a Belgian Eligible Account or (ii) such Account Debtor has entered into an agreement reasonably acceptable to the Agent to waive such rights;

(r) which is evidenced by any promissory note, Chattel Paper or Instrument (in each case, other than any such items that are delivered to the Agent or the European Security Trustee);

(s) which is owed by an Account Debtor located in any jurisdiction that requires, as a condition to access to the courts of such jurisdiction, that a creditor qualify to transact business, file a business activities report or other report or form, or take one or more other actions, unless the Applicable Belgian Borrower has so qualified, filed such reports or forms, or taken such actions (and, in each case, paid any required fees or other charges), except to the extent the Applicable Belgian Borrower may qualify subsequently as a foreign entity authorized to transact business in such jurisdiction and gain access to such courts, without incurring any cost or penalty reasonably viewed by the Agent to be material in amount, and such later qualification cures any access to such courts to enforce payment of such Account;

(t) with respect to which the Applicable Belgian Borrower has made any agreement with the Account Debtor for any reduction thereof, but only to the extent of such reduction, other than discounts and adjustments given in the Ordinary Course of Business; or

(u) which the Agent determines is ineligible in its Permitted Discretion.

Subject to Sections 14.1 and 7.5 and the definition of Belgian Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Belgian Eligible Inventory: at any date of determination thereof, the aggregate amount of all Inventory owned by the Applicable Belgian Borrower at such date except any Inventory:

(a) which is not subject to a valid Lien in favor of the Agent or European Security Trustee (without giving effect to the 50% priority claim for unsecured creditors against the proceeds of recovery on Inventory pursuant to Applicable Law);

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or European Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent or European Security Trustee (other than any bailee, warehouseman, landlord or similar non-consensual Liens having priority by operation of law to the extent either subclause (i) or (ii) of clauses (h) or (i) below of Belgian Eligible Inventory is satisfied with respect to the relevant Inventory); provided that, with respect to any tax Lien having such priority, eligibility of Inventory shall be reduced by the amount of such tax Lien having such priority;

(c) which is, in the Agent's Permitted Discretion, slow moving, obsolete, unmerchantable, defective, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the Ordinary Course of Business or unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation or warranty contained in this Agreement or any Security Document has been breached or is not true in any material respect;

(e) which does not conform in all material respects to all standards imposed by any applicable Governmental Authority (except that any standard that is qualified as to "materiality" shall have been conformed to in all respects);

(f) which constitutes packaging and shipping material, manufacturing supplies, display items, bill-and-hold goods (other than bill-and-hold goods, the sale of which has been excluded from Belgian Eligible Accounts pursuant to clause (g)(v) of the definition thereof), returned or repossessed goods (other than goods that are undamaged and able to be resold in the Ordinary Course of Business), defective goods, goods held on consignment, goods to be returned to the Applicable Belgian Borrower's suppliers or goods which are not of a type held for sale in the Ordinary Course of Business;

(g) which is not located in Belgium or is not at a location listed on **Schedule 8.4.1** (as updated from time to time in accordance with the provisions hereof) other than goods in transit between locations of the Belgian Domiciled Loan Parties;

(h) which is located, at any time after the Temporary Eligibility Period, in any location leased by the Applicable Belgian Borrower unless (i) the lessor has delivered to the Agent a Collateral Access Agreement or (ii) a Belgian Rent Reserve has been established by the Agent;

(i) which is located, at any time after the Temporary Eligibility Period, in any third party warehouse or is in the possession of a bailee, processor or other Person and is not evidenced by a Document, unless (i) such warehouseman, bailee, processor or other Person has delivered to the Agent a Collateral Access Agreement and/or such other documentation as the Agent may reasonably require or (ii) appropriate Belgian Availability Reserves have been established by the Agent in its Permitted Discretion;

(j) which is the subject of a consignment by the Applicable Belgian Borrower as consignor;

(k) which is perishable as determined in accordance with GAAP; or

(l) which contains or bears any intellectual property rights licensed to the Applicable Belgian Borrower unless the Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor in any material respect or (ii) incurring any material liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement.

Subject to Sections 14.1 and 7.5 and the definition of Belgian Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Belgian Facility Collateral: Collateral that now or hereafter secures (or is intended to secure) any of the Belgian Facility Secured Obligations, including Property of the U.S. Domiciled Loan Parties pledged to secure the Belgian Facility Secured Obligations under their guarantee of the Secured Obligations.

Belgian Facility Guarantor: each U.S. Borrower, each U.S. Facility Guarantor and each other Person (if any) who guarantees payment and performance of any Belgian Facility Secured Obligations.

Belgian Facility Loan Party: a Belgian Borrower or a Belgian Facility Guarantor.

Belgian Facility Obligations: all Obligations of the Belgian Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Belgian Facility Loan Party, the other Foreign Facility Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Obligations).

Belgian Facility Secured Obligations: all Secured Obligations of the Belgian Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Belgian Facility Loan Party, the other Foreign Facility Secured Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Secured Obligations).

Belgian Facility Secured Parties: Agent, European Security Trustee, any Belgian Fronting Bank, Belgian Lenders and Secured Bank Product Providers of Bank Products to Belgian Domiciled Loan Parties, and, following the Foreign Cross-Guarantee Date for any Belgian Domiciled Loan Party, the other Secured Parties that are the beneficiaries of such Foreign Cross-Guarantee.

Belgian Fronting Bank: (a) Bank of America (London) or any Affiliate thereof that agrees to issue Belgian Letters of Credit, (b) if reasonably acceptable to European Loan Party Agent, any other Belgian Lender or Affiliate thereof that agrees to issue Belgian Letters of Credit, or (c) if requested by European Loan Party Agent and subject to Section 2.10, a Non-Lender Fronting Bank that agrees to issue Belgian Letters of Credit.

Belgian Fronting Bank Indemnitees: any Belgian Fronting Bank and its officers, directors, employees, Affiliates and agents.

Belgian LC Application: an application by any Belgian Borrower on behalf of itself or any other Belgian Borrower to a Belgian Fronting Bank for issuance of a Belgian Letter of Credit, in form and substance reasonably satisfactory to such Belgian Fronting Bank.

Belgian LC Conditions: the following conditions necessary for issuance of a Belgian Letter of Credit: (a) each of the conditions set forth in Section 6 being satisfied or waived; (b) after giving effect to such issuance, the total Ex-NA LC Obligations do not exceed the Ex-NA Letter of Credit Sublimit, no Belgian Overadvance exists or would result therefrom and, in the case of any Belgian Borrower, Section 2.11 is satisfied; (c) the expiration date of such Belgian Letter of Credit is (i) no more than 365 days from issuance (*provided* that each Belgian Letter of Credit may, upon the request of the Applicable Belgian Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of twelve (12) months or less (but no later than 20 Business Days prior to the Facility Termination Date)), and (ii) unless the applicable Belgian Fronting Bank and the Agent otherwise consent (subject to the satisfaction of the Cash Collateral requirements set forth in Section 2.3.3), at least 20 Business Days prior to the Facility Termination Date; (d) the Belgian Letter of Credit and payments thereunder are denominated in Euros or Dollars; (e) the form of the proposed Belgian Letter of Credit is reasonably satisfactory to the Agent and the applicable Belgian Fronting Bank; and (f) the proposed use of the Belgian Letter of Credit is for a lawful purpose.

Belgian LC Documents: all documents, instruments and agreements (including Belgian LC Requests and Belgian LC Applications) delivered by any Belgian Borrower or by any other Person to a Belgian Fronting Bank or the Agent in connection with issuance, amendment or renewal of, or payment under, any Belgian Letter of Credit.

Belgian LC Obligations: with respect to the Applicable Belgian Borrower, the Dollar Equivalent of the sum (without duplication) of (a) all amounts owing by such Applicable Belgian Borrower for any drawings under Belgian Letters of Credit; (b) the stated amount of all outstanding Belgian Letters of Credit issued for the account of such Applicable Belgian Borrower; and (c) all fees and other amounts owing with respect to such Belgian Letters of Credit.

Belgian LC Request: a request for issuance of a Belgian Letter of Credit, to be provided by a Belgian Borrower to a Belgian Fronting Bank, in form reasonably satisfactory to Agent and such Belgian Fronting Bank.

Belgian LC Reserve: with respect to the Applicable Belgian Borrower, the aggregate of all Belgian LC Obligations of such Applicable Belgian Borrower, other than (a) those that have been Cash Collateralized and (b) if no Event of Default exists, those constituting charges owing to any Belgian Fronting Bank.

Belgian Lenders: Bank of America (London) and each other Lender that has issued a Belgian Revolver Commitment (*provided* that such Person or an Affiliate of such Person also has a U.S. Revolver Commitment).

Belgian Letter of Credit: any standby or documentary letter of credit issued by a Belgian Fronting Bank for the account of a Belgian Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or a Belgian Fronting Bank for the benefit of a Belgian Borrower.

Belgian Overadvance: as defined in Section 2.1.5(b).

Belgian Overadvance Loan: a Loan made to a Belgian Borrower when a Belgian Overadvance exists or is caused by the funding thereof.

Belgian Overadvance Loan Balance: on any date, the Dollar Equivalent of the amount by which the aggregate Belgian Revolver Loans of the Applicable Belgian Borrower or all Belgian Borrowers, as the case may be, exceed the amount of the Belgian Borrowing Base of such Applicable Belgian Borrower or the Total Belgian Borrowing Base, as applicable, on such date.

Belgian Priority Payables Reserve: on any date of determination, a reserve in such amount as Agent may determine in its Permitted Discretion which reflects amounts secured by any Liens, choate or inchoate, which rank or are capable of ranking in priority to the Agent's and/or the Secured Parties' Liens and/or for amounts which may represent costs relating to the enforcement of the Agent's or European Security Trustee's Liens.

Belgian Protective Advances: as defined in Section 2.1.6(b).

Belgian Reimbursement Date: as defined in Section 2.3.2(a).

Belgian Rent Reserve: the aggregate of (a) all past due rent and other past due charges owing by any Belgian Borrower to any landlord or other Person who possesses any Belgian Facility Collateral or could assert a Lien on such Belgian Facility Collateral; plus (b) a reserve in an amount not to exceed rent and other charges that could be payable to any such Person for the time period used to determine the Net Orderly Liquidation Value of Belgian Facility Collateral.

Belgian Revolver Commitment: for any Belgian Lender, its obligation to make Belgian Revolver Loans and to issue Belgian Letters of Credit, in the case of any Belgian Fronting Bank, or participate in Belgian LC Obligations, in the case of the other Belgian Lenders, to the Belgian Borrowers up to the maximum principal amount shown on **Schedule 2.1.1(b)**, or as hereafter determined pursuant to each Assignment and Acceptance to which it is a party, as such Belgian Revolver Commitment may be adjusted from time to time in accordance with the provisions of Sections 2.1.4, 2.1.7 or 11.1. "Belgian Revolver Commitments" means the aggregate amount of such commitments of all Belgian Lenders.

Belgian Revolver Commitment Increase: as defined in Section 2.1.7(b).

Belgian Revolver Commitment Termination Date: the earliest of (a) the U.S. Revolver Commitment Termination Date (without regard to the reason therefor), (b) the date on which the European Loan Party Agent terminates or reduces to zero all of the Belgian Revolver Commitments pursuant to Section 2.1.4, and (c) the date on which the Belgian Revolver Commitments are terminated pursuant to Section 11.1. From and after the Belgian Revolver Commitment Termination Date, the Belgian Borrowers shall no longer be entitled to request a Belgian Revolver Commitment Increase pursuant to Section 2.1.7 hereof.

Belgian Revolver Exposure: on any date, the Dollar Equivalent of an amount equal to the sum of (a) the Belgian Revolver Loans outstanding on such date and (b) the Belgian LC Obligations on such date.

Belgian Revolver Loan: a Revolver Loan made by Belgian Lenders to a Belgian Borrower pursuant to Section 2.1.1(b), which Revolver Loan shall be denominated in Euros or Dollars and either a LIBOR Loan or a Belgian Base Rate Loan, in each case as selected by Applicable Belgian Borrower, and including any Belgian Swingline Loan, Belgian Overadvance Loan or Belgian Protective Advance.

Belgian Revolver Notes: the promissory notes, if any, executed by Belgian Borrowers in favor of each Belgian Lender to evidence the Belgian Revolver Loans funded from time to time by such Belgian Lender, which shall be in the form of **Exhibit C-2** to this Agreement, together with any replacement or successor notes therefor.

Belgian Security Agreements: each pledge agreement (including, without limitation, a business pledge, a business pledge mandate, a bank accounts pledge, a receivables pledge (whether disclosed or undisclosed) and an inventory pledge, as the case may be) or security agreement among any Belgian Domiciled Loan Party and Agent or European Security Trustee.

Belgian Subsidiary: Each Wholly-Owned Subsidiary of MRC incorporated and organized under the laws of Belgium.

Belgian Swingline Commitment: \$3,500,000.

Belgian Swingline Commitment Termination Date: with respect to any Belgian Swingline Loan, the date that is five Business Days prior to the Belgian Revolver Commitment Termination Date.

Belgian Swingline Lender: Bank of America (London) or an Affiliate of Bank of America (London).

Belgian Swingline Loan: a Swingline Loan made by the Belgian Swingline Lender to a Belgian Borrower pursuant to Section 2.1.8(b), which Swingline Loan shall be a Belgian Base Rate Loan.

Board of Governors: the Board of Governors of the Federal Reserve System.

Borrower and Borrowers: as defined in the preamble to this Agreement.

Borrower Group: a group consisting of (a) the Australian Borrowers, (b) the Belgian Borrowers, (c) the Canadian Borrowers, (d) the Dutch Borrowers, (e) the New Zealand Borrowers, (f) the Singapore Borrowers, (g) the UK Borrowers, or (h) the U.S. Borrowers, as the context requires.

Borrower Group Commitment: with respect to the commitment of (a) an Australian Lender, its Australian Revolver Commitment, (b) a Belgian Lender, its Belgian Revolver Commitment, (c) a Canadian Lender, its Canadian Revolver Commitment, (d) a Dutch Lender, its Dutch Revolver Commitment, (e) a New Zealand Lender, its New Zealand Revolver Commitment, (f) a Singapore Lender, its Singapore Revolver Commitment, (g) a UK Lender, its UK Revolver Commitment, and (h) a U.S. Lender, its U.S. Revolver Commitment. The term “**Borrower Group Commitments**” means (i) the Borrower Group Commitment of all Australian Lenders, (ii) the Borrower Group Commitment of all Belgian Lenders, (iii) the Borrower Group Commitment of all Canadian Lenders, (iv) the Borrower Group Commitment of all Dutch Lenders, (v) the Borrower Group Commitment of all New Zealand Lenders, (vi) the Borrower Group Commitment of all Singapore Lenders, (vii) the Borrower Group Commitment of all UK Lenders, or (viii) the Borrower Group Commitment of all U.S. Lenders, as the context requires. To the extent any Lender has more than one Borrower Group Commitment, each such Commitment shall be considered as a separate Commitment for purposes of this definition.

Borrowing: a group of Loans of one Type that are made on the same day or are converted into Loans of one Type on the same day.

Borrowing Base: (a) the Total Australian Borrowing Base, (b) an Australian Borrowing Base, (c) the Total Belgian Borrowing Base, (d) a Belgian Borrowing Base, (e) the Total Canadian Borrowing Base, (f) a Canadian Borrowing Base, (g) the Total Dutch Borrowing Base, (h) a Dutch Borrowing Base, (i) the Total New Zealand Borrowing Base, (j) a New Zealand Borrowing Base, (k) the Total Singapore Borrowing Base, (l) a Singapore Borrowing Base, (m) the Total UK Borrowing Base, (n) a UK Borrowing Base, and/or (o) the U.S. Borrowing Base, as the context requires.

Borrowing Base Certificate: a certificate, executed by a Senior Officer of the Asian Loan Party Agent, the European Loan Party Agent or the North American Loan Party Agent, as applicable, in the form of (a) **Exhibit B-1** with respect to any Australian Borrowing Base, (b) **Exhibit B-2** with respect to any Belgian Borrowing Base, (c) **Exhibit B-3** with respect to any Canadian Borrowing Base, (d) **Exhibit B-4** with respect to any Dutch Borrowing Base, (e) **Exhibit B-5** with respect to any UK Borrowing Base, and (f) **Exhibit B-6** with respect to the U.S. Borrowing Base, in each case, with such changes as may be agreed to by such Loan Party Agent and Agent, setting forth the Borrowers’ calculation of their respective Borrowing Base. The form of Borrowing Base Certificate for the New Zealand Borrowing Base and the Singapore Borrowing Base will be specified in the joinder documentation for the New Zealand Borrowers and the Singapore Borrowers, respectively.

Business Day: any day excluding Saturday, Sunday and any other day that is a legal holiday under the laws of the State of North Carolina or the State of New York or is a day on which banking institutions located in such state are closed; and when used with reference to (a) a LIBOR Loan, the term shall also exclude any day on which banks are not open for the

transaction of banking business in London, England, (b) an Australian Revolver Loan, shall also exclude a day on which banks in Sydney, New South Wales, Australia and Hong Kong are not open for the transaction of banking business, (c) a Belgian Revolver Loan, a Dutch Revolver Loan or a UK Revolver Loan, shall also exclude any day (i) on which banks are not open for the transaction of banking business in London, England and in the principal financial center for the applicable country and (ii) in respect of any such Revolver Loan denominated in Euros, any day that is not a TARGET Day, (d) a Canadian Revolver Loan, shall also exclude a day on which banks in Toronto, Ontario, Canada are not open for the transaction of banking business, (e) a New Zealand Revolver Loan, shall also exclude a day on which banks in (i) Auckland and Wellington, New Zealand, (ii) Sydney, New South Wales, Australia and (iii) Hong Kong are not open for the transaction of banking business, and (iv) a Singapore Revolver Loan, shall also exclude a day on which banks in Singapore and Hong Kong are not open for the transaction of banking business.

Canadian Allocated U.S. Availability: U.S. Availability designated by the North American Loan Party Agent for application to clause (c) of a Canadian Borrowing Base.

Canadian Availability: as of any date of determination, (a) the lesser of (i) the Canadian Revolver Commitments *minus* all Canadian LC Obligations as of such date of determination and (ii) the Total Canadian Borrowing Base as of such date of determination, *minus* (b) the Dollar Equivalent of the principal balance of all Canadian Revolver Loans.

Canadian Availability Reserves: the sum (without duplication) of (a) the aggregate amount of the Canadian Rent Reserve, if any, established pursuant to clause (h) of the definition of Canadian Eligible Inventory; (b) the Canadian LC Reserve; (c) the Canadian Bank Product Reserve; (d) the Canadian Priority Payables Reserve; and (e) such additional reserves, in such amounts and with respect to such matters, as the Agent may establish in its Permitted Discretion.

Canadian BA Rate: with respect to each Interest Period for a Canadian BA Rate Loan, the rate of interest per annum equal to the average rate applicable to Canadian Dollar Bankers' Acceptances having an identical or comparable term as the proposed Canadian BA Rate Loan displayed and identified as such on the display referred to as the "CDOR Page" (or any display substituted therefor) of Reuter Monitor Money Rates Service as at approximately 10:00 a.m. Toronto time on such day (or, if such day is not a Business Day, as of 10:00 a.m. Toronto time on the immediately preceding Business Day), *plus* five (5) basis points, *provided* that if such rate does not appear on the CDOR Page at such time on such date, the rate for such date will be the annual discount rate (rounded upward to the nearest whole multiple of 1/100 of 1%) as of 10:00 a.m. Eastern time on such day at which a Canadian chartered bank listed on Schedule 1 of the *Bank Act* (Canada) as selected by Agent is then offering to purchase Canadian Dollar Bankers' Acceptances accepted by it having such specified term (or a term as closely as possible comparable to such specified term), *plus* five (5) basis points.

Canadian BA Rate Loan: a Canadian Revolver Loan, or portion thereof, funded in Canadian Dollars and bearing interest calculated by reference to the Canadian BA Rate.

Canadian Bank Product Reserve: the aggregate amount of reserves, as established by the Agent from time to time in its Permitted Discretion and in consultation with the North American Loan Party Agent, to reflect the reasonably anticipated liabilities in respect of the then outstanding Secured Bank Product Obligations of the Canadian Domiciled Loan Parties.

Canadian Base Rate: on any date, the highest of (i) a fluctuating rate of interest per annum equal to the rate of interest in effect for such day as publicly announced from time to time by Bank of America (Canada) as its “Base Rate”, (ii) the sum of 0.50% plus the Federal Funds Rate for such day, and (iii) the sum of 1.00% plus the LIBOR rate for a thirty (30) day Interest Period as determined on such day. The “Base Rate” is a rate set by Bank of America (Canada) based upon various factors including Bank of America (Canada)’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans made in Dollars in Canada, which may be priced at, above, or below such announced rate. Any change in such rate shall take effect at the opening of business on the day of such change. In the event Bank of America (Canada) (including any successor or assignee) does not at any time announce a “Base Rate”, clause (i) of Canadian Base Rate shall mean the “Base Rate” (being the rate for loans made in Dollars in Canada) publicly announced by a Canadian Schedule 1 Chartered Bank selected by Agent.

Canadian Base Rate Loan: a Canadian Revolver Loan, or portion thereof, funded in Dollars and bearing interest calculated by reference to the Canadian Base Rate.

Canadian Borrowers: (a) the Initial Canadian Borrower and (b) each other Canadian Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 and has satisfied the other requirements set forth in Section 10.1.13 in order to become a Canadian Borrower.

Canadian Borrowing Base: at any time, with respect to the Applicable Canadian Borrower, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

- (a) the book value of Canadian Eligible Accounts of the Applicable Canadian Borrower multiplied by the advance rate of 85%, *plus*
- (b) the lesser of (i) 70% of the net book value of Canadian Eligible Inventory of the Applicable Canadian Borrower (adding back the LIFO reserve calculated in accordance with GAAP) and (ii) 85% of the Net Orderly Liquidation Value of Canadian Eligible Inventory of the Applicable Canadian Borrower (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*
- (c) Canadian Allocated U.S. Availability for such Applicable Canadian Borrower, *minus*
- (d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Canadian Availability Reserves allocable to the Applicable Canadian Borrower which would cause the aggregate amount of the Canadian Revolver Loans allocable to the Applicable Canadian Borrower at such time to exceed the lesser of the Applicable Canadian Borrower’s Applicable Canadian Borrower Commitment and the Applicable Canadian Borrower’s Canadian Borrowing Base then in effect, in each case, notification thereof to the North American Loan Party Agent by the Agent, any and all such Canadian Availability Reserves.

The Canadian Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Canadian Borrowing Base is calculated in accordance with the terms of this Agreement.

Canadian Cash Collateral Account: a demand deposit, money market or other account established by Agent at Bank of America (Canada) or such other financial institution as Agent may select in its discretion with the consent of North American Loan Party Agent (not to be unreasonably withheld or delayed), which account shall be for the benefit of the Canadian Facility Secured Parties and shall be subject to Agent's Liens securing the Canadian Facility Secured Obligations; *provided* that the foregoing consent of North American Loan Party Agent to the selection by Agent in its discretion of a financial institution other than Bank of America (Canada) shall not be required if an Event of Default has occurred and is continuing.

Canadian Dollars or Cdn\$: the lawful currency of Canada.

Canadian Domiciled Loan Party: any Canadian Borrower and each Canadian Subsidiary now or hereafter party hereto as a Loan Party, and "Canadian Domiciled Loan Parties" means all such Persons, collectively.

Canadian Dominion Account: each special account established by the Canadian Domiciled Loan Parties at Bank of America (Canada) or another bank acceptable to Agent, over which Agent has exclusive control for withdrawal purposes.

Canadian Eligible Accounts: at any time, the Accounts of the Applicable Canadian Borrower at such date except any Account:

- (a) which is not subject to a duly perfected and opposable Lien in favor of the Agent;
- (b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent; *provided* that, with respect to any tax Lien having such priority, eligibility of Accounts shall be reduced by the amount of such tax Lien having such priority;
- (c) owing by any Account Debtor with respect to which more than 120 days have elapsed since the date of the original invoice therefor or which is more than 60 days past the due date for payment;
- (d) which is owing by an Account Debtor for which more than 50% of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (c) above;

(e) which is owing (i) by Canadian Natural Resources Limited and its Affiliates to the extent the aggregate amount of otherwise Canadian Eligible Accounts owing from Canadian Natural Resources Limited and its Affiliates to Canadian Borrowers exceeds 30% of the aggregate Canadian Eligible Accounts or (ii) by any other Account Debtor to the extent the aggregate amount of otherwise Canadian Eligible Accounts owing from such Account Debtor and its Affiliates to Canadian Borrowers exceeds 20% of the aggregate Canadian Eligible Accounts (or such higher percentage as the Agent may establish for the Account Debtor from time to time), in each case, only to the extent of such excess;

(f) with respect to which any covenant, representation or warranty relating to such Account contained in this Agreement or a Security Document has been breached or is not true in any material respect;

(g) which (i) does not arise from the sale of goods or performance of services in the Ordinary Course of Business, (ii) is not evidenced by an invoice, or other documentation satisfactory to the Agent, which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the Applicable Canadian Borrower's completion of any further performance, or (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment which is billed prior to actual sale to the end user, cash-on-delivery or any other repurchase or return basis, except with respect to up to \$15,000,000 of such Accounts in the aggregate for all Borrowing Bases on a combined basis;

(h) for which the goods giving rise to such Account (other than Accounts described in the foregoing paragraph (g)(v)) have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the Applicable Canadian Borrower;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor in respect of which an Insolvency Proceeding has been commenced or which is otherwise a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any province or territory) receivership, insolvency relief or other law or laws for the relief of debtors, including the Bankruptcy and Insolvency Act (Canada) and the CCAA, unless the payment of Accounts from such Account Debtor is secured by assets of, or guaranteed by, in either case, in a manner reasonably satisfactory to the Agent, a Person that is reasonably acceptable to the Agent or, if the Account from such Account Debtor arises subsequent to a decree or order for relief with respect to such Account Debtor under the Bankruptcy and Insolvency Act (Canada) or the CCAA, as now or hereafter in effect, the Agent shall have reasonably determined that the timely payment and collection of such Account will not be impaired;

(k) which is owed by an Account Debtor which has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs or is not Solvent;

(l) which is owed by an Account Debtor which is not organized under the applicable law of the U.S. or Canada, any state of the U.S. or any province or territory of Canada and does not have its principal place of business in the U.S. or Canada unless such Account is backed by a letter of credit or other credit support reasonably acceptable to the Agent and which is in the possession of the Agent;

(m) which is owed in any currency other than Dollars or Canadian Dollars;

(n) which is owed by any Governmental Authority, unless (i) the Account Debtor is the United States or any department, agency or instrumentality thereof, and the Account has been assigned to the Agent in compliance with the U.S. Assignment of Claims Act, and any other steps necessary to perfect or render opposable the Lien of the Agent in such Account have been complied with to the Agent's reasonable satisfaction, (ii) the Account Debtor is the government of Canada or a province or territory thereof, and the Account has been assigned to the Agent in compliance with the Financial Administration Act (or similar Applicable Law of such province or territory), and any other steps necessary to perfect or render opposable the Lien of the Agent in such Account have been complied with to the Agent's reasonable satisfaction, or (iii) such Account is backed by a letter of credit reasonably acceptable to the Agent and which is in the possession of the Agent;

(o) which is owed by any Affiliate, employee, director, or officer of any Loan Party; *provided* that portfolio companies of the Sponsor that do business with the Applicable Canadian Borrower in the Ordinary Course of Business will not be treated as Affiliates for purposes of this clause (o);

(p) which is owed by an Account Debtor or any Affiliate of such Account Debtor which is the holder of Indebtedness issued or incurred by any Loan Party; *provided*, that any such Account shall only be ineligible as to that portion of such Account which is less than or equal to the amount owed by the Loan Party to such Person;

(q) which is subject to any counterclaim, deduction, defense, setoff, right of compensation or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff, right of compensation or dispute, unless (i) the Agent, in its Permitted Discretion, has established Canadian Availability Reserves and determines to include such Account as a Canadian Eligible Account or (ii) such Account Debtor has entered into an agreement reasonably acceptable to the Agent to waive such rights;

(r) which is evidenced by any promissory note, Chattel Paper or Instrument (in each case, other than any such items that are delivered to the Agent);

(s) which is owed by an Account Debtor located in any jurisdiction that requires, as a condition to access to the courts of such jurisdiction, that a creditor qualify to transact business, file a business activities report or other report or form, or take one or more other actions, unless the Applicable Canadian Borrower has so qualified, filed such reports or forms, or taken such actions (and, in each case, paid any required fees or other charges), except to the extent the Applicable Canadian Borrower may qualify subsequently as a foreign entity authorized to transact business in such jurisdiction and gain access to such courts, without incurring any cost or penalty reasonably viewed by the Agent to be material in amount, and such later qualification cures any access to such courts to enforce payment of such Account;

(t) with respect to which the Applicable Canadian Borrower has made any agreement with the Account Debtor for any reduction thereof, but only to the extent of such reduction, other than discounts and adjustments given in the Ordinary Course of Business; or

(u) which the Agent determines is ineligible in its Permitted Discretion.

Subject to Sections 14.1 and 7.5 and the definition of Canadian Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Canadian Eligible Inventory: at any date of determination thereof, the aggregate amount of all Inventory owned by the Applicable Canadian Borrower at such date except any Inventory:

(a) which is not subject to a duly perfected and opposable Lien in favor of the Agent;

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent (other than any bailee, warehouseman, landlord or similar non-consensual Liens having priority by operation of law to the extent either subclause (i) or (ii) of clauses (h) or (i) below of Canadian Eligible Inventory is satisfied with respect to the relevant Inventory); provided that, with respect to any tax Lien having such priority, eligibility of Inventory shall be reduced by the amount of such tax Lien having such priority;

(c) which is, in the Agent's Permitted Discretion, slow moving, obsolete, unmerchantable, defective, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the Ordinary Course of Business or unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation or warranty contained in this Agreement or any Security Document has been breached or is not true in any material respect;

(e) which does not conform in all material respects to all standards imposed by any applicable Governmental Authority (except that any standard that is qualified as to "materiality" shall have been conformed to in all respects);

(f) which constitutes packaging and shipping material, manufacturing supplies, display items, bill-and-hold goods (other than bill-and-hold goods, the sale of which has been excluded from Canadian Eligible Accounts pursuant to clause (g)(v) of the definition thereof), returned or repossessed goods (other than goods that are undamaged and able to be resold in the Ordinary Course of Business), defective goods, goods held on consignment, goods to be returned to the Applicable Canadian Borrower's suppliers or goods which are not of a type held for sale in the Ordinary Course of Business;

(g) which is not located in Canada or the United States or is not at a location listed on **Schedule 8.4.1** (as updated from time to time in accordance with the provisions hereof) other than goods in transit between locations of the Canadian Domiciled Loan Parties;

(h) which is located in any location leased by the Applicable Canadian Borrower unless (i) the lessor has delivered to the Agent a Collateral Access Agreement or (ii) a Canadian Rent Reserve has been established by the Agent;

(i) which is located in any third party warehouse or is in the possession of a bailee, processor or other Person and is not evidenced by a Document, unless (i) such warehouseman, bailee, processor or other Person has delivered to the Agent a Collateral Access Agreement and/or such other documentation as the Agent may reasonably require or (ii) appropriate Canadian Availability Reserves have been established by the Agent in its Permitted Discretion;

(j) which is the subject of a consignment by the Applicable Canadian Borrower as consignor unless (i) a protective PPSA financing statement has been properly filed against the consignee (as assigned to the Agent), and (ii) there is a written agreement acknowledging that such Inventory is held on consignment, that the Applicable Canadian Borrower retains title to such Inventory, that no Lien arising by, through or under such consignment has attached or will attach to such Inventory (and proceeds thereof) and requiring consignee to segregate the consigned Inventory from the consignee's other personal or movable property;

(k) which is perishable as determined in accordance with GAAP; or

(l) which contains or bears any intellectual property rights licensed to the Applicable Canadian Borrower unless the Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor in any material respect or (ii) incurring any material liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement.

Subject to Sections 14.1 and 7.5 and the definition of Canadian Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Canadian Employee Plan: any employee benefit plan, policy, program, agreement or arrangement, including retirement, pension, profit sharing, employment, bonus or other incentive compensation, retention, stock purchase, equity or equity-based compensation, deferred compensation, change in control, severance, sick leave, vacation, loans, salary continuation, hospitalization, health, life insurance, educational assistance or other fringe benefit or perquisite plan, policy, agreement which is or was sponsored, maintained or contributed to by, or required to be contributed to by, a Canadian Domiciled Loan Party, or with respect to which a Canadian Domiciled Loan Party has, or could reasonably be expected to have, any obligation or liability, contingent or otherwise, but excluding the Canada Pension Plan, Quebec Pension Plan and any provincial or federal program providing health benefits, employment insurance or workers' compensation benefits.

Canadian Facility Collateral: Collateral that now or hereafter secures (or is intended to secure) any of the Canadian Facility Secured Obligations, including Property of the U.S. Domiciled Loan Parties pledged to secure the Canadian Facility Secured Obligations under their guarantee of the Secured Obligations.

Canadian Facility Guarantor: each U.S. Borrower, each U.S. Facility Guarantor and each other Person (if any) who guarantees payment and performance of any Canadian Facility Secured Obligations.

Canadian Facility Loan Party: a Canadian Borrower or a Canadian Facility Guarantor.

Canadian Facility Obligations: all Obligations of the Canadian Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Canadian Facility Loan Party, the other Foreign Facility Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Obligations).

Canadian Facility Secured Obligations: all Secured Obligations of the Canadian Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Canadian Facility Loan Party, the other Foreign Facility Secured Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan parties as guarantors of any U.S. Facility Secured Obligations).

Canadian Facility Secured Parties: Agent, any Canadian Fronting Bank, Canadian Lenders and Secured Bank Product Providers of Bank Products to Canadian Domiciled Loan Parties, and, following the Foreign Cross-Guarantee Date for any Canadian Domiciled Loan Party, the other Secured Parties that are the beneficiaries of such Foreign Cross-Guarantee.

Canadian Fronting Bank: Bank of America (Canada) or any Affiliate thereof that agrees to issue Canadian Letters of Credit or, if reasonably acceptable to North American Loan Party Agent, any other Canadian Lender or Affiliate thereof that agrees to issue Canadian Letters of Credit.

Canadian Fronting Bank Indemnitees: any Canadian Fronting Bank and its officers, directors, employees, Affiliates and agents.

Canadian LC Application: an application by any Canadian Borrower on behalf of itself or any other Canadian Borrower to a Canadian Fronting Bank for issuance of a Canadian Letter of Credit, in form and substance reasonably satisfactory to such Canadian Fronting Bank.

Canadian LC Conditions: the following conditions necessary for issuance of a Canadian Letter of Credit: (a) each of the conditions set forth in Section 6 being satisfied or waived; (b) after giving effect to such issuance, the total Canadian LC Obligations do not exceed the Canadian Letter of Credit Sublimit, no Canadian Overadvance exists or would result therefrom and, in the case of any Canadian Borrower, Section 2.11 is satisfied; (c) the expiration date of such Canadian Letter of Credit is (i) no more than 365 days from issuance (*provided* that each Canadian Letter of Credit may, upon the request of the Initial Canadian Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of twelve (12) months or less (but no later than 20 Business Days prior to the Facility Termination Date)), and (ii) unless the applicable Canadian Fronting Bank and the Agent otherwise consent (subject to the satisfaction of the Cash Collateral requirements set forth in Section 2.4.3), at least 20 Business Days prior to the Facility Termination Date; (d) the Canadian Letter of Credit and payments thereunder are denominated in Canadian Dollars or Dollars; (e) the form of the proposed Canadian Letter of Credit is reasonably satisfactory to the Agent and the applicable Canadian Fronting Bank; and (f) the proposed use of the Canadian Letter of Credit is for a lawful purpose.

Canadian LC Documents: all documents, instruments and agreements (including Canadian LC Requests and Canadian LC Applications) delivered by any Canadian Borrower or by any other Person to a Canadian Fronting Bank or the Agent in connection with issuance, amendment or renewal of, or payment under, any Canadian Letter of Credit.

Canadian LC Obligations: with respect to the Applicable Canadian Borrower, the Dollar Equivalent of the sum (without duplication) of (a) all amounts owing by such Applicable Canadian Borrower for any drawings under Canadian Letters of Credit; (b) the stated amount of all outstanding Canadian Letters of Credit issued for the account of such Applicable Canadian Borrower; and (c) all fees and other amounts owing with respect to such Canadian Letters of Credit.

Canadian LC Request: a request for issuance of a Canadian Letter of Credit, to be provided by a Canadian Borrower to a Canadian Fronting Bank, in form reasonably satisfactory to Agent and such Canadian Fronting Bank.

Canadian LC Reserve: with respect to the Applicable Canadian Borrower, the aggregate of all Canadian LC Obligations of such Applicable Canadian Borrower, other than (a) those that have been Cash Collateralized; and (b) if no Event of Default exists, those constituting charges owing to any Canadian Fronting Bank.

Canadian Lenders: Bank of America (Canada) and each other Lender that has issued a Canadian Revolver Commitment (*provided* that such Person or an Affiliate of such Person also has a U.S. Revolver Commitment).

Canadian Letter of Credit: any standby or documentary letter of credit issued by a Canadian Fronting Bank for the account of a Canadian Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or a Canadian Fronting Bank for the benefit of a Canadian Borrower.

Canadian Letter of Credit Sublimit: \$20,000,000.

Canadian Multi-Employer Plan: each multi-employer plan, within the meaning of the Regulations under the Income Tax Act (Canada).

Canadian Overadvance: as defined in Section 2.1.5(c).

Canadian Overadvance Loan: a Loan made to a Canadian Borrower when a Canadian Overadvance exists or is caused by the funding thereof.

Canadian Overadvance Loan Balance: on any date, the Dollar Equivalent of the amount by which the aggregate Canadian Revolver Loans of the Applicable Canadian Borrower or all Canadian Borrowers, as the case may be, exceed the amount of the Canadian Borrowing Base of such Applicable Canadian Borrower or the Total Canadian Borrowing Base, as applicable, on such date.

Canadian Pension Plan: a “registered pension plan,” as defined in the Income Tax Act (Canada) and any other pension plan maintained or contributed to by, or to which there is or may be an obligation to contribute by, any Canadian Domiciled Loan Party in respect of its Canadian employees or former employees, excluding, for greater certainty, a Canadian Multi-Employer Plan.

Canadian Prime Rate: on any date, the highest of (i) a fluctuating rate of interest per annum equal to the rate of interest in effect for such day as publicly announced from time to time by Bank of America (Canada) as its “Prime Rate”, (ii) the sum of 0.50% plus the Bank of Canada overnight rate, which is the rate of interest charged by the Bank of Canada on one-day loans to financial institutions, for such day, and (iii) the sum of 1.00% *plus* the Canadian BA Rate for a 30 day Interest Period as determined on such day. The “Prime Rate” is a rate set by Bank of America (Canada) based upon various factors including the costs and desired return of Bank of America (Canada), general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate shall take effect at the opening of business on the day specified in the public announcement of such change. Each interest rate based on the Canadian Prime Rate hereunder shall be adjusted simultaneously with any change in the Canadian Prime Rate. In the event Bank of America (Canada) (including any successor or assignee) does not at any time announce a “Prime Rate”, the clause (i) of Canadian Prime Rate shall mean the “Prime Rate” (being the rate for loans made in Canadian Dollars in Canada) publicly announced by a Canadian Schedule 1 Chartered Bank selected by Agent.

Canadian Prime Rate Loan: a Canadian Revolver Loan, or portion thereof, funded in Canadian Dollars and bearing interest calculated by reference to the Canadian Prime Rate.

Canadian Priority Payables Reserve: on any date of determination, a reserve in such amount as Agent may determine in its Permitted Discretion which reflects amounts secured by any Liens, choate or inchoate, which rank or are capable of ranking in priority to the Agent's and/or the Secured Parties' Liens and/or for amounts which may represent costs relating to the enforcement of the Agent's Liens including, without limitation, any such amounts due and not paid for wages or vacation pay (including amounts protected by the *Wage Earner Protection Program Act* (Canada)), amounts due and not paid under any legislation relating to workers' compensation or to employment insurance, all amounts deducted or withheld and not paid and remitted when due under the *Income Tax Act* (Canada), amounts currently or past due and not paid for realty, municipal or similar taxes (to the extent impacting any Canadian Facility Collateral), all amounts currently or past due and not contributed, remitted or paid to any Canadian Pension Plan or under the Canada Pension Plan or the PBA, and any amounts representing any unfunded liability, solvency deficiency or wind up deficiency with respect to any Canadian Employee Plan.

Canadian Protective Advances: as defined in Section 2.1.6(c).

Canadian Reimbursement Date: as defined in Section 2.4.2(a).

Canadian Rent Reserve: the aggregate of (a) all past due rent and other past due charges owing by any Canadian Borrower to any landlord or other Person who possesses any Canadian Facility Collateral or could assert a Lien on such Canadian Facility Collateral; plus (b) a reserve in an amount not to exceed rent and other charges that could be payable to any such Person for the time period used to determine the Net Orderly Liquidation Value of Canadian Facility Collateral.

Canadian Revolver Commitment: for any Canadian Lender, its obligation to make Canadian Revolver Loans and to issue Canadian Letters of Credit, in the case of any Canadian Fronting Bank, or participate in Canadian LC Obligations, in the case of the other Canadian Lenders, to the Canadian Borrowers up to the maximum principal amount shown on **Schedule 2.1.1(c)**, or as hereafter determined pursuant to each Assignment and Acceptance to which it is a party, as such Canadian Revolver Commitment may be adjusted from time to time in accordance with the provisions of Sections 2.1.4, 2.1.7 or 11.1. "Canadian Revolver Commitments" means the aggregate amount of such commitments of all Canadian Lenders.

Canadian Revolver Commitment Increase: as defined in Section 2.1.7(c).

Canadian Revolver Commitment Termination Date: the earliest of (a) the U.S. Revolver Commitment Termination Date (without regard to the reason therefor), (b) the date on which the North American Loan Party Agent terminates or reduces to zero all of the Canadian Revolver Commitments pursuant to Section 2.1.4, and (c) the date on which the Canadian Revolver Commitments are terminated pursuant to Section 11.1. From and after the Canadian Revolver Commitment Termination Date, the Canadian Borrowers shall no longer be entitled to request a Canadian Revolver Commitment Increase pursuant to Section 2.1.7 hereof.

Canadian Revolver Exposure: on any date, the Dollar Equivalent of an amount equal to the sum of (a) the Canadian Revolver Loans outstanding on such date and (b) the Canadian LC Obligations on such date.

Canadian Revolver Loan: a Revolver Loan made by Canadian Lenders to a Canadian Borrower pursuant to Section 2.1.1(c), which Revolver Loan shall, if denominated in Canadian Dollars, be either a Canadian BA Rate Loan or a Canadian Prime Rate Loan and, if denominated in Dollars, shall be either a Canadian Base Rate Loan or a LIBOR Loan, in each case as selected by the Applicable Canadian Borrower, and including any Canadian Swingline Loan, Canadian Overadvance Loan or Canadian Protective Advance.

Canadian Revolver Notes: the promissory notes, if any, executed by Canadian Borrowers in favor of each Canadian Lender to evidence the Canadian Revolver Loans funded from time to time by such Canadian Lender, which shall be in the form of **Exhibit C-3** to this Agreement, together with any replacement or successor notes therefor.

Canadian Schedule 1 Chartered Bank: any of Royal Bank of Canada, Bank of Montreal, The Toronto-Dominion Bank, The Bank of Nova Scotia or Canadian Imperial Bank of Commerce.

Canadian Security Agreement: this Agreement, each general security agreement and each Deed of Movable Hypothec among any Canadian Domiciled Loan Party and Agent.

Canadian Subsidiary: Each Wholly-Owned Subsidiary of MRC incorporated or organized under the laws of the Canada or any province or territory of Canada.

Canadian Swingline Commitment: \$25,000,000.

Canadian Swingline Commitment Termination Date: with respect to any Canadian Swingline Loan, the date that is five Business Days prior to the Canadian Revolver Commitment Termination Date.

Canadian Swingline Lender: Bank of America (Canada) or an Affiliate of Bank of America (Canada).

Canadian Swingline Loan: a Swingline Loan made by the Canadian Swingline Lender to a Canadian Borrower pursuant to Section 2.1.8(c), which Swingline Loan shall, if denominated in Canadian Dollars, be a Canadian Prime Rate Loan and, if denominated in Dollars, shall be a Canadian Base Rate Loan, in each case as selected by the Applicable Canadian Borrower.

Capital Lease: as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a capital lease on the balance sheet of that Person.

Capitalized Lease Obligations: as applied to any Person, all obligations under Capital Leases of such Person or any of its Subsidiaries, in each case taken at the amount thereof accounted for as liabilities in accordance with GAAP.

Cash Collateral: cash or Permitted Investments (other than the Permitted Investments described in clauses (h) and (i) of the definition thereof), and any interest or other income earned thereon, that is delivered to Agent or a Security Trustee to Cash Collateralize any Secured Obligations.

Cash Collateral Account: the (a) Australian Cash Collateral Account, (b) Belgian Cash Collateral Account, (c) Canadian Cash Collateral Account, (d) Dutch Cash Collateral Account, (e) New Zealand Cash Collateral Account, (f) Singapore Cash Collateral Account, (g) UK Cash Collateral Account and/or (h) U.S. Cash Collateral Account, as the context may require.

Cash Collateralize: the delivery of cash or Permitted Investments (other than the Permitted Investments described in clauses (h) and (i) of the definition thereof) to Agent or a Security Trustee, as security for the payment of Secured Obligations, in an amount equal to (a) with respect to LC Obligations, 105% of the aggregate LC Obligations, and (b) with respect to any inchoate, contingent or other Secured Obligations, Agent's good faith estimate of the amount due or to become due, including all fees and other amounts relating to such Secured Obligations. In relation to the Dutch Borrowers' Cash Collateral, Cash Collateralization shall mean the granting of a financial collateral arrangement (*financieelzekerheidsovereenkomst*) within the meaning of title 2 of Book 7 of the Dutch Civil Code. "Cash Collateralization" and "Cash Collateralized" have correlative meanings.

Cash Dominion Event: the occurrence of any one of the following events: (i) Excess Availability shall be less than the greater of (A) 10% of the Commitments or (B) \$95,000,000; or (ii) (A) an Event of Default pursuant to Sections 11.1.1 or 11.1.5 shall have occurred and be continuing or (B) any other Event of Default pursuant to Section 11.1 shall have occurred and be continuing and the Agent or the Required Lenders shall have reasonably determined (by written notice to the Borrowers) to effect a Cash Dominion Event as a result of such breach; *provided*, that, to the extent that the Cash Dominion Event has occurred due to clause (i) of this definition, if Excess Availability shall have exceeded the greater of (x) 10% of the Commitments and (y) \$95,000,000 for at least thirty (30) consecutive days, the Cash Dominion Event shall be deemed to be over. At any time that a Cash Dominion Event shall be deemed to be over or otherwise cease to exist, Agent shall take such actions as may reasonably be required by a Loan Party Agent to terminate the cash sweeps and other transfers existing pursuant to Section 5.6 as a result of any notice or direction given by Agent during the existence of a Cash Dominion Event (other than with respect to the Australian Borrowers, the New Zealand Borrowers, the Singapore Borrowers and the UK Borrowers).

Cash Management Services: any services provided from time to time by any Lender or any of its Affiliates to any Borrower or any other Loan Party in connection with operating, collections, payroll, trust, or other depository or disbursement accounts, including automated clearinghouse, e-payable, electronic funds transfer, wire transfer, controlled disbursement, overdraft, depository, information reporting, lockbox and stop payment services.

CCAA: *Companies' Creditors Arrangement Act* (Canada), (or any successor statute), as amended from time to time, and includes all regulations thereunder.

Change in Law: the occurrence, after the date hereof, of (a) the adoption, taking effect or phasing in of any law, rule, regulation or treaty; (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof; or (c) the making, issuance or application of any request, guideline, requirement or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

Change in Tax Law: the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (including the Code), treaty, regulation or rule (or in the official application or interpretation of any law, treaty, regulation or rule, including a holding, judgment or order by a court of competent jurisdiction) relating to taxation.

Change of Control: shall mean and be deemed to have occurred if (a) prior to a Qualified IPO, the Sponsor shall at any time not own, in the aggregate, directly or indirectly, beneficially and of record, at least 35% of the voting power of the outstanding Voting Stock of MRC; or (b) at any time on or after a Qualified IPO, any person, entity or “group” (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended), other than Sponsor, shall at any time have acquired direct or indirect beneficial ownership of both (x) 35% or more of the voting power of the outstanding Voting Stock of MRC and (y) more than the percentage of the voting power of such Voting Stock then beneficially owned, directly or indirectly, in the aggregate, by the Sponsor, unless, in the case of either clause (a) or (b) above, the Sponsor has, at such time, the right or the ability by voting power, contract or otherwise to elect or designate for election at least a majority of the board of directors of MRC; or (c) Continuing Directors shall not constitute at least a majority of the board of directors of MRC.

Civil Code: the *Civil Code of Québec*, or any successor statute, as amended from time to time, and includes all regulations thereunder.

Claims: all claims, liabilities, obligations, losses, damages, penalties, judgments, proceedings, interest and costs and expenses of any kind (including remedial response costs, reasonable attorneys’ fees (which shall be limited to the fees, disbursements and other charges of one primary counsel and one local counsel in each relevant jurisdiction for the Indemnitees (unless there is an actual or perceived conflict of interest or the availability of different claims or defenses in which case each such Indemnitee may retain its own counsel)) and Extraordinary Expenses) at any time (including after Full Payment of the Obligations, replacement of Agent or any Lender) incurred by any Indemnitee or asserted against any Indemnitee by any Loan Party or other Person, in any way relating to (a) any Loans, Letters of Credit, Loan Documents, or the use thereof or transactions relating thereto, (b) any action taken or omitted in connection with any Loan Documents (including action taken under or in relation to the PPSA Australia or the PPSA New Zealand, including any registration, or any response to an amendment demand or a request under section 275 of the PPSA Australia or Section 177 of the PPSA New Zealand), (c) the existence or perfection of any Liens, or realization upon any Collateral, (d) exercise of any rights

or remedies under any Loan Documents or Applicable Law or (e) failure by any Loan Party to perform or observe any terms of any Loan Document, in each case, including all costs and expenses relating to any investigation, litigation, arbitration or other proceeding (including an Insolvency Proceeding or appellate proceedings), whether or not the applicable Indemnitee is a party thereto.

Closing Date: as defined in Section 6.1.

Code: the Internal Revenue Code of 1986 and the regulations promulgated and rulings issued thereunder.

Collateral: all Property described in Section 7.1, all Property described in any Security Document as security for any Secured Obligation, and all other Property that now or hereafter secures (or is intended to secure) any Secured Obligations.

Collateral Access Agreement: a landlord waiver, bailee letter, warehouse letter, agreement regarding processing arrangements or other access agreement, collateral management agreement or warehouse receipt, reasonably acceptable to the Agent.

Commitment: for any Lender, the aggregate amount of such Lender's Borrower Group Commitments. "Commitments" means the aggregate amount of all Borrower Group Commitments, which amount shall on the Closing Date be equal to the sum of (a) \$52,000,000 in respect of the Australian Revolver Commitments, (b) \$7,000,000 in respect of the Belgian Revolver Commitments, (c) \$145,000,000 in respect of the Canadian Revolver Commitments, (d) \$9,000,000 in respect of the Dutch Revolver Commitments, (e) \$0 in respect of the New Zealand Revolver Commitments, (f) \$0 in respect of the Singapore Revolver Commitments, (g) \$12,000,000 in respect of the UK Revolver Commitments, and (h) \$1,025,000,000 in respect of the U.S. Revolver Commitments.

Commodity Agreement: any commodity swap agreement, futures contract, option contract or other similar agreement or arrangement, each of which is for the purpose of hedging the commodity price exposure associated with any Borrower's and its Subsidiaries' operations and not for speculative purposes.

Compliance Certificate: a certificate, in the form of **Exhibit D** with such changes as may be agreed to by North American Loan Party Agent and Agent, by which the Borrowers certify to the matters set forth in Section 10.1.1(e).

Confidential Information Memorandum: the Confidential Information Memorandum of the Borrowers dated February 2012, delivered to the Lenders in connection with this Agreement, and the financial statements and other attachments delivered to the Lenders in connection therewith.

Consolidated EBITDA: shall mean, for any period, Consolidated Net Income for such period, *plus*:

(a) without duplication and to the extent already deducted (and not added back) in arriving at such Consolidated Net Income, the sum of the following amounts for such period:

(i) total interest expense and to the extent not reflected in such total interest expense, any losses on hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, net of interest income and gains on such hedging obligations, and costs of surety bonds in connection with financing activities,

(ii) provision for taxes based on income, profits or capital of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries), including state, franchise and similar taxes and foreign withholding taxes paid or accrued during such period,

(iii) depreciation and amortization,

(iv) (a) losses on asset sales (other than asset sales in the Ordinary Course of Business), disposals or abandonments, (b) any impairment charge or asset write-off related to intangible assets (including good-will), long-lived assets, and investments in debt and equity securities pursuant to GAAP, (c) all losses from investments recorded using the equity method, (d) stock-based awards compensation expense, and (e) other non-cash charges (provided that if any non-cash charges referred to in this clause (e) represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period),

(v) extraordinary losses and unusual or non-recurring charges, severance, relocation costs and curtailments or modifications to pension and post-retirement employee benefit plans,

(vi) restructuring charges or reserves (including restructuring costs related to acquisitions after the date hereof and to closure and/or consolidation of facilities),

(vii) any deductions attributable to minority interests (including the minority interest portion of the Initial Canadian Borrower's employee profit sharing plans),

(viii) the amount, if any, of management, monitoring, consulting and advisory fees and related expenses paid to the Sponsor,

(ix) LIFO expense, and

(x) any costs or expenses incurred by any Borrower or a Restricted Subsidiary (or so long as Parent is a Passive Entity, Parent or any Restricted Subsidiary) pursuant to any management equity plan or stock option plan or any

other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the applicable Person or net cash proceeds of an issuance of Stock or Stock Equivalents of the applicable Person, less

(b) without duplication and to the extent included in arriving at such Consolidated Net Income, the sum of the following amounts for such period:

(i) extraordinary gains and unusual or non-recurring gains,

(ii) non-cash gains (excluding any non-cash gain to the extent it represents the reversal of an accrual or reserve for a potential cash item that reduced Consolidated Net Income in any prior period),

(iii) gains on asset sales (other than asset sales in the Ordinary Course of Business),

(iv) any net after-tax income from the early extinguishment of Indebtedness or hedging obligations or other derivative instruments,

(v) LIFO income, and

(vi) all gains from investments recorded using the equity method,

in each case, as determined on a consolidated basis for the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) in accordance with GAAP; *provided* that, to the extent included in Consolidated Net Income,

(A) there shall be excluded in determining Consolidated EBITDA currency translation gains and losses related to currency remeasurements of Indebtedness or intercompany balances (including the net loss or gain resulting from Hedge Agreements for currency exchange risk),

(B) there shall be excluded in determining Consolidated EBITDA for any period any adjustments resulting from the application of Statement of Financial Accounting Standards No. 133, and

(C) there shall be included in determining Consolidated EBITDA for any period, without duplication, (1) the Acquired EBITDA of any Person, property, business or asset acquired by any Borrower or any Restricted Subsidiary since the beginning of such period to the extent not subsequently sold, transferred, abandoned or otherwise disposed by such Borrower or such Restricted Subsidiary (each such Person, property, business or asset acquired and not subsequently so disposed of, an "Acquired Entity or Business") and the Acquired EBITDA of any Unrestricted Subsidiary that is converted into a Restricted Subsidiary since the beginning of such period (each, a "Converted Restricted Subsidiary"), based on the actual Acquired EBITDA of such Acquired Entity or Business or Converted Restricted Subsidiary for such period (including the portion

thereof occurring prior to such acquisition or conversion), (2) an adjustment in respect of each Acquired Entity or Business equal to the amount of the Pro Forma Adjustment with respect to such Acquired Entity or Business acquired since the beginning of such period (including the portion thereof occurring prior to such acquisition) as specified in a Pro Forma Adjustment Certificate and delivered to the Lenders and the Agent, and (3) there shall be excluded in determining Consolidated EBITDA for any period the Disposed EBITDA of any Person, property, business or asset (other than an Unrestricted Subsidiary) sold, transferred, abandoned or otherwise disposed of, closed or classified as discontinued operations by any Borrower or any Restricted Subsidiary since the beginning of such period (each such Person, property, business or asset so sold or disposed of, a “Sold Entity or Business”), and the Acquired EBITDA of any Restricted Subsidiary that is converted into an Unrestricted Subsidiary during such period (each, a “Converted Unrestricted Subsidiary”) based on the actual Disposed EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary for such period (including the portion thereof occurring prior to such sale, transfer or disposition or conversion).

Consolidated Fixed Charge Coverage Ratio: for any Test Period, the ratio of (a) Consolidated EBITDA for such Test Period to (b) Consolidated Fixed Charges for such Test Period.

Consolidated Fixed Charges: for any period, the sum, without duplication, of (a) Consolidated Interest Expense, (b) scheduled payments of principal on Consolidated Total Debt, (c) the aggregate of all unfinanced capital expenditures of Borrowers and their respective Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) during such period determined on a consolidated basis and (d) the portion of taxes attributable to Borrowers and their respective Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) based on income actually paid in cash and provisions for cash income taxes.

Consolidated Interest Expense: for any period, the sum of (i) the cash interest expense (including that attributable to Capital Leases in accordance with GAAP), net of cash interest income, of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) on a consolidated basis in accordance with GAAP with respect to all outstanding Indebtedness of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries), including all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptance financing and net costs under Hedge Agreements (other than currency swap agreements, currency future or option contracts and other similar agreements) and (ii) any cash payments made during such period in respect of obligations referred to in clause (b) below relating to Funded Debt that were amortized or accrued in a previous period (other than any such obligations resulting from the discounting of Indebtedness in connection with the application of purchase accounting in connection with any Permitted Acquisition), but excluding, however, (a) amortization of deferred financing costs and any other amounts of non-cash interest, (b) the accretion or accrual of discounted liabilities during such period, and (c) all non-recurring cash interest expense consisting of liquidated damages for failure to timely comply with registration rights obligations and financing fees, all as calculated on a consolidated basis in accordance with GAAP and excluding, for the avoidance of doubt, any interest in respect of items excluded from

Indebtedness in the proviso to the definition thereof, provided that (x) except as provided in clause (y) below, there shall be excluded from Consolidated Interest Expense for any period the cash interest expense (or cash interest income) of all Unrestricted Subsidiaries for such period to the extent otherwise included in Consolidated Interest Expense, (y) there shall be included in determining Consolidated Interest Expense for any Test Period the cash interest expense (or income) of any Acquired Entity or Business acquired since the beginning of such Test Period and of any Converted Restricted Subsidiary converted since the beginning of such Test Period, in each case based on the cash interest expense (or income) of such Acquired Entity or Business or Converted Restricted Subsidiary for such Test Period (including the portion thereof occurring prior to such acquisition or conversion) assuming any Indebtedness incurred or repaid in connection with any such acquisition or conversion had been incurred or repaid on the first day of such Test Period, and (z) there shall be excluded from determining Consolidated Interest Expense for any Test Period the cash interest expense (or income) of any Sold Entity or Business disposed of since the beginning of such Test Period, based on the cash interest expense (or income) relating to any Indebtedness relieved, retired or repaid in connection with any such disposition of such Sold Entity or Business for such Test Period (including the portion thereof occurring prior to such disposal) assuming such debt relieved, retired or repaid in connection with such disposition had been relieved, retired or repaid on the first day of such Test Period.

Consolidated Net Income: for any period, the net income (loss) of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) for such period determined on a consolidated basis in accordance with GAAP, excluding, without duplication, (a) extraordinary items for such period, (b) the cumulative effect of a change in accounting principles during such period to the extent included in Consolidated Net Income, (c) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, investment, recapitalization, asset disposition, issuance or repayment of debt, issuance of equity securities (including any Qualified IPO or any underwritten sale to the public of MRC's, Parent's or any direct or indirect parent of Parent's (or its successor's) Stock pursuant to an effective registration statement filed with the SEC on Form S-1 or Form S-3 (or any successor forms adopted by the SEC) following a Qualified IPO), refinancing transaction or amendment or other modification of any debt instrument (in each case, including any such transaction consummated prior to the Closing Date and any such transaction undertaken but not completed) and any charges or non-recurring merger costs incurred during such period as a result of any such transaction and (d) any income (loss) for such period attributable to the early extinguishment of Indebtedness. There shall be excluded from Consolidated Net Income for any period the purchase accounting effects of adjustments to inventory, property and equipment, software and other intangible assets and deferred revenue in component amounts required or permitted by GAAP and related authoritative pronouncements (including the effects of such adjustments pushed down to the Borrowers and the Restricted Subsidiaries), as a result of any acquisition whether consummated before or after the Closing Date, any Permitted Acquisition or other Investment, or the amortization or write-off of any amounts hereof.

Consolidated Secured Debt: as of any date of determination, (a) the aggregate principal amount of Indebtedness of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) outstanding on such date, determined on a consolidated basis in accordance with GAAP (but excluding the effects of any discounting of

Indebtedness resulting from the application of purchase accounting in connection with any Permitted Acquisition), consisting of Indebtedness for borrowed money, Capitalized Lease Obligations and debt obligations evidenced by promissory notes or similar instruments, in each case secured by Liens, minus (b) the aggregate amount of cash and Permitted Investments held in accounts on the consolidated balance sheet of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) as at such date to the extent the use thereof for application to payment of Indebtedness is not prohibited by law or any contract to which any such Person is a party.

Consolidated Total Assets: as of any date of determination, the amount that would, in conformity with GAAP, be set forth opposite the caption “total assets” (or any like caption) on a consolidated balance sheet of the Borrowers and the Restricted Subsidiaries at such date.

Consolidated Total Debt: as of any date of determination, (a) the aggregate principal amount of Indebtedness of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) outstanding on such date, determined on a consolidated basis in accordance with GAAP (but excluding the effects of any discounting of Indebtedness resulting from the application of purchase accounting in connection with any Permitted Acquisition), consisting of Indebtedness for borrowed money, Capitalized Lease Obligations and debt obligations evidenced by promissory notes or similar instruments, minus (b) the aggregate amount of cash and Permitted Investments held in accounts on the consolidated balance sheet of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) as at such date to the extent the use thereof for application to payment of Indebtedness is not prohibited by law or any contract to which any such Person is a party.

Consolidated Total Debt to Consolidated EBITDA Ratio: as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 to (b) Consolidated EBITDA for such Test Period.

Continuing Director: at any date, an individual (a) who is a member of the board of directors of MRC on the date hereof, (b) who, as at such date, has been a member of such board of directors for at least the twelve preceding months, (c) who has been nominated to be a member of such board of directors, directly or indirectly, by Sponsor or Persons nominated by Sponsor or (d) who has been nominated to be a member of such board of directors by a majority of the other Continuing Directors then in office.

Contribution Notice: a contribution notice issued by the Pensions Regulator in the UK under section 38 or section 47 of the Pensions Act 2004.

Converted Restricted Subsidiary: as defined in the term “Consolidated EBITDA”.

Converted Unrestricted Subsidiary: as defined in the term “Consolidated EBITDA”.

Cost: with respect to Inventory, the weighted average cost thereof, as determined in the same manner and consistent with the most recent Inventory Appraisal which has been received and approved by Agent in its reasonable discretion.

Credit Documents: the Loan Documents and the Bank Product Documents.

Credit Party: Agent, a Lender or any Fronting Bank; and “Credit Parties” means Agent, Lenders and Fronting Banks.

Creditor Representative: under any Applicable Law, a receiver, manager, controller, interim receiver, receiver and manager, trustee (including any trustee in bankruptcy), custodian, conservator, administrator, examiner, sheriff, monitor, assignee, liquidator, provisional liquidator, sequestrator, administrative receiver, judicial manager, statutory manager or similar officer or fiduciary.

CTA: the Corporation Tax Act 2009.

Currency Agreement: any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement or arrangement, each of which is for the purpose of hedging the foreign currency risk associated with any Borrower’s and its Subsidiaries’ operations and not for speculative purposes.

Default: an event or condition that, with the lapse of time or giving of notice, would constitute an Event of Default.

Default Rate: for any Obligation (including, to the extent permitted by law, interest not paid when due), 2.00% *plus* the interest rate otherwise applicable thereto, or if such Obligation does not bear interest, a rate equal to the U.S. Base Rate *plus* 2.00%.

Defaulting Lender: any Lender that, as reasonably determined by the Agent, (a) has failed to perform any funding obligations hereunder, and such failure is not cured within three Business Days, unless such Lender notifies the Agent and the relevant Loan Party Agent in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (which conditions precedent, together with the applicable Default, if any, shall be specifically identified in such writing) have not been satisfied; (b) has notified the Agent or any Borrower that such Lender does not intend to comply with its funding obligations hereunder or has made a public statement to the effect that it does not intend to comply with its funding obligations hereunder or generally under other credit facilities (unless such notice or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding cannot be satisfied); (c) has failed, within three Business Days following written request by the Agent, to confirm in a manner reasonably satisfactory to the Agent that such Lender will comply with its funding obligations hereunder (*provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt by the Agent of such confirmation); or (d) has, or has a direct or indirect parent company that has, become the subject of an Insolvency Proceeding or taken any action in furtherance thereof; provided, however, that a Lender shall not be a Defaulting Lender solely by virtue of a Governmental Authority’s ownership of an equity interest in such Lender or parent company.

Deposit Account: (i) any “deposit account” as such term is defined in Article 9 of the UCC and in any event shall include all accounts and sub-accounts relating to any of the foregoing and (ii) with respect to any such Deposit Account located outside of the U.S., any bank account with a deposit function.

Deposit Account Control Agreements: the deposit account control agreements (whether in the form of an agreement, notice and acknowledgement or like instrument), in form and substance reasonably satisfactory to Agent and the relevant Loan Party Agent, executed by each lockbox servicer and financial institution maintaining a lockbox and/or Deposit Account other than an Excluded Deposit Account for a Loan Party, in favor of Agent or a Security Trustee, for the benefit of the Secured Parties, as security for the Secured Obligations.

Designated Non-Cash Consideration: the fair market value of non-cash consideration received by any Borrower or a Restricted Subsidiary in connection with a Disposition pursuant to Section 10.2.4(b) and Section 10.2.4(c) that is designated as Designated Non-Cash Consideration pursuant to a certificate of a Senior Officer of the relevant Loan Party Agent, setting forth the basis of such valuation (which amount will be reduced by the fair market value of the portion of the non-cash consideration converted to cash within 180 days following the consummation of the applicable Disposition).

Disposed EBITDA: with respect to any Sold Entity or Business or any Converted Unrestricted Subsidiary for any period, the amount for such period of Consolidated EBITDA of such Sold Entity or Business or Converted Unrestricted Subsidiary (determined as if references to the Borrowers and the Restricted Subsidiaries in the definition of Consolidated EBITDA were references to such Sold Entity or Business or Converted Unrestricted Subsidiary and its Subsidiaries), all as determined on a consolidated basis for such Sold Entity or Business or Converted Unrestricted Subsidiary.

Disqualified Lender: each of the Persons designated in writing by the North American Loan Party Agent to the Agent as Disqualified Lenders prior to the Closing Date or, subject to Agent's approval in its discretion, after the Closing Date. A list of Disqualified Lenders (if any have been named and so approved) will be provided by the Agent to any Lender upon request.

Disposition: as defined in Section 10.2.4(b).

dividends: as defined in Section 10.2.6.

Document: as defined in the UCC (and/or with respect to any Document of a Canadian Domiciled Loan Party, New Zealand Domiciled Loan Party or Australian Domiciled Loan Party, a "document of title" as defined in the PPSA, the PPSA New Zealand or the PPSA Australia) or any other Applicable Law, as applicable.

Dollar Equivalent: on any date, with respect to any amount denominated in Dollars, such amount in Dollars, and with respect to any stated amount in a currency other than Dollars, the amount of Dollars that Agent determines (which determination shall be conclusive and binding absent manifest error) would be necessary to be sold on such date at the applicable Exchange Rate to obtain the stated amount of the other currency.

Dollars or \$: lawful money of the United States.

Domestic Subsidiary: each U.S. Subsidiary.

Dominion Account: with respect to (a) the Australian Domiciled Loan Parties, each Australian Dominion Account, (b) the Belgian Domiciled Loan Parties, each Belgian Dominion Account, (c) the Canadian Domiciled Loan Parties, each Canadian Dominion Account, (d) the Dutch Domiciled Loan Parties, each Dutch Dominion Account, (e) the New Zealand Domiciled Loan Parties, each New Zealand Dominion Account, (f) the Singapore Domiciled Loan Parties, each Singapore Dominion Account, (g) the UK Domiciled Loan Parties, each UK Dominion Account, and (h) the U.S. Domiciled Loan Parties, each U.S. Dominion Account.

Dutch Allocated U.S. Availability: U.S. Availability designated by the North American Loan Party Agent for application to clause (c) of a Dutch Borrowing Base.

Dutch Availability: as of any date of determination, (a) the lesser of (i) the Dutch Revolver Commitments *minus* all Dutch LC Obligations as of such date of determination and (ii) the Total Dutch Borrowing Base as of such date of determination, *minus* (b) the Dollar Equivalent of the principal balance of all Dutch Revolver Loans.

Dutch Availability Reserves: the sum (without duplication) of (a) the aggregate amount of the Dutch Rent Reserve, if any, established pursuant to clause (h) of the definition of Dutch Eligible Inventory; (b) the Dutch LC Reserve; (c) the Dutch Bank Product Reserve; (d) the Dutch Priority Payables Reserve; and (e) such additional reserves, in such amounts and with respect to such matters, as the Agent may establish in its Permitted Discretion.

Dutch Bank Product Reserve: the aggregate amount of reserves, as established by the Agent from time to time in its Permitted Discretion and in consultation with the European Loan Party Agent, to reflect the reasonably anticipated liabilities in respect of the then outstanding Secured Bank Product Obligations of the Dutch Domiciled Loan Parties.

Dutch Base Rate Loan: a Dutch Revolver Loan, or portion thereof, funded in Euros or Dollars and bearing interest calculated by reference to the Eurasian Base Rate.

Dutch Borrowers: (a) the Initial Dutch Borrowers and (b) each other Dutch Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 and has satisfied the other requirements set forth in Section 10.1.13 in order to become a Dutch Borrower.

Dutch Borrowing Base: at any time, with respect to the Applicable Dutch Borrower, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

(a) the book value of Dutch Eligible Accounts of the Applicable Dutch Borrower multiplied by the advance rate of 85%, *plus*

(b) the lesser of (i) 70% of the net book value of Dutch Eligible Inventory of the Applicable Dutch Borrower and (ii) 85% of the Net Orderly Liquidation Value of Dutch Eligible Inventory of the Applicable Dutch Borrower (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*

(c) Dutch Allocated U.S. Availability for such Applicable Dutch Borrower, *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Dutch Availability Reserves allocable to the Applicable Dutch Borrower which would cause the aggregate amount of the Dutch Revolver Loans allocable to the Applicable Dutch Borrower at such time to exceed the lesser of the Applicable Dutch Borrower's Applicable Dutch Borrower Commitment and the Applicable Dutch Borrower's Dutch Borrowing Base then in effect, in each case, notification thereof to the European Loan Party Agent by the Agent, any and all such Dutch Availability Reserves.

The Dutch Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Dutch Borrowing Base is calculated in accordance with the terms of this Agreement.

Dutch Cash Collateral Account: a demand deposit, money market or other account established by Agent at Bank of America (London) or such other financial institution as Agent may select in its discretion with the consent of European Loan Party Agent (not to be unreasonably withheld or delayed), which account shall be for the benefit of the Dutch Facility Secured Parties and shall be subject to Agent's or European Security Trustee's Liens securing the Dutch Facility Secured Obligations; *provided* that the foregoing consent of European Loan Party Agent to the selection by Agent in its discretion of a financial institution other than Bank of America (London) shall not be required if an Event of Default has occurred and is continuing.

Dutch Domiciled Loan Party: any Dutch Borrower and each Dutch Subsidiary now or hereafter party hereto as a Loan Party, and "Dutch Domiciled Loan Parties" means all such Persons, collectively.

Dutch Dominion Account: each special account established by the Dutch Domiciled Loan Parties at Bank of America (London) (or, subject to Section 8.1.4, HSBC), over which Agent or European Security Trustee has springing control for withdrawal purposes.

Dutch Eligible Accounts: at any time, the Accounts of the Applicable Dutch Borrower at such date except any Account:

(a) which is not subject to a valid Lien in favor of the Agent or European Security Trustee (including under the relevant laws of the Account Debtor's jurisdiction of organization);

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or European Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent; *provided* that, with respect to any tax Lien having such priority, eligibility of Accounts shall be reduced by the amount of such tax Lien having such priority;

(c) owing by any Account Debtor with respect to which more than 120 days have elapsed since the date of the original invoice therefor or which is more than 60 days past the due date for payment;

(d) which is owing by an Account Debtor for which more than 50% of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (c) above;

(e) which is owing by any Account Debtor to the extent the aggregate amount of otherwise Dutch Eligible Accounts owing from such Account Debtor and its Affiliates to Dutch Borrowers exceeds 20% of the aggregate Dutch Eligible Accounts (or such higher percentage as the Agent may establish for the Account Debtor from time to time), in each case, only to the extent of such excess;

(f) with respect to which any covenant, representation, or warranty relating to such Account contained in this Agreement or a Security Document has been breached or is not true in any material respect;

(g) which (i) does not arise from the sale of goods or performance of services in the Ordinary Course of Business, (ii) is not evidenced by an invoice, or other documentation satisfactory to the Agent, which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the Applicable Dutch Borrower's completion of any further performance, or (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment which is billed prior to actual sale to the end user, cash-on-delivery or any other repurchase or return basis, except with respect to up to \$15,000,000 of such Accounts in the aggregate for all Borrowing Bases on a combined basis;

(h) for which the goods giving rise to such Account (other than Accounts described in the foregoing paragraph (g)(v)) have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the Applicable Dutch Borrower;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor in respect of which an Insolvency Proceeding has been commenced or which is otherwise a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any province or territory) receivership, insolvency relief or other law or laws for the relief of debtors, including the Dutch Bankruptcy Code (*Fallisementswet*), unless the payment of Accounts from such Account Debtor is secured by assets of, or guaranteed by, in either case, in a manner reasonably satisfactory to the Agent, a Person that is reasonably acceptable to the Agent or, if the Account from such Account Debtor arises subsequent to a decree or order for relief with respect to such Account Debtor under the Dutch Bankruptcy Code (*Fallisementswet*), as now or hereafter in effect, the Agent shall have reasonably determined that the timely payment and collection of such Account will not be impaired;

(k) which is owed by an Account Debtor which has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs or is not Solvent;

(l) which is owed by an Account Debtor which is not organized under the applicable law of an Eligible Account Debtor Jurisdiction unless such Account is backed by a letter of credit or other credit support reasonably acceptable to the Agent and which is in the possession of the Agent;

(m) which is owed in any currency other than an Eligible Account Currency;

(n) which is owed by any Governmental Authority, unless (i) such Account is backed by a letter of credit reasonably acceptable to the Agent and which is in the possession of the Agent or (ii) Agent otherwise approves;

(o) which is owed by any Affiliate, employee, director, or officer of any Loan Party; *provided* that portfolio companies of the Sponsor that do business with the Applicable Dutch Borrower in the Ordinary Course of Business will not be treated as Affiliates for purposes of this clause (o);

(p) which is owed by an Account Debtor or any Affiliate of such Account Debtor which is the holder of Indebtedness issued or incurred by any Loan Party; *provided*, that any such Account shall only be ineligible as to that portion of such Account which is less than or equal to the amount owed by the Loan Party to such Person;

(q) which is subject to any counterclaim, deduction, defense, setoff, right of compensation or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff, right of compensation or dispute, unless (i) the Agent, in its Permitted Discretion, has established Dutch Availability Reserves and determines to include such Account as a Dutch Eligible Account or (ii) such Account Debtor has entered into an agreement reasonably acceptable to the Agent to waive such rights;

(r) which is evidenced by any promissory note, Chattel Paper or Instrument (in each case, other than any such items that are delivered to the Agent or the European Security Trustee);

(s) which is owed by an Account Debtor located in any jurisdiction that requires, as a condition to access to the courts of such jurisdiction, that a creditor qualify to transact business, file a business activities report or other report or form, or take one or more other actions, unless the Applicable Dutch Borrower has so qualified, filed such reports or forms, or taken such actions (and, in each case, paid any required fees or other charges), except to the extent the Applicable Dutch Borrower may qualify subsequently as a foreign entity authorized to transact business in such jurisdiction and gain access to such courts, without incurring any cost or penalty reasonably viewed by the Agent to be material in amount, and such later qualification cures any access to such courts to enforce payment of such Account;

(t) with respect to which the Applicable Dutch Borrower has made any agreement with the Account Debtor for any reduction thereof, but only to the extent of such reduction, other than discounts and adjustments given in the Ordinary Course of Business; or

(u) which the Agent determines is ineligible in its Permitted Discretion.

Subject to Sections 14.1 and 7.5 and the definition of Dutch Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Dutch Eligible Inventory: at any date of determination thereof, the aggregate amount of all Inventory owned by the Applicable Dutch Borrower at such date except any Inventory:

(a) which is not subject to a valid Lien in favor of the Agent or European Security Trustee;

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or European Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent or European Security Trustee (other than any bailee, warehouseman, landlord or similar non-consensual Liens having priority by operation of law to the extent either subclause (i) or (ii) of clauses (h) or (i) below of Dutch Eligible Inventory is satisfied with respect to the relevant Inventory); provided that, with respect to any tax Lien having such priority, eligibility of Inventory shall be reduced by the amount of such tax Lien having such priority;

(c) which is, in the Agent's Permitted Discretion, slow moving, obsolete, unmerchantable, defective, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the Ordinary Course of Business or unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation or warranty contained in this Agreement or any Security Document has been breached or is not true in any material respect;

(e) which does not conform in all material respects to all standards imposed by any applicable Governmental Authority (except that any standard that is qualified as to "materiality" shall have been conformed to in all respects);

(f) which constitutes packaging and shipping material, manufacturing supplies, display items, bill-and-hold goods (other than bill-and-hold goods, the sale of which has been excluded from Dutch Eligible Accounts pursuant to clause (g)(v) of the definition thereof), returned or repossessed goods (other than goods that are undamaged and able to be resold in the Ordinary Course of Business), defective goods, goods held on consignment, goods to be returned to the Applicable Dutch Borrower's suppliers or goods which are not of a type held for sale in the Ordinary Course of Business;

(g) which is not located in the Netherlands or is not at a location listed on **Schedule 8.4.1** (as updated from time to time in accordance with the provisions hereof) other than goods in transit between locations of the Dutch Domiciled Loan Parties;

(h) which is located, at any time after the Temporary Eligibility Period, in any location leased by the Applicable Dutch Borrower unless (i) the lessor has delivered to the Agent a Collateral Access Agreement or (ii) a Dutch Rent Reserve has been established by the Agent;

(i) which is located, at any time after the Temporary Eligibility Period, in any third party warehouse or is in the possession of a bailee, processor or other Person and is not evidenced by a Document, unless (i) such warehouseman, bailee, processor or other Person has delivered to the Agent a Collateral Access Agreement and/or such other documentation as the Agent may reasonably require or (ii) appropriate Dutch Availability Reserves have been established by the Agent in its Permitted Discretion;

(j) which is the subject of a consignment by the Applicable Dutch Borrower as consignor;

(k) which is perishable as determined in accordance with GAAP;

(l) which contains or bears any intellectual property rights licensed to the Applicable Dutch Borrower unless the Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor in any material respect or (ii) incurring any material liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement; or

(m) which constitutes movable assets as set out in section 21 paragraph 2 in conjunction with section 22 paragraph 3 of the Dutch Tax Collection Act (*Invoeringswet 1990*).

Subject to Sections 14.1 and 7.5 and the definition of Dutch Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Dutch Facility Collateral: Collateral that now or hereafter secures (or is intended to secure) any of the Dutch Facility Secured Obligations, including Property of the U.S. Domiciled Loan Parties pledged to secure the Dutch Facility Secured Obligations under their guarantee of the Secured Obligations.

Dutch Facility Guarantor: each U.S. Borrower, each U.S. Facility Guarantor and each other Person (if any) who guarantees payment and performance of any Dutch Facility Secured Obligations.

Dutch Facility Loan Party: a Dutch Borrower or a Dutch Facility Guarantor.

Dutch Facility Obligations: all Obligations of the Dutch Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Dutch Facility Loan Party, the other Foreign Facility Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Obligations).

Dutch Facility Secured Obligations: all Secured Obligations of the Dutch Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Dutch Facility Loan Party, the other Foreign Facility Secured Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Secured Obligations).

Dutch Facility Secured Parties: Agent, European Security Trustee, any Dutch Fronting Bank, Dutch Lenders and Secured Bank Product Providers of Bank Products to Dutch Domiciled Loan Parties, and, following the Foreign Cross-Guarantee Date for any Dutch Domiciled Loan Party, the other Secured Parties that are the beneficiaries of such Foreign Cross-Guarantee.

Dutch Fronting Bank: (a) Bank of America (London) or any Affiliate thereof that agrees to issue Dutch Letters of Credit, (b) if reasonably acceptable to European Loan Party Agent, any other Dutch Lender or Affiliate thereof that agrees to issue Dutch Letters of Credit, or (c) if requested by European Loan Party Agent and subject to Section 2.10, a Non-Lender Fronting Bank that agrees to issue Dutch Letters of Credit.

Dutch Fronting Bank Indemnities: any Dutch Fronting Bank and its officers, directors, employees, Affiliates and agents.

Dutch LC Application: an application by any Dutch Borrower on behalf of itself or any other Dutch Borrower to a Dutch Fronting Bank for issuance of an Dutch Letter of Credit, in form and substance reasonably satisfactory to such Dutch Fronting Bank.

Dutch LC Conditions: the following conditions necessary for issuance of a Dutch Letter of Credit: (a) each of the conditions set forth in Section 6 being satisfied or waived; (b) after giving effect to such issuance, the total Ex-NA LC Obligations do not exceed the Ex-NA Letter of Credit Sublimit, no Dutch Overadvance exists or would result therefrom and, in the case of any Dutch Borrower, Section 2.11 is satisfied; (c) the expiration date of such Dutch Letter of Credit is (i) no more than 365 days from issuance (*provided* that each Dutch Letter of Credit may, upon the request of the Applicable Dutch Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of twelve (12) months or less (but no later than 20 Business Days prior to the Facility Termination Date)), and (ii) unless the applicable Dutch Fronting Bank and the Agent otherwise consent (subject to the satisfaction of the Cash Collateral requirements set forth in Section 2.5.3), at least 20 Business Days prior to the Facility Termination Date; (d) the Dutch Letter of Credit and payments thereunder are denominated in Euros or Dollars; (e) the form of the proposed Dutch Letter of Credit is reasonably satisfactory to the Agent and the applicable Dutch Fronting Bank; and (f) the proposed use of the Dutch Letter of Credit is for a lawful purpose.

Dutch LC Documents: all documents, instruments and agreements (including Dutch LC Requests and Dutch LC Applications) delivered by any Dutch Borrower or by any other Person to a Dutch Fronting Bank or the Agent in connection with issuance, amendment or renewal of, or payment under, any Dutch Letter of Credit.

Dutch LC Obligations: with respect to the Applicable Dutch Borrower, the Dollar Equivalent of the sum (without duplication) of (a) all amounts owing by such Applicable Dutch Borrower for any drawings under Dutch Letters of Credit; (b) the stated amount of all outstanding Dutch Letters of Credit issued for the account of such Applicable Dutch Borrower; and (c) all fees and other amounts owing with respect to such Dutch Letters of Credit.

Dutch LC Request: a request for issuance of a Dutch Letter of Credit, to be provided by a Dutch Borrower to a Dutch Fronting Bank, in form reasonably satisfactory to Agent and such Dutch Fronting Bank.

Dutch LC Reserve: with respect to the Applicable Dutch Borrower, the aggregate of all Dutch LC Obligations of such Applicable Dutch Borrower, other than (a) those that have been Cash Collateralized and (b) if no Event of Default exists, those constituting charges owing to any Dutch Fronting Bank.

Dutch Lenders: Bank of America (London) and each other Lender that has issued a Dutch Revolver Commitment (*provided* that such Person or an Affiliate of such Person also has a U.S. Revolver Commitment).

Dutch Letter of Credit: any standby or documentary letter of credit issued by a Dutch Fronting Bank for the account of a Dutch Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or a Dutch Fronting Bank for the benefit of a Dutch Borrower.

Dutch Overadvance: as defined in Section 2.1.5(d).

Dutch Overadvance Loan: a Loan made to a Dutch Borrower when a Dutch Overadvance exists or is caused by the funding thereof.

Dutch Overadvance Loan Balance: on any date, the Dollar Equivalent of the amount by which the aggregate Dutch Revolver Loans of the Applicable Dutch Borrower or all Dutch Borrowers, as the case may be, exceed the amount of the Dutch Borrowing Base of such Applicable Dutch Borrower or the Total Dutch Borrowing Base, as applicable, on such date.

Dutch Priority Payables Reserve: on any date of determination, a reserve in such amount as Agent may determine in its Permitted Discretion which reflects amounts secured by any Liens, choate or inchoate, which rank or are capable of ranking in priority to the Agent's and/or the Secured Parties' Liens and/or for amounts which may represent costs relating to the enforcement of the Agent's or European Security Trustee's Liens.

Dutch Protective Advances: as defined in Section 2.1.6(d).

Dutch Reimbursement Date: as defined in Section 2.5.2(a).

Dutch Rent Reserve: the aggregate of (a) all past due rent and other past due charges owing by any Dutch Borrower to any landlord or other Person who possesses any Dutch Facility Collateral or could assert a Lien on such Dutch Facility Collateral; plus (b) a reserve in an amount not to exceed rent and other charges that could be payable to any such Person for the time period used to determine the Net Orderly Liquidation Value of Dutch Facility Collateral.

Dutch Revolver Commitment: for any Dutch Lender, its obligation to make Dutch Revolver Loans and to issue Dutch Letters of Credit, in the case of any Dutch Fronting Bank, or participate in Dutch LC Obligations, in the case of the other Dutch Lenders, to the Dutch Borrowers up to the maximum principal amount shown on **Schedule 2.1.1(d)**, or as hereafter determined pursuant to each Assignment and Acceptance to which it is a party, as such Dutch Revolver Commitment may be adjusted from time to time in accordance with the provisions of Sections 2.1.4, 2.1.7 or 11.1. "Dutch Revolver Commitments" means the aggregate amount of such commitments of all Dutch Lenders.

Dutch Revolver Commitment Increase: as defined in Section 2.1.7(d).

Dutch Revolver Commitment Termination Date: the earliest of (a) the U.S. Revolver Commitment Termination Date (without regard to the reason therefor), (b) the date on which the European Loan Party Agent terminates or reduces to zero all of the Dutch Revolver Commitments pursuant to Section 2.1.4, and (c) the date on which the Dutch Revolver Commitments are terminated pursuant to Section 11.1. From and after the Dutch Revolver Commitment Termination Date, the Dutch Borrowers shall no longer be entitled to request a Dutch Revolver Commitment Increase pursuant to Section 2.1.7 hereof.

Dutch Revolver Exposure: on any date, the Dollar Equivalent of an amount equal to the sum of (a) the Dutch Revolver Loans outstanding on such date and (b) the Dutch LC Obligations on such date.

Dutch Revolver Loan: a Revolver Loan made by Dutch Lenders to a Dutch Borrower pursuant to Section 2.1.1(d), which Revolver Loan shall be denominated in Dollars or Euros and either a LIBOR Loan or a Dutch Base Rate Loan, in each case as selected by Applicable Dutch Borrower, and including any Dutch Swingline Loan, Dutch Overadvance Loan or Dutch Protective Advance.

Dutch Revolver Notes: the promissory notes, if any, executed by Dutch Borrowers in favor of each Dutch Lender to evidence the Dutch Revolver Loans funded from time to time by such Dutch Lender, which shall be in the form of **Exhibit C-4** to this Agreement, together with any replacement or successor notes therefor.

Dutch Security Agreements: each pledge (including, without limitation, each pledge over movable assets (undisclosed and non-possessory) and each pledge of receivables) or security agreement among any Dutch Domiciled Loan Party and Agent or the European Security Trustee.

Dutch Subsidiary: Each Wholly-Owned Subsidiary of MRC incorporated or organized under the laws of the Netherlands or any province or territory of the Netherlands.

Dutch Swingline Commitment: \$4,500,000.

Dutch Swingline Commitment Termination Date: with respect to any Dutch Swingline Loan, the date that is five Business Days prior to the Dutch Revolver Commitment Termination Date.

Dutch Swingline Lender: Bank of America (London) or an Affiliate of Bank of America (London).

Dutch Swingline Loan: a Swingline Loan made by the Dutch Swingline Lender to a Dutch Borrower pursuant to Section 2.1.8(d), which Swingline Loan shall be a Dutch Base Rate Loan.

Eligible Account Currencies: Australian Dollars, Canadian Dollars, Dollars, Euros, New Zealand Dollars, Singapore Dollars, Sterling, Yen and such other currencies determined by Agent in its discretion.

Eligible Account Debtor Jurisdictions: Australia, Canada, Hong Kong, Japan, New Zealand, Norway, any member state of the European Union prior to May 2004, South Korea, Switzerland, Singapore, the U.S. and such other jurisdictions determined by Agent in its discretion, in each case together with any state or province thereof (as applicable); provided, however, that Agent may from time to time, in its Permitted Discretion, designate any of the foregoing jurisdictions, including any jurisdiction previously determined by Agent in its discretion to be an Eligible Account Debtor Jurisdiction, to no longer be an eligible jurisdiction for Account Debtors (other than Australia, Canada, Belgium, the Netherlands, the UK and the U.S.).

Eligible Accounts: the (a) Australian Eligible Accounts, (b) Belgian Eligible Accounts, (c) Canadian Eligible Accounts, (d) Dutch Eligible Accounts, (e) New Zealand Eligible Accounts, (f) Singapore Eligible Accounts, (g) UK Eligible Accounts, and/or (h) U.S. Eligible Accounts, as the context requires.

Eligible Assignee: subject to the requirements of Section 13.3.3, a Person that is (a) a Lender or an Affiliate of a U.S. based Lender; (b) if such Person is to hold U.S. Facility Obligations, an Approved Fund; (c) if such Person is to hold Foreign Facility Obligations, a Person who holds or is acquiring, or whose Affiliate holds or is acquiring, a U.S. Revolver Commitment; (d) any other financial institution approved by Agent and North American Loan Party Agent (which approval by North American Loan Party Agent may be withheld in the sole discretion of North American Loan Party Agent in the case of any financial institution which is a Disqualified Lender and which approval shall not otherwise be unreasonably withheld or delayed, and shall be deemed given if no objection is made within five Business Days after notice of the proposed assignment), that is organized, registered or incorporated under the laws of Australia, a Participating Member State, Canada, New Zealand, Singapore, the United Kingdom or the United States or any state, province or district thereof, extends asset-based lending facilities in its Ordinary Course of Business and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of the Code or any other Applicable Law, or would, immediately following any such assignment, result in increased costs or Taxes payable by the Loan Parties pursuant to Section 5.8; and (e) during any Event of Default, any Person acceptable to Agent in its discretion, which acceptance shall not be unreasonably withheld or delayed.

Eligible Inventory: the (a) Australian Eligible Inventory, (b) Belgian Eligible Inventory, (c) Canadian Eligible Inventory, (d) Dutch Eligible Inventory, (e) New Zealand Eligible Inventory, (f) Singapore Eligible Inventory, (g) UK Eligible Inventory, and/or (h) U.S. Eligible Inventory, as the context requires.

Enforcement Action: any action to enforce any Obligations or Loan Documents or to exercise any rights or remedies relating to any Collateral (whether by judicial action, self-help, notification of Account Debtors, exercise of setoff or recoupment, exercise of any right or vote to act in a Loan Party's Insolvency Proceeding, or otherwise).

Environmental Claims: any and all actions, suits, orders, decrees, demands, demand letters, claims, liens, notices of noncompliance, violation or potential responsibility or investigation (other than internal reports prepared by any Borrower or any of the Subsidiaries (a) in the ordinary course of such Person's business or (b) as required in connection with a financing transaction or an acquisition or disposition of real estate) or proceedings relating in any way to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law, including, (i) any and all such claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law and (ii) any and all such claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief relating to the presence, release or threatened release of Hazardous Materials or arising from alleged injury or threat of injury to health or safety (to the extent relating to human exposure to Hazardous Materials), or the environment including, ambient air, surface water, groundwater, land surface and subsurface strata and natural resources such as wetlands.

Environmental Law: any applicable Federal, state, foreign or local statute, law, rule, regulation, ordinance, code and rule of common law now or hereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree or judgment, relating to the protection of environment, including, ambient air, surface water, groundwater, land surface and subsurface strata and natural resources such as wetlands, or human health or safety (to the extent relating to human exposure to Hazardous Materials), or Hazardous Materials.

ERISA: the Employee Retirement Income Security Act of 1974.

ERISA Affiliate: any trade or business (whether or not incorporated) under common control with a Loan Party or treated as a single employer with a Loan Party, in each case within the meaning of Section 414 of the Code.

Eurasian Base Rate: with respect to Dollars funded outside of Canada and the U.S. and with respect to Australian Dollars, Euros, New Zealand Dollars, Sterling and Singapore Dollars (and such other currencies as may be funded under the UK Alternate Swingline Loan), a fluctuating rate of interest per annum equal to the rate of interest in effect for such day as announced from time to time by the local branch of Bank of America in the jurisdiction in which such currency is funded as its "base rate" with respect to such currency. Any change in such rate shall take effect at the opening of business on the day of such change.

Euro: the single currency of the Participating Member States which have adopted the euro unit as their single currency pursuant to the Treaty of Rome of March 25, 1957, establishing the European Community.

European Loan Party Agent: as defined in Section 4.4.2.

European Secured Parties: the Belgian Facility Secured Parties, the Dutch Facility Secured Parties and the UK Facility Secured Parties.

European Security Agreements: the Belgian Security Agreements, the Dutch Security Agreements and the UK Security Agreements.

European Security Trustee: Bank of America (London) or any successor security trustee appointed in accordance with Section 12.2.

Event of Default: as defined in Section 11.1.

Ex-NA LC Obligations: the Australian LC Obligations, the Belgian LC Obligations, the Dutch LC Obligations, the New Zealand LC Obligations, the Singapore LC Obligations and the UK LC Obligations.

Ex-NA Letter of Credit Sublimit: \$50,000,000.

Excess Availability: as of any date of determination, an amount equal to (a) the lesser of (i) the Commitments *minus* all LC Obligations and (ii) the sum of the (1) Total Australian Borrowing Base, (2) Total Belgian Borrowing Base, (3) the Total Canadian Borrowing Base, (4) the Total Dutch Borrowing Base, (5) the Total New Zealand Borrowing Base, (6) the Total Singapore Borrowing Base, (7) the Total UK Borrowing Base and (8) the U.S. Borrowing Base, *minus* (b) the Dollar Equivalent of the principal balance of all Revolver Loans; provided, that the amount attributable to clause (a) above from the non-U.S. Revolver Commitments or the non-U.S. Borrowing Bases (as applicable) may not exceed 50% of clause (a).

Exchange Rate: the exchange rate, as determined by Agent, applicable to conversion of a currency into Dollars that is (a) reported by Bloomberg (or other commercially available source designated by Agent) as of the end of the preceding Business Day in the financial market for such currency; or (b) if such report is unavailable for any reason, the spot rate for the purchase of such currency with Dollars through Agent's principal foreign exchange trading office for the currency during such office's preceding Business Day.

Excluded Deposit Accounts: (a) Deposit Accounts that are zero balance disbursement accounts, (b) Deposit Accounts used solely to fund payroll, payroll taxes and similar employment taxes or employee benefits in the Ordinary Course of Business, (c) other Deposit Accounts with an amount on deposit of less than \$5,000,000 at any time in the aggregate for all such Deposit Accounts and (d) the Net Available Cash Account.

Excluded Loan Party: (a) each Loan Party that is a “controlled foreign corporation” within the meaning of Section 957 of the Code; (b) any direct or indirect Subsidiary of a Person described in clause (a) of this definition; and (c) any U.S. Subsidiary, substantially all of the direct or indirect assets of which are Stock of one or more “controlled foreign corporations” within the meaning of Section 957 of the Code.

Excluded Subsidiary: (a) each U.S. Subsidiary listed on **Schedule 9.1.12** hereto as an Excluded Subsidiary, (b) any Subsidiary that is not a Wholly-Owned Subsidiary, (c) any Subsidiary that is prohibited by any Applicable Law from guaranteeing the Secured Obligations, (d) in respect of the U.S. Domiciled Loan Parties, (i) any direct or indirect Subsidiary of a non-U.S. Subsidiary (that is a “controlled foreign corporation” within the meaning of Section 957 of the Code) and (ii) any U.S. Subsidiary, substantially all of the direct or indirect assets of which are Stock of one or more “controlled foreign corporations” within the meaning of Section 957 of the Code, (e) any Restricted Subsidiary acquired pursuant to a Permitted Acquisition financed with secured Indebtedness incurred pursuant to Section 10.2.1(b)(ix) or Section 10.2.1(b)(x) and each Restricted Subsidiary thereof that guarantees such Indebtedness to the extent and so long as the financing documentation relating to such Permitted Acquisition to which such Restricted Subsidiary is a party prohibits such Restricted Subsidiary from guaranteeing, or granting a Lien on any of its assets to secure, the Secured Obligations; provided that after such time that such prohibitions on guarantees or granting of Liens lapses or terminates, such Restricted Subsidiary shall no longer be an Excluded Subsidiary, (f) any other Subsidiary with respect to which, in the reasonable judgment of the Agent (confirmed in writing by notice to the applicable Borrower), the cost or other consequences (including any adverse tax consequences) of providing a Guarantee shall be excessive in view of the benefits to be obtained by the Lenders therefrom, (g) each Unrestricted Subsidiary and (h) any Restricted Subsidiary that the North American Loan Party Agent elects by notice to the Agent to treat as an Excluded Subsidiary pursuant to this clause (h), *provided* that (i) any such Restricted Subsidiary shall cease to be so treated as an Excluded Subsidiary pursuant to this clause (h) upon written notice from the North American Loan Party Agent to the Agent, and (ii) at any time, the total assets of all Restricted Subsidiaries that are Excluded Subsidiaries solely as a result of this clause (h), as reflected on their most recent balance sheets prepared in accordance with GAAP, do not in the aggregate at any time exceed \$5,000,000, and (iii) the total revenues of all Restricted Subsidiaries that are Excluded Subsidiaries solely as a result of this clause (h) for the twelve-month period ending on the last day of the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 do not in the aggregate exceed \$5,000,000.

Excluded Tax: with respect to Agent, any Lender, any Fronting Bank, any Security Trustee or any other recipient of a payment to be made by or on behalf of any Loan Party on account of any Obligation, (a) taxes imposed on or measured by its net income (however denominated), and franchise taxes imposed on it (i) by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located or (ii) as the result of any other present or former connection between such recipient and the jurisdiction imposing such tax (other than connections arising from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan, Letter of Credit

or Loan Document); (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which such recipient has a branch; (c) in the case of a Foreign Lender, any withholding tax that is imposed on amounts payable to such Foreign Lender pursuant to laws in force at the time such Foreign Lender becomes a Lender (or designates a new Lending Office) hereunder, or any additional withholding tax that is imposed on amounts payable to a Foreign Lender after the time such Foreign Lender becomes a Lender (or designates a new Lending Office) hereunder, except that taxes in this clause (c) shall not include (i) additional withholding tax that may be imposed on amounts payable to a Foreign Lender after the time such Foreign Lender becomes a party to the Agreement (or designates a new Lending Office), as a result of a Change in Tax Law after such time and (ii) any amount with respect to withholding tax that such Foreign Lender (or its assignor, if any) was previously entitled to receive pursuant to Section 5.8 of this Agreement, if any, with respect to such withholding tax at the time such Foreign Lender designates a new Lending Office (or at the time of the assignment); (d) any United States withholding tax imposed under FATCA; or (e) any withholding tax that is attributable to such recipient's failure or inability (other than as a result of a Change in Tax Law) to comply with Section 5.9.

Existing U.S. Letters of Credit: the letters of credit designated as such on **Schedule 1.1(a)**.

Existing Loan Agreement: as defined in the recitals to this Agreement.

Extraordinary Expenses: all costs, expenses or advances that Agent and Security Trustees may incur during an Event of Default, or during the pendency of any Insolvency Proceeding of any Borrower or any Subsidiary, including those relating to (a) any audit, inspection, repossession, storage, repair, appraisal, insurance, manufacture, preparation or advertising for sale, sale, collection, or other preservation of or realization upon any Collateral; (b) any action, arbitration or other proceeding (whether instituted by or against Agent, any Security Trustee, any Fronting Bank, any Lender, any Loan Party, any representative of creditors of any Loan Party or any other Person) in any way relating to any Collateral (including the validity, perfection, priority or avoidability of Agent's or any Security Trustee's Liens with respect to any Collateral), Loan Documents, Letters of Credit or Obligations, including any lender liability or other Claims; (c) the exercise, protection or enforcement of any rights or remedies of Agent in, or the monitoring of, any Insolvency Proceeding; (d) settlement or satisfaction of any taxes, charges or Liens with respect to any Collateral; (e) any Enforcement Action; (f) negotiation and documentation of any modification, waiver, workout, restructuring or forbearance with respect to any Loan Documents or Obligations; and (g) Protective Advances. Such costs, expenses and advances include transfer fees, Other Taxes, storage fees, insurance costs, permit fees, utility reservation and standby fees, appraisal fees, brokers' fees and commissions, auctioneers' fees and commissions, accountants' fees, environmental study fees, wages and salaries paid to employees of any Loan Party or independent contractors in liquidating any Collateral, travel expenses, receivers' and managers' fees and legal fees (which shall be limited to the reasonable fees, disbursements and other charges of one primary counsel and one local counsel in each relevant state or foreign jurisdiction for the Agent and the Lenders (unless there is an actual or perceived conflict of interest or the availability of different claims or defenses in which case the Agent may retain its own counsel)).

Facility Termination Date: the earlier of (a) March 27, 2017 and (b) the 90th day prior to the scheduled maturity date for the Senior Secured Notes unless, on or prior to such 90th day, either (i) all of the Senior Secured Notes shall have been repaid in full or (ii) the scheduled maturity date for the Senior Secured Notes shall have been extended to June 30, 2017 or later.

FATCA: Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended version that is substantively comparable), and any current or future regulations or official interpretations thereof.

FCCR Test Event: the occurrence of any one of the following events: (i) Excess Availability shall be less than the greater of (A) 10% of the Commitments or (B) \$95,000,000 or (ii) an Event of Default shall have occurred and be continuing; *provided*, that, to the extent that the FCCR Test Event has occurred due to clause (i) of this definition, if Excess Availability shall have exceeded the greater of (x) 10% of the Commitments and (y) \$95,000,000 for at least thirty (30) consecutive days, the FCCR Test Event shall be deemed to be over.

Federal Funds Rate: (a) the weighted average of interest rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on the applicable Business Day (or on the preceding Business Day, if the applicable day is not a Business Day), as published by the Federal Reserve Bank of New York on the next Business Day; or (b) if no such rate is published on the next Business Day, the average rate (rounded up, if necessary, to the nearest 1/8 of 1%) charged to Bank of America on the applicable day on such transactions, as determined by Agent.

Fee Letter: the fee letter agreement among Agent, Merrill Lynch, Pierce, Fenner & Smith Incorporated, MRC and the Initial Canadian Borrower dated as of February 10, 2012.

Financial Administration Act: Financial Administration Act (*Canada*) and all regulations and schedules thereunder.

Financial Support Direction: a financial support direction issued by the Pensions Regulator in the UK under Section 43 of the Pensions Act 2004.

Floating Rate Loan: a Base Rate Loan or a Canadian Prime Rate Loan.

FLSA: the Fair Labor Standards Act of 1938.

Foreign Allocated U.S. Availability Reserve: the aggregate amount of the U.S. Borrowing Base allocated by North American Loan Party Agent for inclusion by any Foreign Borrowers in their respective Borrowing Bases.

Foreign Borrower Group: a group consisting of (a) the Australian Borrowers, (b) the Belgian Borrowers, (c) the Canadian Borrowers, (d) the Dutch Borrowers, (e) the New Zealand Borrowers, (f) the Singapore Borrowers or (g) the UK Borrowers, as the context requires.

Foreign Borrowers: the Australian Borrowers, Belgian Borrowers, Canadian Borrowers, Dutch Borrowers, New Zealand Borrowers, Singapore Borrowers and UK Borrowers.

Foreign Cross-Guarantee: as defined in Section 5.10.6.

Foreign Cross-Guarantee Date: with respect to any Foreign Borrower, the date on which such Foreign Borrower enters into an effective Foreign Cross-Guarantee.

Foreign Domiciled Loan Parties: the Australian Domiciled Loan Parties, the Belgian Domiciled Loan Parties, the Canadian Domiciled Loan Parties, the Dutch Domiciled Loan Parties, the New Zealand Domiciled Loan Parties, the Singapore Domiciled Loan Parties and the UK Domiciled Loan Parties.

Foreign Facility Obligations: the Australian Facility Obligations, the Belgian Facility Obligations, the Canadian Facility Obligations, the Dutch Facility Obligations, the New Zealand Facility Obligations, the Singapore Facility Obligations and the UK Facility Obligations.

Foreign Facility Secured Obligations: the Australian Facility Secured Obligations, the Belgian Facility Secured Obligations, the Canadian Facility Secured Obligations, the Dutch Facility Secured Obligations, the New Zealand Facility Secured Obligations, the Singapore Facility Secured Obligations and the UK Facility Secured Obligations.

Foreign Lender: (a) with respect to each Borrower that is a U.S. Person, each Lender or Fronting Bank that is not a U.S. Person, and (b) with respect to each Borrower that is not a U.S. Person, each Lender or Fronting Bank that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes.

Foreign Plan: any employee benefit plan, program, policy, arrangement or agreement maintained or contributed to by a Borrower or any of its Subsidiaries with respect to employees employed outside of the United States or Canada, other than any state social security arrangements.

Foreign Revolver Commitments: the Australian Revolver Commitment, the Belgian Revolver Commitment, the Canadian Revolver Commitment, the Dutch Revolver Commitment, the New Zealand Revolver Commitment, the Singapore Revolver Commitment and/or the UK Revolver Commitment, as the context requires.

Foreign Subsidiary: a Subsidiary of a Borrower that is not a Domestic Subsidiary.

Fronting Bank: (a) an Australian Fronting Bank, (b) a Belgian Fronting Bank, (c) a Canadian Fronting Bank, (d) a Dutch Fronting Bank, (e) a New Zealand Fronting Bank, (f) a Singapore Fronting Bank, (g) a UK Fronting Bank, and/or (h) a U.S. Fronting Bank, as the context requires.

Fronting Bank Indemnitees: (a) Australian Fronting Bank Indemnitees, (b) Belgian Fronting Bank Indemnitees, (c) Canadian Fronting Bank Indemnitees, (d) Dutch Fronting Bank Indemnitees (e) New Zealand Fronting Bank Indemnitees, (f) Singapore Fronting Bank Indemnitees, (g) UK Fronting Bank Indemnitees, and/or (h) U.S. Fronting Bank Indemnitees, as the context requires.

FSCO: The Financial Services Commission of Ontario or like body in Canada or in any other province or territory or jurisdiction of Canada with whom a Canadian Pension Plan is required to be registered in accordance with Applicable Law and any other Governmental Authority succeeding to the functions thereof.

Full Payment: with respect to any Obligations (other than unasserted contingent indemnity claims), (a) the full cash payment thereof in the applicable currency required hereunder, including any interest and documented fees and other charges accruing during an Insolvency Proceeding (whether or not allowed in the proceeding); (b) if such Obligations are LC Obligations, Bank Product Debt or inchoate or contingent in nature, Cash Collateralization thereof (or delivery of a standby letter of credit acceptable to Agent in its discretion, in the amount of required Cash Collateral); and (c) a release of any Claims of Loan Parties against Agent, Security Trustees, Lenders and any Fronting Bank arising on or before the payment date. No Loans shall be deemed to have been paid in full until all Commitments related to such Loans have expired or been terminated.

Funded Debt: all consolidated indebtedness of the Borrowers and the Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) for borrowed money that matures more than one year from the date of its creation or matures within one year from such date that is renewable or extendable, at the option of any such Person, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including all amounts of Funded Debt required to be paid or prepaid within one year from the date of its creation and, in the case of the Borrowers, Indebtedness in respect of the Loans.

GAAP: generally accepted accounting principles in effect in the United States, from time to time, applied consistently, subject to Section 1.2 hereof; *provided* that capital leases and operating leases shall be subject to generally accepted accounting principles in effect in the United States on the date hereof.

General Intangibles: as defined in the UCC (and/or with respect to any General Intangible of a Canadian Domiciled Loan Party or New Zealand Domiciled Loan Party, an “intangible” as defined in the PPSA or the PPSA New Zealand, and/or with respect to any General Intangible of an Australian Domiciled Loan Party, “intangible property” as defined in the PPSA Australia) or any other Applicable Law, as applicable.

Governmental Approval: all authorizations, consents, approvals, licenses and exemptions of, registrations and filings with, and required reports to, all Governmental Authorities.

Governmental Authority: any federal, state, provincial, municipal, foreign or other governmental department, agency, commission, board, bureau, court, tribunal, instrumentality, political subdivision, authority, corporation or body, regulatory or self-regulatory organization or other entity or officer exercising executive, legislative, judicial, statutory, regulatory or administrative functions for or pertaining to any government or court (including any supranational bodies such as the European Union), in each case whether it is or is not associated with Australia, Belgium, Canada, the Netherlands, New Zealand, Singapore, the United Kingdom, the United States or any state, province, district or territory thereof, or any other foreign entity or government.

GST Group: has the meaning given to it in the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Guarantee: each guarantee agreement (including this Agreement) executed by a Guarantor in favor of Agent guaranteeing all or any portion of the Secured Obligations.

Guarantee Obligations: as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such Indebtedness or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness or (d) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; *provided*, however, that the term "Guarantee Obligations" shall not include endorsements of instruments for deposit or collection in the Ordinary Course of Business or customary and reasonable indemnity obligations in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). The amount of any Guarantee Obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such Guarantee Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

Guarantor Payment: as defined in Section 5.10.3(b).

Guarantors: Australian Facility Guarantors, Belgian Facility Guarantors, Canadian Facility Guarantors, Dutch Facility Guarantors, New Zealand Facility Guarantors, Singapore Facility Guarantors, UK Facility Guarantors, U.S. Facility Guarantors, and each other Person who guarantees payment or performance of any Secured Obligations.

Hazardous Materials: (a) any petroleum or petroleum products, radioactive materials, friable asbestos, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing regulated levels of polychlorinated biphenyls, and radon gas; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances", "hazardous waste", "hazardous materials", "extremely hazardous waste", "restricted hazardous waste", "toxic substances", "toxic pollutants", "contaminants", or "pollutants", or words of similar import, under any applicable Environmental Law; and (c) any other chemical, material or substance, which is prohibited, limited or regulated by any Environmental Law.

Hedge Agreement: an Interest Rate Agreement, Currency Agreement or Commodity Agreement entered into in the ordinary course of any Borrower's or any of its Subsidiaries' businesses.

Historical Financial Statements: as of the Closing Date, (a) the audited consolidated financial statements of the Parent and its Subsidiaries for the fiscal year ended December 31, 2011, (b) the unaudited consolidated financial statements of the Parent and its Subsidiaries for the fiscal quarter ended September 30, 2011 and (c) the unaudited consolidated financial statements of the Parent and its Subsidiaries for the fiscal month ended January 31, 2012.

HSBC: HSBC Bank plc.

HSBC Credit Agreement: that certain €60,000,000 Term and Revolving Facility Agreement dated as of 17 September 2010 (as amended), among MRC Transmark Group B.V. and Holdings UK, as borrowers, and HSBC.

IFRS: International Financial Reporting Standards.

Increase Date: as defined in Section 2.1.7(i).

Indebtedness: with respect to any Person shall mean (a) all indebtedness of such Person for borrowed money, (b) the deferred purchase price of assets or services that in accordance with GAAP would be included as liabilities in the balance sheet of such Person, (c) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder, (d) all Indebtedness of a second Person secured by any Lien on any property owned by such first Person, whether or not such Indebtedness has been assumed, (e) all Capitalized Lease Obligations of such Person, (f) all obligations of such Person under interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity price protection agreements or other commodity price hedging agreements and other similar agreements (but taking into account only the mark-to-market value or, if any actual amount is due as a result of the termination or close-out of such transaction, that amount) and (g) without duplication, all Guarantee Obligations of such Person, provided that Indebtedness shall not include (i) trade payables and accrued expenses, in each case payable directly or through a bank clearing arrangement and arising in the Ordinary Course of Business, (ii) deferred or prepaid revenue, (iii) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller and (iv) all intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the Ordinary Course of Business.

Indemnified Taxes: Taxes other than Excluded Taxes and Other Taxes.

Indemnitees: Agent Indemnitees, Lender Indemnitees, Fronting Bank Indemnitees and Bank of America Indemnitees.

Information: as defined on Section 14.12.

Initial Australian Borrowers: as defined in the preamble to this Agreement.

Initial Belgian Borrower: as defined in the preamble to this Agreement.

Initial Canadian Borrower: as defined in the preamble to this Agreement.

Initial Dutch Borrowers: as defined in the preamble to this Agreement.

Initial UK Borrowers: as defined in the preamble to this Agreement.

Initial U.S. Borrowers: as defined in the preamble to this Agreement.

Insolvency Proceeding: any case or proceeding, application, meeting convened, resolution passed, proposal, corporate action or any other proceeding commenced by or against a Person under any state, provincial, federal or foreign law for, or any agreement of such Person to, (a) the entry of an order for relief under the U.S. Bankruptcy Code, or any other insolvency, debtor relief, bankruptcy, receivership, debt adjustment law or other similar law (whether state, provincial, federal or foreign), including the Bankruptcy and Insolvency Act (Canada), the CCAA, the Singapore Companies Act, Chapter 50 and the Singapore Bankruptcy Act, Chapter 20, Bankruptcy Act 1966 (Cth), the Corporations Act 2001 (Cth), the Companies Act 1993 (New Zealand), the Belgian bankruptcy law of 8 August 1997 and the Belgian law on the continuity of enterprises of 31 January 2009; (b) the appointment of a Creditor Representative or other custodian for such Person or any part of its Property; (c) an assignment or trust mortgage for the benefit of creditors; (d) the winding up or strike off the Person; (e) the proposal or implementation of a scheme of arrangement; (f) a suspension of payment, moratorium of any debts, official assignment, composition or arrangement with a Person's creditors; (g) in the case of an Australian Domiciled Loan Party, any writ of execution, garnishee order, notice under section 120 of the PPSA Australia, *mareva* injunction or similar order, attachment, distress or other process is made, levied or issued against it or its assets, or such other step is taken in relation to it being adjudicated or found unable to pay its debts when they fall due or it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act 2001 (Cth)); or (h) in the case of a UK Domiciled Loan Party, any corporate action, legal proceedings or other procedure commenced or other step taken (including the making of an application, the presentation of a petition, the filing or service of a notice or the passing of a resolution) in relation to (i) such UK Domiciled Loan Party being adjudicated or found insolvent, (ii) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of such UK Domiciled Loan Party other than a solvent liquidation or reorganization of such UK Domiciled Loan Party, the terms of which have been previously approved in writing by the Agent, (iii) a composition, assignment or arrangement with any class of creditors of such UK Domiciled Loan Party or (iv) the appointment of a liquidator, supervisor, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer in respect of such UK Domiciled Loan Party or any of its assets; *provided*, that clause (g) and (h) shall not apply to (A) any winding-up petition which is frivolous or vexatious or which is being contested in good faith and, in each case, is discharged, stayed or dismissed within 21 days of commencement, or (B) any solvent reorganization contemplated or permitted by Section 10.2.3.

Insolvency Regulation: the Council Regulation (EC) No. 1346/2000 29 May 2000 on Insolvency Proceedings.

Insurance Assignment: each collateral assignment of insurance pursuant to which a Loan Party assigns to the Agent, for the benefit of the Secured Parties, such Loan Party's rights under business interruption policies, as security for the Secured Obligations.

Intercreditor Agreement: that certain Second Amended and Restated Intercreditor Agreement dated as of December 21, 2009, among MRC, certain of its subsidiaries, The CIT Group/Business Credit, Inc., as co-collateral agent for the Revolving Credit Lenders (as defined therein), Bank of America, N.A., as co-collateral agent for the Revolving Credit Lenders, and U.S. Bank National Association, as collateral trustee for itself and the Senior Secured Notes Secured Parties (as defined therein), the Additional Senior Secured Notes Secured Parties (as defined therein) and the Subordinated Lien Secured Parties (as defined therein), as the same may be amended, supplemented or otherwise modified from time to time.

Interest Period: as defined in Section 3.1.7.

Interest Period Loan: an Australian Bank Bill Rate Loan, a Canadian BA Rate Loan, a LIBOR Loan, a New Zealand Bank Bill Rate Loan or a SIBOR Loan.

Interest Rate Agreement: any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedging agreement or other similar agreement or arrangement, each of which is for the purpose of hedging the interest rate exposure associated with any Borrower's and its Subsidiaries' operations and not for speculative purposes.

Inventory: as defined in the UCC, the PPSA, the PPSA Australia, the PPSA New Zealand or any other Applicable Law, as applicable, including all goods intended for sale, lease, display or demonstration; all goods provided under a contract for services; all work in process; and all raw materials, and other materials and supplies of any kind that are or could be used in connection with the manufacture, transformation, printing, packing, shipping, advertising, sale, lease or furnishing of such goods, or otherwise used or consumed in a Borrower's business (but excluding Equipment).

Inventory Appraisal: (a) on the Closing Date, the appraisals prepared by HILCO Appraisal Services, LLC dated February 29, 2012 and (b) thereafter, the most recent inventory appraisal conducted by an independent appraisal firm and delivered pursuant to Section 10.1.15 hereof.

Investment: for any Person: (a) the acquisition (whether for cash, property, services or securities or otherwise) of Stock, Stock Equivalents, bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person (including any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such sale); (b) the making of any deposit with, or advance, loan or other extension of credit to, any other Person (including the purchase of property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such property to such Person), but excluding any such advance, loan or extension of credit having a term not exceeding 364 days arising in the Ordinary Course of Business; or (c) the entering into of any guarantee of, or other contingent obligation with respect to, Indebtedness.

IRS: the United States Internal Revenue Service.

ITA: the Income Tax Act 2007.

ITSA: an agreement between the members of a GST Group which takes effect as an indirect tax sharing agreement under section 444-90 of Schedule 1 of the Taxation Administration Act 1953 (Cth) and complies with the Taxation Administration Act 1953 (Cth) and the A New Tax System (Goods and Services Tax) Act 1999 (Cth) as well as any applicable law, official directive, request, guideline or policy (whether or not having the force of law) issued in connection with the Taxation Administration Act 1953 (Cth).

Joint Lead Arrangers: Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Bank PLC, and Wells Fargo Capital Finance, LLC.

LC Document: any of the Australian LC Documents, Belgian LC Documents, Canadian LC Documents, Dutch LC Documents, New Zealand LC Documents, Singapore LC Documents, UK LC Documents, and/or the U.S. LC Documents, as the context requires.

LC Obligations: the Australian LC Obligations, the Belgian LC Obligations, the Canadian LC Obligations, Dutch LC Obligations, the New Zealand LC Obligations, the Singapore LC Obligations, the UK LC Obligations and/or the U.S. LC Obligations, as the context requires.

LC Reserve: the Australian LC Reserve, the Belgian LC Reserve, the Canadian LC Reserve, Dutch LC Reserve, the New Zealand LC Reserve, the Singapore LC Reserve, the UK LC Reserve and/or the U.S. LC Reserve, as the context requires.

Lender Indemnitees: Lenders, Affiliates of Lenders and their respective officers, directors, members, partners, employees and agents.

Lenders: as defined in the preamble to this Agreement, including (a) Bank of America and its Affiliates in their respective capacities as the Australian Swingline Lender, the Belgian Swingline Lender, the Canadian Swingline Lender, the Dutch Swingline Lender, the New Zealand Swingline Lender, the Singapore Swingline Lender, the UK Swingline Lender and the U.S. Swingline Lender, (b) the Australian Lenders, (c) the Belgian Lenders, (d) the Canadian Lenders, (e) the Dutch Lenders, (f) the New Zealand Lenders, (g) the Singapore Lenders, (h) the UK Lenders, (i) the U.S. Lenders and (j) their respective permitted successors and assigns and, where applicable, any Fronting Bank, and any other Person who hereafter becomes a "Lender" pursuant to an Assignment and Acceptance.

Lending Office: the office designated as such by the Applicable Lender at the time it becomes party to this Agreement or thereafter by notice to Agent and the relevant Loan Party Agent.

Letter-of-Credit Right: as defined in the UCC, and in any event shall mean a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment of performance.

Letters of Credit: the Australian Letters of Credit, the Belgian Letters of Credit, the Canadian Letters of Credit, the Dutch Letters of Credit, the New Zealand Letters of Credit, the Singapore Letters of Credit, the UK Letters of Credit and/or the U.S. Letters of Credit, as the context requires. Letters of Credit includes the Existing U.S. Letters of Credit.

LIBOR: for any Interest Period with respect to a LIBOR Loan, the per annum rate of interest (rounded up, if necessary, to the nearest 1/8th of 1%), determined by Agent at approximately 11:00 a.m. (London time) two Business Days prior to commencement of such Interest Period (but in the case of a LIBOR Loan denominated in Sterling, Agent may determine LIBOR on the first day of the Interest Period), for a term comparable to such Interest Period, equal to (a) the British Bankers Association LIBOR Rate ("BBA LIBOR") for the relevant currency, as published by Reuters (or other commercially available source designated by Agent); or (b) if BBA LIBOR is not available for any reason, the interest rate at which deposits in the relevant currency and approximate amount of the LIBOR Loan would be offered by Bank of America's London branch to major banks in the London interbank market. If the Board of Governors imposes a Reserve Percentage with respect to LIBOR deposits in Dollars, then LIBOR for Dollars shall be the foregoing rate, divided by 1 *minus* the Reserve Percentage.

LIBOR Loan: each set of LIBOR Revolver Loans having a common currency, length and commencement of Interest Period.

LIBOR Revolver Loan: a Revolver Loan that bears interest based on LIBOR; *provided, however*, that a Canadian Base Rate Loan bearing interest as set forth in clause (c) of the definition of Canadian Base Rate, or a U.S. Base Rate Loan bearing interest as set forth in clause (c) of the definition of U.S. Base Rate, shall not constitute a LIBOR Revolver Loan.

Lien: any mortgage, pledge (including, without limitation, disclosed, undisclosed, possessory and non-possessory), security interest, hypothecation, assignment, statutory trust, deemed trust, privilege, lien, charge, bailment or similar encumbrance, whether statutory, based on common law, contract or otherwise, and including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, any reservation of ownership or any lease in the nature thereof.

Loan: a Revolver Loan.

Loan Account: as defined in Section 5.7.1.

Loan Documents: this Agreement, the Other Agreements and the Security Documents.

Loan Parties: the Australian Facility Loan Parties, the Belgian Facility Loan Parties, the Canadian Facility Loan Parties, the Dutch Facility Loan Parties, the New Zealand Facility Loan Parties, the Singapore Facility Loan Parties, the UK Facility Loan Parties and the U.S. Facility Loan Parties, collectively, and "Loan Party" means any of the Loan Parties, individually.

Loan Party Agent: the Asian Loan Party Agent, the European Loan Party Agent and/or the North American Loan Party Agent, as the context requires.

Loan Party Group: a group consisting of (a) the Australian Facility Loan Parties, (b) the Belgian Facility Loan Parties, (c) the Canadian Facility Loan Parties, (d) the Dutch Facility Loan Parties, (e) the New Zealand Facility Loan Parties, (f) the Singapore Facility Loan Parties, (g) the UK Facility Loan Parties or (h) the U.S. Facility Loan Parties, as the context requires.

Loan Party Group Obligations: with respect to (a) the Australian Facility Loan Parties, the Australian Facility Obligations, (b) the Belgian Facility Loan Parties, the Belgian Facility Obligations, (c) the Canadian Facility Loan Parties, the Canadian Facility Obligations, (d) the Dutch Facility Loan Parties, the Dutch Facility Obligations, (e) the New Zealand Facility Loan Parties, the New Zealand Facility Obligations, (f) the Singapore Facility Loan Parties, the Singapore Facility Obligations, (g) the UK Facility Loan Parties, the UK Facility Obligations, and (h) the U.S. Facility Loan Parties, U.S. Facility Obligations.

Local Time: with respect to (a) Australian Revolver Loans and New Zealand Revolver Loans, prevailing time in Sydney, Australia, (b) Belgian Revolver Loans, Dutch Revolver Loans and UK Revolver Loans, prevailing time in London, England, (c) Canadian Revolver Loans and U.S. Revolver Loans, Central time in the United States, and (d) Singapore Revolver Loans, prevailing time in Singapore.

Mandatory Costs Rate: as defined in **Schedule 3.8**.

Material Adverse Change: any event or circumstance which has resulted or is reasonably likely to result in a material adverse change in the business, assets, operations, properties or financial condition of MRC and its Subsidiaries, taken as a whole or that would materially adversely affect the ability of the Loan Parties, taken as a whole, to perform their respective payment obligations under this Agreement or any of the other Loan Documents.

Material Adverse Effect: a circumstance or condition affecting the business, assets, operations, properties or financial condition of MRC and its Subsidiaries, taken as a whole, that would materially adversely affect (a) the business, assets, operations, properties, or financial condition of the Borrowers and their Subsidiaries, taken as a whole, (b) the ability of the Loan Parties, taken as a whole, to perform their respective payment obligations under this Agreement or any of the other Loan Documents or (c) the rights and remedies of the Agent, the Security Trustees and the Lenders under this Agreement or any of the other Loan Documents.

Material Subsidiary: at any date of determination, each Restricted Subsidiary of MRC (a) whose total assets at the last day of the Test Period ending on the last day of the most recent fiscal period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 were equal to or greater than 5% of the Consolidated Total Assets of MRC and its Restricted Subsidiaries at such date or (b) whose gross revenues for such Test Period were equal to or greater than 5% of the consolidated gross revenues of MRC and its Restricted Subsidiaries for such period, in each case determined in accordance with GAAP.

Maximum Australian Facility Amount: on any date of determination, the lesser of (a) the Australian Revolver Commitments on such date and (b) \$52,000,000 (or such greater or lesser amount after giving effect to any reductions in the Australian Revolver Commitments pursuant to Section 2.1.4 and/or to any Australian Revolver Commitment Increase made pursuant to and in accordance with Section 2.1.7).

Maximum Belgian Facility Amount: on any date of determination, the lesser of (a) the Belgian Revolver Commitments on such date and (b) \$7,000,000 (or such greater or lesser amount after giving effect to any reductions in the Belgian Revolver Commitments pursuant to Section 2.1.4 and/or to any Belgian Revolver Commitment Increase made pursuant to and in accordance with Section 2.1.7).

Maximum Canadian Facility Amount: on any date of determination, the lesser of (a) the Canadian Revolver Commitments on such date and (b) \$145,000,000 (or such greater or lesser amount after giving effect to any reductions in the Canadian Revolver Commitments pursuant to Section 2.1.4 and/or to any Canadian Revolver Commitment Increase made pursuant to and in accordance with Section 2.1.7).

Maximum Dutch Facility Amount: on any date of determination, the lesser of (a) the Dutch Revolver Commitments on such date and (b) \$9,000,000 (or such greater or lesser amount after giving effect to any reductions in the Dutch Revolver Commitments pursuant to Section 2.1.4 and/or to any Dutch Revolver Commitment Increase made pursuant to and in accordance with Section 2.1.7).

Maximum Facility Amount: the sum of the (a) Maximum Australian Facility Amount, (b) Maximum Belgian Facility Amount, (c) Maximum Canadian Facility Amount, (d) Maximum Dutch Facility Amount, (e) Maximum New Zealand Facility Amount, (f) Maximum Singapore Facility Amount, (g) Maximum UK Facility Amount, and (h) Maximum U.S. Facility Amount but, in any event, not to exceed \$1,550,000,000.

Maximum Foreign Facility Amount: the Maximum Australian Facility Amount, the Maximum Belgian Facility Amount, the Maximum Canadian Facility Amount, the Maximum Dutch Facility Amount, the Maximum New Zealand Facility Amount, the Maximum Singapore Facility Amount and/or the Maximum UK Facility Amount, as the case may be.

Maximum New Zealand Facility Amount: on any date of determination, the lesser of (a) the New Zealand Revolver Commitments on such date and (b) \$0 (or such greater amount after giving effect to any New Zealand Revolver Commitment Increase made pursuant to and in accordance with Section 2.1.7).

Maximum Singapore Facility Amount: on any date of determination, the lesser of (a) the Singapore Revolver Commitments on such date and (b) \$0 (or such greater amount after giving effect to any Singapore Revolver Commitment Increase made pursuant to and in accordance with Section 2.1.7).

Maximum UK Facility Amount: on any date of determination, the lesser of (a) the UK Revolver Commitments on such date and (b) \$12,000,000 (or such greater or lesser amount after giving effect to any reductions in the UK Revolver Commitments pursuant to Section 2.1.4 and/or to any UK Revolver Commitment Increase made pursuant to and in accordance with Section 2.1.7).

Maximum U.S. Facility Amount: on any date of determination, the lesser of (a) the U.S. Revolver Commitments on such date and (b) \$1,025,000,000 (or such greater or lesser amount after giving effect to any reductions in the U.S. Revolver Commitments pursuant to Section 2.1.4 and/or to any U.S. Revolver Commitment Increase made pursuant to and in accordance with Section 2.1.7).

Moody's: Moody's Investors Service, Inc., and its successors.

MRC: as defined in the preamble to this Agreement.

Multiemployer Plan: any employee benefit plan of the type described in Section 4001(a)(3) of ERISA and subject to Title IV of ERISA, to which any U.S. Domiciled Loan Party or ERISA Affiliate domiciled in the U.S. makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions with respect to employees in the U.S.

Net Available Cash Account: as defined in Section 8.3.

Net Orderly Liquidation Value: the orderly liquidation value (net of costs and expenses estimated to be incurred in connection with such liquidation) of the Eligible Inventory that is estimated to be recoverable in an orderly liquidation of such Eligible Inventory, as determined from time to time by reference to the most recent Inventory Appraisal.

New Lender: each Lender that becomes a party to this Agreement after the Closing Date.

New Loan Party: Any Person that executes a supplement or joinder to this Agreement substantially in the form of **Exhibit I** and becomes a Loan Party under this Agreement pursuant to Sections 10.1.13(a) or (b), Sections 10.2.1(b)(ix) or (x) or Section 10.2.3(b).

New Zealand Allocated U.S. Availability: U.S. Availability designated by the North American Loan Party Agent for application to clause (c) of a New Zealand Borrowing Base.

New Zealand Applicable Margin: with respect to any LIBOR Loan to the New Zealand Borrowers, any New Zealand Bank Bill Rate Loan or any New Zealand Base Rate Loan, a rate per annum specified in the joinder documentation for the initial New Zealand Lenders (which rate shall apply to all New Zealand Lenders).

New Zealand Availability: as of any date of determination, (a) the lesser of (i) the New Zealand Revolver Commitments *minus* all New Zealand LC Obligations as of such date of determination and (ii) the Total New Zealand Borrowing Base as of such date of determination, *minus* (b) the Dollar Equivalent of the principal balance of all New Zealand Revolver Loans.

New Zealand Availability Reserves: the sum (without duplication) of (a) the aggregate amount of the New Zealand Rent Reserve, if any, established pursuant to clause (h) of the definition of New Zealand Eligible Inventory; (b) the New Zealand LC Reserve; (c) the New Zealand Bank Product Reserve; (d) the New Zealand Priority Payables Reserve; and (e) such additional reserves, in such amounts and with respect to such matters, as the Agent may establish in its Permitted Discretion.

New Zealand Bank Bill Rate: with respect to each Interest Period for a New Zealand Bank Bill Rate Loan, the rate (expressed as a percentage per annum) that the Agent ascertains is the average bid rate (rounded up, if necessary, to the nearest four decimal places) displayed at or about 11:00 a.m. (Auckland, New Zealand time) on the first day of that Interest Period on page BKBM (or its successor page) on the Reuters Monitor Screen for a term equivalent or closest to the Interest Period.

New Zealand Bank Bill Rate Loan: a New Zealand Revolver Loan, or portion thereof, funded in New Zealand Dollars and bearing interest calculated by reference to the New Zealand Bank Bill Rate.

New Zealand Bank Product Reserve: the aggregate amount of reserves, as established by the Agent from time to time in its Permitted Discretion and in consultation with the Asian Loan Party Agent, to reflect the reasonably anticipated liabilities in respect of the then outstanding Secured Bank Product Obligations of the New Zealand Domiciled Loan Parties.

New Zealand Base Rate Loan: a New Zealand Revolver Loan, or portion thereof, funded in New Zealand Dollars, Dollars or Euros and bearing interest calculated by reference to the Eurasian Base Rate.

New Zealand Borrowers: each New Zealand Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 and has satisfied the other requirements set forth in Section 10.1.13 in order to become a New Zealand Borrower.

New Zealand Borrowing Base: at any time, with respect to the Applicable New Zealand Borrower, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

(a) the book value of New Zealand Eligible Accounts of the Applicable New Zealand Borrower multiplied by the advance rate of 85%, *plus*

(b) the lesser of (i) 70% of the net book value of New Zealand Eligible Inventory of the Applicable New Zealand Borrower and (ii) 85% of the Net Orderly Liquidation Value of New Zealand Eligible Inventory of the Applicable New Zealand Borrower (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*

(c) New Zealand Allocated U.S. Availability for such Applicable New Zealand Borrower, *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of New Zealand Availability Reserves allocable to the Applicable New Zealand Borrower which would cause the aggregate amount of the New Zealand Revolver Loans allocable to the Applicable New Zealand Borrower at such time to exceed the lesser of the Applicable New Zealand Borrower's Applicable New Zealand Borrower Commitment and the Applicable New Zealand Borrower's New Zealand Borrowing Base then in effect, in each case, notification thereof to the Asian Loan Party Agent by the Agent, any and all such New Zealand Availability Reserves.

The New Zealand Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the New Zealand Borrowing Base is calculated in accordance with the terms of this Agreement.

New Zealand Cash Collateral Account: a demand deposit, money market or other account established by Agent at Bank of America (Australia) or such other financial institution as Agent may select in its discretion with the consent of Asian Loan Party Agent (not to be unreasonably withheld or delayed), which account shall be for the benefit of the New Zealand Facility Secured Parties and shall be subject to Agent's or AUS-NZ Security Trustee's Liens securing the New Zealand Facility Secured Obligations; *provided* that the foregoing consent of Asian Loan Party Agent to the selection by Agent in its discretion of a financial institution other than Bank of America (Australia) shall not be required if an Event of Default has occurred and is continuing.

New Zealand Dollar: the lawful currency of New Zealand.

New Zealand Domiciled Loan Party: any New Zealand Borrower and each New Zealand Subsidiary now or hereafter party hereto as a Loan Party, and "New Zealand Domiciled Loan Parties" means all such Persons, collectively.

New Zealand Dominion Account: each special account established by the New Zealand Domiciled Loan Parties at Bank of America (Australia) over which Agent or AUS-NZ Security Trustee has exclusive control for withdrawal purposes.

New Zealand Eligible Accounts: at any time, the Accounts of the Applicable New Zealand Borrower at such date except any Account:

(a) which is not subject to a valid Lien in favor of the Agent or AUS-NZ Security Trustee (including under the relevant laws of the Account Debtor's jurisdiction of organization or incorporation);

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or AUS-NZ Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent; *provided* that, with respect to any tax Lien having such priority, eligibility of Accounts shall be reduced by the amount of such tax Lien having such priority;

(c) owing by any Account Debtor with respect to which more than 120 days have elapsed since the date of the original invoice therefor or which is more than 60 days past the due date for payment;

(d) which is owing by an Account Debtor for which more than 50% of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (c) above;

(e) which is owing by any Account Debtor to the extent the aggregate amount of otherwise New Zealand Eligible Accounts owing from such Account Debtor and its Affiliates to New Zealand Borrowers exceeds 20% of the aggregate New Zealand Eligible Accounts (or such higher percentage as the Agent may establish for the Account Debtor from time to time), in each case, only to the extent of such excess;

(f) with respect to which any covenant, representation, or warranty relating to such Account contained in this Agreement or a Security Document has been breached or is not true in any material respect;

(g) which (i) does not arise from the sale of goods or performance of services in the Ordinary Course of Business, (ii) is not evidenced by an invoice, or other documentation satisfactory to the Agent, which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the Applicable New Zealand Borrower's completion of any further performance, or (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment which is billed prior to actual sale to the end user, cash-on-delivery or any other repurchase or return basis, except with respect to up to \$15,000,000 of such Accounts in the aggregate for all Borrowing Bases on a combined basis;

(h) for which the goods giving rise to such Account (other than Accounts described in the foregoing paragraph (g)(v)) have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the Applicable New Zealand Borrower;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor in respect of which an Insolvency Proceeding has been commenced or which is otherwise a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any province or territory) receivership, insolvency relief or other law or laws for the relief of debtors, including the Companies Act 1993 and/or the Receiverships Act 1993, unless the payment of Accounts from such Account Debtor is secured by assets of, or guaranteed by, in either case, in a manner reasonably satisfactory to the Agent, a Person that is reasonably acceptable to the Agent or, if the Account from such Account Debtor arises subsequent to a decree or order for relief with respect to such Account Debtor under the Companies Act 1993 and/or the Receiverships Act 1993, as now or hereafter in effect, the Agent shall have reasonably determined that the timely payment and collection of such Account will not be impaired;

(k) which is owed by an Account Debtor which has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs or is not Solvent;

(l) which is owed by an Account Debtor which is not organized under the applicable law of an Eligible Account Debtor Jurisdiction unless such Account is backed by a letter of credit or other credit support reasonably acceptable to the Agent and which is in the possession of the Agent;

- (m) which is owed in any currency other than an Eligible Account Currency;
- (n) which is owed by any Governmental Authority (other than a Governmental Authority in New Zealand), unless (i) such Account is backed by a letter of credit reasonably acceptable to the Agent and which is in the possession of the Agent or (ii) Agent otherwise approves;
- (o) which is owed by any Affiliate, employee, director, or officer of any Loan Party; *provided* that portfolio companies of the Sponsor that do business with the Applicable New Zealand Borrower in the Ordinary Course of Business will not be treated as Affiliates for purposes of this clause (o);
- (p) which is owed by an Account Debtor or any Affiliate of such Account Debtor which is the holder of Indebtedness issued or incurred by any Loan Party; *provided*, that any such Account shall only be ineligible as to that portion of such Account which is less than or equal to the amount owed by the Loan Party to such Person;
- (q) which is subject to any counterclaim, deduction, defense, setoff, right of compensation or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff, right of compensation or dispute, unless (i) the Agent, in its Permitted Discretion, has established New Zealand Availability Reserves and determines to include such Account as a New Zealand Eligible Account or (ii) such Account Debtor has entered into an agreement reasonably acceptable to the Agent to waive such rights;
- (r) which is evidenced by any promissory note, Chattel Paper or Instrument (in each case, other than any such items that are delivered to the Agent or the AUS-NZ Security Trustee);
- (s) which is owed by an Account Debtor located in any jurisdiction that requires, as a condition to access to the courts of such jurisdiction, that a creditor qualify to transact business, file a business activities report or other report or form, or take one or more other actions, unless the Applicable New Zealand Borrower has so qualified, filed such reports or forms, or taken such actions (and, in each case, paid any required fees or other charges), except to the extent the Applicable New Zealand Borrower may qualify subsequently as a foreign entity authorized to transact business in such jurisdiction and gain access to such courts, without incurring any cost or penalty reasonably viewed by the Agent to be material in amount, and such later qualification cures any access to such courts to enforce payment of such Account;
- (t) with respect to which the Applicable New Zealand Borrower has made any agreement with the Account Debtor for any reduction thereof, but only to the extent of such reduction, other than discounts and adjustments given in the Ordinary Course of Business; or

(u) which the Agent determines is ineligible in its Permitted Discretion.

Subject to Sections 14.1 and 7.5 and the definition of New Zealand Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

New Zealand Eligible Inventory: at any date of determination thereof, the aggregate amount of all Inventory owned by the Applicable New Zealand Borrower at such date except any Inventory:

(a) which is not subject to a valid Lien in favor of the Agent or AUS-NZ Security Trustee;

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or AUS-NZ Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent or AUS-NZ Security Trustee (other than any bailee, warehouseman, landlord or similar non-consensual Liens having priority by operation of law to the extent either subclause (i) or (ii) of clauses (h) or (i) below of New Zealand Eligible Inventory is satisfied with respect to the relevant Inventory); provided that, with respect to any tax Lien having such priority, eligibility of Inventory shall be reduced by the amount of such tax Lien having such priority;

(c) which is, in the Agent's Permitted Discretion, slow moving, obsolete, unmerchantable, defective, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the Ordinary Course of Business or unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation or warranty contained in this Agreement or any Security Document has been breached or is not true in any material respect;

(e) which does not conform in all material respects to all standards imposed by any applicable Governmental Authority (except that any standard that is qualified as to "materiality" shall have been conformed to in all respects);

(f) which constitutes packaging and shipping material, manufacturing supplies, display items, bill-and-hold goods (other than bill-and-hold goods, the sale of which has been excluded from New Zealand Eligible Accounts pursuant to clause (g)(v) of the definition thereof), returned or repossessed goods (other than goods that are undamaged and able to be resold in the Ordinary Course of Business), defective goods, goods held on consignment, goods to be returned to the Applicable New Zealand Borrower's suppliers or goods which are not of a type held for sale in the Ordinary Course of Business;

(g) which is not located in New Zealand or is not at a location listed on **Schedule 8.4.1** (as updated from time to time in accordance with the provisions hereof) other than goods in transit between locations of the New Zealand Domiciled Loan Parties;

(h) which is located in any location leased by the Applicable New Zealand Borrower unless (i) the lessor has delivered to the Agent a Collateral Access Agreement or (ii) a New Zealand Rent Reserve has been established by the Agent;

(i) which is located in any third party warehouse or is in the possession of a bailee, processor or other Person and is not evidenced by a Document, unless (i) such warehouseman, bailee, processor or other Person has delivered to the Agent a Collateral Access Agreement and/or such other documentation as the Agent may reasonably require or (ii) appropriate New Zealand Availability Reserves have been established by the Agent in its Permitted Discretion;

(j) which is the subject of a consignment by the Applicable New Zealand Borrower as consignor unless (i) a protective PPSA New Zealand financing statement has been properly filed against the consignee (as assigned to the Agent or the AUS-NZ Security Trustee), and (ii) there is a written agreement acknowledging that such Inventory is held on consignment, that the Applicable New Zealand Borrower retains title to such Inventory, that no Lien arising by, through or under such consignment has attached or will attach to such Inventory (and proceeds thereof) and requiring consignee to segregate the consigned Inventory from the consignee's other personal or movable property;

(k) which is perishable as determined in accordance with GAAP; or

(l) which contains or bears any intellectual property rights licensed to the Applicable New Zealand Borrower unless the Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor in any material respect or (ii) incurring any material liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement.

Subject to Sections 14.1 and 7.5 and the definition of New Zealand Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

New Zealand Facility Collateral: Collateral that now or hereafter secures (or is intended to secure) any of the New Zealand Facility Secured Obligations, including Property of the U.S. Domiciled Loan Parties pledged to secure the New Zealand Facility Secured Obligations under their guarantee of the Secured Obligations.

New Zealand Facility Guarantor: each U.S. Borrower, each U.S. Facility Guarantor and each other Person (if any) who guarantees payment and performance of any New Zealand Facility Secured Obligations.

New Zealand Facility Loan Party: a New Zealand Borrower or a New Zealand Facility Guarantor.

New Zealand Facility Obligations: all Obligations of the New Zealand Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any New Zealand Facility Loan Party, the other Foreign Facility Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Obligations).

New Zealand Facility Secured Obligations: all Secured Obligations of the New Zealand Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any New Zealand Facility Loan Party, the other Foreign Facility Secured Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Secured Obligations.)

New Zealand Facility Secured Parties: Agent, AUS-NZ Security Trustee, any New Zealand Fronting Bank, New Zealand Lenders and Secured Bank Product Providers of Bank Products to New Zealand Domiciled Loan Parties, and, following the Foreign Cross-Guarantee Date for any New Zealand Domiciled Loan Party, the other Secured Parties that are the beneficiaries of such Foreign Cross-Guarantee.

New Zealand Fronting Bank: (a) Bank of America (Australia) or any Affiliate thereof that agrees to issue New Zealand Letters of Credit, (b) if reasonably acceptable to Asian Loan Party Agent, any other New Zealand Lender or Affiliate thereof that agrees to issue New Zealand Letters of Credit, or (c) if requested by Asian Loan Party Agent and subject to Section 2.10, a Non-Lender Fronting Bank that agrees to issue New Zealand Letters of Credit.

New Zealand Fronting Bank Indemnitees: any New Zealand Fronting Bank and its officers, directors, employees, Affiliates and agents.

New Zealand LC Application: an application by any New Zealand Borrower on behalf of itself or any other New Zealand Borrower to a New Zealand Fronting Bank for issuance of a New Zealand Letter of Credit, in form and substance reasonably satisfactory to such New Zealand Fronting Bank.

New Zealand LC Conditions: the following conditions necessary for issuance of a New Zealand Letter of Credit: (a) each of the conditions set forth in Section 6 being satisfied or waived; (b) after giving effect to such issuance, the total Ex-NA LC Obligations do not exceed the Ex-NA Letter of Credit Sublimit, no New Zealand Overadvance exists or would result therefrom and, in the case of any New Zealand Borrower, Section 2.11 is satisfied; (c) the expiration date of such New Zealand Letter of Credit is (i) no more than 365 days from issuance (*provided* that each New Zealand Letter of Credit may, upon the request of the Applicable New Zealand Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of twelve (12) months or less (but no later than 20 Business Days prior to the Facility Termination Date)), and (ii) unless the applicable New Zealand Fronting Bank and the Agent otherwise consent (subject to the satisfaction of the Cash Collateral requirements set forth in Section 2.6.3), at least 20 Business Days prior to the Facility Termination Date; (d) the New Zealand Letter of Credit and payments thereunder are denominated in New Zealand Dollars, Dollars or Euros; (e) the form of the proposed New Zealand Letter of Credit is reasonably satisfactory to the Agent and the applicable New Zealand Fronting Bank; and (f) the proposed use of the New Zealand Letter of Credit is for a lawful purpose.

New Zealand LC Documents: all documents, instruments and agreements (including New Zealand LC Requests and New Zealand LC Applications) delivered by any New Zealand Borrower or by any other Person to a New Zealand Fronting Bank or the Agent in connection with issuance, amendment or renewal of, or payment under, any New Zealand Letter of Credit.

New Zealand LC Obligations: with respect to the Applicable New Zealand Borrower, the Dollar Equivalent of the sum (without duplication) of (a) all amounts owing by such Applicable New Zealand Borrower for any drawings under New Zealand Letters of Credit; (b) the stated amount of all outstanding New Zealand Letters of Credit issued for the account of such Applicable New Zealand Borrower; and (c) all fees and other amounts owing with respect to such New Zealand Letters of Credit.

New Zealand LC Request: a request for issuance of a New Zealand Letter of Credit, to be provided by a New Zealand Borrower to a New Zealand Fronting Bank, in form reasonably satisfactory to Agent and such New Zealand Fronting Bank.

New Zealand LC Reserve: with respect to the Applicable New Zealand Borrower, the aggregate of all New Zealand LC Obligations of such Applicable New Zealand Borrower, other than (a) those that have been Cash Collateralized and (b) if no Event of Default exists, those constituting charges owing to any New Zealand Fronting Bank.

New Zealand Lenders: each Lender that has issued a New Zealand Revolver Commitment (*provided* that such Person or an Affiliate of such Person also has a U.S. Revolver Commitment).

New Zealand Letter of Credit: any standby or documentary letter of credit issued by a New Zealand Fronting Bank for the account of a New Zealand Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or a New Zealand Fronting Bank for the benefit of a New Zealand Borrower.

New Zealand Overadvance: as defined in Section 2.1.5(e).

New Zealand Overadvance Loan: a Loan made to a New Zealand Borrower when a New Zealand Overadvance exists or is caused by the funding thereof.

New Zealand Overadvance Loan Balance: on any date, the Dollar Equivalent of the amount by which the aggregate New Zealand Revolver Loans of the Applicable New Zealand Borrower or all New Zealand Borrowers, as the case may be, exceed the amount of the New Zealand Borrowing Base of such Applicable New Zealand Borrower or the Total New Zealand Borrowing Base, as applicable, on such date.

New Zealand Priority Payables Reserve: on any date of determination, a reserve in such amount as Agent may determine in its Permitted Discretion which reflects amounts secured by any Liens, choate or inchoate, which rank or are capable of ranking in priority to the Agent's and/or the Secured Parties' Liens and/or for amounts which may represent costs relating to the enforcement of the Agent's or AUS-NZ Security Trustee's Liens including, without limitation, any preferential claims as set out in the Companies Act 1993 or amounts currently or past due and not paid for realty, municipal or similar taxes (to the extent impacting any New Zealand Facility Collateral).

New Zealand Protective Advances: as defined in Section 2.1.6(e).

New Zealand Reimbursement Date: as defined in Section 2.6.2(a).

New Zealand Rent Reserve: the aggregate of (a) all past due rent and other past due charges owing by any New Zealand Borrower to any landlord or other Person who possesses any New Zealand Facility Collateral or could assert a Lien on such New Zealand Facility Collateral; plus (b) a reserve in an amount not to exceed rent and other charges that could be payable to any such Person for the time period used to determine the Net Orderly Liquidation Value of New Zealand Facility Collateral.

New Zealand Revolver Commitment: for any New Zealand Lender, its obligation to make New Zealand Revolver Loans and to issue New Zealand Letters of Credit, in the case of any New Zealand Fronting Bank, or participate in New Zealand LC Obligations, in the case of the other New Zealand Lenders, to the New Zealand Borrowers up to the maximum principal amount shown in the joinder documentation for such New Zealand Lender or as thereafter determined pursuant to each Assignment and Acceptance to which it is a party, as such New Zealand Revolver Commitment may be adjusted from time to time in accordance with the provisions of Sections 2.1.4, 2.1.7 or 11.1. "New Zealand Revolver Commitments" means the aggregate amount of such commitments of all New Zealand Lenders. As of the Closing Date, the New Zealand Revolver Commitments are \$0.

New Zealand Revolver Commitment Increase: as defined in Section 2.1.7(e).

New Zealand Revolver Commitment Termination Date: the earliest of (a) the U.S. Revolver Commitment Termination Date (without regard to the reason therefor), (b) the date on which the Asian Loan Party Agent terminates or reduces to zero all of the New Zealand Revolver Commitments pursuant to Section 2.1.4, and (c) the date on which the New Zealand Revolver Commitments are terminated pursuant to Section 11.1. From and after the New Zealand Revolver Commitment Termination Date, the New Zealand Borrowers shall no longer be entitled to request a New Zealand Revolver Commitment Increase pursuant to Section 2.1.7 hereof.

New Zealand Revolver Exposure: on any date, the Dollar Equivalent of an amount equal to the sum of (a) the New Zealand Revolver Loans outstanding on such date and (b) the New Zealand LC Obligations on such date.

New Zealand Revolver Loan: a Revolver Loan made by New Zealand Lenders to a New Zealand Borrower pursuant to Section 2.1.1(e), which Revolver Loan shall, if denominated in New Zealand Dollars, be either a New Zealand Bank Bill Rate Loan or a New Zealand Base Rate Loan and, if denominated in Dollars or Euros, shall be either a LIBOR Loan or a New Zealand Base Rate Loan, in each case as selected by Applicable New Zealand Borrower, and including any New Zealand Swingline Loan, New Zealand Overadvance Loan or New Zealand Protective Advance.

New Zealand Revolver Notes: the promissory notes, if any, executed by New Zealand Borrowers in favor of each New Zealand Lender to evidence the New Zealand Revolver Loans funded from time to time by such New Zealand Lender, which shall be in the form of **Exhibit C-5** to this Agreement, together with any replacement or successor notes therefor.

New Zealand Security Agreements: each security agreement among any New Zealand Domiciled Loan Party and Agent or the AUS-NZ Security Trustee.

New Zealand Subsidiary: Each Wholly-Owned Subsidiary of MRC incorporated or organized under the laws of New Zealand.

New Zealand Swingline Commitment: for the New Zealand Swingline Lender, the maximum principal amount shown in the joinder documentation for the New Zealand Swingline Lender up to which it may make New Zealand Swingline Loans.

New Zealand Swingline Commitment Termination Date: with respect to any New Zealand Swingline Loan, the date that is five Business Days prior to the New Zealand Revolver Commitment Termination Date.

New Zealand Swingline Lender: Bank of America (Australia) or an Affiliate of Bank of America (Australia).

New Zealand Swingline Loan: a Swingline Loan made by the New Zealand Swingline Lender to a New Zealand Borrower pursuant to Section 2.1.8(e), which Swingline Loan shall be a New Zealand Base Rate Loan.

Non-Bank Certificate: as defined in Section 5.9.2.

Non-Core Assets: the assets described on **Schedule 10.2.4**.

Non-Lender Fronting Bank: a financial institution that is not a Lender or an Affiliate of a Lender and is permitted by Agent to issue Letters of Credit for the benefit of certain Foreign Borrowers (other than the Canadian Borrowers) in accordance with the terms of Section 2.10.

North American Loan Party Agent: as defined in Section 4.4.1.

Notes: each Revolver Note or other promissory note executed by a Borrower to evidence any Obligations.

Notes Priority Lien Collateral: as defined in the Intercreditor Agreement.

Notes Priority Lien Debt: as defined in the Intercreditor Agreement.

Notes Priority Liens: as defined in the Intercreditor Agreement.

Notice of Borrowing: a Notice of Borrowing to be provided by the relevant Loan Party Agent to request a Borrowing of Loans, in the form attached hereto as **Exhibit E** or otherwise in form reasonably satisfactory to Agent and such Loan Party Agent.

Notice of Conversion/Continuation: a Notice of Conversion/Continuation to be provided by the relevant Loan Party Agent to request a conversion or continuation of any Loans as Australian Bank Bill Rate Loans, Canadian BA Rate Loans, LIBOR Loans, New Zealand Bank Bill Rate Loans or SIBOR Loans, in the form attached hereto as **Exhibit F** or otherwise in form reasonably satisfactory to Agent and such Loan Party Agent.

Obligations: all (a) principal of and premium, if any, on the Loans, (b) LC Obligations and other obligations of the Loan Parties with respect to Letters of Credit, (c) interest, expenses, fees, indemnification obligations, Extraordinary Expenses and other amounts payable by the Loan Parties under the Loan Documents and (d) other Indebtedness, obligations and liabilities of any kind owing by the Loan Parties pursuant to the Loan Documents, whether now existing or hereafter arising, whether evidenced by a note or other writing, whether allowed in any Insolvency Proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guarantee, indemnification or otherwise, and whether direct or indirect, absolute or contingent, due or to become due, primary or secondary, or joint or several.

Ordinary Course of Business: with respect to any Person, the ordinary course of business of such Person, consistent with past practices or, with respect to actions taken by such Person for which no past practice exists, consistent with past practices of similarly situated companies, and, in each case, undertaken in good faith.

Organic Documents: with respect to any Person, its charter, certificate or articles of incorporation, continuation or amalgamation, bylaws, articles of organization, coordinated articles of association, limited liability agreement, operating agreement, members agreement, shareholders agreement, partnership agreement, certificate of partnership, certificate of formation, memorandum or articles of association, constitution, voting trust agreement, or similar agreement or instrument governing the formation or operation of such Person.

Other Agreement: each: Note; LC Document; Fee Letter; Intercreditor Agreement; Borrowing Base Certificate; Compliance Certificate; Subordination Agreement; or other document, instrument, certificate, notice, report or agreement (other than this Agreement or a Security Document) now or hereafter delivered by or on behalf of a Loan Party to Agent, a Security Trustee, a Fronting Bank or a Lender in connection with any transactions relating hereto.

Other Taxes: all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document.

Overadvance: an Australian Overadvance, a Belgian Overadvance, a Canadian Overadvance, a Dutch Overadvance, a New Zealand Overadvance, a Singapore Overadvance, a UK Overadvance or a U.S. Overadvance, as the context requires.

Overadvance Loan: an Australian Overadvance Loan, a Belgian Overadvance Loan, a Canadian Overadvance Loan, a Dutch Overadvance Loan, a New Zealand Overadvance Loan, a Singapore Overadvance Loan, a UK Overadvance Loan and/or a U.S. Overadvance Loan, as the context requires.

Parent: MRC Global Inc. (formerly McJunkin Red Man Holding Corporation), a Delaware corporation.

Participant: as defined in Section 13.2.1.

Participant Register: as defined in Section 13.2.1.

Participating Member State: any member state of the European Communities that adopts or has adopted the Euro as its lawful currency in accordance with the legislation of the European Community relating to the Economic and Monetary Union.

Passive Entity: a Person that conducts no business activity other than the ownership of Stock and has no Indebtedness other than Guarantee Obligations relating to its Subsidiaries.

Patriot Act: the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272 (2001).

Payment Item: each check, draft or other item of payment payable to a Loan Party, including those constituting proceeds of any Collateral.

PBA: the *Pensions Benefits Act (Ontario)* or any other Canadian federal or provincial or territorial pension benefit standards legislation pursuant to which any Canadian Pension Plan is required to be registered.

PBGC: the Pension Benefit Guaranty Corporation.

Pensions Regulator: the body corporate in the UK called the Pensions Regulator established under Part I of the Pensions Act 2004.

Perfection Certificate: shall mean a certificate disclosing information regarding the Loan Parties in the form of **Exhibit G** or any other form approved by the Agent.

Permitted Acquisition: the acquisition, by merger or otherwise, by any Borrower or any of the Restricted Subsidiaries of assets constituting all or substantially all of a division, line of business or assets of another Person or Persons or Stock or Stock Equivalents, so long as (a) such acquisition and all transactions related thereto shall be consummated in accordance with Applicable Law; (b) such acquisition shall result in the issuer of such Stock or Stock Equivalents becoming a Restricted Subsidiary and a Guarantor, to the extent required by Section 10.1.13; (c) such acquisition shall result in the Agent or a Security Trustee, for the benefit of the Secured Parties, being granted a Lien in any Stock, Stock Equivalent or any assets so acquired, to the extent required by Sections 10.1.13 and/or 10.1.16; (d) after giving pro forma effect to such acquisition as of the closing of such acquisition, no Default or Event of Default shall have occurred and be continuing; (e) after giving pro forma effect to such acquisition as of the closing of such acquisition, either (1) both (A) Excess Availability shall be greater than the higher of (x)

10% of the Commitments and (y) \$95,000,000 and (B) the Consolidated Fixed Charge Coverage Ratio determined as of the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 shall be greater than 1.0 to 1.0 or (2) Excess Availability shall be greater than the higher of (x) 15% of the Commitments and (y) \$150,000,000 and (f) any Indebtedness incurred to finance the acquisition is permitted to be incurred by the Senior Secured Notes Indenture (except to the extent the Indebtedness thereunder has been discharged in full); *provided*, that if (x) such acquisition satisfies all of the conditions set forth above except for the conditions set forth in clause (e) above and (y) after giving pro forma effect to such acquisition as of the closing of such acquisition, either (1) Excess Availability is greater than the higher of (A) 10% of the Commitments and (B) \$95,000,000 or (2) the Consolidated Fixed Charge Coverage Ratio as of the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 shall be greater than 1.0 to 1.0, such acquisition shall be permitted provided that it, together with all other acquisitions permitted under this proviso, do not exceed \$50,000,000 in the aggregate.

Notwithstanding the respective Borrowing Base definitions, in connection with and subsequent to any Permitted Acquisition, the Accounts and Inventory acquired by the Borrowers, or, subject to compliance with Section 10.1.13 of this Agreement, of the Person so acquired, may be included in the calculation of the Borrowing Base and thereafter if all criteria set forth in the definitions of Eligible Accounts and Eligible Inventory have been satisfied and, if the aggregate value (or Cost in the case of Inventory) of such Accounts and Inventory is in excess of \$40,000,000 in the case of a Permitted Acquisition by any U.S. Borrower or, in the case of a Permitted Acquisition by a member of any Foreign Borrower Group, ten percent (10%) of the Borrower Group Commitments of such Foreign Borrower Group, and only to the extent reasonably requested by the Agent, the Agent shall have received a collateral audit and appraisal of such Accounts and Inventory acquired by the applicable Borrower or Borrowers or owned by such Person acquired by the applicable Borrower or Borrowers which shall be reasonably satisfactory in scope, form and substance to the Agent; *provided*, that if no collateral audit and appraisal is delivered to and approved by the Agent with respect to such Accounts and Inventory, then the lowest recovery rates from the current Inventory Appraisal shall apply to such Accounts and Inventory.

Permitted Additional Debt: senior unsecured or subordinated Indebtedness issued by a Borrower or a Guarantor and, to the extent permitted by Section 10.2.1(b)(x), any Indebtedness incurred by any other Restricted Subsidiary of MRC, (a) the terms of which (i) do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to the date that is 180 days following the U.S. Revolver Commitment Termination Date (other than customary offers to purchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default) and (ii) to the extent subordinated provide for customary subordination to the Obligations under the Loan Documents, (b) the covenants, events of default, guarantees and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to such Borrower and the Subsidiaries than those in this Agreement or the Senior Secured Notes Indenture (except to the extent the Indebtedness thereunder has been discharged in full); *provided* that a certificate of a Senior Officer of such Borrower is delivered to the Agent at least five Business Days (or such shorter period as the Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness

or drafts of the documentation relating thereto, stating that such Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Agent notifies such Borrower within such period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), and (c) of which, except to the extent permitted by Section 10.2.1(b)(x), no Subsidiary of MRC (other than a Loan Party) is an obligor.

Permitted Discretion: a determination made by Agent, in the exercise of its reasonable credit judgment (from the perspective of a secured asset-based lender), exercised in good faith and subject to Section 7.5.

Permitted Investments: shall mean:

(a) securities issued or unconditionally guaranteed by the Australian, Belgian, Canadian, Dutch, New Zealand, Singapore, UK or U.S. government or any agency or instrumentality thereof, in each case having maturities of not more than 12 months from the date of acquisition thereof;

(b) securities issued by any state of the United States of America or any province or territory of Australia, Belgium, Canada, the Netherlands, New Zealand, Singapore, the United Kingdom, or any political subdivision of any such state, province or territory, or any public instrumentality thereof or any political subdivision of any such state, province or territory, or any public instrumentality thereof having maturities of not more than 12 months from the date of acquisition thereof and, at the time of acquisition, having an investment grade rating generally obtainable from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, then from another nationally recognized rating service);

(c) commercial paper issued by any Lender or any bank holding company owning any Lender;

(d) commercial paper maturing no more than 12 months after the date of creation thereof and, at the time of acquisition, having a rating of at least A or A2 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

(e) domestic and LIBOR certificates of deposit or bankers' acceptances maturing no more than two years after the date of acquisition thereof issued by any Lender or any other bank having combined capital and surplus of not less than \$250,000,000 in the case of domestic banks;

(f) repurchase agreements with a term of not more than 30 days for underlying securities of the type described in clauses (a), (b) and (e) above entered into with any bank meeting the qualifications specified in clause (e) above or securities dealers of recognized national standing;

(g) marketable short-term money market and similar funds (x) either having assets in excess of \$250,000,000 or (y) having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

(h) shares of investment companies that are registered under the Investment Company Act of 1940 and substantially all the investments of which are one or more of the types of securities described in clauses (a) through (g) above; and

(i) in the case of Investments by any Restricted Foreign Subsidiary (other than the Foreign Borrowers) or Investments made in a country outside Australia, Belgium, Canada, the Netherlands, New Zealand, Singapore, the UK and the U.S., Permitted Investments shall also include (i) direct obligations of the sovereign nation (or any agency thereof) in which such Restricted Foreign Subsidiary is organized and is conducting business or where such Investment is made, or in obligations fully and unconditionally guaranteed by such sovereign nation (or any agency thereof), in each case maturing within a two years after such date and having, at the time of the acquisition thereof, a rating equivalent to at least A-1 from S&P and at least P-1 from Moody's, (ii) investments of the type and maturity described in clauses (a) through (h) above of foreign obligors, which Investments or obligors (or the parents of such obligors) have ratings described in such clauses or equivalent ratings from comparable foreign rating agencies, (iii) shares of money market mutual or similar funds which invest exclusively in assets otherwise satisfying the requirements of this definition (including this proviso) and (iv) other short-term investments utilized by such Restricted Foreign Subsidiaries in accordance with normal investment practices for cash management in investments analogous to the foregoing investments in clauses (a) through (i).

Permitted Liens: shall mean:

(a) Liens for taxes, assessments or governmental charges or claims not yet due or which are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established in accordance with GAAP;

(b) Liens in respect of property or assets of any Borrower or any of the Subsidiaries arising by operation of law, including carriers', warehousemen's and mechanics' Liens and other similar Liens arising in the Ordinary Course of Business, in each case so long as such Liens arise in the Ordinary Course of Business and do not individually or in the aggregate have a Material Adverse Effect;

(c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under Section 11.1;

(d) Liens incurred or deposits made in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory or regulatory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the Ordinary Course of Business or otherwise constituting Investments permitted by Section 10.2.5;

(e) ground leases in respect of real property on which facilities owned or leased by a Borrower or any of its Subsidiaries are located;

(f) easements, rights-of-way, servitudes, restrictions, minor defects or irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business of any Borrower and its Subsidiaries, taken as a whole;

(g) any interest or title of a lessee, licensee, lessor or licensor or secured by a lessee's, licensee's, lessor's or licensor's interest under any lease permitted by this Agreement;

(h) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(i) Liens on goods the purchase price of which is financed by a documentary letter of credit issued for the account of a Borrower or any of its Subsidiaries, provided that such Lien secures only the obligations of such Borrower or such Subsidiaries in respect of such letter of credit to the extent permitted under Section 10.2.1(b);

(j) licenses, sublicenses, leases or subleases granted to others not interfering in any material respect with the business of any Borrower and its Subsidiaries, taken as a whole;

(k) Liens arising from precautionary Uniform Commercial Code financing statements, PPSA financing statements or similar filings made in respect of operating leases entered into by any Borrower or any of its Subsidiaries; and

(l) Liens created in the Ordinary Course of Business in favor of banks and other financial institutions over credit balances of any bank accounts of any Restricted Subsidiary that is not a Loan Party held at such banks or financial institutions, as the case may be, to facilitate the operation of cash pooling and/or interest set-off arrangements in respect of such bank accounts in the Ordinary Course of Business.

Permitted Sale Leaseback: (a) any Sale Leaseback consummated by any Borrower or any of the Restricted Subsidiaries after the Closing Date, provided that any such Sale Leaseback not between a Borrower and any Guarantor or any Guarantor and another Guarantor is consummated for fair value as determined at the time of consummation in good faith by such Borrower or such Restricted Subsidiary and, in the case of any Sale Leaseback (or series of related Sales Leasebacks) the aggregate proceeds of which exceed \$25,000,000, the board of directors of such Borrower or such Restricted Subsidiary (which such determination may take into account any retained interest or other Investment of such Borrower or such Restricted Subsidiary in connection with, and any other material economic terms of, such Sale Leaseback) and (b) the sale and leaseback of the property located at Rohwedderstrasse 6, D-44369 Dortmund, Germany owned by MRC Transmark DRW GmbH.

Person: any individual, corporation, limited liability company, unlimited liability company, partnership, joint venture, joint stock company, land trust, business trust, unincorporated organization, Governmental Authority or other entity.

Pledged Collateral: collectively, the Pledged Debt and Pledged Stock.

Pledged Debt: the Indebtedness owed to a Foreign Borrower by MRC or any of its Restricted Subsidiaries and the promissory notes and other instruments evidencing such Indebtedness that are pledged to secure the Secured Obligations pursuant to the Security Documents.

Pledged Stock: the Stock now owned or at any time hereafter acquired by a Foreign Borrower that is pledged to secure the Secured Obligations pursuant to the Security Documents.

Post-Acquisition Period: with respect to any Permitted Acquisition, the period beginning on the date such Permitted Acquisition is consummated and ending on the last day of the fourth full consecutive fiscal quarter immediately following the date on which such Permitted Acquisition is consummated.

PPSA: the *Personal Property Security Act (Alberta)*, (or any successor statute) and the regulations thereunder; *provided, however*, if validity, perfection and effect of perfection and non-perfection and opposability of the Agent's security interest in and Lien on any Canadian Facility Collateral of any Canadian Domiciled Loan Party are governed by the personal property security laws of any jurisdiction other than Alberta, PPSA shall mean those personal property security laws (including the Civil Code) in such other jurisdiction for the purposes of the provisions hereof relating to such validity, perfection, and effect of perfection and non-perfection and for the definitions related to such provisions, as from time to time in effect.

PPSA Australia: the Personal Property Security Act 2009 (Cth), (or any successor statute) and the regulations thereunder.

PPSA New Zealand: the Personal Property Securities Act 1999 (New Zealand) (or any successor statute) and the regulations thereunder.

Proceeds of Crime Act: the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (or any successor statute), as amended from time to time, and includes all regulations thereunder.

Pro Forma Adjustment: for any Test Period that includes all or any part of a fiscal quarter ending prior to the end of any Post-Acquisition Period, with respect to the Acquired EBITDA of the applicable Acquired Entity or Business or the Consolidated EBITDA of the Borrowers, the pro forma increase or decrease in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, projected by the Borrowers in good faith as a result of (a) actions taken or expected to be taken during such Post-Acquisition Period for the purposes of realizing reasonably identifiable and factually supportable cost savings or (b) any additional costs incurred during such Post-Acquisition Period, in each case in connection with the combination of the operations of such Acquired Entity or Business with the operations of the Borrowers and the Restricted Subsidiaries; *provided* that, so long as such actions are taken or expected to be taken during such Post-Acquisition Period or such costs are incurred during such Post-Acquisition Period, as applicable, it may be assumed, for purposes of projecting such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, that such cost savings will be realizable during the entirety of such Test Period, or such additional costs, as applicable, will be incurred during the entirety of such Test Period; provided further that any such pro forma increase or decrease to such Acquired EBITDA or such Consolidated EBITDA, as the case may be, shall be without duplication for cost savings or additional costs already included in such Acquired EBITDA or such Consolidated EBITDA, as the case may be, for such Test Period.

Pro Forma Adjustment Certificate: any certificate of a Senior Officer of the North American Loan Party Agent delivered pursuant to Section 10.1.1(e).

Pro Forma Basis and Pro Forma Compliance: with respect to compliance with any test or covenant hereunder, that (A) to the extent applicable, the Pro Forma Adjustment shall have been made and (B) all Specified Transactions and the following transactions in connection therewith shall be deemed to have occurred as of the first day of the applicable period of measurement in such test or covenant: (a) income statement items (whether positive or negative) attributable to the property or Person subject to such Specified Transaction, (i) in the case of a sale, transfer or other disposition of all or substantially all Stock in any Subsidiary of any Loan Party or any division, product line, or facility used for operations of any Loan Party or any of its Subsidiaries, shall be excluded, and (ii) in the case of a Permitted Acquisition or Investment described in the definition of "Specified Transaction", shall be included, (b) any retirement of Indebtedness, and (c) any Indebtedness incurred or assumed by any Loan Party or any of the Restricted Subsidiaries in connection therewith and if such Indebtedness has a floating or formula rate, shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate which is or would be in effect with respect to such Indebtedness as at the relevant date of determination; *provided* that, without limiting the application of the Pro Forma Adjustment pursuant to (A) above, the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with the definition of Consolidated EBITDA and give effect to events (including operating expense reductions) that are (i) (x) directly attributable to such transaction, (y) expected to have a continuing impact on the Loan Parties and the Restricted Subsidiaries and (z) factually supportable or (ii) otherwise consistent with the definition of Pro Forma Adjustment.

Pro Forma Consolidated Fixed Charge Coverage Ratio: with respect to compliance with any covenant or test hereunder, the Consolidated Fixed Coverage Ratio as calculated on the assumption that (a) all dividends and payments in respect of Subordinated Indebtedness during the Test Period were included as Consolidated Fixed Charges, and (b) the contemplated dividend or payment in respect of Subordinated Indebtedness was also included as one of the Consolidated Fixed Charges.

Pro Forma Entity: as defined in "Acquired EBITDA".

Property: any interest in any kind of property or asset, whether real (immovable), personal (movable) or mixed, or tangible (corporeal) or intangible (incorporeal).

Pro Rata: (a) when used with reference to a Lender's (i) share on any date of the total Borrower Group Commitments to a Borrower Group, (ii) participating interest in LC Obligations (if applicable) to the members of such Borrower Group, (iii) share of payments made by the members of such Borrower Group with respect to such Borrower Group's Obligations, (iv) increases or reductions to the Borrower Group Commitments pursuant to Section 2.1.4 or 2.1.7, and (v) obligation to pay or reimburse Agent for Extraordinary Expenses owed by or in respect of such Borrower Group or to indemnify any Indemnitees for Claims relating to such

Borrower Group, a percentage (expressed as a decimal, rounded to the ninth decimal place) derived by dividing the amount of the Borrower Group Commitment of such Lender to such Borrower Group on such date by the aggregate amount of the Borrower Group Commitments of all Lenders to such Borrower Group on such date (or if such Borrower Group Commitments have been terminated, by reference to the respective Borrower Group Commitments as in effect immediately prior to the termination thereof) or (b) when used for any other reason, a percentage (expressed as a decimal, rounded to the ninth decimal place) derived by dividing the aggregate amount of the Lender's Commitments on such date by the aggregate amount of the Commitments of all Lenders on such date (or if any such Commitments have been terminated, such Commitments as in effect immediately prior to the termination thereof).

Protective Advances: Australian Protective Advances, Belgian Protective Advances, Canadian Protective Advances, Dutch Protective Advances, New Zealand Protective Advances, Singapore Protective Advances, UK Protective Advances and/or U.S. Protective Advances, as the context requires.

Qualified IPO: any underwritten sale to the public of MRC's, Parent's or any direct or indirect parent of Parent's (or its successor's) Stock pursuant to an effective registration statement filed with the SEC on Form S-1 or Form S-3 (or any successor forms adopted by the SEC) after which MRC's, Parent's or any direct or indirect parent of Parent's (or its successor's) Stock is listed on a United States national securities exchange or the NASDAQ stock market; *provided* that a Qualified IPO shall not include any issuance of Stock in any merger or other business combination, and shall not include any registration of the issuance of Stock to existing securityholders or employees of MRC, Parent or any direct or indirect parent of Parent and their respective Subsidiaries on Form S-4 or Form S-8 (or any successor form adopted by the SEC).

Qualified Receivables Transaction: any transaction or series of transactions that may be entered into by a Restricted Subsidiary that is not a Loan Party and is domiciled outside of Australia, Belgium, Canada, the Netherlands, New Zealand, Singapore, the UK and the U.S. pursuant to which such Subsidiary may sell, assign, convey, participate, contribute to capital or otherwise transfer to (a) a Receivables Entity (in the case of a transfer by such Subsidiary) or (b) any other Person (in the case of a transfer by a Receivables Entity), or may grant a security interest in or pledge, any Accounts or interests therein (whether now existing or arising in the future) of such Subsidiary, and any assets related thereto (other than any Inventory or Equipment) including, without limitation, all collateral securing such Accounts, all contracts and contract rights, purchase orders, security interests, financing statements or other documentation in respect of such Accounts and all guarantees, indemnities, warranties or other documentation or other obligations in respect of such Accounts, any other assets which are customarily transferred, or in respect of which security interests are customarily granted, in connection with asset securitization transactions involving receivables similar to such Accounts and any collections or proceeds of any of the foregoing (the "**Related Assets**").

Real Estate: as defined in Section 10.1.1(i).

Receivables Entity: (a) any existing Subsidiary or other Investment which is listed on **Schedule 1.1(b)** or (b) any Wholly-Owned Subsidiary (or another Person in which such Subsidiary makes an Investment and to which such Subsidiary transfers Accounts and Related

Assets) formed after the Closing Date, in each such case, which (i) is not a Loan Party and is domiciled outside of Australia, Belgium, Canada, the Netherlands, New Zealand, Singapore, the UK and the U.S., (ii) engages in no activities other than in connection with the financing of Accounts or interests therein and Related Assets and any business or activities incidental or related to such business, (iii) is designated by the board of directors of MRC (as provided below) as a Receivables Entity, (iv) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (A) is guaranteed by any Loan Party; (B) is recourse to or obligates any Loan Party in any way; or (C) subjects any property or asset of any Loan Party, directly or indirectly, contingently or otherwise, to the satisfaction thereof; (v) with which no Loan Party has any material contract, agreement, arrangement or understanding; and (vi) to which neither any Loan Party nor any of its Subsidiaries has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results.

Records: as defined in the UCC, and in any event means information that is inscribed on a tangible medium or which is stored in an electronic or other medium and is retrievable in perceivable form, including, all books and records, customer lists, files, correspondence, tapes, computer programs, print outs and computer records.

Register: as defined in Section 13.1.

Regulation: as defined in Section 10.1.17.

Related Asset: as defined in "Qualified Receivables Transaction".

Report: as defined in Section 12.4.3.

Reportable Event: the occurrence of any of the events set forth in Section 4043(b) or (c) of ERISA and regulations thereunder with respect to a U.S. Employee Plan (other than an event for which the 30-day notice period is waived).

Required Borrower Group Lenders: at any date of determination thereof, Lenders having Borrower Group Commitments to a Borrower Group representing more than 50% of the aggregate Borrower Group Commitments to such Borrower Group at such time; *provided, however*, that if and for so long as any such Lender shall be a Defaulting Lender, the term "Required Borrower Group Lenders" shall mean Lenders (excluding such Defaulting Lender) having Borrower Group Commitments to such Borrower Group representing more than 50% of the aggregate Borrower Group Commitments to such Borrower Group (excluding the Borrower Group Commitments of each Defaulting Lender) at such time; *provided further, however*, that if all of the Borrower Group Commitments to such Borrower Group have been terminated, the term "Required Borrower Group Lenders" shall mean Lenders to such Borrower Group holding Revolver Loans to, and (if applicable) participating interest in LC Obligations owing by, such Borrower Group representing more than 50% of the aggregate outstanding principal amount of Revolver Loans and (if applicable) LC Obligations owing by such Borrower Group at such time.

Required Lenders: at any date of determination thereof, Lenders having Commitments representing more than 50% of the aggregate Commitments at such time; *provided, however*, that for so long as any Lender shall be a Defaulting Lender, the term "Required Lenders" shall mean Lenders (excluding such Defaulting Lender) having Commitments representing more than 50%

of the aggregate Commitments (excluding the Commitments of each Defaulting Lender) at such time; *provided further, however*, that if any of the Commitments have been terminated, the term “Required Lenders” shall be calculated based on the Dollar Equivalent thereof using (a) in lieu of such Lender’s terminated Commitment, the outstanding principal amount of the Revolver Loans by such Lender to, and (if applicable) participation interests in LC Obligations owing by, all Borrowers and (b) in lieu of the aggregate Commitments to all Borrowers, the aggregate outstanding Revolver Loans to, and (if applicable) LC Obligations owing by all Borrowers.

Reserves: Australian Availability Reserves, Belgian Availability Reserves, Canadian Availability Reserves, Dutch Availability Reserves, New Zealand Availability Reserves, Singapore Availability Reserves, UK Availability Reserves and/or U.S. Availability Reserves, as the context requires.

Restricted Foreign Subsidiary: a Foreign Subsidiary that is a Restricted Subsidiary.

Restricted Subsidiary: any Subsidiary of any Borrower or Parent other than an Unrestricted Subsidiary.

Reserve Percentage: the reserve percentage (expressed as a decimal, rounded up to the nearest 1/8th of 1%) applicable to member banks under regulations issued by the Board of Governors for determining the maximum reserve requirement for Eurocurrency liabilities.

Revolver Commitment Increase and Revolver Commitment Increases: as defined in Section 2.1.7(h).

Revolver Commitment Termination Date: the Australian Revolver Commitment Termination Date, the Belgian Revolver Commitment Termination Date, the Canadian Revolver Commitment Termination Date, the Dutch Revolver Commitment Termination Date, the New Zealand Revolver Commitment Termination Date, the Singapore Revolver Commitment Termination Date, the UK Revolver Commitment Termination Date and/or the U.S. Revolver Commitment Termination Date, as the context requires.

Revolver Loan: a loan made pursuant to Section 2.1.1, and any Overadvance Loan, Swingline Loan or Protective Advance.

Revolver Notes: collectively, the Australian Revolver Notes, the Belgian Revolver Notes, the Canadian Revolver Notes, the Dutch Revolver Notes, the New Zealand Revolver Notes, the Singapore Revolver Notes, the UK Revolver Notes and the U.S. Revolver Notes.

S&P: Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

Sale Leaseback: any transaction or series of related transactions pursuant to which any Borrower or any of the Restricted Subsidiaries (a) sells, transfers or otherwise disposes of any property, real or personal, whether now owned or hereafter acquired, and (b) as part of such transaction, thereafter rents or leases such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold, transferred or disposed.

SEC: the Securities and Exchange Commission or any successor thereto and, as the context may require, any analogous Governmental Authority in any other relevant jurisdiction of the Parent or any Subsidiary.

Secured Bank Product Obligations: Bank Product Debt owing to a Secured Bank Product Provider and evidenced by one or more Bank Product Documents that a Loan Party Agent, in a written notice to Agent, has expressly requested be treated as Secured Bank Product Obligations for purposes hereof, up to the maximum amount (in the case of any Secured Bank Product Provider other than Bank of America and its Affiliates) specified by such provider in writing to Agent, which amount may be established and increased or decreased by further written notice to Agent from time to time.

Secured Bank Product Provider: (a) Bank of America or any of its Affiliates; and (b) any other Lender or Affiliate of a Lender that is providing a Bank Product, *provided* that such provider shall deliver a written notice to Agent, in form and substance reasonably satisfactory to Agent and the relevant Loan Party Agent, by the later of the Closing Date or 10 Business Days (or such later time as Agent and such Loan Party Agent may agree in their reasonable discretion) following creation of the Bank Product, (i) describing the Bank Product and setting forth the maximum amount to be secured by the Collateral and the methodology to be used in calculating such amount, and (ii) if such provider is not a Lender, agreeing to be bound by Section 12.15.

Secured Leverage Ratio: as of any date of determination, the ratio of (a) Consolidated Secured Debt as of the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 to (b) Consolidated EBITDA for such Test Period.

Secured Obligations: Obligations and Secured Bank Product Obligations, including in each case those under all Credit Documents.

Secured Parties: Australian Facility Secured Parties, Belgian Facility Secured Parties, Canadian Facility Secured Parties, Dutch Facility Secured Parties, New Zealand Facility Secured Parties, Singapore Facility Secured Parties, UK Facility Secured Parties, U.S. Facility Secured Parties and Secured Bank Product Providers.

Securities Account Control Agreement: the securities account control agreements, in form and substance reasonably satisfactory to Agent and the relevant Loan Party Agent, executed by each financial institution maintaining a Securities Account for a Loan Party, in favor of Agent or a Security Trustee.

Securities Accounts: all present and future “securities accounts” (as defined in Article 8 of the UCC, the PPSA or the PPSA Australia, as applicable), including all monies, “uncertificated securities,” “securities entitlements” and other “financial assets” (as defined in Article 8 of the UCC or the PPSA, as applicable) and all “intermediated securities” and “financial products” (as defined in the PPSA Australia), contained therein.

Security Documents: this Agreement, the Guarantees, the Insurance Assignments, the Australian Security Agreements, the Belgian Security Agreements, the Canadian Security Agreements, the Dutch Security Agreements, the New Zealand Security Agreements, the

Singapore Security Agreements, the UK Security Agreements, the Deposit Account Control Agreements, the Securities Account Control Agreements and all other documents, instruments and agreements now or hereafter securing (or given with the intent to secure) any Secured Obligations.

Security Trustee: the AUS-NZ Security Trustee, the European Security Trustee, the Singapore Security Trustee and/or any other security trustee appointed by the Agent from time to time, as the context requires.

Senior Officer: the President, the Chief Financial Officer, the Principal Accounting Officer, the Treasurer, the Controller or any other senior officer of a Person designated as such in writing to the Agent by such Person.

Senior Secured Notes: the senior secured notes of MRC issued from time to time pursuant to the Senior Secured Notes Indenture and any registered notes issued by MRC in exchange for, and as contemplated by, such notes with substantially identical terms as such notes, as any such notes may be amended, restated, supplemented, replaced, increased, refinanced or otherwise modified from time to time in accordance with the terms of the Intercreditor Agreement.

Senior Secured Notes Indenture: that certain Indenture, dated as of December 21, 2009, by and among MRC, Parent, the Credit Support Parties (as defined therein) party thereto, and U.S. Bank National Association, as trustee, as the same may be amended, restated, supplemented, replaced, increased, refinanced or otherwise modified from time to time in accordance with the terms of the Intercreditor Agreement.

Settlement Report: a report delivered by the Agent to the Applicable Lenders summarizing the Revolver Loans and, if applicable, participations in LC Obligations of the applicable Borrower Group outstanding as of a given settlement date, allocated to the Applicable Lenders on a Pro Rata basis in accordance with their Commitments.

SIBOR: for any Interest Period with respect to a SIBOR Revolver Loan: (a) the arithmetic average (rounded upwards to five decimal places) of the displayed rates for the relevant period appearing under the heading page "SIBOR" on the Reuters screen (the "Screen Rate"); or (b) if no Screen Rate is available for Singapore Dollars for the Interest Period of that Revolver Loan, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to Agent at its request quoted by leading banks in the Singapore interbank market, appearing as of 11:00 a.m. (Local Time) two Business Days prior to the requested Revolver Loan for the offering of deposits in Singapore Dollars for a period comparable to the Interest Period for that Revolver Loan. If the agreed page is replaced or the service ceases to be available, Agent may specify another page or service displaying the appropriate rate after consultation with Singapore Borrowers.

SIBOR Loan: each set of SIBOR Revolver Loans having a common length and commencement of Interest Period.

SIBOR Revolver Loan: a Revolver Loan that bears interest based on SIBOR.

Singapore Allocated U.S. Availability: U.S. Availability designated by the North American Loan Party Agent for application to clause (c) of a Singapore Borrowing Base.

Singapore Applicable Margin: with respect to any LIBOR Loan to the Singapore Borrowers, any SIBOR Loan or any Singapore Base Rate Loan, a rate per annum specified in the joinder documentation for the initial Singapore Lenders (which rate shall apply to all Singapore Lenders).

Singapore Availability: as of any date of determination, (a) the lesser of (i) the Singapore Revolver Commitments *minus* all Singapore LC Obligations as of such date of determination and (ii) the Total Singapore Borrowing Base as of such date of determination, *minus* (b) the Dollar Equivalent of the principal balance of all Singapore Revolver Loans.

Singapore Availability Reserves: the sum (without duplication) of (a) the aggregate amount of the Singapore Rent Reserve, if any, established pursuant to clause (h) of the definition of Singapore Eligible Inventory; (b) the Singapore LC Reserve; (c) the Singapore Bank Product Reserve; (d) the Singapore Priority Payables Reserve; and (e) such additional reserves, in such amounts and with respect to such matters, as the Agent may establish in its Permitted Discretion.

Singapore Bank Product Reserve: the aggregate amount of reserves, as established by the Agent from time to time in its Permitted Discretion and in consultation with the Asian Loan Party Agent, to reflect the reasonably anticipated liabilities in respect of the then outstanding Secured Bank Product Obligations of the Singapore Domiciled Loan Parties.

Singapore Base Rate Loan: a Singapore Revolver Loan, or portion thereof, funded in Singapore Dollars, Dollars or Euros and bearing interest calculated by reference to the Eurasian Base Rate.

Singapore Borrowers: each Singapore Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 and has satisfied the other requirements set forth in Section 10.1.13 in order to become a Singapore Borrower.

Singapore Borrowing Base: at any time, with respect to the Applicable Singapore Borrower, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

- (a) the book value of Singapore Eligible Accounts of the Applicable Singapore Borrower multiplied by the advance rate of 85%, *plus*
- (b) the lesser of (i) 70% of the net book value of Singapore Eligible Inventory of the Applicable Singapore Borrower and (ii) 85% of the Net Orderly Liquidation Value of Singapore Eligible Inventory of the Applicable Singapore Borrower (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*
- (c) Singapore Allocated U.S. Availability for such Applicable Singapore Borrower, *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Singapore Availability Reserves allocable to the Applicable Singapore Borrower which would cause the aggregate amount of the Singapore Revolver Loans allocable to the Applicable Singapore Borrower at such time to exceed the lesser of the Applicable Singapore Borrower's Applicable Singapore Borrower Commitment and the Applicable Singapore Borrower's Singapore Borrowing Base then in effect, in each case, notification thereof to the Asian Loan Party Agent by the Agent, any and all such Singapore Availability Reserves.

The Singapore Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Singapore Borrowing Base is calculated in accordance with the terms of this Agreement.

Singapore Cash Collateral Account: a demand deposit, money market or other account established by Agent at Bank of America (Singapore) or such other financial institution as Agent may select in its discretion with the consent of Asian Loan Party Agent (not to be unreasonably withheld or delayed), which account shall be for the benefit of the Singapore Facility Secured Parties and shall be subject to Agent's or Singapore Security Trustee's Liens securing the Singapore Facility Secured Obligations; *provided* that the foregoing consent of Asian Loan Party Agent to the selection by Agent in its discretion of a financial institution other than Bank of America (Singapore) shall not be required if an Event of Default has occurred and is continuing.

Singapore Dollar: the lawful currency of Singapore.

Singapore Domiciled Loan Party: any Singapore Borrower and each Singapore Subsidiary now or hereafter party hereto as a Loan Party, and "Singapore Domiciled Loan Parties" means all such Persons, collectively.

Singapore Dominion Account: each special account established by the Singapore Domiciled Loan Parties at Bank of America (Singapore) over which Agent or Singapore Security Trustee has exclusive control for withdrawal purposes.

Singapore Eligible Accounts: at any time, the Accounts of the Applicable Singapore Borrower at such date except any Account:

(a) which is not subject to a valid Lien in favor of the Agent or Singapore Security Trustee (including under the relevant laws of the Account Debtor's jurisdiction of organization);

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or Singapore Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent; *provided* that, with respect to any tax Lien having such priority, eligibility of Accounts shall be reduced by the amount of such tax Lien having such priority;

(c) owing by any Account Debtor with respect to which more than 120 days have elapsed since the date of the original invoice therefor or which is more than 60 days past the due date for payment;

(d) which is owing by an Account Debtor for which more than 50% of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (c) above;

(e) which is owing by any Account Debtor to the extent the aggregate amount of otherwise Singapore Eligible Accounts owing from such Account Debtor and its Affiliates to Singapore Borrowers exceeds 20% of the aggregate Singapore Eligible Accounts (or such higher percentage as the Agent may establish for the Account Debtor from time to time), in each case, only to the extent of such excess;

(f) with respect to which any covenant, representation, or warranty relating to such Account contained in this Agreement or a Security Document has been breached or is not true in any material respect;

(g) which (i) does not arise from the sale of goods or performance of services in the Ordinary Course of Business, (ii) is not evidenced by an invoice, or other documentation satisfactory to the Agent, which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the Applicable Singapore Borrower's completion of any further performance, or (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment which is billed prior to actual sale to the end user, cash-on-delivery or any other repurchase or return basis, except with respect to up to \$15,000,000 of such Accounts in the aggregate for all Borrowing Bases on a combined basis;

(h) for which the goods giving rise to such Account (other than Accounts described in the foregoing paragraph (g)(v)) have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the Applicable Singapore Borrower;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor in respect of which an Insolvency Proceeding has been commenced or which is otherwise a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any province or territory) receivership, insolvency relief or other law or laws for the relief of debtors, including the Singapore Companies Act, Chapter 50 and the Singapore Bankruptcy Act, Chapter 20, unless the payment of Accounts from such Account Debtor is secured by assets of, or guaranteed by, in either case, in a manner reasonably satisfactory to the Agent, a Person that is reasonably acceptable to the Agent or, if the Account from such Account Debtor arises subsequent to a decree or order for relief with respect to such Account Debtor under the Singapore Companies Act, Chapter 50 or the Singapore Bankruptcy Act, Chapter 20, as now or hereafter in effect, the Agent shall have reasonably determined that the timely payment and collection of such Account will not be impaired;

(k) which is owed by an Account Debtor which has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs or is not Solvent;

(l) which is owed by an Account Debtor which is not organized under the applicable law of an Eligible Account Debtor Jurisdiction unless such Account is backed by a letter of credit or other credit support reasonably acceptable to the Agent and which is in the possession of the Agent;

(m) which is owed in any currency other than an Eligible Account Currency;

(n) which is owed by any Governmental Authority, unless (i) such Account is backed by a letter of credit reasonably acceptable to the Agent and which is in the possession of the Agent or (ii) Agent otherwise approves;

(o) which is owed by any Affiliate, employee, director, or officer of any Loan Party; *provided* that portfolio companies of the Sponsor that do business with the Applicable Singapore Borrower in the Ordinary Course of Business will not be treated as Affiliates for purposes of this clause (o);

(p) which is owed by an Account Debtor or any Affiliate of such Account Debtor which is the holder of Indebtedness issued or incurred by any Loan Party; *provided*, that any such Account shall only be ineligible as to that portion of such Account which is less than or equal to the amount owed by the Loan Party to such Person;

(q) which is subject to any counterclaim, deduction, defense, setoff, right of compensation or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff, right of compensation or dispute, unless (i) the Agent, in its Permitted Discretion, has established Singapore Availability Reserves and determines to include such Account as a Singapore Eligible Account or (ii) such Account Debtor has entered into an agreement reasonably acceptable to the Agent to waive such rights;

(r) which is evidenced by any promissory note, Chattel Paper or Instrument (in each case, other than any such items that are delivered to the Agent or the Singapore Security Trustee);

(s) which is owed by an Account Debtor located in any jurisdiction that requires, as a condition to access to the courts of such jurisdiction, that a creditor qualify to transact business, file a business activities report or other report or form, or take one or more other actions, unless the Applicable Singapore Borrower has so qualified, filed such reports or forms, or taken such actions (and, in each case, paid any required fees or other charges), except to the extent the Applicable Singapore Borrower may qualify subsequently as a foreign entity authorized to transact business in such jurisdiction and gain access to such courts, without incurring any cost or penalty reasonably viewed by the Agent to be material in amount, and such later qualification cures any access to such courts to enforce payment of such Account;

(t) with respect to which the Applicable Singapore Borrower has made any agreement with the Account Debtor for any reduction thereof, but only to the extent of such reduction, other than discounts and adjustments given in the Ordinary Course of Business; or

(u) which the Agent determines is ineligible in its Permitted Discretion.

Subject to Sections 14.1 and 7.5 and the definition of Singapore Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Singapore Eligible Inventory: at any date of determination thereof, the aggregate amount of all Inventory owned by the Applicable Singapore Borrower at such date except any Inventory:

(a) which is not subject to a valid Lien in favor of the Agent or Singapore Security Trustee;

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or Singapore Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent or Singapore Security Trustee (other than any bailee, warehouseman, landlord or similar non-consensual Liens having priority by operation of law to the extent either subclause (i) or (ii) of clauses (h) or (i) below of Singapore Eligible Inventory is satisfied with respect to the relevant Inventory); provided that, with respect to any tax Lien having such priority, eligibility of Inventory shall be reduced by the amount of such tax Lien having such priority;

(c) which is, in the Agent's Permitted Discretion, slow moving, obsolete, unmerchantable, defective, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the Ordinary Course of Business or unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation or warranty contained in this Agreement or any Security Document has been breached or is not true in any material respect;

(e) which does not conform in all material respects to all standards imposed by any applicable Governmental Authority (except that any standard that is qualified as to "materiality" shall have been conformed to in all respects);

(f) which constitutes packaging and shipping material, manufacturing supplies, display items, bill-and-hold goods (other than bill-and-hold goods, the sale of which has been excluded from Singapore Eligible Accounts pursuant to clause (g)(v) of the definition thereof), returned or repossessed goods (other than goods that are undamaged and able to be resold in the Ordinary Course of Business), defective goods, goods held on consignment, goods to be returned to the Applicable Singapore Borrower's suppliers or goods which are not of a type held for sale in the Ordinary Course of Business;

(g) which is not located in Singapore or is not at a location listed on **Schedule 8.4.1** (as updated from time to time in accordance with the provisions hereof) other than goods in transit between locations of the Singapore Domiciled Loan Parties;

(h) which is located in any location leased by the Applicable Singapore Borrower unless (i) the lessor has delivered to the Agent a Collateral Access Agreement or (ii) a Singapore Rent Reserve has been established by the Agent;

(i) which is located in any third party warehouse or is in the possession of a bailee, processor or other Person and is not evidenced by a Document, unless (i) such warehouseman, bailee, processor or other Person has delivered to the Agent a Collateral Access Agreement and/or such other documentation as the Agent may reasonably require or (ii) appropriate Singapore Availability Reserves have been established by the Agent in its Permitted Discretion;

(j) which is the subject of a consignment by the Applicable Singapore Borrower as consignor;

(k) which is perishable as determined in accordance with GAAP; or

(l) which contains or bears any intellectual property rights licensed to the Applicable Singapore Borrower unless the Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor in any material respect or (ii) incurring any material liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement.

Subject to Sections 14.1 and 7.5 and the definition of Singapore Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

Singapore Facility Collateral: Collateral that now or hereafter secures (or is intended to secure) any of the Singapore Facility Secured Obligations, including Property of the U.S. Domiciled Loan Parties pledged to secure the Singapore Facility Secured Obligations under their guarantee of the Secured Obligations.

Singapore Facility Guarantor: each U.S. Borrower, each U.S. Facility Guarantor and each other Person (if any) who guarantees payment and performance of any Singapore Facility Secured Obligations.

Singapore Facility Loan Party: a Singapore Borrower or a Singapore Facility Guarantor.

Singapore Facility Obligations: all Obligations of the Singapore Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Singapore Facility Loan Party, the other Foreign Facility Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Obligations).

Singapore Facility Secured Obligations: all Secured Obligations of the Singapore Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any Singapore Facility Loan Party, the other Foreign Facility Secured Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Secured Obligations).

Singapore Facility Secured Parties: Agent, Singapore Security Trustee, any Singapore Fronting Bank, Singapore Lenders and Secured Bank Product Providers of Bank Products to Singapore Domiciled Loan Parties, and, following the Foreign Cross-Guarantee Date for any Singapore Domiciled Loan Party, the other Secured Parties that are the beneficiaries of such Foreign Cross-Guarantee.

Singapore Fronting Bank: (a) Bank of America (Singapore) or any Affiliate thereof that agrees to issue Singapore Letters of Credit, (b) if reasonably acceptable to Asian Loan Party Agent, any other Singapore Lender or Affiliate thereof that agrees to issue Singapore Letters of Credit, or (c) if requested by Asian Loan Party Agent and subject to Section 2.10, a Non-Lender Fronting Bank that agrees to issue Singapore Letters of Credit.

Singapore Fronting Bank Indemnitees: any Singapore Fronting Bank and its officers, directors, employees, Affiliates and agents.

Singapore LC Application: an application by any Singapore Borrower on behalf of itself or any other Singapore Borrower to a Singapore Fronting Bank for issuance of a Singapore Letter of Credit, in form and substance reasonably satisfactory to such Singapore Fronting Bank.

Singapore LC Conditions: the following conditions necessary for issuance of a Singapore Letter of Credit: (a) each of the conditions set forth in Section 6 being satisfied or waived; (b) after giving effect to such issuance, the total Ex-NA LC Obligations do not exceed the Ex-NA Letter of Credit Sublimit, no Singapore Overadvance exists or would result therefrom and, in the case of any Singapore Borrower, Section 2.11 is satisfied; (c) the expiration date of such Singapore Letter of Credit is (i) no more than 365 days from issuance (*provided* that each Singapore Letter of Credit may, upon the request of the Applicable Singapore Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of twelve (12) months or less (but no later than 20 Business Days prior to the Facility Termination Date)), and (ii) unless the applicable Singapore Fronting Bank and the Agent otherwise consent (subject to the satisfaction of the Cash Collateral requirements set forth in Section 2.7.3), at least 20 Business Days prior to the Facility Termination Date; (d) the Singapore Letter of Credit and payments thereunder are denominated in Singapore Dollars, Dollars or Euros; (e) the form of the proposed Singapore Letter of Credit is reasonably satisfactory to the Agent and the applicable Singapore Fronting Bank; and (f) the proposed use of the Singapore Letter of Credit is for a lawful purpose.

Singapore LC Documents: all documents, instruments and agreements (including Singapore LC Requests and Singapore LC Applications) delivered by any Singapore Borrower or by any other Person to a Singapore Fronting Bank or the Agent in connection with issuance, amendment or renewal of, or payment under, any Singapore Letter of Credit.

Singapore LC Obligations: with respect to the Applicable Singapore Borrower, the Dollar Equivalent of the sum (without duplication) of (a) all amounts owing by such Applicable Singapore Borrower for any drawings under Singapore Letters of Credit; (b) the stated amount of all outstanding Singapore Letters of Credit issued for the account of such Applicable Singapore Borrower; and (c) all fees and other amounts owing with respect to such Singapore Letters of Credit.

Singapore LC Request: a request for issuance of a Singapore Letter of Credit, to be provided by a Singapore Borrower to a Singapore Fronting Bank, in form reasonably satisfactory to Agent and such Singapore Fronting Bank.

Singapore LC Reserve: with respect to the Applicable Singapore Borrower, the aggregate of all Singapore LC Obligations of such Applicable Singapore Borrower, other than (a) those that have been Cash Collateralized and (b) if no Event of Default exists, those constituting charges owing to any Singapore Fronting Bank.

Singapore Lenders: each Lender that has issued a Singapore Revolver Commitment (*provided* that such Person or an Affiliate of such Person also has a U.S. Revolver Commitment).

Singapore Letter of Credit: any standby or documentary letter of credit issued by a Singapore Fronting Bank for the account of a Singapore Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or a Singapore Fronting Bank for the benefit of a Singapore Borrower.

Singapore Overadvance: as defined in Section 2.1.5(f).

Singapore Overadvance Loan: a Loan made to a Singapore Borrower when a Singapore Overadvance exists or is caused by the funding thereof.

Singapore Overadvance Loan Balance: on any date, the Dollar Equivalent of the amount by which the aggregate Singapore Revolver Loans of the Applicable Singapore Borrower or all Singapore Borrowers, as the case may be, exceed the amount of the Singapore Borrowing Base of such Applicable Singapore Borrower or the Total Singapore Borrowing Base, as applicable, on such date.

Singapore Priority Payables Reserve: on any date of determination, a reserve in such amount as Agent may determine in its Permitted Discretion which reflects amounts secured by any Liens, choate or inchoate, which rank or are capable of ranking in priority to the Agent's and/or the Secured Parties' Liens including, without limitation, all amounts deducted or withheld and not paid and remitted when due under the Singapore Income Tax Act, Chapter 134, amounts currently or past due and not paid for realty, municipal or similar taxes (to the extent impacting any Singapore Facility Collateral), all amounts currently or past due and not contributed, remitted or paid under the Singapore Central Provident Fund Act, Chapter 36.

Singapore Protective Advances: as defined in Section 2.1.6(f).

Singapore Reimbursement Date: as defined in Section 2.7.2(a).

Singapore Rent Reserve: the aggregate of (a) all past due rent and other past due charges owing by any Singapore Borrower to any landlord or other Person who possesses any Singapore Facility Collateral or could assert a Lien on such Singapore Facility Collateral; plus (b) a reserve in an amount not to exceed rent and other charges that could be payable to any such Person for the time period used to determine the Net Orderly Liquidation Value of Singapore Facility Collateral.

Singapore Revolver Commitment: for any Singapore Lender, its obligation to make Singapore Revolver Loans and to issue Singapore Letters of Credit, in the case of any Singapore Fronting Bank, or participate in Singapore LC Obligations, in the case of the other Singapore Lenders, to the Singapore Borrowers up to the maximum principal amount shown in the joinder documentation for such Singapore Lender or as thereafter determined pursuant to each Assignment and Acceptance to which it is a party, as such Singapore Revolver Commitment may be adjusted from time to time in accordance with the provisions of Sections 2.1.4, 2.1.7 or 11.1. "Singapore Revolver Commitments" means the aggregate amount of such commitments of all Singapore Lenders. As of the Closing Date, the Singapore Revolver Commitments are \$0.

Singapore Revolver Commitment Increase: as defined in Section 2.1.7(f).

Singapore Revolver Commitment Termination Date: the earliest of (a) the U.S. Revolver Commitment Termination Date (without regard to the reason therefor), (b) the date on which the Asian Loan Party Agent terminates or reduces to zero all of the Singapore Revolver Commitments pursuant to Section 2.1.4, and (c) the date on which the Singapore Revolver Commitments are terminated pursuant to Section 11.1. From and after the Singapore Revolver Commitment Termination Date, the Singapore Borrowers shall no longer be entitled to request a Singapore Revolver Commitment Increase pursuant to Section 2.1.7 hereof.

Singapore Revolver Exposure: on any date, the Dollar Equivalent of an amount equal to the sum of (a) the Singapore Revolver Loans outstanding on such date and (b) the Singapore LC Obligations on such date.

Singapore Revolver Loan: a Revolver Loan made by Singapore Lenders to a Singapore Borrower pursuant to Section 2.1.1(f), which Revolver Loan shall, if denominated in Singapore Dollars, be either a SIBOR Loan or an Singapore Base Rate Loan and, if denominated in Dollars or Euros, shall be either a LIBOR Loan or a Singapore Base Rate Loan, in each case as selected by Applicable Singapore Borrower, and including any Singapore Swingline Loan, Singapore Overadvance Loan or Singapore Protective Advance.

Singapore Revolver Notes: the promissory notes, if any, executed by Singapore Borrowers in favor of each Singapore Lender to evidence the Singapore Revolver Loans funded from time to time by such Singapore Lender, which shall be in the form of **Exhibit C-6** to this Agreement, together with any replacement or successor notes therefor.

Singapore Security Agreements: each debenture or other document among any Singapore Domiciled Loan Party and Agent or the Singapore Security Trustee.

Singapore Security Trustee: Bank of America (Singapore) or any successor security trustee appointed by the Agent.

Singapore Subsidiary: Each Wholly-Owned Subsidiary of MRC incorporated or organized under the laws of Singapore.

Singapore Swingline Commitment: for the Singapore Swingline Lender, the maximum principal amount shown in the joinder documentation for the Singapore Swingline Lender up to which it may make Singapore Swingline Loans.

Singapore Swingline Commitment Termination Date: with respect to any Singapore Swingline Loan, the date that is five Business Days prior to the Singapore Revolver Commitment Termination Date.

Singapore Swingline Lender: Bank of America (Singapore) or an Affiliate of Bank of America (Singapore).

Singapore Swingline Loan: a Swingline Loan made by the Singapore Swingline Lender to a Singapore Borrower pursuant to Section 2.1.8(f), which Swingline Loan shall be a Singapore Base Rate Loan.

Sold Entity or Business: as defined in the definition of the term "Consolidated EBITDA".

Solidary Claim: as defined in Section 12.1.1(b).

Solvent: as it relates to (a) the Loan Parties, taken as a whole, (i) are adequately capitalized (for purposes of all jurisdictions other than Australia, New Zealand, Singapore and the UK), (ii) own assets, the value of which, on a going concern basis, exceed their liabilities, (iii) will have sufficient working capital to pay their debts as they become due and (iv) have not incurred (by way of assumption or otherwise) any obligations or liabilities (contingent or otherwise), or made any conveyance in connection therewith, in each case, with actual intent to hinder, delay or defraud either present or future creditors of such Persons or any of their Affiliates; and (b) (i) as to any other Person (other than a Person incorporated or organized under the laws of Australia, Belgium, Canada, New Zealand, Singapore or the UK, or any province or territory of Canada or Singapore or any state or territory of Australia), such Person (1) owns Property whose fair salable value is greater than the amount required to pay all of its debts (including contingent, subordinated, unmatured and unliquidated liabilities); (2) owns Property whose present fair salable value (as defined below) is greater than the total liabilities (including contingent, subordinated, unmatured and unliquidated liabilities) of such Person as they become absolute and matured; (3) is able to pay all of its debts as they mature or fall due in the normal course of business; (4) has capital that is not unreasonably small for its business and is sufficient to carry on its business and transactions and all business and transactions in which it is about to engage; (5) is not "insolvent" within the meaning of Section 101(32) of the U.S. Bankruptcy Code; and (6) has not incurred (by way of assumption or otherwise) any obligations or liabilities (contingent or otherwise) or made any conveyance in connection therewith, with actual intent to hinder, delay or defraud either present or future creditors of such Person or any of its Affiliates, (ii) as to any other Person incorporated or organized under the laws of the Canada or any

province or territory of Canada, is not an “insolvent person” as defined in the Bankruptcy and Insolvency Act (*Canada*), (iii) as to any other Person incorporated or organized under the laws of Singapore (1) is not presumed or deemed to be unable and does not admit inability to pay its debts as they fall due, does not suspend making payments on any of its debts and, by reason of actual or anticipated financial difficulties, does not commence negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness; (2) has assets with a value that is not less than its liabilities (taking into account contingent and prospective liabilities); (3) has not had a moratorium declared in respect of any of its indebtedness; and (4) has no expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affecting its asset or assets, (iv) as to any other Person incorporated, registered or organized under the laws of Australia or any state or territory thereof (1) does not become, does not admit in writing that it is, is not declared to be, or is not deemed under any Applicable Law to be, insolvent; (2) is able to pay its debts (as and when they become due and payable) and does not stop payments of its debts generally; (3) is not found or declared by a court to be insolvent, does not become insolvent within the meaning of section 95A(1) and (2) of the Corporations Act 2001 (Cth) or otherwise found or deemed to be insolvent by law or a court; and (4) complies with a statutory demand that has not been stayed or overturned within the meaning of section 459F(1) of the Corporations Act 2001 (Cth), (v) as to any other Person incorporated in the UK, is not or does not admit its inability to pay its debts as they fall due, does not suspend or threaten to suspend making payments on any of its debt, does not by reason of actual or anticipated financial difficulties, commence negotiations with its creditors with a view of rescheduling its indebtedness and no moratorium is declared in respect of its indebtedness; (vi) as to any other Person incorporated, registered or organized under the laws of New Zealand satisfies the “solvency test” within the meaning of Section 4 of the Companies Act 1993 (New Zealand), and (vii) as to any Person incorporated in Belgium, is not “insolvent” within the meaning of the Belgian bankruptcy law of 8 August 1997 and does not commence negotiations with its creditors with a view of rescheduling its indebtedness and does not apply for a judicial reorganisation under the law on the continuity of enterprises of 31 January 2009. “Fair salable value” means the amount that could be obtained for assets within a reasonable time, either through collection or through sale under ordinary selling conditions by a capable and diligent seller to an interested buyer who is willing (but under no compulsion) to purchase.

Specified Revolving Credit Collateral: all Letter-of-Credit Rights, Chattel Paper, Instruments, Investment Property and General Intangibles pertaining to the property described in clauses (i) and (ii) of Section 7.1 of this Agreement.

Specified Subsidiary: at any date of determination (a) any Material Subsidiary or (b) any Unrestricted Subsidiary (i) whose total assets at the last day of the Test Period ending on the last day of the most recent fiscal period for which financial statements pursuant to clause (a) or (b) of Section 10.1.1 have been delivered were equal to or greater than 15% of the Consolidated Total Assets of the Parent and the Subsidiaries at such date or (ii) whose gross revenues for such Test Period were equal to or greater than 15% of the consolidated gross revenues of the Parent and the Subsidiaries for such period, in each case determined in accordance with GAAP and (c) each other Subsidiary that, when such Subsidiary’s total assets or gross revenues are aggregated with the total assets or gross revenues, as applicable, of each other Subsidiary that is the subject of an Event of Default described in Section 11.1.5 would constitute a Specified Subsidiary under clause (a) or (b) above.

Specified Transaction: with respect to any period, any Investment, sale, transfer or other disposition of assets, incurrence or repayment of Indebtedness, dividend, Subsidiary designation, Revolver Commitment Increase or other event that by the terms of this Agreement requires “Pro Forma Compliance” with a test or covenant hereunder or requires such test or covenant to be calculated on a “Pro Forma Basis.”

Sponsor: GS Capital Partners V Fund, L.P. and its respective Affiliates.

Stamp Act: as defined in Section 5.8.4(a).

Sterling: the lawful currency of the United Kingdom.

Stock: shares of capital stock or shares in the capital, as the case may be (whether denominated as common stock or preferred stock or ordinary shares or preferred shares, as the case may be), beneficial, partnership or membership interests, participations or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company or equivalent entity, whether voting or non-voting.

Stock Equivalents: all securities convertible into or exchangeable for Stock and all warrants, options or other rights to purchase or subscribe for any Stock, whether or not presently convertible, exchangeable or exercisable.

Subordinated Indebtedness: Indebtedness of any Loan Party that is expressly subordinate and junior in right of payment to the Obligations of such Loan Party under this Agreement and is on subordination terms no less favorable to the Lenders than as is customary for senior subordinated notes issued in a public or Rule 144A high yield debt offering, it being understood that delivery to the Agent at least ten Business Days prior to the incurrence of such Indebtedness of a certificate of a Senior Officer of a Borrower (together with a reasonably detailed description of the subordination terms and conditions of such Indebtedness or drafts of the documentation relating thereto) certifying that such Borrower has determined in good faith that such subordination terms and conditions satisfy the foregoing requirements shall be conclusive evidence that such terms and conditions satisfy such requirement unless the Agent notifies such Borrower within such ten Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees)

Subordination Agreement: that certain Postponement and Subordination Agreement dated as of June 14, 2011, among McJunkin Red Man Canada Ltd., an Alberta corporation, Midfield Holdings (Alberta) Ltd., an Alberta corporation, the Initial Canadian Borrower and Bank of America, as Agent and Lender, as amended, restated, supplemented or otherwise modified from time to time.

Subsidiary: with respect to any Person shall mean and include (a) any corporation more than 50% of whose Stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time Stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by such Person directly or indirectly through Subsidiaries and (b) any partnership, limited liability company, association, joint venture or other entity in which such Person directly or indirectly through Subsidiaries has more than a 50% equity interest at the time. Unless otherwise expressly provided, all references herein to a “Subsidiary” shall mean a Subsidiary of any Borrower.

Successor Borrower: as defined in Section 10.2.3(a).

Super-Majority Borrower Group Lenders: at any date of determination thereof, Lenders having Borrower Group Commitments to a Borrower Group representing more than 75% of the aggregate Borrower Group Commitments to such Borrower Group at such time; *provided, however*, that if and for so long as any such Lender shall be a Defaulting Lender, the term “Super-Majority Borrower Group Lenders” shall mean Lenders (excluding such Defaulting Lender) having Borrower Group Commitments to such Borrower Group representing more than 75% of the aggregate Borrower Group Commitments to such Borrower Group (excluding the Borrower Group Commitments of each Defaulting Lender) at such time; *provided further, however*, that if all of the Borrower Group Commitments to such Borrower Group have been terminated, the term “Super-Majority Borrower Group Lenders” shall mean Lenders to such Borrower Group holding Revolver Loans to, and (if applicable) participating interests in LC Obligations owing by, such Borrower Group representing more than 75% of the aggregate outstanding principal amount of Revolver Loans and (if applicable) LC Obligations owing by such Borrower Group at such time.

Super-Majority Lenders: at any date of determination thereof, Lenders having Commitments representing more than 75% of the aggregate Commitments at such time; *provided, however*, that for so long as any Lender shall be a Defaulting Lender, the term “Super-Majority Lenders” shall mean Lenders (excluding such Defaulting Lender) having Commitments representing more than 75% of the aggregate Commitments (excluding the Commitments of each Defaulting Lender) at such time; *provided further, however*, that if any of the Commitments have been terminated, the term “Super-Majority Lenders” shall be calculated based on the Dollar Equivalent thereof using (a) in lieu of such Lender’s terminated Commitment, the outstanding principal amount of the Revolver Loans by such Lender to, and (if applicable) participation interests in LC Obligations owing by, all Borrowers and (b) in lieu of the aggregate Commitments to all Borrowers, the aggregate outstanding Revolver Loans to, and (if applicable) LC Obligations owing by all Borrowers.

Supporting Obligations: as defined in the UCC, and in any event means a Letter-of-Credit Right or secondary obligation that supports the payment or performance of an Account, Chattel Paper, Document, General Intangible, Instrument or Investment Property, including, but not limited to, securities, Investment Property, bills, notes, lien notes, judgments, chattel mortgages, mortgages, security interests, hypothecs, assignments, guarantees, suretyships, accessories, bills of exchange, negotiable instruments, invoices and all other rights, benefits and documents now or hereafter taken, vested in or held by a Person in respect of or as security for the same and the full benefit and advantage thereof, and all rights of action or claims which a Person now has or may at any time hereafter have against any other Person in respect thereof, including rights in its capacity as seller of any property or assets returned, repossessed or recovered, under an installment or conditional sale or otherwise.

Swingline Commitment: the Australian Swingline Commitment, the Belgian Swingline Commitment, the Canadian Swingline Commitment, the Dutch Swingline Commitment, the New Zealand Swingline Commitment, the Singapore Swingline Commitment, the UK Swingline Commitment and/or the U.S. Swingline Commitment, as the context requires.

Swingline Commitment Termination Date: the Australian Swingline Commitment Termination Date, the Belgian Swingline Commitment Termination Date, the Canadian Swingline Commitment Termination Date, the Dutch Swingline Commitment Termination Date, the New Zealand Swingline Commitment Termination Date, the Singapore Swingline Commitment Termination Date, the UK Swingline Commitment Termination Date and/or the U.S. Swingline Commitment Termination Date, as the context requires.

Swingline Lender: the Australian Swingline Lender, the Belgian Swingline Lender, the Canadian Swingline Lender, the Dutch Swingline Lender, the New Zealand Swingline Lender, the Singapore Swingline Lender, the UK Swingline Lender and/or the U.S. Swingline Lender, as the context requires.

Swingline Loan: a loan made pursuant to Section 2.1.8.

TARGET Day: any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (or, if such payment system ceases to be operative, such other payment system (if any) determined by Agent to be a suitable replacement) is open for the settlement of payments in Euro.

Tax Credit: a credit against, relief or remission for, or refund or repayment of, any Taxes.

Tax Deduction: a deduction or withholding for or on account of Taxes from a payment under any Loan Document.

Tax Payment: either the increase in a payment made by a Relevant Borrower under Section 5.8.1, 5.8.5(c), 5.8.6(b), 5.8.8(b) or 5.8.9(b), as applicable, or a payment under Section 5.8.5(d), 5.8.6(c), 5.8.7(a), 5.8.8(c) or 5.8.9(c), as applicable.

Taxes: all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other similar charges imposed in the nature of taxation by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

Temporary Eligibility Period: in the case of an Australian Domiciled Loan Party, Belgian Domiciled Loan Party, Dutch Domiciled Loan Party or UK Domiciled Loan Party existing on the Closing Date, the period of sixty (60) days after the Closing Date, or such longer period as the Agent shall approve; *provided*, such period shall not exceed one hundred twenty (120) days after the Closing Date without the approval of the applicable Required Borrower Group Lenders.

Termination Event: (a) the voluntary full or partial wind up of a Canadian Pension Plan that is a registered pension plan by a Canadian Facility Loan Party; (b) the institution of proceedings by any Governmental Authority to terminate in whole or in part or have a trustee appointed to administer such a plan; or (c) any other event or condition which might constitute grounds for the termination of, winding up or partial termination of winding up or the appointment of trustee to administer, any such plan.

Test Period: for any determination under this Agreement, the four consecutive fiscal quarters of MRC then last ended.

Total Australian Borrowing Base: at any time, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

- (a) the book value of Australian Eligible Accounts of all Australian Borrowers multiplied by the advance rate of 85%, *plus*
- (b) the lesser of (i) 70% of the net book value of Australian Eligible Inventory of all Australian Borrowers and (ii) 85% of the Net Orderly Liquidation Value of Australian Eligible Inventory of all Australian Borrowers (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*
- (c) Australian Allocated U.S. Availability for all Australian Borrowers, *minus*
- (d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Australian Availability Reserves which would cause the aggregate amount of the Australian Revolver Loans of all Australian Borrowers at such time to exceed the lesser of the Australian Revolver Commitments and the Total Australian Borrowing Base then in effect, in each case, notification thereof to the Australian Borrowers by the Agent, any and all Australian Availability Reserves.

The Total Australian Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Total Australian Borrowing Base is calculated in accordance with the terms of this Agreement. Notwithstanding the foregoing, the Total Australian Borrowing Base will exclude clauses (a) and (b) thereof with respect to any Applicable Australian Borrower until such time as such Applicable Australian Borrower has complied with Section 8.1.4.

Total Belgian Borrowing Base: at any time, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

- (a) the book value of Belgian Eligible Accounts of all Belgian Borrowers multiplied by the advance rate of 85%, *plus*
- (b) the lesser of (i) 70% of the net book value of Belgian Eligible Inventory of all Belgian Borrowers and (ii) 85% of the Net Orderly Liquidation Value of Belgian Eligible Inventory of all Belgian Borrowers (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost); provided, that the net book value of Belgian Eligible Inventory and Net Orderly Liquidation Value of Belgian Eligible Inventory shall be multiplied by 50% to the extent that such Belgian Eligible Inventory is, in either case, subject to a business pledge and not a possessory pledge, *plus*

(c) Belgian Allocated U.S. Availability for all Belgian Borrowers, *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Belgian Availability Reserves which would cause the aggregate amount of the Belgian Revolver Loans of all Belgian Borrowers at such time to exceed the lesser of the Belgian Revolver Commitments and the Total Belgian Borrowing Base then in effect, in each case, notification thereof to the Belgian Borrowers by the Agent, any and all Belgian Availability Reserves.

The Total Belgian Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Total Belgian Borrowing Base is calculated in accordance with the terms of this Agreement.

Total Canadian Borrowing Base: at any time, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

(a) the book value of Canadian Eligible Accounts of all Canadian Borrowers multiplied by the advance rate of 85%, *plus*

(b) the lesser of (i) 70% of the net book value of Canadian Eligible Inventory of all Canadian Borrowers (adding back the LIFO reserve calculated in accordance with GAAP) and (ii) 85% of the Net Orderly Liquidation Value of Canadian Eligible Inventory of all Canadian Borrowers (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*

(c) Canadian Allocated U.S. Availability for all Canadian Borrowers, *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Canadian Availability Reserves which would cause the aggregate amount of the Canadian Revolver Loans of all Canadian Borrowers at such time to exceed the lesser of the Canadian Revolver Commitments and the Total Canadian Borrowing Base then in effect, in each case, notification thereof to the Canadian Borrowers by the Agent, any and all Canadian Availability Reserves.

The Total Canadian Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Total Canadian Borrowing Base is calculated in accordance with the terms of this Agreement.

Total Dutch Borrowing Base: at any time, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

(a) the book value of Dutch Eligible Accounts of all Dutch Borrowers multiplied by the advance rate of 85%, *plus*

(b) the lesser of (i) 70% of the net book value of Dutch Eligible Inventory of all Dutch Borrowers and (ii) 85% of the Net Orderly Liquidation Value of Dutch Eligible Inventory of all Dutch Borrowers (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*

(c) Dutch Allocated U.S. Availability for all Dutch Borrowers, *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Dutch Availability Reserves which would cause the aggregate amount of the Dutch Revolver Loans of all Dutch Borrowers at such time to exceed the lesser of the Dutch Revolver Commitments and the Total Dutch Borrowing Base then in effect, in each case, notification thereof to the Dutch Borrowers by the Agent, any and all Dutch Availability Reserves.

The Total Dutch Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Total Dutch Borrowing Base is calculated in accordance with the terms of this Agreement.

Total New Zealand Borrowing Base: at any time, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

(a) the book value of New Zealand Eligible Accounts of all New Zealand Borrowers multiplied by the advance rate of 85%, *plus*

(b) the lesser of (i) 70% of the net book value of New Zealand Eligible Inventory of all New Zealand Borrowers and (ii) 85% of the Net Orderly Liquidation Value of New Zealand Eligible Inventory of all New Zealand Borrowers (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*

(c) New Zealand Allocated U.S. Availability for all New Zealand Borrowers, *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of New Zealand Availability Reserves which would cause the aggregate amount of the New Zealand Revolver Loans of all New Zealand Borrowers at such time to exceed the lesser of the New Zealand Revolver Commitments and the Total New Zealand Borrowing Base then in effect, in each case, notification thereof to the New Zealand Borrowers by the Agent, any and all New Zealand Availability Reserves.

The Total New Zealand Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Total New Zealand Borrowing Base is calculated in accordance with the terms of this Agreement.

Total Revolver Exposure: as of any date of determination the sum of the Australian Revolver Exposure, the Belgian Revolver Exposure, the Canadian Revolver Exposure, the Dutch Revolver Exposure, the New Zealand Revolver Exposure, the Singapore Revolver Exposure, the UK Revolver Exposure and the U.S. Revolver Exposure on such date of determination.

Total Singapore Borrowing Base: at any time, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

- (a) the book value of Singapore Eligible Accounts of all Singapore Borrowers multiplied by the advance rate of 85%, *plus*
- (b) the lesser of (i) 70% of the net book value of Singapore Eligible Inventory of all Singapore Borrowers and (ii) 85% of the Net Orderly Liquidation Value of Singapore Eligible Inventory of all Singapore Borrowers (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*
- (c) Singapore Allocated U.S. Availability for all Singapore Borrowers, *minus*
- (d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of Singapore Availability Reserves which would cause the aggregate amount of the Singapore Revolver Loans of all Singapore Borrowers at such time to exceed the lesser of the Singapore Revolver Commitments and the Total Singapore Borrowing Base then in effect, in each case, notification thereof to the Singapore Borrowers by the Agent, any and all Singapore Availability Reserves.

The Total Singapore Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Total Singapore Borrowing Base is calculated in accordance with the terms of this Agreement.

Total UK Borrowing Base: at any time, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

- (a) the book value of UK Eligible Accounts of all UK Borrowers multiplied by the advance rate of 85%, *plus*
- (b) the lesser of (i) 70% of the net book value of UK Eligible Inventory of all UK Borrowers and (ii) 85% of the Net Orderly Liquidation Value of UK Eligible Inventory of all UK Borrowers (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*
- (c) UK Allocated U.S. Availability for all UK Borrowers, *minus*
- (d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of UK Availability Reserves which would cause the aggregate amount of the UK Revolver Loans of all UK Borrowers at such time to exceed the lesser of the UK Revolver Commitments and the Total UK Borrowing Base then in effect, in each case, notification thereof to the UK Borrowers by the Agent, any and all UK Availability Reserves.

The Total UK Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the Total UK Borrowing Base is calculated in accordance with the terms of this Agreement. Notwithstanding the foregoing, the Total UK Borrowing Base will exclude clauses (a) and (b) thereof with respect to any Applicable UK Borrower until such time as such Applicable UK Borrower has complied with Section 8.1.4.

Transaction Expenses: any fees or expenses incurred or paid by any Borrower or any of its Subsidiaries in connection with this Agreement, the other Loan Documents and the transactions contemplated hereby and thereby.

Transfer: as defined in Section 2.1.6(j).

Transfer Date: as defined in Section 2.1.6(j).

Transferee: any actual or potential Eligible Assignee, Participant or other Person acquiring an interest in any Obligations.

Treaty Lender: for purposes of Section 5.8.5 a Foreign Lender (as defined in Section 5.8.5(a)), and for purposes of Sections 5.8.6, 5.8.8 and 5.8.9, a Lender which:

(a) is treated as a resident of a Treaty State for the purposes of the relevant Treaty;

(b) does not carry on a business in Australia, Belgium, Singapore or the United Kingdom, as applicable, through a permanent establishment with which that Lender's participation in any advance is effectively connected; and

(c) meets all other conditions of the relevant Treaty for full exemption from Australian, Belgian, Singapore or the United Kingdom, as applicable, taxation on interest and other amounts which relate to the Lender (including, without limitation, its tax or other status, the manner in which or the period for which it holds any rights under this Agreement, the reasons or purposes for its acquisition of such rights and the nature of any arrangements by which it disposes of or otherwise turns to account such rights) under the Loan Documents. In this subclause (c), "conditions" shall mean conditions relating to an entity's eligibility for full exemption under the relevant Treaty and shall not be treated as including any procedural formalities that need to be satisfied in relation to that Treaty.

"Treaty State" has the meaning given to it, in relation to Australian Tax matters, Belgian Tax matters, Singapore Tax matters and United Kingdom Tax matters in, respectively, Section 5.8.5, Section 5.8.6, Section 5.8.8 and Section 5.8.9.

Type: any type of a Loan (*i.e.*, Base Rate Loan, LIBOR Loan, SIBOR Loan, Canadian BA Rate Loan, Canadian Prime Rate Loan, Australian Bank Bill Rate Loan, New Zealand Bank Bill Rate Loan) and which shall be either an Interest Period Loan or a Floating Rate Loan.

UCC: the Uniform Commercial Code as in effect in the State of New York or, when the laws of any other U.S. state or territory govern the creation, perfection, priority or enforcement of any Lien, the Uniform Commercial Code of such state or territory.

UK or United Kingdom: the United Kingdom of Great Britain and Northern Ireland.

UK Allocated U.S. Availability: U.S. Availability designated by the North American Loan Party Agent for application to clause (c) of a UK Borrowing Base.

UK Alternate Swingline Commitment: \$5,000,000.

UK Alternate Swingline Loan: a Swingline Loan made by the UK Swingline Lender to a UK Borrower pursuant to Section 2.1.8(g), which Swingline Loan shall be a UK Base Rate Loan.

UK Availability: as of any date of determination, (a) the lesser of (i) the UK Revolver Commitments *minus* all UK LC Obligations as of such date of determination and (ii) the Total UK Borrowing Base as of such date of determination, *minus* (b) the Dollar Equivalent of the principal balance of all UK Revolver Loans.

UK Availability Reserves: the sum (without duplication) of (a) the aggregate amount of the UK Rent Reserve, if any, established pursuant to clause (h) of the definition of UK Eligible Inventory; (b) the UK LC Reserve; (c) the UK Bank Product Reserve; (d) the UK Priority Payables Reserve; and (e) such additional reserves, in such amounts and with respect to such matters, as the Agent may establish in its Permitted Discretion.

UK Bank Product Reserve: the aggregate amount of reserves, as established by the Agent from time to time in its Permitted Discretion and in consultation with the European Loan Party Agent, to reflect the reasonably anticipated liabilities in respect of the then outstanding Secured Bank Product Obligations of the UK Domiciled Loan Parties.

UK Base Rate Loan: a UK Revolver Loan, or portion thereof, bearing interest calculated by reference to the Eurasian Base Rate.

UK Borrowers: (a) the Initial UK Borrowers and (b) each other UK Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 and has satisfied the other requirements set forth in Section 10.1.13 in order to become a UK Borrower.

UK Borrowing Base: at any time, with respect to the Applicable UK Borrower, an amount equal to the sum (expressed in Dollars, based on the Dollar Equivalent thereof) of, without duplication:

(a) the book value of UK Eligible Accounts of the Applicable UK Borrower multiplied by the advance rate of 85%, *plus*

(b) the lesser of (i) 70% of the net book value of UK Eligible Inventory of the Applicable UK Borrower and (ii) 85% of the Net Orderly Liquidation Value of UK Eligible Inventory of the Applicable UK Borrower (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *plus*

(c) UK Allocated U.S. Availability for such Applicable UK Borrower, *minus*

(d) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of UK Availability Reserves allocable to the Applicable UK Borrower which would cause the aggregate amount of the UK Revolver Loans allocable to the Applicable UK Borrower at such time to exceed the lesser of the Applicable UK Borrower's Applicable UK Borrower Commitment and the Applicable UK Borrower's UK Borrowing Base then in effect, in each case, notification thereof to the European Loan Party Agent by the Agent, any and all such UK Availability Reserves.

The UK Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the UK Borrowing Base is calculated in accordance with the terms of this Agreement. Notwithstanding the foregoing, (i) the Accounts and Inventory of SPF (UK) shall be ineligible until such time as Agent has received a satisfactory audit and appraisal for SPF (UK) and (ii) the UK Borrowing Base will exclude clauses (a) and (b) thereof until such time as the Applicable UK Borrower has complied with Sections 8.1.4.

UK Cash Collateral Account: a demand deposit, money market or other account established by Agent at Bank of America (London) or such other financial institution as Agent may select in its discretion with the consent of European Loan Party Agent (not to be unreasonably withheld or delayed), which account shall be for the benefit of the UK Facility Secured Parties and shall be subject to Agent's or European Security Trustee's Liens securing the UK Facility Secured Obligations; *provided* that the foregoing consent of European Loan Party Agent to the selection by Agent in its discretion of a financial institution other than Bank of America (London) shall not be required if an Event of Default has occurred and is continuing.

UK DB Pension Plan: an occupational pension scheme which is not a money purchase scheme (each as defined in Section 181 of the Pension Schemes Act 1993).

UK Domiciled Loan Party: any UK Borrower and each UK Subsidiary now or hereafter party hereto as a Loan Party, and "UK Domiciled Loan Parties" means all such Persons, collectively.

UK Dominion Account: each special account established by the UK Domiciled Loan Parties at Bank of America (London) (or, subject to Section 8.1.4, HSBC) over which Agent or European Security Trustee has exclusive control for withdrawal purposes.

UK Eligible Accounts: at any time, the Accounts of the Applicable UK Borrower at such date except any Account:

(a) which is not subject to a valid Lien in favor of the Agent or European Security Trustee (including under the relevant laws of the Account Debtor's jurisdiction of organization);

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or European Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent; *provided* that, with respect to any tax Lien having such priority, eligibility of Accounts shall be reduced by the amount of such tax Lien having such priority;

(c) owing by any Account Debtor with respect to which more than 120 days have elapsed since the date of the original invoice therefor or which is more than 60 days past the due date for payment;

(d) which is owing by an Account Debtor for which more than 50% of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (c) above;

(e) which is owing by any Account Debtor to the extent the aggregate amount of otherwise UK Eligible Accounts owing from such Account Debtor and its Affiliates to UK Borrowers exceeds 20% of the aggregate UK Eligible Accounts (or such higher percentage as the Agent may establish for the Account Debtor from time to time), in each case, only to the extent of such excess;

(f) with respect to which any covenant, representation, or warranty relating to such Account contained in this Agreement or a Security Document has been breached or is not true in any material respect;

(g) which (i) does not arise from the sale of goods or performance of services in the Ordinary Course of Business, (ii) is not evidenced by an invoice, or other documentation satisfactory to the Agent, which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the Applicable UK Borrower's completion of any further performance, or (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment which is billed prior to actual sale to the end user, cash-on-delivery or any other repurchase or return basis, except with respect to up to \$15,000,000 of such Accounts in the aggregate for all Borrowing Bases on a combined basis;

(h) for which the goods giving rise to such Account (other than Accounts described in the foregoing paragraph (g)(v)) have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the Applicable UK Borrower;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor in respect of which an Insolvency Proceeding has been commenced or which is otherwise a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any province or territory) receivership, insolvency relief or other law or laws for the relief of debtors unless the payment of Accounts from such Account Debtor is secured by assets of, or guaranteed by, in either case, in a manner reasonably satisfactory to the Agent, a Person that is reasonably acceptable to the Agent or, if the Account from such Account Debtor arises subsequent to a decree or order for relief with respect to such Account Debtor, the Agent shall have reasonably determined that the timely payment and collection of such Account will not be impaired;

(k) which is owed by an Account Debtor which has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs or is not Solvent;

(l) which is owed by an Account Debtor which is not organized under the applicable law of an Eligible Account Debtor Jurisdiction unless such Account is backed by a letter of credit or other credit support reasonably acceptable to the Agent and which is in the possession of the Agent;

(m) which is owed in any currency other than an Eligible Account Currency;

(n) which is owed by any Governmental Authority, unless (i) such Account is backed by a letter of credit reasonably acceptable to the Agent and which is in the possession of the Agent or (ii) Agent otherwise approves;

(o) which is owed by any Affiliate, employee, director, or officer of any Loan Party; *provided* that portfolio companies of the Sponsor that do business with the Applicable UK Borrower in the Ordinary Course of Business will not be treated as Affiliates for purposes of this clause (o);

(p) which is owed by an Account Debtor or any Affiliate of such Account Debtor which is the holder of Indebtedness issued or incurred by any Loan Party; *provided*, that any such Account shall only be ineligible as to that portion of such Account which is less than or equal to the amount owed by the Loan Party to such Person;

(q) which is subject to any counterclaim, deduction, defense, setoff, right of compensation or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff, right of compensation or dispute, unless (i) the Agent, in its Permitted Discretion, has established UK Availability Reserves and determines to include such Account as a UK Eligible Account or (ii) such Account Debtor has entered into an agreement reasonably acceptable to the Agent to waive such rights;

(r) which is evidenced by any promissory note, Chattel Paper or Instrument (in each case, other than any such items that are delivered to the Agent or the European Security Trustee);

(s) which is owed by an Account Debtor located in any jurisdiction that requires, as a condition to access to the courts of such jurisdiction, that a creditor qualify to transact business, file a business activities report or other report or form, or take one or more other actions, unless the Applicable UK Borrower has so qualified, filed such reports or forms, or taken such actions (and, in each case, paid any required fees or other charges), except to the extent the Applicable UK Borrower may qualify subsequently as a foreign entity authorized to transact business in such jurisdiction and gain access to such courts, without incurring any cost or penalty reasonably viewed by the Agent to be material in amount, and such later qualification cures any access to such courts to enforce payment of such Account;

(t) with respect to which the Applicable UK Borrower has made any agreement with the Account Debtor for any reduction thereof, but only to the extent of such reduction, other than discounts and adjustments given in the Ordinary Course of Business; or

(u) which the Agent determines is ineligible in its Permitted Discretion.

Subject to Sections 14.1 and 7.5 and the definition of UK Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

UK Eligible Inventory: at any date of determination thereof, the aggregate amount of all Inventory owned by the Applicable UK Borrower at such date except any Inventory:

(a) which is not subject to a valid Lien in favor of the Agent or European Security Trustee;

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent or European Security Trustee and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent or European Security Trustee (other than any bailee, warehouseman, landlord or similar non-consensual Liens having priority by operation of law to the extent either subclause (i) or (ii) of clauses (h) or (i) below of UK Eligible Inventory is satisfied with respect to the relevant Inventory); provided that, with respect to any tax Lien having such priority, eligibility of Inventory shall be reduced by the amount of such tax Lien having such priority;

(c) which is, in the Agent's Permitted Discretion, slow moving, obsolete, unmerchantable, defective, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the Ordinary Course of Business or unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation or warranty contained in this Agreement or any Security Document has been breached or is not true in any material respect;

(e) which does not conform in all material respects to all standards imposed by any applicable Governmental Authority (except that any standard that is qualified as to "materiality" shall have been conformed to in all respects);

(f) which constitutes packaging and shipping material, manufacturing supplies, display items, bill-and-hold goods (other than bill-and-hold goods, the sale of which has been excluded from UK Eligible Accounts pursuant to clause (g)(v) of the definition thereof), returned or repossessed goods (other than goods that are undamaged and able to be resold in the Ordinary Course of Business), defective goods, goods held on consignment, goods to be returned to the Applicable UK Borrower's suppliers or goods which are not of a type held for sale in the Ordinary Course of Business;

(g) which is not located in the UK or is not at a location listed on **Schedule 8.4.1** (as updated from time to time in accordance with the provisions hereof) other than goods in transit between locations of the UK Domiciled Loan Parties;

(h) which is located, at any time after the Temporary Eligibility Period, in any location leased by the Applicable UK Borrower unless (i) the lessor has delivered to the Agent a Collateral Access Agreement or (ii) a UK Rent Reserve has been established by the Agent;

(i) which is located, at any time after the Temporary Eligibility Period, in any third party warehouse or is in the possession of a bailee, processor or other Person and is not evidenced by a Document, unless (i) such warehouseman, bailee, processor or other Person has delivered to the Agent a Collateral Access Agreement and/or such other documentation as the Agent may reasonably require or (ii) appropriate UK Availability Reserves have been established by the Agent in its Permitted Discretion;

(j) which is the subject of a consignment by the Applicable UK Borrower as consignor unless there is a written agreement acknowledging that such Inventory is held on consignment, that the Applicable UK Borrower retains title to such Inventory, that no Lien arising by, through or under such consignment has attached or will attach to such Inventory (and proceeds thereof) and requiring consignee to segregate the consigned Inventory from the consignee's other personal or movable property;

(k) which is perishable as determined in accordance with GAAP; or

(l) which contains or bears any intellectual property rights licensed to the Applicable UK Borrower unless the Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor in any material respect or (ii) incurring any material liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement.

Subject to Sections 14.1 and 7.5 and the definition of UK Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

UK Facility Collateral: Collateral that now or hereafter secures (or is intended to secure) any of the UK Facility Secured Obligations, including Property of the U.S. Domiciled Loan Parties pledged to secure the UK Facility Secured Obligations under their guarantee of the Secured Obligations.

UK Facility Guarantor: each U.S. Borrower, each U.S. Facility Guarantor and each other Person (if any) who guarantees payment and performance of any UK Facility Secured Obligations.

UK Facility Loan Party: a UK Borrower or a UK Facility Guarantor.

UK Facility Obligations: all Obligations of the UK Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any UK Facility Loan Party, the other Foreign Facility Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Obligations).

UK Facility Secured Obligations: all Secured Obligations of the UK Facility Loan Parties, including, following the Foreign Cross-Guarantee Date for any UK Facility Loan Party, the other Foreign Facility Secured Obligations that are the subject of such Foreign Cross-Guarantee (but excluding, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of any U.S. Facility Secured Obligations).

UK Facility Secured Parties: Agent, European Security Trustee, any UK Fronting Bank, UK Lenders and Secured Bank Product Providers of Bank Products to UK Domiciled Loan Parties, and, following the Foreign Cross-Guarantee Date for any UK Domiciled Loan Party, the other Secured Parties that are the beneficiaries of such Foreign Cross-Guarantee.

UK Fronting Bank: (a) Bank of America (London) or any Affiliate thereof that agrees to issue UK Letters of Credit, (b) if reasonably acceptable to European Loan Party Agent, any other UK Lender or Affiliate thereof that agrees to issue UK Letters of Credit, or (c) if requested by European Loan Party Agent and subject to Section 2.10, a Non-Lender Fronting Bank that agrees to issue UK Letters of Credit.

UK Fronting Bank Indemnities: any UK Fronting Bank and its officers, directors, employees, Affiliates and agents.

UK LC Application: an application by any UK Borrower on behalf of itself or any other UK Borrower to a UK Fronting Bank for issuance of a UK Letter of Credit, in form and substance reasonably satisfactory to such UK Fronting Bank.

UK LC Conditions: the following conditions necessary for issuance of a UK Letter of Credit: (a) each of the conditions set forth in Section 6 being satisfied or waived; (b) after giving effect to such issuance, the total Ex-NA LC Obligations do not exceed the Ex-NA Letter of Credit Sublimit, no UK Overadvance exists or would result therefrom and, in the case of any UK Borrower, Section 2.11 is satisfied; (c) the expiration date of such UK Letter of Credit is (i) no more than 365 days from issuance (*provided* that each UK Letter of Credit may, upon the request of the Applicable UK Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of twelve (12) months or less (but no later than 20 Business Days prior to the Facility Termination Date)), and (ii) unless the applicable UK Fronting Bank and the Agent otherwise consent (subject to the satisfaction of the Cash Collateral requirements set forth in Section 2.8.3), at least 20 Business Days prior to the Facility Termination Date; (d) the UK Letter of Credit and payments thereunder are denominated in Sterling, Dollars or Euros; (e) the form of the proposed UK Letter of Credit is reasonably satisfactory to the Agent and the applicable UK Fronting Bank; and (f) the proposed use of the UK Letter of Credit is for a lawful purpose.

UK LC Documents: all documents, instruments and agreements (including UK LC Requests and UK LC Applications) delivered by any UK Borrower or by any other Person to a UK Fronting Bank or the Agent in connection with issuance, amendment or renewal of, or payment under, any UK Letter of Credit.

UK LC Obligations: with respect to the Applicable UK Borrower, the Dollar Equivalent of the sum (without duplication) of (a) all amounts owing by such Applicable UK Borrower for any drawings under UK Letters of Credit; (b) the stated amount of all outstanding UK Letters of Credit issued for the account of such Applicable UK Borrower; and (c) all fees and other amounts owing with respect to such UK Letters of Credit.

UK LC Request: a request for issuance of a UK Letter of Credit, to be provided by a UK Borrower to a UK Fronting Bank, in form reasonably satisfactory to Agent and such UK Fronting Bank.

UK LC Reserve: with respect to the Applicable UK Borrower, the aggregate of all UK LC Obligations of such Applicable UK Borrower, other than (a) those that have been Cash Collateralized and (b) if no Event of Default exists, those constituting charges owing to any UK Fronting Bank.

UK Lenders: Bank of America (London) and each other Lender that has issued a UK Revolver Commitment (*provided* that such Person or an Affiliate of such Person also has a U.S. Revolver Commitment).

UK Letter of Credit: any standby or documentary letter of credit issued by a UK Fronting Bank for the account of a UK Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or a UK Fronting Bank for the benefit of a UK Borrower.

UK Overadvance: as defined in Section 2.1.5.

UK Overadvance Loan: a Loan made to a UK Borrower when a UK Overadvance exists or is caused by the funding thereof.

UK Overadvance Loan Balance: on any date, the Dollar Equivalent of the amount by which the aggregate UK Revolver Loans of the Applicable UK Borrower or all UK Borrowers, as the case may be, exceed the amount of the UK Borrowing Base of such Applicable UK Borrower or the Total UK Borrowing Base, as applicable, on such date.

UK Priority Payables Reserve: on any date of determination, a reserve in such amount as Agent may determine in its Permitted Discretion (but not exceeding any statutory limit on any such amounts) which reflects the full amount of any liabilities or amounts which (by virtue of any Liens, choate or inchoate, or any statutory provision) rank or are capable of ranking in priority to the Agent's and/or the Secured Parties' Liens and/or for amounts which may represent

costs relating to the enforcement of the Agent's Liens including, without limitation, but only to the extent prescribed pursuant to English law and statute then in force, (i) amounts due to employees in respect of unpaid wages and holiday pay, (ii) the "prescribed part" of floating charge realisations held for unsecured creditors, (iii) the expenses and liabilities incurred by any administrator (or other insolvency officer) and any remuneration of such administrator (or other insolvency officer), and (iv) the amount of any unpaid contributions to occupational pension schemes and state scheme premiums.

UK Protective Advances: as defined in Section 2.1.6(g).

UK Reimbursement Date: as defined in Section 2.8.2(a).

UK Rent Reserve: the aggregate of (a) all (i) past due rent and other past due charges owing by any UK Borrower, and (ii) if required by the Agent (in its Permitted Discretion) the amount of rent next falling due from any UK Borrower, in each case, to any landlord or other Person who possesses any UK Facility Collateral or could assert a Lien on such UK Facility Collateral; plus (b) a reserve in an amount not to exceed rent and other charges that could be payable to any such Person for the time period used to determine the Net Orderly Liquidation Value of UK Facility Collateral.

UK Revolver Commitment: for any UK Lender, its obligation to make UK Revolver Loans and to issue UK Letters of Credit, in the case of any UK Fronting Bank, or participate in UK LC Obligations, in the case of the other UK Lenders, to the UK Borrowers up to the maximum principal amount shown on **Schedule 2.1.1(e)**, or as hereafter determined pursuant to each Assignment and Acceptance to which it is a party, as such UK Revolver Commitment may be adjusted from time to time in accordance with the provisions of Sections 2.1.4, 2.1.7 or 11.1. "UK Revolver Commitments" means the aggregate amount of such commitments of all UK Lenders.

UK Revolver Commitment Increase: as defined in Section 2.1.7(g).

UK Revolver Commitment Termination Date: the earliest of (a) the U.S. Revolver Commitment Termination Date (without regard to the reason therefor), (b) the date on which the European Loan Party Agent terminates or reduces to zero all of the UK Revolver Commitments pursuant to Section 2.1.4, and (c) the date on which the UK Revolver Commitments are terminated pursuant to Section 11.1. From and after the UK Revolver Commitment Termination Date, the UK Borrowers shall no longer be entitled to request a UK Revolver Commitment Increase pursuant to Section 2.1.7 hereof.

UK Revolver Exposure: on any date, the Dollar Equivalent of an amount equal to the sum of (a) the UK Revolver Loans outstanding on such date and (b) the UK LC Obligations on such date.

UK Revolver Loan: a Revolver Loan made by UK Lenders to a UK Borrower pursuant to Section 2.1.1(g), which Revolver Loan shall be denominated in Sterling, Dollars or Euros (or such other currencies as may be provided under the UK Alternate Swingline Loans) and either a LIBOR Loan or a UK Base Rate Loan, in each case as selected by Applicable UK Borrower, and including any UK Alternate Swingline Loan, UK Swingline Loan, UK Overadvance Loan or UK Protective Advance.

UK Revolver Notes: the promissory notes, if any, executed by UK Borrowers in favor of each UK Lender to evidence the UK Revolver Loans funded from time to time by such UK Lender, which shall be in the form of **Exhibit C-7** to this Agreement, together with any replacement or successor notes therefor.

UK Security Agreements: each debenture or other security agreement among any UK Domiciled Loan Party and Agent or European Security Trustee.

UK Subsidiary: each Wholly-Owned Subsidiary of MRC incorporated or organized under the laws of any legal jurisdiction of the United Kingdom.

UK Swingline Commitment: \$6,000,000.

UK Swingline Commitment Termination Date: with respect to any UK Swingline Loan or UK Alternate Swingline Loan, the date that is five Business Days prior to the UK Revolver Commitment Termination Date.

UK Swingline Lender: Bank of America (London) or an Affiliate of Bank of America (London).

UK Swingline Loan: a Swingline Loan made by the UK Swingline Lender to a UK Borrower pursuant to Section 2.1.8(h), which Swingline Loan shall be a UK Base Rate Loan.

Unfunded Current Liability: of any (i) U.S. Employee Plan shall mean the amount, if any, by which the present value of the accrued benefits under the U.S. Employee Plan as of the close of its most recent plan year, determined in accordance with Statement of Financial Accounting Standards No. 87 as in effect on the date hereof, based upon the actuarial assumptions that would be used by the U.S. Employee Plan's actuary in a termination of the U.S. Employee Plan, exceeds the fair market value of the assets allocable thereto, and (ii) Canadian Pension Plan shall mean the excess of the present value of the benefit liabilities determined on a plan termination basis in accordance with actuarial assumptions over the current value of the assets, and in any event includes any unfunded liability, solvency liability or wind up deficiency in respect of any Canadian Pension Plan.

Unrestricted Subsidiary: (a) any Subsidiary of any Borrower that is formed or acquired after the Closing Date, *provided* that at such time (or promptly thereafter) such Borrower designates such Subsidiary an Unrestricted Subsidiary in a written notice to the Agent, (b) any Restricted Subsidiary subsequently re-designated as an Unrestricted Subsidiary by the applicable Borrower in a written notice to the Agent, *provided* that in the case of (a) and (b), (x) such designation or re-designation shall be deemed to be an Investment on the date of such designation or re-designation in an Unrestricted Subsidiary in an amount equal to the sum of (i) such Borrower's direct or indirect equity ownership percentage of the net worth of such designation or re-designated Restricted Subsidiary immediately prior to such designation or re-designation (such net worth to be calculated without regard to any guarantee provided by such designated or re-designated Restricted Subsidiary) and (ii) the aggregate principal amount of any

Indebtedness owed by such designated or re-designated Restricted Subsidiary to such Borrower or any other Restricted Subsidiary immediately prior to such designated or re-designation, all calculated, except as set forth in the parenthetical to clause (i), on a consolidated basis in accordance with GAAP and (y) no Default or Event of Default would result from such designation or re-designation and (c) each Subsidiary of an Unrestricted Subsidiary; *provided, however*, that at the time of any written designation or re-designation by the applicable Borrower to the Agent that any Unrestricted Subsidiary shall no longer constitute an Unrestricted Subsidiary, such Unrestricted Subsidiary shall cease to be an Unrestricted Subsidiary to the extent no Default or Event of Default would result from such designation or re-designation. On or promptly after the date of its formation, acquisition, designation or re-designation, as applicable, each Unrestricted Subsidiary (other than an Unrestricted Subsidiary that is (x) a Foreign Subsidiary, (y) any direct or indirect Domestic Subsidiary of a non-U.S. Subsidiary (that is a “controlled foreign corporation” within the meaning of Section 957 of the Code) or (z) any U.S. Subsidiary, substantially all of the direct or indirect assets of which are Stock of one or more “controlled foreign corporations” within the meaning of Section 957 of the Code) shall have entered into a tax sharing agreement containing terms that, in the reasonable judgment of the Agent, provide for an appropriate allocation of tax liabilities and benefits. An Unrestricted Subsidiary which has been re-designated as a Restricted Subsidiary may not be subsequently re-designated as an Unrestricted Subsidiary.

U.S.: the United States of America.

U.S. Assignment of Claims Act: Assignment of Claims Act of 1940, 31 U.S.C. § 3727, 41 U.S.C. § 15, as amended.

U.S. Availability: as of any date of determination, (a) the lesser of (i) the U.S. Revolver Commitments *minus* the sum of (1) all U.S. LC Obligations and (2) the Foreign Allocated U.S. Availability Reserve as of such date of determination and (ii) the U.S. Borrowing Base as of such date of determination, *minus* (b) the principal balance of all U.S. Revolver Loans.

U.S. Availability Reserves: the sum (without duplication) of (a) the aggregate amount of the U.S. Rent Reserve, if any, established pursuant to clause (h) of the definition of U.S. Eligible Inventory; (b) the Foreign Allocated U.S. Availability Reserve, (c) the U.S. LC Reserve, (d) the U.S. Bank Product Reserve; (e) the Australian Overadvance Loan Balance, the Belgian Overadvance Loan Balance, the Canadian Overadvance Loan Balance, the Dutch Overadvance Loan Balance, the New Zealand Overadvance Loan Balance, the Singapore Overadvance Loan Balance and the UK Overadvance Loan Balance, if any, outstanding on such date; and (f) such additional reserves, in such amounts and with respect to such matters, as Agent may establish in its Permitted Discretion.

U.S. Bank Product Reserve: the aggregate amount of reserves, as established by the Agent from time to time in its Permitted Discretion and in consultation with the North American Loan Party Agent, to reflect the reasonably anticipated liabilities in respect of the then outstanding Secured Bank Product Obligations of the U.S. Facility Loan Parties and their Domestic Restricted Subsidiaries.

U.S. Bankruptcy Code: Title 11 of the United States Code.

U.S. Base Rate: for any day, a per annum rate equal to the greater of (a) the U.S. Prime Rate for such day; (b) the Federal Funds Rate for such day, *plus* 0.50%; or (c) LIBOR for a 30 day interest period as determined on such day, *plus* 1.0%.

U.S. Base Rate Loan: any Loan that bears interest based on the U.S. Base Rate.

U.S. Borrowers: (a) the Initial U.S. Borrowers and (b) each other U.S. Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 specifying that it wishes to be a U.S. Borrower.

U.S. Borrowing Base: at any time, an amount equal to the sum (expressed in Dollars) of, without duplication:

(a) the book value of U.S. Eligible Accounts multiplied by the advance rate of 85%, *plus*

(b) the lesser of (i) 70% of the net book value of U.S. Eligible Inventory (adding back the LIFO reserve calculated in accordance with GAAP) and (ii) 85% of the Net Orderly Liquidation Value of U.S. Eligible Inventory (which shall be (A) net of the current monthly shrinkage reserve calculated in accordance with GAAP and (B) valued at Cost), *minus*

(c) subject to Section 7.5, effective (i) immediately upon or (ii) five (5) Business Days after, in the case of U.S. Availability Reserves which would cause the aggregate amount of the U.S. Revolver Loans at such time to exceed the lesser of the U.S. Revolver Commitments and the U.S. Borrowing Base then in effect, in each case, notification thereof to the North American Loan Party Agent by the Agent, any and all U.S. Availability Reserves (provided, that the Foreign Allocated U.S. Availability Reserve and changes thereto will be effective immediately without notice to U.S. Borrowers).

The U.S. Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate theretofore delivered to the Agent with such adjustments as the Agent deems appropriate in its Permitted Discretion to assure that the U.S. Borrowing Base is calculated in accordance with the terms of this Agreement.

U.S. Cash Collateral Account: a demand deposit, money market or other account established by Agent at Bank of America or such other financial institution as Agent may select in its discretion with the consent of North American Loan Party Agent (not to be unreasonably withheld or delayed), which account shall be for the benefit of the U.S. Facility Secured Parties and shall be subject to Agent's Liens securing the Secured Obligations; *provided* that the foregoing consent of North American Loan Party Agent to the selection by Agent in its discretion of a financial institution other than Bank of America shall not be required if an Event of Default has occurred and is continuing.

U.S. Domiciled Loan Party: any U.S. Borrower and each U.S. Facility Guarantor, and "U.S. Domiciled Loan Parties" means all such Persons, collectively.

U.S. Dominion Account: each special account established by the U.S. Facility Loan Parties at Bank of America or another bank acceptable to Agent, over which Agent has exclusive control for withdrawal purposes.

U.S. Eligible Accounts: at any time, the Accounts of the U.S. Borrowers at such date except any Account:

- (a) which is not subject to a duly perfected security interest in favor of the Agent;
- (b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent; *provided* that, with respect to any tax Lien having such priority, eligibility of Accounts shall be reduced by the amount of such tax Lien having such priority;
- (c) (i) owing by General Electric Company with respect to which more than 150 days have elapsed since the date of the original invoice therefor (*provided*, that the aggregate amount of all Accounts eligible under this clause (i) does not exceed \$3,000,000 at any time) or (ii) owing by any other Account Debtor with respect to which more than 120 days have elapsed since the date of the original invoice therefor or which is more than 60 days past the due date for payment;
- (d) which is owing by an Account Debtor for which more than 50% of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (c) above;
- (e) which is owing by an Account Debtor to the extent the aggregate amount of otherwise U.S. Eligible Accounts owing from such Account Debtor and its Affiliates to U.S. Borrowers exceeds 20% of the aggregate U.S. Eligible Accounts (or such higher percentage as the Agent may establish for the Account Debtor from time to time), in each case, only to the extent of such excess;
- (f) with respect to which any covenant, representation, or warranty relating to such Account contained in this Agreement has been breached or is not true in any material respect;
- (g) which (i) does not arise from the sale of goods or performance of services in the Ordinary Course of Business, (ii) is not evidenced by an invoice, or other documentation satisfactory to the Agent, which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon such U.S. Borrower's completion of any further performance, or (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment which is billed prior to actual sale to the end user, cash-on-delivery or any other repurchase or return basis, except with respect to up to \$15,000,000 of such Accounts in the aggregate for all Borrowing Bases on a combined basis;

(h) for which the goods giving rise to such Account (other than Accounts described in the foregoing paragraph (g)(v)) have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by such U.S. Borrower;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor in respect of which an Insolvency Proceeding has been commenced or which is otherwise a debtor or a debtor in possession under any bankruptcy law or any other federal, state or foreign (including any province or territory) receivership, insolvency relief or other law or laws for the relief of debtors, including the U.S. Bankruptcy Code, unless the payment of Accounts from such Account Debtor is secured by assets of, or guaranteed by, in either case in a manner reasonably satisfactory to the Agent, a Person that is reasonably acceptable to the Agent or, if the Account from such Account Debtor arises subsequent to a decree or order for relief with respect to such Account Debtor under the federal bankruptcy laws, as now or hereafter in effect, the Agent shall have reasonably determined that the timely payment and collection of such Account will not be impaired;

(k) which is owed by an Account Debtor which has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs or is not Solvent;

(l) which is owed by an Account Debtor which is not organized under the applicable law of the U.S. or Canada, any state of the U.S. or any province or territory of Canada and does not have its principal place of business in the U.S. or Canada unless such Account is backed by a letter of credit or other credit support reasonably acceptable to the Agent and which is in the possession of the Agent;

(m) which is owed in any currency other than Dollars or Canadian Dollars;

(n) which is owed by any Governmental Authority, unless (i) the Account Debtor is the United States or any department, agency or instrumentality thereof, and the Account has been assigned to the Agent in compliance with the U.S. Assignment of Claims Act, and any other steps necessary to perfect the Lien of the Agent in such Account have been complied with to the Agent's reasonable satisfaction, (ii) the Account Debtor is the government of Canada or a province or territory thereof, and the Account has been assigned to the Agent in compliance with the Financial Administration Act (or similar Applicable Law of such province or territory), and any other steps necessary to perfect the Lien of the Agent in such Account have been complied with to the Agent's reasonable satisfaction, or (iii) such Account is backed by a letter of credit reasonably acceptable to the Agent and which is in the possession of the Agent;

(o) which is owed by any Affiliate, employee, director, or officer of any Loan Party; *provided* that portfolio companies of the Sponsor that do business with a U.S. Borrower in the Ordinary Course of Business will not be treated as Affiliates for purposes of this clause (o);

(p) which is owed by an Account Debtor or any Affiliate of such Account Debtor which is the holder of Indebtedness issued or incurred by any Loan Party; *provided*, that any such Account shall only be ineligible as to that portion of such Account which is less than or equal to the amount owed by the Loan Party to such Person;

(q) which is subject to any counterclaim, deduction, defense, setoff or dispute, but only to the extent of the amount of such counterclaim, deduction, defense, setoff or dispute, unless (i) the Agent, in its Permitted Discretion, has established appropriate U.S. Availability Reserves and determines to include such Account as a U.S. Eligible Account or (ii) such Account Debtor has entered into an agreement reasonably acceptable to the Agent to waive such rights;

(r) which is evidenced by any promissory note, Chattel Paper, or instrument (in each case, other than any such items that are delivered to the Agent);

(s) which is owed by an Account Debtor located in any jurisdiction that requires, as a condition to access to the courts of such jurisdiction, that a creditor qualify to transact business, file a business activities report or other report or form, or take one or more other actions, unless such U.S. Borrower has so qualified, filed such reports or forms, or taken such actions (and, in each case, paid any required fees or other charges), except to the extent such U.S. Borrower may qualify subsequently as a foreign entity authorized to transact business in such state or jurisdiction and gain access to such courts, without incurring any cost or penalty reasonably viewed by the Agent to be material in amount, and such later qualification cures any access to such courts to enforce payment of such Account;

(t) with respect to which such U.S. Borrower has made any agreement with the Account Debtor for any reduction thereof, but only to the extent of such reduction, other than discounts and adjustments given in the Ordinary Course of Business; or

(u) which the Agent determines is ineligible in its Permitted Discretion.

Subject to Sections 14.1 and 7.5 and the definition of U.S. Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

U.S. Eligible Inventory: at any date of determination thereof, the aggregate amount of all Inventory owned by U.S. Borrowers at such date except any Inventory:

(a) which is not subject to a duly perfected Lien in favor of the Agent;

(b) which is subject to any Lien (including Liens permitted by Section 10.2.2) other than (i) a Lien in favor of the Agent and (ii) a Permitted Lien which does not have priority over the Lien in favor of the Agent (other than any bailee, warehouseman, landlord or similar non-consensual Liens having priority of operation of law to the extent

either subclause (i) or (ii) of clauses (h) or (i) below of U.S. Eligible Inventory is satisfied with respect to the relevant Inventory); *provided* that, with respect to any tax Lien having such priority, eligibility of Inventory shall be reduced by the amount of such tax Lien having such priority;

(c) which is, in the Agent's Permitted Discretion, slow moving, obsolete, unmerchantable, defective, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the Ordinary Course of Business unacceptable due to age, type, category and/or quantity;

(d) with respect to which any covenant, representation or warranty contained in this Agreement has been breached or is not true in any material respect;

(e) which does not conform in all material respects to all standards imposed by any applicable Governmental Authority (except that any standard that is qualified as to "materiality" shall have been conformed to in all respects);

(f) which constitutes packaging and shipping material, manufacturing supplies, display items, bill-and-hold goods (other than bill-and-hold goods, the sale of which been excluded from U.S. Eligible Accounts, pursuant to clause (g)(v) of the definition thereof), returned or repossessed goods (other than goods that are undamaged and able to be resold in the Ordinary Course of Business), defective goods, goods held on consignment, goods to be returned to the such U.S. Borrower's suppliers or goods which are not of a type held for sale in the Ordinary Course of Business;

(g) which is not located in the United States or Canada or is not at a location listed on **Schedule 8.4.1** (as updated from time to time in accordance with the provisions hereof) other than goods in transit between locations of the U.S. Domiciled Loan Parties;

(h) which is located in any location leased by such U.S. Borrower unless (i) the lessor has delivered to the Agent a Collateral Access Agreement or (ii) a U.S. Rent Reserve has been established by the Agent;

(i) which is located in any third party warehouse or is in the possession of a bailee, processor or other Person and is not evidenced by a Document, unless (i) such warehouseman, bailee, processor or other Person has delivered to the Agent a Collateral Access Agreement and/or such other documentation as the Agent may reasonably require or (ii) appropriate U.S. Availability Reserves have been established by the Agent in its Permitted Discretion;

(j) which is the subject of a consignment by such U.S. Borrower as consignor unless (i) a protective UCC-1 financing statement has been properly filed against the consignee (as assigned to the Agent), and (ii) there is a written agreement acknowledging that such Inventory is held on consignment, that such U.S. Borrower retains title to such Inventory, that no Lien arising by, through or under such consignee has attached or will attach to such Inventory and requiring consignee to segregate the consigned Inventory from the consignee's other personal or movable property and having other terms consistent with such U.S. Borrower's past practices for consigned Inventory;

(k) which is perishable as determined in accordance with GAAP; or

(l) which contains or bears any intellectual property rights licensed to such U.S. Borrower unless the Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor in any material respect or (ii) incurring any material liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement.

Subject to Sections 14.1 and 7.5 and the definition of U.S. Borrowing Base, the Agent may modify the foregoing criteria in its Permitted Discretion.

U.S. Employee Plan: any “employee benefit plan” (as defined in Section 3(3) of ERISA), and any payroll practice and other employee benefit plan, policy, program, agreement or arrangement, including retirement, pension, profit sharing, employment, individual consulting or other compensation agreement, collective bargaining agreement, bonus or other incentive compensation, retention, stock purchase, equity or equity-based compensation, deferred compensation, change in control, severance, sick leave, vacation, loans, salary continuation, hospitalization, health, life insurance, educational assistance, or other fringe benefit or perquisite plan, policy, agreement which is or was sponsored, maintained or contributed to by, or required to be contributed to by, any U.S. Domiciled Loan Party or any of their ERISA Affiliates domiciled in the U.S. or with respect to which any U.S. Domiciled Loan Party or any of their ERISA Affiliates domiciled in the U.S. has or could have any obligation or liability, contingent or otherwise, but excluding, for greater clarity, and Foreign Plan or arrangement subject to the laws of a non-U.S. jurisdiction.

U.S. Facility Collateral: Collateral that now or hereafter secures (or is intended to secure) any of the U.S. Facility Secured Obligations.

U.S. Facility Guarantor: each U.S. Borrower and each U.S. Subsidiary that, after the date hereof, has executed a supplement or joinder to this Agreement in accordance with Section 10.1.13 specifying that it wishes to be a U.S. Facility Guarantor.

U.S. Facility Loan Party: a U.S. Borrower or a U.S. Facility Guarantor.

U.S. Facility Obligations: all Obligations of the U.S. Facility Loan Parties (including, for the avoidance of doubt, the Obligations of the U.S. Domiciled Loan Parties as guarantors of the Foreign Facility Obligations).

U.S. Facility Secured Obligations: all Secured Obligations of the U.S. Facility Loan Parties (including, for the avoidance of doubt, the Secured Obligations of the U.S. Domiciled Loan Parties as guarantors of the Foreign Facility Secured Obligations).

U.S. Facility Secured Parties: the Agent, any U.S. Fronting Bank, U.S. Lenders and Secured Bank Product Providers of Bank Products to U.S. Domiciled Loan Parties.

U.S. Fronting Bank: Bank of America or any Affiliate thereof that agrees to issue U.S. Letters of Credit or, if reasonably acceptable to North American Loan Party Agent, any other U.S. Lender or Affiliate thereof that agrees to issue U.S. Letters of Credit.

U.S. Fronting Bank Indemnitees: any U.S. Fronting Bank and its officers, directors, employees, Affiliates and agents.

U.S. LC Application: an application by North American Loan Party Agent on behalf of a U.S. Borrower or any Restricted Subsidiary to a U.S. Fronting Bank for issuance of a U.S. Letter of Credit, in form and substance reasonably satisfactory to such U.S. Fronting Bank.

U.S. LC Conditions: the following conditions necessary for issuance of a U.S. Letter of Credit: (a) each of the conditions set forth in Section 6 being satisfied or waived; (b) after giving effect to such issuance, total U.S. LC Obligations do not exceed the U.S. Letter of Credit Sublimit and no U.S. Overadvance exists or would result therefrom; (c) the expiration date of such U.S. Letter of Credit is (i) no more than 365 days from issuance (*provided* that each U.S. Letter of Credit may, upon request of the applicable U.S. Borrower, include a provision whereby such Letter of Credit shall be renewed automatically for additional consecutive periods of twelve (12) months or less (but no later than 20 Business Days prior to the Facility Terminations Date), and (ii) unless the applicable U.S. Fronting Bank and Agent otherwise consent (subject to the satisfaction of the Cash Collateral requirements set forth in Section 2.9.3), at least 20 Business Days prior to the Facility Termination Date; (d) the U.S. Letter of Credit and payments thereunder are denominated in Dollars or such other currency as may be agreed to by the applicable U.S. Fronting Bank; (e) the form of the proposed U.S. Letter of Credit is reasonably satisfactory to Agent and the applicable U.S. Fronting Bank; and (f) the proposed use of the U.S. Letter of Credit is for a lawful purpose.

U.S. LC Documents: all documents, instruments and agreements (including U.S. LC Requests and U.S. LC Applications) delivered by North American Loan Party Agent on behalf a U.S. Borrower or by any other Person to a U.S. Fronting Bank or Agent in connection with issuance, amendment or renewal of, or payment under, any U.S. Letter of Credit.

U.S. LC Obligations: the Dollar Equivalent of the sum (without duplication) of (a) all amounts owing for any drawings under U.S. Letters of Credit; (b) the stated amount of all outstanding U.S. Letters of Credit; and (c) all fees and other amounts owing with respect to U.S. Letters of Credit.

U.S. LC Request: a request for issuance of a U.S. Letter of Credit, to be provided by North American Loan Party Agent on behalf of a U.S. Borrower to a U.S. Fronting Bank, in form reasonably satisfactory to Agent and such U.S. Fronting Bank.

U.S. LC Reserve: the aggregate of all U.S. LC Obligations, other than (a) those that have been Cash Collateralized; and (b) if no Event of Default exists, those constituting charges owing to any U.S. Fronting Bank.

U.S. Lenders: Bank of America and each other Lender that has provided a U.S. Revolver Commitment.

U.S. Letter of Credit: any standby or documentary letter of credit issued by a U.S. Fronting Bank for the account of a U.S. Borrower or any Restricted Subsidiary, including any Existing U.S. Letter of Credit.

U.S. Letter of Credit Sublimit: \$80,000,000.

U.S. Overadvance: as defined in Section 2.1.5(h).

U.S. Overadvance Loan: a U.S. Base Rate Loan made to a U.S. Borrower when a U.S. Overadvance exists or is caused by the funding thereof.

U.S. Person: any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

U.S. Prime Rate: the rate of interest announced by Bank of America from time to time as its prime rate. Such rate is set by Bank of America on the basis of various factors, including its costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

U.S. Protective Advances: as defined in Section 2.1.6(h).

U.S. Reimbursement Date: as defined in Section 2.9.2(a).

U.S. Rent Reserve: the aggregate of (a) all past due rent and other past due charges owing by any U.S. Borrower to any landlord or other Person who possesses any U.S. Facility Collateral or could assert a Lien on any U.S. Facility Collateral; plus (b) a reserve in an amount not to exceed rent and other charges that could be payable to any such Person for the time period used to determine the Net Orderly Liquidation Value of U.S. Facility Collateral.

U.S. Revolver Commitment Increase: as defined in Section 2.1.7(h).

U.S. Revolver Commitment: for any U.S. Lender, its obligation to make U.S. Revolver Loans and to issue U.S. Letters of Credit, in the case of any U.S. Fronting Bank, or participate in U.S. LC Obligations, in the case of the other U.S. Lenders, to the U.S. Borrowers up to the maximum principal amount, in each case, shown on **Schedule 2.1.1(f)**, or as hereafter determined pursuant to each Assignment and Acceptance to which it is a party, as such U.S. Revolver Commitment may be adjusted from time to time in accordance with the provisions of Section 2.1.4, 2.1.7 or 11.1. “U.S. Revolver Commitments” means the aggregate amount of such commitments of all U.S. Lenders.

U.S. Revolver Commitment Termination Date: the earliest of (a) the Facility Termination Date, (b) the date on which the North American Loan Party Agent terminates or reduces to zero the U.S. Revolver Commitments pursuant to Section 2.1.4, and (c) the date on which the U.S. Revolver Commitments are terminated pursuant to Section 11.1.

U.S. Revolver Exposure: on any date, an amount equal to the sum of the (a) U.S. Revolver Loans outstanding on such date and (b) U.S. LC Obligations on such date.

U.S. Revolver Loan: a Revolver Loan made by a U.S. Lender to a U.S. Borrower pursuant to Section 2.1.1(h), which Loan shall be denominated in Dollars and shall be either a U.S. Base Rate Loan or a LIBOR Loan, in each case as selected by North American Loan Party Agent, and including any U.S. Swingline Loan, U.S. Overadvance Loan or U.S. Protective Advance.

U.S. Revolver Notes: the promissory notes, if any, executed by U.S. Borrowers in favor of each U.S. Lender to evidence the U.S. Revolver Loans funded from time to time by such U.S. Lender, which shall be in the form of **Exhibit C-8** to this Agreement, together with any replacement or successor notes therefor.

U.S. Subsidiary: a Wholly-Owned Subsidiary of any U.S. Borrower that is organized under the laws of the United States, any state of the United States or the District of Columbia.

U.S. Swingline Commitment: \$75,000,000.

U.S. Swingline Commitment Termination Date: with respect to any U.S. Swingline Loan, the date that is five Business Days prior to the U.S. Revolver Commitment Termination Date.

U.S. Swingline Lender: Bank of America or an Affiliate of Bank of America.

U.S. Swingline Loan: a Swingline Loan made by the U.S. Swingline Lender to a U.S. Borrower pursuant to Section 2.1.8(i), which Swingline Loan shall be denominated in Dollars and shall be a U.S. Base Rate Loan.

VAT:

(a) any tax imposed in compliance with the Council Directive of 28 November 2006 or the common system of value added tax (EC Directive 2006/112); and

(b) any other tax of a similar nature, that is either (i) imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or (ii) imposed elsewhere.

Voting Stock: with respect to any Person, any class or classes of equity interests pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the board of directors of such Person.

Wholly-Owned: with respect to any Person at any time, any Subsidiary, 100% of whose Stock (other than, in the case of any Foreign Subsidiary, nominal directors' qualifying shares) are at such time owned, directly or indirectly, by such Person.

Yen: the lawful currency of Japan.

1.2 Accounting Terms. Under the Loan Documents (except as otherwise specified herein), all accounting terms shall be interpreted, all accounting determinations shall be made, and all financial statements shall be prepared, in accordance with GAAP applied on a basis consistent with the most recent audited financial statements of the Loan Parties delivered to Agent before the Closing Date; provided, that the consolidating statements of Foreign

Subsidiaries delivered pursuant to Section 10.1.1(a) may be based on IFRS. In the event that any “Accounting Changes” (as defined below) shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then at the North American Loan Party Agent’s request, Agent and the Lenders shall enter into negotiations with such Loan Party Agent in order to amend such provisions of this Agreement so as to reflect equitably such Accounting Changes with the desired result that the criteria for evaluating the financial condition of the Loan Parties shall be the same after such Accounting Changes as if such Accounting Changes had not been made. Until such time as such an amendment shall have been executed and delivered by the Loan Parties, the Agent and the Required Lenders, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred. “Accounting Changes” refers to changes in accounting principles (i) required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board or the American Institute of Certified Public Accountants or, if applicable, the SEC or (ii) otherwise proposed by the North American Loan Party Agent to, and approved by, Agent.

1.3 Uniform Commercial Code/PPSA. As used herein, the following terms are defined in accordance with the UCC in effect in the State of New York from time to time: “Chattel Paper”, “Commercial Tort Claim”, “Equipment”, “Instrument”, “Investment Property” and: (a) as such terms relate to any such Property of any Canadian Domiciled Loan Party, such terms shall refer to such Property as defined in the PPSA to the extent applicable; (b) as such terms relate to any such Property of any Australian Domiciled Loan Party, “Chattel Paper,” shall refer to chattel paper as that term is defined in the PPSA Australia, “Equipment” shall refer to goods (other than goods that are consumer property or inventory) as those terms are defined in the PPSA Australia, “Instrument” shall refer to negotiable instrument as that term is defined in the PPSA Australia and “Investment Property” shall refer to investment instrument and intermediated security as those terms are defined in the PPSA Australia to the extent applicable; and (c) as such terms relate to any such Property of a New Zealand Domiciled Loan Party, “Chattel Paper” shall refer to chattel paper as that term is defined in the PPSA New Zealand, “Equipment” shall refer to equipment as that term is defined in the PPSA New Zealand, “Instrument” shall refer to negotiable instrument as that term is defined in the PPSA New Zealand and “Investment Property” shall refer to investment security as that term is defined in the PPSA New Zealand, to the extent applicable. In addition, other terms relating to Collateral used and not otherwise defined herein that are defined in the UCC, the PPSA, the PPSA Australia and/or the PPSA New Zealand shall have the meanings set forth in the UCC, the PPSA, the PPSA Australia and/or the PPSA New Zealand, as applicable and as the context requires.

1.4 Certain Matters of Construction. The terms “herein,” “hereof,” “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular section, paragraph or subdivision. Any pronoun used shall be deemed to cover all genders. In the computation of periods of time from a specified date to a later specified date, “from” means “from and including,” and “to” and “until” each mean “to but excluding.” The terms “including” and “include” shall mean “including, without limitation” and, for purposes of each Loan Document, the parties agree that the rule of *ejusdem generis* shall not be applicable to limit any provision. Section titles appear as a matter of convenience only and shall not affect the interpretation of any Loan Document. All references to (a) laws or statutes include all related rules, regulations, interpretations, amendments and successor provisions; (b) any reference to any

Loan Document shall be deemed to include any amendments, restatements, waivers and other modifications, extensions or supplements to, or renewals of, such Loan Document; (c) section means, unless the context otherwise requires, a section of this Agreement; (d) any exhibits or schedules mean, unless the context otherwise requires, exhibits and schedules attached hereto, which are hereby incorporated by reference; (e) any Person include successors, permitted transferees and permitted assigns of such Person; (f) time of day means time of day in Dallas, Texas (Central Time) unless otherwise specified herein; (g) discretion of the Agent, any Security Trustee, any Fronting Bank or any Lender means the sole and absolute discretion of such Person exercised in a manner consistent with its duties of good faith and fair dealing; or (h) "property" or "asset" includes any real or personal, present or future, tangible or intangible property or asset and any right, interest, revenue or benefit in, under or derived from the property or asset. To the extent not otherwise specified herein, Borrowing Base calculations for each Borrower shall be consistent with historical methods of valuation and calculation for such Borrower's Borrowing Base, and otherwise reasonably satisfactory to Agent (and not necessarily calculated in accordance with GAAP). Loan Parties shall have the burden of establishing any alleged negligence, misconduct or lack of good faith by Agent, any Security Trustee, any Fronting Bank or any Lender under any Loan Documents. No provision of any Loan Documents shall be construed against any party by reason of such party having, or being deemed to have, drafted the provision. Whenever any payment, certificate, notice or other delivery shall be stated to be due on a day other than a Business Day, the due date for such payment or delivery shall be extended to the next succeeding Business Day, and such extension of time shall in such case be included in the computation of interest or fees, as the case may be; *provided, however*, that if such extension would cause payment of interest on or principal of any Interest Period Loan to be made in the next calendar month, such payment shall be made on the immediately preceding Business Day.

1.5 Currency Calculations. All references in the Loan Documents to Loans, Letters of Credit, Obligations and other amounts shall be denominated in Dollars, unless expressly provided otherwise. The Dollar Equivalent of any amounts denominated or reported under a Loan Document in a currency other than Dollars shall be determined by Agent on a daily basis based on the current Exchange Rate. Each Borrower shall report Cost and other Borrowing Base components to Agent in the currency shown in such Borrower's financial records, and unless expressly provided otherwise, MRC shall deliver consolidated financial statements and calculate financial covenants in Dollars. Notwithstanding anything herein to the contrary, if any Obligation is funded and expressly denominated in a currency other than Dollars, Borrowers shall repay such Obligation in such other currency.

1.6 Interpretation (Quebec). For purposes of any Collateral located in the Province of Quebec or charged by any deed of hypothec (or any other Loan Document) and for all other purposes pursuant to which the interpretation or construction of a Loan Document may be subject to the laws of the Province of Quebec or a court or tribunal exercising jurisdiction in the Province of Québec, (a) "personal property" shall be deemed to include "movable property", (b) "real property" shall be deemed to include "immovable property", (c) "tangible property" shall be deemed to include "corporeal property", (d) "intangible property" shall be deemed to include "incorporeal property", (e) "security interest", "mortgage" and "lien" shall be deemed to include a "hypothec", "prior claim" and a "resolatory clause", (f) all references to filing, registering or recording under the UCC or the PPSA shall be deemed to include publication under the Civil Code, (g) all references to "perfection" of or "perfected" Liens shall be deemed

to include a reference to an “opposable” or “set up” Liens as against third parties, (h) any “right of offset”, “right of setoff” or similar expression shall be deemed to include a “right of compensation”, (i) “goods” shall be deemed to include “corporeal movable property” other than chattel paper, documents of title, instruments, money and securities, (j) an “agent” shall be deemed to include a “mandatary”, (k) “construction liens” shall be deemed to include “legal hypothecs”, (l) “joint and several” shall be deemed to include “solidary”, (m) “gross negligence or willful misconduct” shall be deemed to be “intentional or gross fault”, (n) “beneficial ownership” shall be deemed to include “ownership on behalf of another as mandatary”, (o) “servitude” shall be deemed to include “easement”, (p) “priority” shall be deemed to include “prior claim”, (q) “survey” shall be deemed to include “certificate of location and plan”, and (r) “fee simple title” shall be deemed to include “absolute ownership”. The parties hereto confirm that it is their wish that this Agreement and any other document executed in connection with the transactions contemplated herein be drawn up in the English language only (except if another language is required under any Applicable Law) and that all other documents contemplated thereunder or relating thereto, including notices, may also be drawn up in the English language only. *Les parties aux présentes confirment que c'est leur volonté que cette convention et les autres documents de crédit soient rédigés en langue anglaise seulement et que tous les documents, y compris tous avis, envisagés par cette convention et les autres documents peuvent être rédigés en la langue anglaise seulement (sauf si une autre langue est requise en vertu d'une Applicable Law).*

SECTION 2. CREDIT FACILITIES

2.1 Commitment.

2.1.1 Revolver Loans.

(a) Australian Revolver Loans to Australian Borrowers. Each Australian Lender agrees, severally and not jointly with the other Australian Lenders, upon the terms and subject to the conditions set forth herein, to make Australian Revolver Loans to any of the Australian Borrowers on any Business Day during the period from the Closing Date to the Australian Revolver Commitment Termination Date, not to exceed in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), together with such Australian Lender’s portion of the Australian LC Obligations, such Australian Lender’s Australian Revolver Commitment at such time, which Australian Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that Australian Lenders shall have no obligation to the Australian Borrowers whatsoever to honor any request for a Australian Revolver Loan on or after the Australian Revolver Commitment Termination Date or if the Dollar Equivalent of the amount of the proposed Australian Revolver Loan exceeds Australian Availability on the proposed funding date for such Australian Revolver Loan or, in the case of any Australian Borrower, the limit contained in Section 2.11. Each Borrowing of Australian Revolver Loans shall be funded by Australian Lenders on a Pro Rata basis. The Australian Revolver Loans shall bear interest as set forth in Section 3.1. Each Australian Revolver Loan shall, at the option of the Applicable Australian Borrower, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall consist entirely of Australian Bank Bill Rate Loans or Australian Base Rate Loans if denominated in Australian Dollars, or LIBOR Loans or Australian Base Rate Loans if

denominated in Dollars, Euros or Sterling. The Australian Revolver Loans shall be repaid in accordance with the terms of this Agreement. Each Australian Revolver Loan shall be funded in Australian Dollars or, at the option of the Applicable Australian Borrower, Dollars, Euros or Sterling and repaid in the same currency as the underlying Australian Revolver Loan was made.

(b) Belgian Revolver Loans to Belgian Borrowers. Each Belgian Lender agrees, severally and not jointly with the other Belgian Lenders, upon the terms and subject to the conditions set forth herein, to make Belgian Revolver Loans to any of the Belgian Borrowers on any Business Day during the period from the Closing Date to the Belgian Revolver Commitment Termination Date, not to exceed in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), together with such Belgian Lender's portion of the Belgian LC Obligations, such Belgian Lender's Belgian Revolver Commitment at such time, which Belgian Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that Belgian Lenders shall have no obligation to the Belgian Borrowers whatsoever to honor any request for a Belgian Revolver Loan on or after the Belgian Revolver Commitment Termination Date or if the Dollar Equivalent of the amount of the proposed Belgian Revolver Loan exceeds Belgian Availability on the proposed funding date for such Belgian Revolver Loan or, in the case of any Belgian Borrower, the limit contained in Section 2.11. Each Borrowing of Belgian Revolver Loans shall be funded by Belgian Lenders on a Pro Rata basis. The Belgian Revolver Loans shall bear interest as set forth in Section 3.1. Each Belgian Revolver Loan shall, at the option of the Applicable Belgian Borrower, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall consist entirely of LIBOR Loans or Belgian Base Rate Loans. The Belgian Revolver Loans shall be repaid in accordance with the terms of this Agreement. Each Belgian Revolver Loan shall be funded in Euros or, at the option of the Applicable Belgian Borrower, Dollars and repaid in the same currency as the underlying Belgian Revolver Loan was made.

(c) Canadian Revolver Loans to Canadian Borrowers. Each Canadian Lender agrees, severally and not jointly with the other Canadian Lenders, upon the terms and subject to the conditions set forth herein, to make Canadian Revolver Loans to any of the Canadian Borrowers on any Business Day during the period from the Closing Date to the Canadian Revolver Commitment Termination Date, not to exceed in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), together with such Canadian Lender's portion of the Canadian LC Obligations, such Canadian Lender's Canadian Revolver Commitment at such time, which Canadian Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that Canadian Lenders shall have no obligation to the Canadian Borrowers whatsoever to honor any request for a Canadian Revolver Loan on or after the Canadian Revolver Commitment Termination Date or if the Dollar Equivalent of the amount of the proposed Canadian Revolver Loan exceeds Canadian Availability on the proposed funding date for such Canadian Revolver Loan or, in the case of any Canadian Borrower, the limit contained in Section 2.11. Each Borrowing of Canadian Revolver Loans shall be funded by Canadian Lenders on a Pro Rata basis. The Canadian Revolver Loans shall bear interest as set forth in Section 3.1. Each Canadian Revolver Loan shall, at the option of the Applicable Canadian Borrower, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall consist entirely of Canadian Prime Rate Loans or Canadian BA Rate Loans if denominated in Canadian Dollars, or Canadian Base Rate Loans or LIBOR Loans if denominated in Dollars. The

Canadian Revolver Loans shall be repaid in accordance with the terms of this Agreement. Each Canadian Revolver Loan shall be funded in Canadian Dollars or, at the option of the Applicable Canadian Borrower, Dollars and repaid in the same currency as the underlying Canadian Revolver Loan was made.

(d) Dutch Revolver Loans to Dutch Borrowers. Each Dutch Lender agrees, severally and not jointly with the other Dutch Lenders, upon the terms and subject to the conditions set forth herein, to make Dutch Revolver Loans to any of the Dutch Borrowers on any Business Day during the period from the Closing Date to the Dutch Revolver Commitment Termination Date, not to exceed in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), together with such Dutch Lender's portion of the Dutch LC Obligations, such Dutch Lender's Dutch Revolver Commitment at such time, which Dutch Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that Dutch Lenders shall have no obligation to the Dutch Borrowers whatsoever to honor any request for a Dutch Revolver Loan on or after the Dutch Revolver Commitment Termination Date or if the Dollar Equivalent of the amount of the proposed Dutch Revolver Loan exceeds Dutch Availability on the proposed funding date for such Dutch Revolver Loan or, in the case of any Dutch Borrower, the limit contained in Section 2.11. Each Borrowing of Dutch Revolver Loans shall be funded by Dutch Lenders on a Pro Rata basis. The Dutch Revolver Loans shall bear interest as set forth in Section 3.1. Each Dutch Revolver Loan shall, at the option of the Applicable Dutch Borrower, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall consist entirely of LIBOR Loans or Dutch Base Rate Loans. The Dutch Revolver Loans shall be repaid in accordance with the terms of this Agreement. Each Dutch Revolver Loan shall be funded in Euros or, at the option of the Applicable Dutch Borrower, Dollars and repaid in the same currency as the underlying Dutch Revolver Loan was made.

(e) New Zealand Revolver Loans to New Zealand Borrowers. Each New Zealand Lender agrees, severally and not jointly with the other New Zealand Lenders, upon the terms and subject to the conditions set forth herein, to make New Zealand Revolver Loans to any of the New Zealand Borrowers on any Business Day during the period from the Closing Date to the New Zealand Revolver Commitment Termination Date, not to exceed in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), together with such New Zealand Lender's portion of the New Zealand LC Obligations, such New Zealand Lender's New Zealand Revolver Commitment at such time, which New Zealand Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that New Zealand Lenders shall have no obligation to the New Zealand Borrowers whatsoever to honor any request for a New Zealand Revolver Loan on or after the New Zealand Revolver Commitment Termination Date or if the Dollar Equivalent of the amount of the proposed New Zealand Revolver Loan exceeds New Zealand Availability on the proposed funding date for such New Zealand Revolver Loan or, in the case of any New Zealand Borrower, the limit contained in Section 2.11. Each Borrowing of New Zealand Revolver Loans shall be funded by New Zealand Lenders on a Pro Rata basis. The New Zealand Revolver Loans shall bear interest as set forth in Section 3.1. Each New Zealand Revolver Loan shall, at the option of the Applicable New Zealand Borrower, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall consist entirely of New Zealand Bank Bill Rate Loans or New Zealand Base Rate Loans if denominated in New Zealand Dollars, or LIBOR

Loans or New Zealand Base Rate Loans if denominated in Dollars or Euros. The New Zealand Revolver Loans shall be repaid in accordance with the terms of this Agreement. Each New Zealand Revolver Loan shall be funded in New Zealand Dollars or, at the option of the Applicable New Zealand Borrower, Dollars or Euros and repaid in the same currency as the underlying New Zealand Revolver Loan was made.

(f) Singapore Revolver Loans to Singapore Borrowers. Each Singapore Lender agrees, severally and not jointly with the other Singapore Lenders, upon the terms and subject to the conditions set forth herein, to make Singapore Revolver Loans to any of the Singapore Borrowers on any Business Day during the period from the Closing Date to the Singapore Revolver Commitment Termination Date, not to exceed in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), together with such Singapore Lender's portion of the Singapore LC Obligations, such Singapore Lender's Singapore Revolver Commitment at such time, which Singapore Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that Singapore Lenders shall have no obligation to the Singapore Borrowers whatsoever to honor any request for a Singapore Revolver Loan on or after the Singapore Revolver Commitment Termination Date or if the Dollar Equivalent of the amount of the proposed Singapore Revolver Loan exceeds Singapore Availability on the proposed funding date for such Singapore Revolver Loan or, in the case of any Singapore Borrower, the limit contained in Section 2.11. Each Borrowing of Singapore Revolver Loans shall be funded by Singapore Lenders on a Pro Rata basis. The Singapore Revolver Loans shall bear interest as set forth in Section 3.1. Each Singapore Revolver Loan shall, at the option of the Applicable Singapore Borrower, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall consist entirely of SIBOR Loans or Singapore Base Rate Loans if denominated in Singapore Dollars, or LIBOR Loans or Singapore Base Rate Loans if denominated in Dollars or Euros. The Singapore Revolver Loans shall be repaid in accordance with the terms of this Agreement. Each Singapore Revolver Loan shall be funded in Singapore Dollars or, at the option of the Applicable Singapore Borrower, Dollars or Euros and repaid in the same currency as the underlying Singapore Revolver Loan was made.

(g) UK Revolver Loans to UK Borrowers. Each UK Lender agrees, severally and not jointly with the other UK Lenders, upon the terms and subject to the conditions set forth herein, to make UK Revolver Loans to any of the UK Borrowers on any Business Day during the period from the Closing Date to the UK Revolver Commitment Termination Date, not to exceed in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), together with such UK Lender's portion of the UK LC Obligations, such UK Lender's UK Revolver Commitment at such time, which UK Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that UK Lenders shall have no obligation to the UK Borrowers whatsoever to honor any request for a UK Revolver Loan on or after the UK Revolver Commitment Termination Date or if the Dollar Equivalent of the amount of the proposed UK Revolver Loan exceeds UK Availability on the proposed funding date for such UK Revolver Loan or, in the case of any UK Borrower, the limit contained in Section 2.11. Each Borrowing of UK Revolver Loans shall be funded by UK Lenders on a Pro Rata basis. The UK Revolver Loans shall bear interest as set forth in Section 3.1. Each UK Revolver Loan shall, at the option of the Applicable UK Borrower, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall

consist entirely of LIBOR Loans or UK Base Rate Loans. The UK Revolver Loans shall be repaid in accordance with the terms of this Agreement. Each UK Revolver Loan shall be funded in Sterling or, at the option of the Applicable UK Borrower, Dollars or Euros and repaid in the same currency as the underlying UK Revolver Loan was made.

(h) **U.S. Revolver Loans to U.S. Borrowers.** Each U.S. Lender agrees, severally and not jointly with the other U.S. Lenders, upon the terms and subject to the conditions set forth herein, to make U.S. Revolver Loans to any of the U.S. Borrowers on any Business Day during the period from the Closing Date to the U.S. Revolver Commitment Termination Date, not to exceed in aggregate principal amount outstanding at any time, together with such U.S. Lender's portion of the U.S. LC Obligations, such U.S. Lender's U.S. Revolver Commitment at such time, which U.S. Revolver Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that such U.S. Lenders shall have no obligation to U.S. Borrowers whatsoever to honor any request for a U.S. Revolver Loan on or after the U.S. Revolver Commitment Termination Date or if the amount of the proposed U.S. Revolver Loan exceeds U.S. Availability on the proposed funding date for such U.S. Revolver Loan. Each Borrowing of U.S. Revolver Loans shall be funded by U.S. Lenders on a Pro Rata basis. The U.S. Revolver Loans shall bear interest as set forth in Section 3.1. Each U.S. Revolver Loan shall, at the option of the North American Loan Party Agent, be made or continued as, or converted into, part of one or more Borrowings that, unless specifically provided herein, shall consist entirely of U.S. Base Rate Loans or LIBOR Loans. The U.S. Revolver Loans shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the U.S. Facility Collateral. U.S. Borrowers shall be jointly and severally liable to pay all of the U.S. Revolver Loans. Each U.S. Revolver Loan shall be funded and repaid in Dollars.

(i) **Cap on Total Revolver Exposure.** Notwithstanding anything to the contrary contained in this Section 2.1.1, in no event shall any Borrower be entitled to receive a Revolver Loan if at the time of the proposed funding of such Loan (and after giving effect thereto and all pending requests for Loans), the Total Revolver Exposure exceeds (or would exceed) the lesser of the (a) the Maximum Facility Amount and (b) the Commitments.

2.1.2 Revolver Notes. The Revolver Loans made by each Lender and interest accruing thereon shall be evidenced by the records of the Agent and such Lender. At the request of any Lender, the Borrowers within the Borrower Group to which such Lender has extended Commitments shall deliver a Revolver Note to such Lender in the amount of such Lender's Commitment to such Borrower Group.

2.1.3 Use of Proceeds. The proceeds of Loans shall be used by Borrowers solely (a) to issue Letters of Credit, (b) to finance ongoing working capital needs and (c) for other general corporate purposes of the Borrowers and their Subsidiaries, including to fund permitted distributions.

2.1.4 Reduction or Termination of Commitments.

(a) **Australian Revolver Commitments.** Unless sooner terminated in accordance with this Agreement, (i) the Australian Revolver Commitments shall terminate on the Australian Revolver Commitment Termination Date and (ii) the Australian Swingline Commitment shall terminate at 5:00 p.m. (Local Time) on the Australian Swingline Commitment Termination Date. Upon at least 30 days' prior written notice to the Agent from the Asian Loan Party Agent, Australian Borrowers may, at their option, terminate the Australian Revolver Commitments without premium or penalty (other than funding losses payable pursuant to Section 3.10). On the Australian Revolver Commitment Termination Date, the Australian Facility Loan Parties shall make Full Payment of all Australian Facility Obligations.

(b) **Belgian Revolver Commitments.** Unless sooner terminated in accordance with this Agreement, (i) the Belgian Revolver Commitments shall terminate on the Belgian Revolver Commitment Termination Date and (ii) the Belgian Swingline Commitment shall terminate at 5:00 p.m. (Local Time) on the Belgian Swingline Commitment Termination Date. Upon at least 30 days' prior written notice to the Agent from the European Loan Party Agent, Belgian Borrowers may, at their option, terminate the Belgian Revolver Commitments without premium or penalty (other than funding losses payable pursuant to Section 3.10). On the Belgian Revolver Commitment Termination Date, the Belgian Facility Loan Parties shall make Full Payment of all Belgian Facility Obligations.

(c) **Canadian Revolver Commitments.** Unless sooner terminated in accordance with this Agreement, (i) the Canadian Revolver Commitments shall terminate on the Canadian Revolver Commitment Termination Date and (ii) the Canadian Swingline Commitment shall terminate at 5:00 p.m. (Local Time) on the Canadian Swingline Commitment Termination Date. Upon at least 30 days' prior written notice to the Agent from the North American Loan Party Agent, Canadian Borrowers may, at their option, terminate the Canadian Revolver Commitments without premium or penalty (other than funding losses payable pursuant to Section 3.10). On the Canadian Revolver Commitment Termination Date, the Canadian Facility Loan Parties shall make Full Payment of all Canadian Facility Obligations.

(d) **Dutch Revolver Commitments.** Unless sooner terminated in accordance with this Agreement, (i) the Dutch Revolver Commitments shall terminate on the Dutch Revolver Commitment Termination Date and (ii) the Dutch Swingline Commitment shall terminate at 5:00 p.m. (Local Time) on the Dutch Swingline Commitment Termination Date. Upon at least 30 days' prior written notice to the Agent from the European Loan Party Agent, Dutch Borrowers may, at their option, terminate the Dutch Revolver Commitments without premium or penalty (other than funding losses payable pursuant to Section 3.10). On the Dutch Revolver Commitment Termination Date, the Dutch Facility Loan Parties shall make Full Payment of all Dutch Facility Obligations.

(e) **New Zealand Revolver Commitments.** Unless sooner terminated in accordance with this Agreement, (i) the New Zealand Revolver Commitments shall terminate on the New Zealand Revolver Commitment Termination Date and (ii) the New Zealand Swingline Commitment shall terminate at 5:00 p.m. (Local Time) on the New Zealand Swingline Commitment Termination Date. Upon at least 30 days' prior written notice to the Agent from the Asian Loan Party Agent, New Zealand Borrowers may, at their option, terminate the New Zealand Revolver Commitments without premium or penalty (other than funding losses payable pursuant to Section 3.10). On the New Zealand Revolver Commitment Termination Date, the New Zealand Facility Loan Parties shall make Full Payment of all New Zealand Facility Obligations.

(f) Singapore Revolver Commitments. Unless sooner terminated in accordance with this Agreement, (i) the Singapore Revolver Commitments shall terminate on the Singapore Revolver Commitment Termination Date and (ii) the Singapore Swingline Commitment shall terminate at 5:00 p.m. (Local Time) on the Singapore Swingline Commitment Termination Date. Upon at least 30 days' prior written notice to the Agent from the Asian Loan Party Agent, Singapore Borrowers may, at their option, terminate the Singapore Revolver Commitments without premium or penalty (other than funding losses payable pursuant to Section 3.10). On the Singapore Revolver Commitment Termination Date, the Singapore Facility Loan Parties shall make Full Payment of all Singapore Facility Obligations.

(g) UK Revolver Commitments. Unless sooner terminated in accordance with this Agreement, (i) the UK Revolver Commitments shall terminate on the UK Revolver Commitment Termination Date and (ii) the UK Swingline Commitment shall terminate at 5:00 p.m. (Local Time) on the UK Swingline Commitment Termination Date. Upon at least 30 days' prior written notice to the Agent from the European Loan Party Agent, UK Borrowers may, at their option, terminate the UK Revolver Commitments without premium or penalty (other than funding losses payable pursuant to Section 3.10). On the UK Revolver Commitment Termination Date, the UK Facility Loan Parties shall make Full Payment of all UK Facility Obligations.

(h) U.S. Revolver Commitments. Unless sooner terminated in accordance with this Agreement, (i) the U.S. Revolver Commitments shall terminate on the U.S. Revolver Commitment Termination Date and (ii) the U.S. Swingline Commitment shall terminate at 5:00 p.m. on the U.S. Swingline Commitment Termination Date. Upon at least 30 days' prior written notice to the Agent from the North American Loan Party Agent, U.S. Borrowers may, at their option, terminate the U.S. Revolver Commitments without premium or penalty (other than funding losses payable pursuant to Section 3.10). If the U.S. Borrowers elect to reduce to zero or terminate the U.S. Revolver Commitments pursuant to the previous sentence, the Foreign Revolver Commitments shall automatically terminate concurrently with the termination of the U.S. Revolver Commitments. On the U.S. Revolver Commitment Termination Date, the U.S. Facility Loan Parties shall make Full Payment of all U.S. Facility Obligations.

(i) Notices Irrevocable. Any notice of termination given by the Borrowers pursuant to this Section 2.1.4 shall be irrevocable; *provided, however*, that notice may be contingent on the occurrence of a financing or refinancing or the consummation of a sale, transfer, lease or other disposition of assets or the occurrence of a Change of Control and may be revoked or the termination date deferred if the financing or refinancing or sale, transfer, lease or other disposition of assets or Change of Control does not occur.

(j) Partial Reductions. So long as no Default or Event of Default then exists or would result therefrom and after giving effect thereto, a Loan Party Agent may permanently and irrevocably reduce the Maximum Facility Amount by giving the Agent at least 10 Business Days' prior irrevocable written notice thereof (or such lesser time as Agent may consent to) from a Senior Officer of such Loan Party Agent, which notice shall (1) specify the date (which shall

be a Business Day) and amount of such reduction (which shall, in the case of the Maximum U.S. Facility Amount, be in a minimum amount of \$10,000,000 and increments of \$10,000,000 in excess thereof and, in the case of a Maximum Foreign Facility Amount, be in a minimum amount of \$1,000,000 and increments of \$1,000,000 in excess thereof), and (2) specify the allocation of such reduction to, and the corresponding reductions of, each Maximum Foreign Facility Amount and/or the Maximum U.S. Facility Amount (and the respective Foreign Revolver Commitments and the U.S. Revolver Commitments in respect thereof, each of which shall be allocated to the Lenders among the Borrower Groups on a Pro Rata basis at the time of such reduction). Without limiting the foregoing, (i) each reduction in the Maximum Australian Facility Amount may not exceed Australian Availability, (ii) each reduction in the Maximum Belgian Facility Amount may not exceed Belgian Availability, (iii) each reduction in the Maximum Canadian Facility Amount may not exceed Canadian Availability, (iv) each reduction in the Maximum Dutch Facility Amount may not exceed Dutch Availability, (v) each reduction in the Maximum New Zealand Facility Amount may not exceed New Zealand Availability, (vi) each reduction in the Maximum Singapore Facility Amount may not exceed Singapore Availability, (vii) each reduction in the Maximum UK Facility Amount may not exceed UK Availability, and (viii) each reduction in the Maximum U.S. Facility Amount may not exceed U.S. Availability.

2.1.5 Overadvances.

(a) Australian Overadvance. If at any time the Dollar Equivalent of the aggregate principal balance of all Australian Revolver Loans owing by an Australian Borrower exceeds the Australian Borrowing Base of such Australian Borrower (an "Australian Overadvance"), the excess amount shall, subject to Section 5.2, be payable by the Applicable Australian Borrower **on demand** by Agent. All Australian Overadvance Loans shall constitute Australian Facility Obligations secured by the Australian Facility Collateral and shall be entitled to all benefits of the Loan Documents.

(b) Belgian Overadvance. If at any time the Dollar Equivalent of the aggregate principal balance of all Belgian Revolver Loans owing by a Belgian Borrower exceeds the Belgian Borrowing Base of such Belgian Borrower (a "Belgian Overadvance"), the excess amount shall, subject to Section 5.2, be payable by the Applicable Belgian Borrower **on demand** by Agent. All Belgian Overadvance Loans shall constitute Belgian Facility Obligations secured by the Belgian Facility Collateral and shall be entitled to all benefits of the Loan Documents.

(c) Canadian Overadvance. If at any time the Dollar Equivalent of the aggregate principal balance of all Canadian Revolver Loans owing by a Canadian Borrower exceeds the Canadian Borrowing Base of such Canadian Borrower (a "Canadian Overadvance"), the excess amount shall, subject to Section 5.2, be payable by the Applicable Canadian Borrower **on demand** by Agent. All Canadian Overadvance Loans shall constitute Canadian Facility Obligations secured by the Canadian Facility Collateral and shall be entitled to all benefits of the Loan Documents.

(d) Dutch Overadvance. If at any time the Dollar Equivalent of the aggregate principal balance of all Dutch Revolver Loans owing by a Dutch Borrower exceeds the Dutch Borrowing Base of such Dutch Borrower (a "Dutch Overadvance"), the excess amount shall,

subject to Section 5.2, be payable by the Applicable Dutch Borrower **on demand** by Agent. All Dutch Overadvance Loans shall constitute Dutch Facility Obligations secured by the Dutch Facility Collateral and shall be entitled to all benefits of the Loan Documents.

(e) New Zealand Overadvance. If at any time the Dollar Equivalent of the aggregate principal balance of all New Zealand Revolver Loans owing by a New Zealand Borrower exceeds the New Zealand Borrowing Base of such New Zealand Borrower (a "New Zealand Overadvance"), the excess amount shall, subject to Section 5.2, be payable by the Applicable New Zealand Borrower **on demand** by Agent. All New Zealand Overadvance Loans shall constitute New Zealand Facility Obligations secured by the New Zealand Facility Collateral and shall be entitled to all benefits of the Loan Documents.

(f) Singapore Overadvance. If at any time the Dollar Equivalent of the aggregate principal balance of all Singapore Revolver Loans owing by a Singapore Borrower exceeds the Singapore Borrowing Base of such Singapore Borrower (a "Singapore Overadvance"), the excess amount shall, subject to Section 5.2, be payable by the Applicable Singapore Borrower **on demand** by Agent. All Singapore Overadvance Loans shall constitute Singapore Facility Obligations secured by the Singapore Facility Collateral and shall be entitled to all benefits of the Loan Documents.

(g) UK Overadvance. If at any time the Dollar Equivalent of the aggregate principal balance of all UK Revolver Loans owing by a UK Borrower exceeds the UK Borrowing Base of such UK Borrower (a "UK Overadvance"), the excess amount shall, subject to Section 5.2, be payable by the Applicable UK Borrower **on demand** by Agent. All UK Overadvance Loans shall constitute UK Facility Obligations secured by the UK Facility Collateral and shall be entitled to all benefits of the Loan Documents.

(h) U.S. Overadvance. If at any time the aggregate principal balance of all U.S. Revolver Loans exceeds the U.S. Borrowing Base (a "U.S. Overadvance"), the excess amount shall, subject to Section 5.2, be payable by the U.S. Borrowers **on demand** by Agent. All U.S. Overadvance Loans shall constitute U.S. Facility Obligations secured by the U.S. Facility Collateral and shall be entitled to all benefits of the Loan Documents.

(i) Funding of Overadvance Loans. Agent may require Applicable Lenders to honor requests for Overadvance Loans and to forbear from requiring the applicable Borrower(s) to cure an Overadvance, (i) when no other Event of Default is known to Agent, as long as (1) such Overadvance does not continue for more than 30 consecutive days (and no Overadvance may exist for at least five consecutive days thereafter before further Overadvance Loans are required), (2) such Overadvance is not known by Agent to exceed ten percent (10%) of the (A) Total Australian Borrowing Base, with respect to all Australian Borrowers, (B) Total Belgian Borrowing Base, with respect to all Belgian Borrowers, (C) Total Canadian Borrowing Base, with respect to all Canadian Borrowers, (D) Total Dutch Borrowing Base, with respect to all Dutch Borrowers, (E) Total New Zealand Borrowing Base, with respect to all New Zealand Borrowers, (F) Total Singapore Borrowing Base, with respect to all Singapore Borrowers, (G) Total UK Borrowing Base, with respect to all UK Borrowers, or (H) the U.S. Borrowing Base, with respect to U.S. Borrowers and (3) the aggregate amount of the Overadvances existing at any time, together with the Protective Advances outstanding at any time pursuant to Section 2.1.6

below, do not exceed fifteen percent (15%) of the Commitments then in effect; and (ii) regardless of whether an Event of Default exists, if Agent discovers an Overadvance not previously known by it to exist, as long as from the date of such discovery the Overadvance does not continue for more than 30 consecutive days. In no event shall Overadvance Loans be required that would cause (I) the Australian Revolver Exposure to exceed the aggregate Australian Revolver Commitments, (II) the Belgian Revolver Exposure to exceed the aggregate Belgian Revolver Commitments, (III) the Canadian Revolver Exposure to exceed the aggregate Canadian Revolver Commitments, (IV) the Dutch Revolver Exposure to exceed the aggregate Dutch Revolver Commitments, (V) the New Zealand Revolver Exposure to exceed the aggregate New Zealand Revolver Commitments, (VI) the Singapore Revolver Exposure to exceed the aggregate Singapore Revolver Commitments, (VII) the UK Revolver Exposure to exceed the aggregate UK Revolver Commitments or (VIII) the U.S. Revolver Exposure to exceed the aggregate U.S. Revolver Commitments. Required Borrower Group Lenders may at any time revoke Agent's authority to make further Overadvance Loans to the Borrower or Borrowers of the applicable Borrower Group by written notice to the Agent. Any funding of an Overadvance Loan or sufferance of an Overadvance shall not constitute a waiver by Agent or Lenders of the Event of Default caused thereby. In no event shall any Borrower or other Loan Party be deemed a beneficiary of this Section 2.1.5 nor authorized to enforce any of its terms.

2.1.6 Protective Advances.

(a) Australian Protective Advances. The Agent shall be authorized by each Australian Borrower and the Australian Lenders, from time to time in the Agent's sole discretion (but shall have absolutely no obligation to), to make Australian Base Rate Loans to the Australian Borrowers on behalf of the Australian Lenders (any of such Loans are herein referred to as "Australian Protective Advances") which the Agent, in its Permitted Discretion, deems necessary or desirable to (i) preserve or protect Australian Facility Collateral or any portion thereof or (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Australian Revolver Loans and other Australian Facility Obligations; *provided* that no Australian Protective Advance shall cause the aggregate amount of the Australian Revolver Exposure at such time to exceed the Australian Revolver Commitments (or the Australian Revolver Exposure allocable to an Applicable Australian Borrower to exceed the Applicable Australian Borrower's Applicable Australian Borrower Commitment) then in effect. All Australian Protective Advances made by the Agent with respect to each Australian Facility Loan Party shall be Australian Facility Obligations of such Australian Facility Loan Party, secured by the applicable Australian Facility Collateral and shall be treated for all purposes as Australian Base Rate Loans.

(b) Belgian Protective Advances. The Agent shall be authorized by each Belgian Borrower and the Belgian Lenders, from time to time in the Agent's sole discretion (but shall have absolutely no obligation to), to make Belgian Base Rate Loans to the Belgian Borrowers on behalf of the Belgian Lenders (any of such Loans are herein referred to as "Belgian Protective Advances") which the Agent, in its Permitted Discretion, deems necessary or desirable to (i) preserve or protect Belgian Facility Collateral or any portion thereof or (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Belgian Revolver Loans and other Belgian Facility Obligations; *provided* that no Belgian Protective Advance shall cause the aggregate amount of the Belgian Revolver Exposure at such time to exceed the Belgian Revolver Commitments (or the Belgian Revolver Exposure allocable to an Applicable Belgian

Borrower to exceed the Applicable Belgian Borrower's Applicable Belgian Borrower Commitment) then in effect. All Belgian Protective Advances made by the Agent with respect to each Belgian Facility Loan Party shall be Belgian Facility Obligations of such Belgian Facility Loan Party, secured by the applicable Belgian Facility Collateral and shall be treated for all purposes as Belgian Base Rate Loans.

(c) Canadian Protective Advances. The Agent shall be authorized by each Canadian Borrower and the Canadian Lenders, from time to time in the Agent's sole discretion (but shall have absolutely no obligation to), to make Canadian Base Rate Loans or Canadian Prime Rate Loans to any Canadian Borrower on behalf of the Canadian Lenders (any of such Loans are herein referred to as "Canadian Protective Advances") which the Agent, in its Permitted Discretion, deems necessary or desirable to (i) preserve or protect Canadian Facility Collateral or any portion thereof or (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Canadian Revolver Loans and other Canadian Facility Obligations; *provided* that no Canadian Protective Advance shall cause the aggregate amount of the Canadian Revolver Exposure at such time to exceed the Canadian Revolver Commitments (or the Canadian Revolver Exposure allocable to an Applicable Canadian Borrower to exceed the Applicable Canadian Borrower's Applicable Canadian Borrower Commitment) then in effect. All Canadian Protective Advances made by the Agent with respect to each Canadian Facility Loan Party shall be Canadian Facility Obligations of such Canadian Facility Loan Party, secured by the applicable Canadian Facility Collateral and, if denominated in Canadian Dollars, shall be treated for all purposes as a Canadian Prime Rate Loan or, if denominated in Dollars, shall be treated for all purposes as a Canadian Base Rate Loan.

(d) Dutch Protective Advances. The Agent shall be authorized by each Dutch Borrower and the Dutch Lenders, from time to time in the Agent's sole discretion (but shall have absolutely no obligation to), to make Dutch Base Rate Loans to the Dutch Borrowers on behalf of the Dutch Lenders (any of such Loans are herein referred to as "Dutch Protective Advances") which the Agent, in its Permitted Discretion, deems necessary or desirable to (i) preserve or protect Dutch Facility Collateral or any portion thereof or (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Dutch Revolver Loans and other Dutch Facility Obligations; *provided* that no Dutch Protective Advance shall cause the aggregate amount of the Dutch Revolver Exposure at such time to exceed the Dutch Revolver Commitments (or the Dutch Revolver Exposure allocable to an Applicable Dutch Borrower to exceed the Applicable Dutch Borrower's Applicable Dutch Borrower Commitment) then in effect. All Dutch Protective Advances made by the Agent with respect to each Dutch Facility Loan Party shall be Dutch Facility Obligations of such Dutch Facility Loan Party, secured by the applicable Dutch Facility Collateral and shall be treated for all purposes as Dutch Base Rate Loans.

(e) New Zealand Protective Advances. The Agent shall be authorized by each New Zealand Borrower (after one day's notice being delivered to them) and the New Zealand Lenders, from time to time in the Agent's sole discretion (but shall have absolutely no obligation to), to make New Zealand Base Rate Loans to the New Zealand Borrowers on behalf of the New Zealand Lenders (any of such Loans are herein referred to as "New Zealand Protective Advances") which the Agent, in its Permitted Discretion, deems necessary or desirable to (i) preserve or protect New Zealand Facility Collateral or any portion thereof or (ii) to enhance the likelihood of, or maximize the amount of, repayment of the New Zealand Revolver Loans and

other New Zealand Facility Obligations; *provided* that no New Zealand Protective Advance shall be made if the New Zealand Borrower gives notice that making such New Zealand Protective Advance will cause such Borrower or its directors to breach any Applicable Law (including any law applicable to a New Zealand Borrower) and/or shall cause the aggregate amount of the New Zealand Revolver Exposure at such time to exceed the New Zealand Revolver Commitments (or the New Zealand Revolver Exposure allocable to an Applicable New Zealand Borrower to exceed the Applicable New Zealand Borrower's Applicable New Zealand Borrower Commitment) then in effect. All New Zealand Protective Advances made by the Agent with respect to each New Zealand Facility Loan Party shall be New Zealand Facility Obligations of such New Zealand Facility Loan Party, secured by the applicable New Zealand Facility Collateral and shall be treated for all purposes as New Zealand Base Rate Loans.

(f) Singapore Protective Advances. The Agent shall be authorized by each Singapore Borrower and the Singapore Lenders, from time to time in the Agent's sole discretion (but shall have absolutely no obligation to), to make Singapore Base Rate Loans to the Singapore Borrowers on behalf of the Singapore Lenders (any of such Loans are herein referred to as "Singapore Protective Advances") which the Agent, in its Permitted Discretion, deems necessary or desirable to (i) preserve or protect Singapore Facility Collateral or any portion thereof or (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Singapore Revolver Loans and other Singapore Facility Obligations; *provided* that no Singapore Protective Advance shall cause the aggregate amount of the Singapore Revolver Exposure at such time to exceed the Singapore Revolver Commitments (or the Singapore Revolver Exposure allocable to an Applicable Singapore Borrower to exceed the Applicable Singapore Borrower's Applicable Singapore Borrower Commitment) then in effect. All Singapore Protective Advances made by the Agent with respect to each Singapore Facility Loan Party shall be Singapore Facility Obligations of such Singapore Facility Loan Party, secured by the applicable Singapore Facility Collateral and shall be treated for all purposes as Singapore Base Rate Loans.

(g) UK Protective Advances. The Agent shall be authorized by each UK Borrower and the UK Lenders, from time to time in the Agent's sole discretion (but shall have absolutely no obligation to), to make UK Base Rate Loans to the UK Borrowers on behalf of the UK Lenders (any of such Loans are herein referred to as "UK Protective Advances") which the Agent, in its Permitted Discretion, deems necessary or desirable to (i) preserve or protect UK Facility Collateral or any portion thereof or (ii) to enhance the likelihood of, or maximize the amount of, repayment of the UK Revolver Loans and other UK Facility Obligations; *provided* that no UK Protective Advance shall cause the aggregate amount of the UK Revolver Exposure at such time to exceed the UK Revolver Commitments (or the UK Revolver Exposure allocable to an Applicable UK Borrower to exceed the Applicable UK Borrower's Applicable UK Borrower Commitment) then in effect. All UK Protective Advances made by the Agent with respect to each UK Facility Loan Party shall be UK Facility Obligations of such UK Facility Loan Party, secured by the applicable UK Facility Collateral and shall be treated for all purposes as UK Base Rate Loans.

(h) U.S. Protective Advances. The Agent shall be authorized by each U.S. Borrower and the U.S. Lenders, from time to time in the Agent's sole discretion (but shall have absolutely no obligation to), to make U.S. Base Rate Loans to the U.S. Borrowers on behalf of the U.S. Lenders (any of such Loans are herein referred to as "U.S. Protective Advances") which

the Agent, in its Permitted Discretion, deems necessary or desirable to (i) preserve or protect U.S. Facility Collateral or any portion thereof or (ii) to enhance the likelihood of, or maximize the amount of, repayment of the U.S. Revolver Loans and other U.S. Facility Obligations; *provided* that no U.S. Protective Advance shall cause the aggregate amount of the U.S. Revolver Exposure at such time to exceed the U.S. Revolver Commitments then in effect. All U.S. Protective Advances made by the Agent with respect to U.S. Facility Loan Parties shall be U.S. Facility Obligations, secured by the U.S. Facility Collateral and shall be treated for all purposes as U.S. Base Rate Loans.

(i) Limitations on Protective Advances. The aggregate amount of Protective Advances outstanding at any time pursuant to this Section 2.1.6 shall not exceed seven and a half percent (7.5%) of the Commitments then in effect; *provided* that, the aggregate amount of Protective Advances outstanding at any time pursuant to this Section 2.1.6, together with the aggregate amount of Overadvances existing at any time pursuant to Section 2.1.5 above, shall not exceed fifteen percent (15%) of the Commitments then in effect. Protective Advances may be made even if the conditions set forth in Section 6 have not been satisfied. Each Applicable Lender shall participate in each Protective Advance on a Pro Rata basis. Required Borrower Group Lenders may at any time revoke Agent's authority to make further Protective Advances to the Borrower or Borrowers of the applicable Borrower Group by written notice to the Agent. Absent such revocation, the Agent's determination that funding of a Protective Advance is appropriate shall be conclusive. At any time that there is sufficient Availability for the applicable Borrower Group and the conditions precedent set forth in Section 6 have been satisfied, the Agent may request the Applicable Lenders to make a Revolver Loan to repay a Protective Advance. At any other time, the Agent may require the Applicable Lenders to fund their risk participations described in Section 2.1.6(j).

(j) Transfers. Upon the making of a Protective Advance by the Agent (whether before or after the occurrence of a Default or Event of Default), each Applicable Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the Agent without recourse or warranty, an undivided interest and participation in such Protective Advance in proportion to its Pro Rata share of such Protective Advance. Each Applicable Lender shall transfer (a "Transfer") the amount of such Applicable Lender's Pro Rata share of the outstanding principal amount of the applicable Protective Advance with respect to such purchased interest and participation promptly when requested to the Agent, to such account of the Agent as the Agent may designate, but in any case not later than 3:00 p.m. (Local Time) on the Business Day notified (if notice is provided by the Agent prior to 12:00 p.m. (Local Time) and otherwise on the immediately following Business Day (the "Transfer Date"). Transfers may occur during the existence of a Default or Event of Default and whether or not the applicable conditions precedent set forth in Section 6 have then been satisfied. Such amounts transferred to the Agent shall be applied against the amount of the Protective Advance and, together with Applicable Lender's Pro Rata share of such Protective Advance, shall constitute Loans of such Applicable Lenders, respectively. If any such amount is not transferred to the Agent by any Applicable Lender on such Transfer Date, the Agent shall be entitled to recover such amount on demand from such Applicable Lender together with interest thereon as specified in Section 3.1. From and after the date, if any, on which any Applicable Lender is required to fund, and funds, its participation in any Protective Advance purchased hereunder, the Agent shall promptly distribute to such Applicable Lender, such Applicable Lender's Pro Rata share of all payments of principal and interest and all proceeds of Collateral received by the Agent in respect of such Protective Advance.

2.1.7 Increase in Revolver Commitments.

(a) Australian Revolver Commitment Increase. The Asian Loan Party Agent may by written notice to the Agent elect to increase the Maximum Australian Facility Amount then in effect (an "Australian Revolver Commitment Increase") by increasing the Australian Revolver Commitment of an Australian Lender (with the consent of such Australian Lender) or by causing a Person reasonably acceptable to the Agent that at such time is not an Australian Lender to become an Australian Lender (an "Additional Australian Lender"). After giving effect to any Australian Revolver Commitment Increase, the Australian Revolver Commitment of each Australian Lender (and the percentage of each Australian Revolver Loan that each Participant must purchase an Australian Revolver Loan participation in) shall be equal to such Australian Lender's (or Participant's) Pro Rata share of the amount of the increased Australian Revolver Commitments.

(b) Belgian Revolver Commitment Increase. The European Loan Party Agent may by written notice to the Agent elect to increase the Maximum Belgian Facility Amount then in effect (a "Belgian Revolver Commitment Increase") by increasing the Belgian Revolver Commitment of a Belgian Lender (with the consent of such Belgian Lender) or by causing a Person reasonably acceptable to the Agent that at such time is not a Belgian Lender to become a Belgian Lender (an "Additional Belgian Lender"). After giving effect to any Belgian Revolver Commitment Increase, the Belgian Revolver Commitment of each Belgian Lender (and the percentage of each Belgian Revolver Loan that each Participant must purchase a Belgian Revolver Loan participation in) shall be equal to such Belgian Lender's (or Participant's) Pro Rata share of the amount of the increased Belgian Revolver Commitments.

(c) Canadian Revolver Commitment Increase. The North American Loan Party Agent may by written notice to the Agent elect to increase the Maximum Canadian Facility Amount then in effect (a "Canadian Revolver Commitment Increase") by increasing the Canadian Revolver Commitment of a Canadian Lender (with the consent of such Canadian Lender) or by causing a Person reasonably acceptable to the Agent that at such time is not a Canadian Lender to become a Canadian Lender (an "Additional Canadian Lender"). After giving effect to any Canadian Revolver Commitment Increase, the Canadian Revolver Commitment of each Canadian Lender (and the percentage of each Canadian Revolver Loan that each Participant must purchase a Canadian Revolver Loan participation in) shall be equal to such Canadian Lender's (or Participant's) Pro Rata share of the amount of the increased Canadian Revolver Commitments.

(d) Dutch Revolver Commitment Increase. The European Loan Party Agent may by written notice to the Agent elect to increase the Maximum Dutch Facility Amount then in effect (a "Dutch Revolver Commitment Increase") by increasing the Dutch Revolver Commitment of a Dutch Lender (with the consent of such Dutch Lender) or by causing a Person reasonably acceptable to the Agent that at such time is not a Dutch Lender to become a Dutch Lender (an "Additional Dutch Lender"). After giving effect to any Dutch Revolver Commitment Increase, the Dutch Revolver Commitment of each Dutch Lender (and the percentage of each Dutch Revolver Loan that each Participant must purchase a Dutch Revolver Loan participation in) shall be equal to such Dutch Lender's (or Participant's) Pro Rata share of the amount of the increased Dutch Revolver Commitments.

(e) New Zealand Revolver Commitment Increase. The Asian Loan Party Agent may by written notice to the Agent elect to increase the Maximum New Zealand Facility Amount then in effect (a "New Zealand Revolver Commitment Increase") by increasing the New Zealand Revolver Commitment of a New Zealand Lender (with the consent of such New Zealand Lender) or by causing a Person reasonably acceptable to the Agent that at such time is not a New Zealand Lender to become a New Zealand Lender (an "Additional New Zealand Lender"). After giving effect to any New Zealand Revolver Commitment Increase, the New Zealand Revolver Commitment of each New Zealand Lender (and the percentage of each New Zealand Revolver Loan that each Participant must purchase a New Zealand Revolver Loan participation in) shall be equal to such New Zealand Lender's (or Participant's) Pro Rata share of the amount of the increased New Zealand Revolver Commitments.

(f) Singapore Revolver Commitment Increase. The Asian Loan Party Agent may by written notice to the Agent elect to increase the Maximum Singapore Facility Amount then in effect (a "Singapore Revolver Commitment Increase") by increasing the Singapore Revolver Commitment of a Singapore Lender (with the consent of such Singapore Lender) or by causing a Person reasonably acceptable to the Agent that at such time is not a Singapore Lender to become a Singapore Lender (an "Additional Singapore Lender"). After giving effect to any Singapore Revolver Commitment Increase, the Singapore Revolver Commitment of each Singapore Lender (and the percentage of each Singapore Revolver Loan that each Participant must purchase a Singapore Revolver Loan participation in) shall be equal to such Singapore Lender's (or Participant's) Pro Rata share of the amount of the increased Singapore Revolver Commitments.

(g) UK Revolver Commitment Increase. The European Loan Party Agent may by written notice to the Agent elect to increase the Maximum UK Facility Amount then in effect (a "UK Revolver Commitment Increase") by increasing the UK Revolver Commitment of a UK Lender (with the consent of such UK Lender) or by causing a Person reasonably acceptable to the Agent that at such time is not a UK Lender to become a UK Lender (an "Additional UK Lender"). After giving effect to any UK Revolver Commitment Increase, the UK Revolver Commitment of each UK Lender (and the percentage of each UK Revolver Loan that each Participant must purchase a UK Revolver Loan participation in) shall be equal to such UK Lender's (or Participant's) Pro Rata share of the amount of the increased UK Revolver Commitments.

(h) U.S. Revolver Commitment Increase. The North American Loan Party Agent may by written notice to the Agent elect to increase the Maximum U.S. Facility Amount then in effect (a "U.S. Revolver Commitment Increase" and together with any Australian Revolver Commitment Increase, Belgian Revolver Commitment Increase, Canadian Revolver Commitment Increase, Dutch Revolver Commitment Increase, New Zealand Revolver Commitment Increase, Singapore Revolver Commitment Increase and UK Revolver Commitment Increase, "Revolver Commitment Increases") by increasing the U.S. Revolver Commitment of a U.S. Lender (with the consent of such U.S. Lender) or by causing a Person

reasonably acceptable to the Agent that at such time is not a U.S. Lender to become a U.S. Lender (an “Additional U.S. Lender” and together with any Additional Australian Lender, Additional Belgian Lender, Additional Canadian Lender, Additional Dutch Lender, Additional New Zealand Lender, Additional Singapore Lender and Additional UK Lender, “Additional Lenders”). After giving effect to any U.S. Revolver Commitment Increase, the U.S. Revolver Commitment of each U.S. Lender (and the percentage of each U.S. Revolver Loan that each Participant must purchase a U.S. Revolver Loan participation in) shall be equal to such U.S. Lender’s (or Participant’s) Pro Rata share of the amount of the increased U.S. Revolver Commitments.

(i) Terms of Revolver Commitment Increases. Each notice of an increase in any Borrower Group Commitment shall specify the proposed date (each, an “Increase Date”) for the effectiveness of the Revolver Commitment Increase, which date shall be not less than ten Business Days after the date on which such notice is delivered to Agent. Any such increase shall be subject to the following additional conditions: (i) no Default or Event of Default shall have occurred and be continuing as of the date of such notice or both immediately before and after giving effect thereto as of the Increase Date; (ii) no Lender shall be obligated or have a right to participate in the Revolver Commitment Increase by increasing its Commitment; (iii) the Revolver Commitment Increase shall be on the same terms and conditions as this Agreement (provided, that the New Zealand Applicable Margin, the Singapore Applicable Margin and any Letter of Credit and unused line fees for New Zealand Borrowers and Singapore Borrowers will be agreed to by the New Zealand Borrowers and the Singapore Borrowers (as applicable) and the relevant Additional Lender(s) pursuant to the joinder agreements referenced in clause (iv) below); (iv) the Revolver Commitment Increase, to the extent arising from the admission of an Additional Lender, shall be effected pursuant to one or more joinder agreements executed and delivered by the Applicable Borrowers, the Additional Lender(s) and the Agent, each of which shall be in form and substance reasonably satisfactory to the Agent; (v) the relevant Loan Party Agent shall deliver or cause to be delivered any officers’ certificates, board resolutions, legal opinions or other documents reasonably requested by Agent in connection with the Revolver Commitment Increase; (vi) the Borrowers shall pay all reasonable and documented fees and expenses in connection with the Revolver Commitment Increase, including payments required pursuant to Section 3.10 in connection with the Revolver Commitment Increase; (vii) such increase shall be in a minimum amount of \$25,000,000 in the case of the U.S. Revolver Commitments or in a minimum amount of \$5,000,000 in the case of each of the Foreign Revolver Commitments; and (viii) the Agent shall have received a certification from a Senior Officer of the North American Loan Party Agent, or other evidence reasonably satisfactory to the Agent, that such increase is permitted under the Senior Secured Notes Indenture (except to the extent the Indebtedness thereunder has been discharged in full). Notwithstanding the foregoing, (1) in no event shall the aggregate amount of all Revolver Commitment Increases made under this Section 2.1.7 exceed the sum of \$300,000,000 plus the amount of any Foreign Revolver Commitments (other than Canadian Revolver Commitments) previously terminated or reduced voluntarily under Section 2.1.4 and (2) the Foreign Borrowers may not effect a reallocation of Foreign Revolver Commitments by terminations or reductions in one jurisdiction and increases in other jurisdictions more frequently than one time per calendar year.

(j) **Increases Generally.** The Agent shall promptly inform the Lenders of any request for a Revolver Commitment Increase made by a Loan Party Agent. If the conditions set forth in clause (i) above are not satisfied on the applicable Increase Date (or, to the extent such conditions relate to an earlier date, such earlier date), the Agent shall notify such Loan Party Agent in writing that the requested Revolver Commitment Increase will not be effectuated. On each Increase Date, the Agent shall notify the Lenders and the relevant Loan Party Agent, on or before 3:00 p.m., by telecopier, e-mail or telex, of the occurrence of the Revolver Commitment Increase to be effected on such Increase Date, the amount of Revolver Loans held by each Lender as a result thereof, the amount of the Commitment of each Lender (and the percentage of each Revolver Loan, if any, that each Participant must purchase a participation interest in) as a result thereof.

2.1.8 Swingline Loans.

(a) **Australian Swingline Loans to Australian Borrowers.** The Australian Swingline Lender shall make Australian Swingline Loans to any of the Australian Borrowers on any Business Day during the period from the Closing Date to the Australian Swingline Commitment Termination Date, not to exceed the Australian Swingline Commitment in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), which Australian Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the Australian Swingline Lender shall not honor any request for a Australian Swingline Loan on or after the Australian Swingline Commitment Termination Date, if the Dollar Equivalent of the amount of the proposed Australian Swingline Loan exceeds Australian Availability on the proposed funding date for such Australian Swingline Loan or if the requirements of Section 2.11 are not satisfied. The Australian Swingline Loans shall be Australian Base Rate Loans and bear interest as set forth in Section 3.1. Each Australian Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the Australian Swingline Lender for its own account. The Australian Swingline Loans of each Australian Borrower shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the Australian Facility Collateral of such Australian Borrower. Each Australian Swingline Loan shall be funded in Australian Dollars or, at the option of the Applicable Australian Borrower, Dollars and repaid in the same currency as the underlying Australian Swingline Loan was made.

(b) **Belgian Swingline Loans to Belgian Borrowers.** The Belgian Swingline Lender shall make Belgian Swingline Loans to any of the Belgian Borrowers on any Business Day during the period from the Closing Date to the Belgian Swingline Commitment Termination Date, not to exceed the Belgian Swingline Commitment in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), which Belgian Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the Belgian Swingline Lender shall not honor any request for a Belgian Swingline Loan on or after the Belgian Swingline Commitment Termination Date, if the Dollar Equivalent of the amount of the proposed Belgian Swingline Loan exceeds Belgian Availability on the proposed funding date for such Belgian Swingline Loan or if the requirements of Section 2.11 are not satisfied. The Belgian Swingline Loans shall be Belgian Base Rate Loans and bear interest as set forth in Section 3.1. Each Belgian Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the Belgian Swingline Lender for its own account. The Belgian Swingline Loans of each Belgian Borrower shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the Belgian Facility Collateral of such Belgian Borrower. Each Belgian Swingline Loan shall be funded in Euros or, at the option of the Applicable Belgian Borrower, Dollars and repaid in the same currency as the underlying Belgian Swingline Loan was made.

(c) Canadian Swingline Loans to Canadian Borrowers. The Canadian Swingline Lender shall make Canadian Swingline Loans to any of the Canadian Borrowers on any Business Day during the period from the Closing Date to the Canadian Swingline Commitment Termination Date, not to exceed the Canadian Swingline Commitment in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), which Canadian Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the Canadian Swingline Lender shall not honor any request for a Canadian Swingline Loan on or after the Canadian Swingline Commitment Termination Date, if the Dollar Equivalent of the amount of the proposed Canadian Swingline Loan exceeds Canadian Availability on the proposed funding date for such Canadian Swingline Loan or if the requirements of Section 2.11 are not satisfied. The Canadian Swingline Loans shall be Canadian Prime Rate Loans if denominated in Canadian Dollars and Canadian Base Rate Loans if denominated in Dollars and bear interest as set forth in Section 3.1. Each Canadian Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the Canadian Swingline Lender for its own account. The Canadian Swingline Loans of each Canadian Borrower shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the Canadian Facility Collateral of such Canadian Borrower. Each Canadian Swingline Loan shall be funded in Canadian Dollars or, at the option of the Applicable Canadian Borrower, Dollars and repaid in the same currency as the underlying Canadian Swingline Loan was made.

(d) Dutch Swingline Loans to Dutch Borrowers. The Dutch Swingline Lender shall make Dutch Swingline Loans to any of the Dutch Borrowers on any Business Day during the period from the Closing Date to the Dutch Swingline Commitment Termination Date, not to exceed the Dutch Swingline Commitment in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), which Dutch Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the Dutch Swingline Lender shall not honor any request for a Dutch Swingline Loan on or after the Dutch Swingline Commitment Termination Date, if the Dollar Equivalent of the amount of the proposed Dutch Swingline Loan exceeds Dutch Availability on the proposed funding date for such Dutch Swingline Loan or if the requirements of Section 2.11 are not satisfied. The Dutch Swingline Loans shall be Dutch Base Rate Loans and bear interest as set forth in Section 3.1. Each Dutch Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the Dutch Swingline Lender for its own account. The Dutch Swingline Loans of each Dutch Borrower shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the Dutch Facility Collateral of such Dutch Borrower. Each Dutch Swingline Loan shall be funded in Euros or, at the option of the Applicable Dutch Borrower, Dollars and repaid in the same currency as the underlying Dutch Swingline Loan was made.

(e) New Zealand Swingline Loans to New Zealand Borrowers. The New Zealand Swingline Lender shall make New Zealand Swingline Loans to any of the New Zealand Borrowers on any Business Day during the period from the Closing Date to the New Zealand Swingline Commitment Termination Date, not to exceed the New Zealand Swingline Commitment in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), which New Zealand Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the New Zealand Swingline Lender shall not honor any request for a New Zealand Swingline Loan on or after the New Zealand Swingline Commitment Termination Date, if the Dollar Equivalent of the amount of the proposed New Zealand Swingline Loan exceeds New Zealand Availability on the proposed funding date for such New Zealand Swingline Loan or if the requirements of Section 2.11 are not satisfied. The New Zealand Swingline Loans shall be New Zealand Base Rate Loans and bear interest as set forth in Section 3.1. Each New Zealand Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the New Zealand Swingline Lender for its own account. The New Zealand Swingline Loans of each New Zealand Borrower shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the New Zealand Facility Collateral of such New Zealand Borrower. Each New Zealand Swingline Loan shall be funded in New Zealand Dollars or, at the option of the Applicable New Zealand Borrower, Dollars and repaid in the same currency as the underlying New Zealand Swingline Loan was made.

(f) Singapore Swingline Loans to Singapore Borrowers. The Singapore Swingline Lender shall make Singapore Swingline Loans to any of the Singapore Borrowers on any Business Day during the period from the Closing Date to the Singapore Swingline Commitment Termination Date, not to exceed the Singapore Swingline Commitment in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), which Singapore Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the Singapore Swingline Lender shall not honor any request for a Singapore Swingline Loan on or after the Singapore Swingline Commitment Termination Date, if the Dollar Equivalent of the amount of the proposed Singapore Swingline Loan exceeds Singapore Availability on the proposed funding date for such Singapore Swingline Loan or if the requirements of Section 2.11 are not satisfied. The Singapore Swingline Loans shall be Singapore Base Rate Loans and bear interest as set forth in Section 3.1. Each Singapore Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the Singapore Swingline Lender for its own account. The Singapore Swingline Loans of each Singapore Borrower shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the Singapore Facility Collateral of such Singapore Borrower. Each Singapore Swingline Loan shall be funded in Singapore Dollars or, at the option of the Applicable Singapore Borrower, Dollars and repaid in the same currency as the underlying Singapore Swingline Loan was made.

(g) UK Alternate Swingline Loans to UK Borrowers. The UK Swingline Lender shall make UK Alternate Swingline Loans to any of the UK Borrowers on any Business Day during the period from the Closing Date to the UK Swingline Commitment Termination Date, not to exceed the UK Alternate Swingline Commitment in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), which UK Alternate Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the UK Swingline Lender shall not honor any request for a UK Alternate Swingline Loan on or after the UK Swingline Commitment Termination Date, if the Dollar Equivalent of the amount of the proposed UK Alternate Swingline Loan exceeds UK

Availability on the proposed funding date for such UK Alternate Swingline Loan or if the requirements of Section 2.11 are not satisfied. The UK Alternate Swingline Loans shall be UK Base Rate Loans and bear interest as set forth in Section 3.1. Each UK Alternate Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the UK Alternate Swingline Lender for its own account. The UK Alternate Swingline Loans of each UK Borrower shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the UK Facility Collateral of such UK Borrower. Each UK Alternate Swingline Loan shall be funded in Australian Dollars, New Zealand Dollars, Singapore Dollars and such other currencies as the UK Swingline Lender may agree and repaid in the same currency as the underlying UK Alternate Swingline Loan was made.

(h) UK Swingline Loans to UK Borrowers. The UK Swingline Lender shall make UK Swingline Loans to any of the UK Borrowers on any Business Day during the period from the Closing Date to the UK Swingline Commitment Termination Date, not to exceed the UK Swingline Commitment in aggregate principal amount outstanding at any time (based on the Dollar Equivalent thereof), which UK Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the UK Swingline Lender shall not honor any request for a UK Swingline Loan on or after the UK Swingline Commitment Termination Date, if the Dollar Equivalent of the amount of the proposed UK Swingline Loan exceeds UK Availability on the proposed funding date for such UK Swingline Loan or if the requirements of Section 2.11 are not satisfied. The UK Swingline Loans shall be UK Base Rate Loans and bear interest as set forth in Section 3.1. Each UK Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the UK Swingline Lender for its own account. The UK Swingline Loans of each UK Borrower shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the UK Facility Collateral of such UK Borrower. Each UK Swingline Loan shall be funded in Sterling or, at the option of the Applicable UK Borrower, Euros or Dollars and repaid in the same currency as the underlying UK Swingline Loan was made.

(i) U.S. Swingline Loans to U.S. Borrowers. The U.S. Swingline Lender shall make U.S. Swingline Loans to any of the U.S. Borrowers on any Business Day during the period from the Closing Date to the U.S. Swingline Commitment Termination Date, not to exceed the U.S. Swingline Commitment in aggregate principal amount outstanding at any time, which U.S. Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement; *provided, however*, that the U.S. Swingline Lender shall not honor any request for a U.S. Swingline Loan on or after the U.S. Swingline Commitment Termination Date or if the amount of the proposed U.S. Swingline Loan exceeds U.S. Availability on the proposed funding date for such U.S. Swingline Loan. The U.S. Swingline Loans shall be U.S. Base Rate Loans and bear interest as set forth in Section 3.1. Each U.S. Swingline Loan shall constitute a Revolver Loan for all purposes except that payments thereon shall be made to the U.S. Swingline Lender for its own account. The U.S. Swingline Loans shall be repaid in accordance with the terms of this Agreement and shall be secured by all of the U.S. Facility Collateral. The U.S. Borrowers shall be jointly and severally liable to pay all of the U.S. Swingline Loans. Each U.S. Swingline Loan shall be funded and repaid in Dollars.

(j) Swinglines Generally. The Swingline Loans made by each Swingline Lender and interest accruing thereon shall be evidenced by the records of the Agent and such Swingline Lender and need not be evidenced by any promissory note.

2.2 Australian Letters of Credit

2.2.1 Issuance of Australian Letters of Credit. Each Australian Fronting Bank agrees to issue Australian Letters of Credit for the account of any Australian Borrower from time to time until the Facility Termination Date (or until the Australian Revolver Commitment Termination Date, if earlier), in Australian Dollars or, at the option of the Applicable Australian Borrower, Dollars, Euros or Sterling, on the terms set forth herein, including the following:

(a) Each Australian Borrower acknowledges that each Australian Fronting Bank's willingness to issue any Australian Letter of Credit is conditioned upon such Australian Fronting Bank's receipt of an Australian LC Application with respect to the requested Australian Letter of Credit, as well as such other instruments and agreements as such Australian Fronting Bank may customarily require for issuance of a letter of credit of similar type and amount. No Australian Fronting Bank shall have any obligation to issue any Australian Letter of Credit unless (i) such Australian Fronting Bank, Bank of America (Hong Kong) and Bank of America (Australia) receive an Australian LC Request and Australian LC Application at least three Business Days prior to the requested date of issuance; (ii) each Australian LC Condition is satisfied; and (iii) if a Defaulting Lender that is an Australian Lender exists, such Lender or Australian Borrowers have entered into arrangements reasonably satisfactory to Agent and such Australian Fronting Bank to eliminate any funding risk associated with such Defaulting Lender. If an Australian Fronting Bank receives written notice from an Australian Lender at least three Business Days before issuance of an Australian Letter of Credit that any Australian LC Condition has not been satisfied, such Australian Fronting Bank shall have no obligation to issue the requested Australian Letter of Credit (or any other) until such notice is withdrawn in writing by the Required Borrower Group Lenders or until the Required Borrower Group Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, an Australian Fronting Bank shall not be deemed to have knowledge of any failure of Australian LC Conditions.

(b) The renewal or extension of any Australian Letter of Credit shall be treated as the issuance of a new Australian Letter of Credit, except that delivery of a new Australian LC Application shall be required at the discretion of the applicable Australian Fronting Bank. No Australian Fronting Bank shall renew or extend any Australian Letter of Credit if it receives written notice from the Agent or the Required Borrower Group Lenders of the existence of a Default or Event of Default.

(c) Australian Borrowers assume all risks of the acts, omissions or misuses of any Australian Letter of Credit by the beneficiary. In connection with issuance of any Australian Letter of Credit, none of Agent, any Australian Fronting Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any

Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in an Australian Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and an Australian Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any Australian Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of any Australian Fronting Bank, Agent or any Australian Lender, including any act or omission of a Governmental Authority. The rights and remedies of each Australian Fronting Bank under the Loan Documents shall be cumulative. Each Australian Fronting Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any Australian Letter of Credit issued by such Australian Fronting Bank.

(d) In connection with its administration of and enforcement of rights or remedies under any Australian Letters of Credit or Australian LC Documents, each Australian Fronting Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by such Australian Fronting Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Each Australian Fronting Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Each Australian Fronting Bank may employ agents and attorneys-in-fact in connection with any matter relating to Australian Letters of Credit or Australian LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.2.2 Australian LC Reimbursement; Australian LC Participations.

(a) If an Australian Fronting Bank honors any request for payment under an Australian Letter of Credit, the Applicable Australian Borrower shall pay to such Australian Fronting Bank, on the same day ("Australian Reimbursement Date"), the amount paid by such Australian Fronting Bank under such Letter of Credit, together with interest at the interest rate for Australian Base Rate Loans from the Australian Reimbursement Date until payment by the Applicable Australian Borrower. The obligation of the Applicable Australian Borrower to reimburse each Australian Fronting Bank for any payment made under an Australian Letter of Credit issued by such Australian Fronting Bank shall be absolute, unconditional, irrevocable, and shall be paid without regard to any lack of validity or enforceability of any Australian Letter of Credit or the existence of any claim, setoff, defense or other right that the Applicable Australian Borrower or Loan Parties may have at any time against the beneficiary. Whether or not the Applicable Australian Borrower submits a Notice of Borrowing, the Applicable Australian Borrower shall be deemed to have requested a Borrowing of Australian Base Rate Loans in an amount necessary to pay all amounts due to an Australian Fronting Bank in the currency in which the underlying Australian Letter of Credit was issued on any Australian Reimbursement Date and each Australian Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of an Australian Letter of Credit, each Australian Lender shall be deemed to have irrevocably and unconditionally purchased from the Australian Fronting Bank that issued such Australian Letter of Credit, without recourse or warranty, an undivided Pro Rata interest and participation in all Australian LC Obligations relating to the Australian Letter of Credit. If the applicable Australian Fronting Bank makes any payment under an Australian Letter of Credit and the Applicable Australian Borrower does not reimburse such payment on the Australian Reimbursement Date, Agent shall promptly notify Australian Lenders and each Australian Lender shall promptly (within one Business Day) and unconditionally pay to Agent in the currency of the payment made under such Australian Letter of Credit, for the benefit of such Australian Fronting Bank, the Australian Lender's Pro Rata share of such payment. Upon request by an Australian Lender, the applicable Australian Fronting Bank shall furnish copies of any Australian Letters of Credit and Australian LC Documents in its possession at such time.

(c) The obligation of each Australian Lender to make payments to Agent for the account of the applicable Australian Fronting Bank in connection with such Australian Fronting Bank's payment under an Australian Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under an Australian Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. No Australian Fronting Bank assumes any responsibility for any failure or delay in performance or any breach by any Australian Borrower or other Person of any obligations under any Australian LC Documents. No Australian Fronting Bank makes any express or implied warranty, representation or guarantee to Australian Lenders with respect to the Australian Facility Collateral, the Australian LC Documents or any Australian Facility Loan Party. No Australian Fronting Bank shall be responsible to any Australian Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any Australian LC Documents; the validity, genuineness, enforceability, collectability, value or sufficiency of any Australian Facility Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Australian Facility Loan Party.

(d) No Australian Fronting Bank Indemnitee shall be liable to any Loan Party or other Person for any action taken or omitted to be taken in connection with any Australian LC Documents except as a result of such Australian Fronting Bank's actual gross negligence, willful misconduct or bad faith, as determined by a final, nonappealable judgment of a court of competent jurisdiction. No Australian Fronting Bank shall have any liability to any Lender if such Australian Fronting Bank refrains from any action under any Australian Letter of Credit or Australian LC Documents until it receives written instructions from Required Borrower Group Lenders of Australian Borrowers.

2.2.3 Australian LC Cash Collateral. If any Australian LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that an Australian Overadvance exists, (c) after the Australian Revolver Commitment Termination Date, or (d) within five Business Days prior to the Facility Termination Date, then Australian Borrowers shall, within one Business Day of an Australian Fronting Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding Australian Letters of Credit issued by such Australian Fronting Banks and pay to each Australian Fronting Bank the amount of all other Australian LC Obligations to such Australian Fronting Bank. Australian Borrowers shall, within one Business Day of demand by an Australian Fronting Bank's or Agent from time to time, Cash Collateralize, with respect to the Australian Letters of Credit issued by such Australian Fronting Bank, the LC Obligations of any Defaulting Lender that is an Australian Lender. If Australian Borrowers fail to provide any Cash Collateral as required hereunder, Australian Lenders may (and shall upon direction of Agent) advance, as Australian Revolver Loans, the amount of the Cash Collateral required (whether or not the Australian Revolver Commitments have terminated, any Australian Overadvance exists or would result therefrom or the conditions in Section 6 are satisfied).

2.3 Belgian Letters of Credit.

2.3.1 Issuance of Belgian Letters of Credit. Each Belgian Fronting Bank agrees to issue Belgian Letters of Credit for the account of any Belgian Borrower from time to time until the Facility Termination Date (or until the Belgian Revolver Commitment Termination Date, if earlier), in Euros or, at the option of the Applicable Belgian Borrower, Dollars, on the terms set forth herein, including the following:

(a) Each Belgian Borrower acknowledges that each Belgian Fronting Bank's willingness to issue any Belgian Letter of Credit is conditioned upon such Belgian Fronting Bank's receipt of a Belgian LC Application with respect to the requested Belgian Letter of Credit, as well as such other instruments and agreements as such Belgian Fronting Bank may customarily require for issuance of a letter of credit of similar type and amount. No Belgian Fronting Bank shall have any obligation to issue any Belgian Letter of Credit unless (i) such Belgian Fronting Bank and Bank of America (London) receive a Belgian LC Request and Belgian LC Application at least three Business Days prior to the requested date of issuance; (ii) each Belgian LC Condition is satisfied; and (iii) if a Defaulting Lender that is a Belgian Lender exists, such Lender or Belgian Borrowers have entered into arrangements reasonably satisfactory to Agent and such Belgian Fronting Bank to eliminate any funding risk associated with such Defaulting Lender. If a Belgian Fronting Bank receives written notice from a Belgian Lender at least three Business Days before issuance of a Belgian Letter of Credit that any Belgian LC Condition has not been satisfied, such Belgian Fronting Bank shall have no obligation to issue the requested Belgian Letter of Credit (or any other) until such notice is withdrawn in writing by the Required Borrower Group Lenders or until the Required Borrower Group Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, a Belgian Fronting Bank shall not be deemed to have knowledge of any failure of Belgian LC Conditions.

(b) The renewal or extension of any Belgian Letter of Credit shall be treated as the issuance of a new Belgian Letter of Credit, except that delivery of a new Belgian LC Application shall be required at the discretion of the applicable Belgian Fronting Bank. No Belgian Fronting Bank shall renew or extend any Belgian Letter of Credit if it receives written notice from the Agent or the Required Borrower Group Lenders of the existence of a Default or Event of Default.

(c) Belgian Borrowers assume all risks of the acts, omissions or misuses of any Belgian Letter of Credit by the beneficiary. In connection with issuance of any Belgian Letter of Credit, none of Agent, any Belgian Fronting Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a Belgian Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a Belgian Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any Belgian Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of any Belgian Fronting Bank, Agent or any Belgian Lender, including any act or omission of a Governmental Authority. The rights and remedies of each Belgian Fronting Bank under the Loan Documents shall be cumulative. Each Belgian Fronting Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any Belgian Letter of Credit issued by such Belgian Fronting Bank.

(d) In connection with its administration of and enforcement of rights or remedies under any Belgian Letters of Credit or Belgian LC Documents, each Belgian Fronting Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by such Belgian Fronting Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Each Belgian Fronting Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Each Belgian Fronting Bank may employ agents and attorneys-in-fact in connection with any matter relating to Belgian Letters of Credit or Belgian LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.3.2 Belgian LC Reimbursement; Belgian LC Participations.

(a) If a Belgian Fronting Bank honors any request for payment under a Belgian Letter of Credit, the Applicable Belgian Borrower shall pay to such Belgian Fronting Bank, on the same day ("Belgian Reimbursement Date"), the amount paid by such Belgian Fronting Bank under such Letter of Credit, together with interest at the interest rate for Belgian Base Rate Loans from the Belgian Reimbursement Date until payment by the Applicable Belgian

Borrower. The obligation of the Applicable Belgian Borrower to reimburse each Belgian Fronting Bank for any payment made under a Belgian Letter of Credit issued by such Belgian Fronting Bank shall be absolute, unconditional, irrevocable, and shall be paid without regard to any lack of validity or enforceability of any Belgian Letter of Credit or the existence of any claim, setoff, defense or other right that the Applicable Belgian Borrower or Loan Parties may have at any time against the beneficiary. Whether or not the Applicable Belgian Borrower submits a Notice of Borrowing, the Applicable Belgian Borrower shall be deemed to have requested a Borrowing of Belgian Base Rate Loans in an amount necessary to pay all amounts due to a Belgian Fronting Bank in the currency in which the underlying Belgian Letter of Credit was issued on any Belgian Reimbursement Date and each Belgian Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a Belgian Letter of Credit, each Belgian Lender shall be deemed to have irrevocably and unconditionally purchased from the Belgian Fronting Bank that issued such Belgian Letter of Credit, without recourse or warranty, an undivided Pro Rata interest and participation in all Belgian LC Obligations relating to the Belgian Letter of Credit. If the applicable Belgian Fronting Bank makes any payment under a Belgian Letter of Credit and the Applicable Belgian Borrower does not reimburse such payment on the Belgian Reimbursement Date, Agent shall promptly notify Belgian Lenders and each Belgian Lender shall promptly (within one Business Day) and unconditionally pay to Agent in the currency of the payment made under such Belgian Letter of Credit, for the benefit of the Belgian Fronting Bank, the Belgian Lender's Pro Rata share of such payment. Upon request by a Belgian Lender, the applicable Belgian Fronting Bank shall furnish copies of any Belgian Letters of Credit and Belgian LC Documents in its possession at such time.

(c) The obligation of each Belgian Lender to make payments to Agent for the account of the applicable Belgian Fronting Bank in connection with such Belgian Fronting Bank's payment under a Belgian Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a Belgian Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. No Belgian Fronting Bank assumes any responsibility for any failure or delay in performance or any breach by any Belgian Borrower or other Person of any obligations under any Belgian LC Documents. No Belgian Fronting Bank makes any express or implied warranty, representation or guarantee to Belgian Lenders with respect to the Belgian Facility Collateral, the Belgian LC Documents or any Belgian Facility Loan Party. No Belgian Fronting Bank shall be responsible to any Belgian Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any Belgian LC Documents; the validity, genuineness, enforceability, collectability, value or sufficiency of any Belgian Facility Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Belgian Facility Loan Party.

(d) No Belgian Fronting Bank Indemnitee shall be liable to any Loan Party or other Person for any action taken or omitted to be taken in connection with any Belgian LC Documents except as a result of such Belgian Fronting Bank's actual gross negligence, willful misconduct or bad faith, as determined by a final, nonappealable judgment of a court of competent jurisdiction. No Belgian Fronting Bank shall have any liability to any Lender if such Belgian Fronting Bank refrains from any action under any Belgian Letter of Credit or Belgian LC Documents until it receives written instructions from Required Borrower Group Lenders of Belgian Borrowers.

2.3.3 Belgian LC Cash Collateral. If any Belgian LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that a Belgian Overadvance exists, (c) after the Belgian Revolver Commitment Termination Date, or (d) within five Business Days prior to the Facility Termination Date, then Belgian Borrowers shall, within one Business Day of the Belgian Fronting Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding Belgian Letters of Credit and pay to each Belgian Fronting Bank the amount of all other Belgian LC Obligations to such Belgian Fronting Bank. Belgian Borrowers shall, within one Business Day of demand by the Belgian Fronting Bank's or Agent from time to time, Cash Collateralize the LC Obligations of any Defaulting Lender that is a Belgian Lender. If Belgian Borrowers fail to provide any Cash Collateral as required hereunder, Belgian Lenders may (and shall upon direction of Agent) advance, as Belgian Revolver Loans, the amount of the Cash Collateral required (whether or not the Belgian Revolver Commitments have terminated, any Belgian Overadvance exists or would result therefrom or the conditions in Section 6 are satisfied).

2.4 Canadian Letters of Credit.

2.4.1 Issuance of Canadian Letters of Credit. Each Canadian Fronting Bank agrees to issue Canadian Letters of Credit for the account of any Canadian Borrower from time to time until the Facility Termination Date (or until the Canadian Revolver Commitment Termination Date, if earlier), in Canadian Dollars or, at the option of the Applicable Canadian Borrower, Dollars, on the terms set forth herein, including the following:

(a) Each Canadian Borrower acknowledges that each Canadian Fronting Bank's willingness to issue any Canadian Letter of Credit is conditioned upon such Canadian Fronting Bank's receipt of a Canadian LC Application with respect to the requested Canadian Letter of Credit, as well as such other instruments and agreements as such Canadian Fronting Bank may customarily require for issuance of a letter of credit of similar type and amount. No Canadian Fronting Bank shall have any obligation to issue any Canadian Letter of Credit unless (i) such Canadian Fronting Bank and Agent receive a Canadian LC Request and Canadian LC Application at least three Business Days prior to the requested date of issuance; (ii) each Canadian LC Condition is satisfied; and (iii) if a Defaulting Lender that is a Canadian Lender exists, such Lender or Canadian Borrowers have entered into arrangements reasonably satisfactory to Agent and such Canadian Fronting Bank to eliminate any funding risk associated with such Defaulting Lender. If a Canadian Fronting Bank receives written notice from a Canadian Lender at least three Business Days before issuance of a Canadian Letter of Credit that any Canadian LC Condition has not been satisfied, such Canadian Fronting Bank shall have no obligation to issue the requested Canadian Letter of Credit (or any other) until such notice is

withdrawn in writing by the Required Borrower Group Lenders or until the Required Borrower Group Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, a Canadian Fronting Bank shall not be deemed to have knowledge of any failure of Canadian LC Conditions.

(b) The renewal or extension of any Canadian Letter of Credit shall be treated as the issuance of a new Canadian Letter of Credit, except that delivery of a new Canadian LC Application shall be required at the discretion of the applicable Canadian Fronting Bank. No Canadian Fronting Bank shall renew or extend any Canadian Letter of Credit if it receives written notice from the Agent or the Required Borrower Group Lenders of the existence of a Default or Event of Default.

(c) Canadian Borrowers assume all risks of the acts, omissions or misuses of any Canadian Letter of Credit by the beneficiary. In connection with issuance of any Canadian Letter of Credit, none of Agent, any Canadian Fronting Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a Canadian Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a Canadian Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any Canadian Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of any Canadian Fronting Bank, Agent or any Canadian Lender, including any act or omission of a Governmental Authority. The rights and remedies of each Canadian Fronting Bank under the Loan Documents shall be cumulative. Each Canadian Fronting Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any Canadian Letter of Credit issued by such Canadian Fronting Bank.

(d) In connection with its administration of and enforcement of rights or remedies under any Canadian Letters of Credit or Canadian LC Documents, each Canadian Fronting Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by such Canadian Fronting Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Each Canadian Fronting Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Each Canadian Fronting Bank may employ agents and attorneys-in-fact in connection with any matter relating to Canadian Letters of Credit or Canadian LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.4.2 Canadian LC Reimbursement; Canadian LC Participations.

(a) If a Canadian Fronting Bank honors any request for payment under a Canadian Letter of Credit, the Applicable Canadian Borrower shall pay to such Canadian Fronting Bank, on the same day (“Canadian Reimbursement Date”), the amount paid by such Canadian Fronting Bank under such Letter of Credit, together with interest at the interest rate for Canadian Prime Rate Loans (if the Canadian Letter of Credit was denominated in Canadian Dollars) and Canadian Base Rate Loans (if the Canadian Letter of Credit was denominated in Dollars), in each case, from the Canadian Reimbursement Date until payment by Canadian Borrower. The obligation of the Applicable Canadian Borrower to reimburse each Canadian Fronting Bank for any payment made under a Canadian Letter of Credit issued by such Canadian Fronting Bank shall be absolute, unconditional, irrevocable, and shall be paid without regard to any lack of validity or enforceability of any Canadian Letter of Credit or the existence of any claim, setoff, defense or other right that the Applicable Canadian Borrower or Loan Parties may have at any time against the beneficiary. Whether or not the Initial Canadian Borrower submits a Notice of Borrowing, the Applicable Canadian Borrower shall be deemed to have requested a Borrowing of Canadian Prime Rate Loans or Canadian Base Rate Loans, as applicable, in an amount necessary to pay all amounts due to a Canadian Fronting Bank in the currency in which the underlying Canadian Letter of Credit was issued on any Canadian Reimbursement Date and each Canadian Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a Canadian Letter of Credit, each Canadian Lender shall be deemed to have irrevocably and unconditionally purchased from the Canadian Fronting Bank that issued such Canadian Letter of Credit, without recourse or warranty, an undivided Pro Rata interest and participation in all Canadian LC Obligations relating to the Canadian Letter of Credit. If the applicable Canadian Fronting Bank makes any payment under a Canadian Letter of Credit and the Applicable Canadian Borrower does not reimburse such payment on the Canadian Reimbursement Date, Agent shall promptly notify Canadian Lenders and each Canadian Lender shall promptly (within one Business Day) and unconditionally pay to Agent in the currency of the payment made under such Canadian Letter of Credit, for the benefit of the Canadian Fronting Bank, the Canadian Lender’s Pro Rata share of such payment. Upon request by a Canadian Lender, the applicable Canadian Fronting Bank shall furnish copies of any Canadian Letters of Credit and Canadian LC Documents in its possession at such time.

(c) The obligation of each Canadian Lender to make payments to Agent for the account of the applicable Canadian Fronting Bank in connection with such Canadian Fronting Bank’s payment under a Canadian Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a Canadian Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. No Canadian Fronting Bank assumes any responsibility for any failure or delay in performance or any breach by any Canadian Borrower or other Person of any

obligations under any Canadian LC Documents. No Canadian Fronting Bank makes any express or implied warranty, representation or guarantee to Canadian Lenders with respect to the Canadian Facility Collateral, Canadian LC Documents or any Canadian Facility Loan Party. No Canadian Fronting Bank shall be responsible to any Canadian Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any Canadian LC Documents; the validity, genuineness, enforceability, collectability, value or sufficiency of any Canadian Facility Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Canadian Facility Loan Party.

(d) No Canadian Fronting Bank Indemnitee shall be liable to any Loan Party or other Person for any action taken or omitted to be taken in connection with any Canadian LC Documents except as a result of such Canadian Fronting Bank's actual gross negligence, willful misconduct or bad faith, as determined by a final, nonappealable judgment of a court of competent jurisdiction. No Canadian Fronting Bank shall have any liability to any Lender if such Canadian Fronting Bank refrains from any action under any Canadian Letter of Credit or Canadian LC Documents until it receives written instructions from Required Borrower Group Lenders of Canadian Borrowers.

2.4.3 Canadian LC Cash Collateral. If any Canadian LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that a Canadian Overadvance exists, (c) after the Canadian Revolver Commitment Termination Date, or (d) within five Business Days prior to the Facility Termination Date, then Canadian Borrowers shall, within one Business Day of the Canadian Fronting Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding Canadian Letters of Credit and pay to each Canadian Fronting Bank the amount of all other Canadian LC Obligations to such Canadian Fronting Bank. Canadian Borrowers shall, within one Business Day of demand by the Canadian Fronting Bank's or Agent from time to time, Cash Collateralize the LC Obligations of any Defaulting Lender that is a Canadian Lender. If Canadian Borrowers fail to provide any Cash Collateral as required hereunder, Canadian Lenders may (and shall upon direction of Agent) advance, as Canadian Revolver Loans, the amount of the Cash Collateral required (whether or not the Canadian Revolver Commitments have terminated, any Canadian Overadvance exists or would result therefrom or the conditions in Section 6 are satisfied).

2.5 Dutch Letters of Credit.

2.5.1 Issuance of Dutch Letters of Credit. Each Dutch Fronting Bank agrees to issue Dutch Letters of Credit for the account of any Dutch Borrower from time to time until the Facility Termination Date (or until the Dutch Revolver Commitment Termination Date, if earlier), in Euros or, at the option of the Applicable Dutch Borrower, Dollars, on the terms set forth herein, including the following:

(a) Each Dutch Borrower acknowledges that each Dutch Fronting Bank's willingness to issue any Dutch Letter of Credit is conditioned upon such Dutch Fronting Bank's receipt of a Dutch LC Application with respect to the requested Dutch Letter of Credit, as well as

such other instruments and agreements as such Dutch Fronting Bank may customarily require for issuance of a letter of credit of similar type and amount. No Dutch Fronting Bank shall have any obligation to issue any Dutch Letter of Credit unless (i) such Dutch Fronting Bank and Bank of America (London) receive a Dutch LC Request and Dutch LC Application at least three Business Days prior to the requested date of issuance; (ii) each Dutch LC Condition is satisfied; and (iii) if a Defaulting Lender that is a Dutch Lender exists, such Lender or Dutch Borrowers have entered into arrangements reasonably satisfactory to Agent and such Dutch Fronting Bank to eliminate any funding risk associated with such Defaulting Lender. If a Dutch Fronting Bank receives written notice from a Dutch Lender at least three Business Days before issuance of a Dutch Letter of Credit that any Dutch LC Condition has not been satisfied, such Dutch Fronting Bank shall have no obligation to issue the requested Dutch Letter of Credit (or any other) until such notice is withdrawn in writing by the Required Borrower Group Lenders or until the Required Borrower Group Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, a Dutch Fronting Bank shall not be deemed to have knowledge of any failure of Dutch LC Conditions.

(b) The renewal or extension of any Dutch Letter of Credit shall be treated as the issuance of a new Dutch Letter of Credit, except that delivery of a new Dutch LC Application shall be required at the discretion of the applicable Dutch Fronting Bank. No Dutch Fronting Bank shall renew or extend any Dutch Letter of Credit if it receives written notice from the Agent or the Required Borrower Group Lenders of the existence of a Default or Event of Default.

(c) Dutch Borrowers assume all risks of the acts, omissions or misuses of any Dutch Letter of Credit by the beneficiary. In connection with issuance of any Dutch Letter of Credit, none of Agent, any Dutch Fronting Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a Dutch Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a Dutch Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any Dutch Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of any Dutch Fronting Bank, Agent or any Dutch Lender, including any act or omission of a Governmental Authority. The rights and remedies of each Dutch Fronting Bank under the Loan Documents shall be cumulative. Each Dutch Fronting Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any Dutch Letter of Credit.

(d) In connection with its administration of and enforcement of rights or remedies under any Dutch Letters of Credit or Dutch LC Documents, each Dutch Fronting Bank shall be entitled to act, and shall be fully protected in acting, upon any certification,

documentation or communication in whatever form believed by such Dutch Fronting Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Each Dutch Fronting Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Each Dutch Fronting Bank may employ agents and attorneys-in-fact in connection with any matter relating to Dutch Letters of Credit or Dutch LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.5.2 Dutch LC Reimbursement; Dutch LC Participations.

(a) If a Dutch Fronting Bank honors any request for payment under a Dutch Letter of Credit, the Applicable Dutch Borrower shall pay to such Dutch Fronting Bank, on the same day ("Dutch Reimbursement Date"), the amount paid by such Dutch Fronting Bank under such Letter of Credit, together with interest at the interest rate for Dutch Base Rate Loans from the Dutch Reimbursement Date until payment by the Applicable Dutch Borrower. The obligation of the Applicable Dutch Borrower to reimburse each Dutch Fronting Bank for any payment made under a Dutch Letter of Credit issued by such Dutch Fronting Bank shall be absolute, unconditional, irrevocable, and shall be paid without regard to any lack of validity or enforceability of any Dutch Letter of Credit or the existence of any claim, setoff, defense or other right that the Applicable Dutch Borrower or Loan Parties may have at any time against the beneficiary. Whether or not the Applicable Dutch Borrower submits a Notice of Borrowing, the Applicable Dutch Borrower shall be deemed to have requested a Borrowing of Dutch Base Rate Loans in an amount necessary to pay all amounts due a Dutch Fronting Bank in the currency in which the underlying Dutch Letter of Credit was issued on any Dutch Reimbursement Date and each Dutch Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a Dutch Letter of Credit, each Dutch Lender shall be deemed to have irrevocably and unconditionally purchased from the Dutch Fronting Bank that issued such Dutch Letter of Credit, without recourse or warranty, an undivided Pro Rata interest and participation in all Dutch LC Obligations relating to the Dutch Letter of Credit. If the applicable Dutch Fronting Bank makes any payment under a Dutch Letter of Credit and the Applicable Dutch Borrower does not reimburse such payment on the Dutch Reimbursement Date, Agent shall promptly notify Dutch Lenders and each Dutch Lender shall promptly (within one Business Day) and unconditionally pay to Agent in the currency of the payment made under such Dutch Letter of Credit, for the benefit of the Dutch Fronting Bank, the Dutch Lender's Pro Rata share of such payment. Upon request by a Dutch Lender, the applicable Dutch Fronting Bank shall furnish copies of any Dutch Letters of Credit and Dutch LC Documents in its possession at such time.

(c) The obligation of each Dutch Lender to make payments to Agent for the account of the applicable Dutch Fronting Bank in connection with such Dutch Fronting Bank's payment under a Dutch Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in

accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a Dutch Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. No Dutch Fronting Bank assumes any responsibility for any failure or delay in performance or any breach by any Dutch Borrower or other Person of any obligations under any Dutch LC Documents. No Dutch Fronting Bank makes any express or implied warranty, representation or guarantee to Dutch Lenders with respect to the Dutch Facility Collateral, the Dutch LC Documents or any Dutch Facility Loan Party. No Dutch Fronting Bank shall be responsible to any Dutch Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any Dutch LC Documents; the validity, genuineness, enforceability, collectability, value or sufficiency of any Dutch Facility Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Dutch Facility Loan Party.

(d) No Dutch Fronting Bank Indemnitee shall be liable to any Loan Party or other Person for any action taken or omitted to be taken in connection with any Dutch LC Documents except as a result of each Dutch Fronting Bank's actual gross negligence, willful misconduct or bad faith, as determined by a final, nonappealable judgment of a court of competent jurisdiction. No Dutch Fronting Bank shall have any liability to any Lender if such Dutch Fronting Bank refrains from any action under any Dutch Letter of Credit or Dutch LC Documents until it receives written instructions from Required Borrower Group Lenders of Dutch Borrowers.

2.5.3 Dutch LC Cash Collateral. If any Dutch LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that a Dutch Overadvance exists, (c) after the Dutch Revolver Commitment Termination Date, or (d) within five Business Days prior to the Facility Termination Date, then Dutch Borrowers shall, within one Business Day of the Dutch Fronting Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding Dutch Letters of Credit and pay to each Dutch Fronting Bank the amount of all other Dutch LC Obligations to such Dutch Fronting Bank. Dutch Borrowers shall, within one Business Day of demand by the Dutch Fronting Bank's or Agent from time to time, Cash Collateralize the LC Obligations of any Defaulting Lender that is a Dutch Lender. If Dutch Borrowers fail to provide any Cash Collateral as required hereunder, Dutch Lenders may (and shall upon direction of Agent) advance, as Dutch Revolver Loans, the amount of the Cash Collateral required (whether or not the Dutch Revolver Commitments have terminated, any Dutch Overadvance exists or would result therefrom or the conditions in Section 6 are satisfied).

2.6 New Zealand Letters of Credit.

2.6.1 Issuance of New Zealand Letters of Credit. Each New Zealand Fronting Bank agrees to issue New Zealand Letters of Credit for the account of any New Zealand Borrower from time to time until the Facility Termination Date (or until the New Zealand Revolver Commitment Termination Date, if earlier), in New Zealand Dollars or, at the option of the Applicable New Zealand Borrower, Dollars or Euros, on the terms set forth herein, including the following:

(a) Each New Zealand Borrower acknowledges that each New Zealand Fronting Bank's willingness to issue any New Zealand Letter of Credit is conditioned upon such New Zealand Fronting Bank's receipt of a New Zealand LC Application with respect to the requested New Zealand Letter of Credit, as well as such other instruments and agreements as such New Zealand Fronting Bank may customarily require for issuance of a letter of credit of similar type and amount. No New Zealand Fronting Bank shall have any obligation to issue any New Zealand Letter of Credit unless (i) such New Zealand Fronting Bank, Bank of America (Hong Kong) and Bank of America (Australia) receive a New Zealand LC Request and New Zealand LC Application at least three Business Days prior to the requested date of issuance; (ii) each New Zealand LC Condition is satisfied; and (iii) if a Defaulting Lender that is a New Zealand Lender exists, such Lender or New Zealand Borrowers have entered into arrangements reasonably satisfactory to Agent and such New Zealand Fronting Bank to eliminate any funding risk associated with such Defaulting Lender. If a New Zealand Fronting Bank receives written notice from a New Zealand Lender at least three Business Days before issuance of a New Zealand Letter of Credit that any New Zealand LC Condition has not been satisfied, such New Zealand Fronting Bank shall have no obligation to issue the requested New Zealand Letter of Credit (or any other) until such notice is withdrawn in writing by the Required Borrower Group Lenders or until the Required Borrower Group Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, a New Zealand Fronting Bank shall not be deemed to have knowledge of any failure of New Zealand LC Conditions.

(b) The renewal or extension of any New Zealand Letter of Credit shall be treated as the issuance of a new New Zealand Letter of Credit, except that delivery of a new New Zealand LC Application shall be required at the discretion of the applicable New Zealand Fronting Bank. No New Zealand Fronting Bank shall renew or extend any New Zealand Letter of Credit if it receives written notice from the Agent or the Required Borrower Group Lenders of the existence of a Default or Event of Default.

(c) New Zealand Borrowers assume all risks of the acts, omissions or misuses of any New Zealand Letter of Credit by the beneficiary. In connection with issuance of any New Zealand Letter of Credit, none of Agent, any New Zealand Fronting Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a New Zealand Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a New Zealand Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any New Zealand Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of any New

Zealand Fronting Bank, Agent or any New Zealand Lender, including any act or omission of a Governmental Authority. The rights and remedies of each New Zealand Fronting Bank under the Loan Documents shall be cumulative. Each New Zealand Fronting Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any New Zealand Letter of Credit issued by such New Zealand Fronting Bank.

(d) In connection with its administration of and enforcement of rights or remedies under any New Zealand Letters of Credit or New Zealand LC Documents, each New Zealand Fronting Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by such New Zealand Fronting Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Each New Zealand Fronting Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Each New Zealand Fronting Bank may employ agents and attorneys-in-fact in connection with any matter relating to New Zealand Letters of Credit or New Zealand LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.6.2 New Zealand LC Reimbursement; New Zealand LC Participations.

(a) If a New Zealand Fronting Bank honors any request for payment under a New Zealand Letter of Credit, the Applicable New Zealand Borrower shall pay to such New Zealand Fronting Bank, on the same day ("New Zealand Reimbursement Date"), the amount paid by such New Zealand Fronting Bank under such Letter of Credit, together with interest at the interest rate for New Zealand Base Rate Loans from the New Zealand Reimbursement Date until payment by the Applicable New Zealand Borrower. The obligation of the Applicable New Zealand Borrower to reimburse each New Zealand Fronting Bank for any payment made under a New Zealand Letter of Credit issued by such New Zealand Fronting Bank shall be absolute, unconditional, irrevocable, and shall be paid without regard to any lack of validity or enforceability of any New Zealand Letter of Credit or the existence of any claim, setoff, defense or other right that the Applicable New Zealand Borrower or Loan Parties may have at any time against the beneficiary. Whether or not the Applicable New Zealand Borrower submits a Notice of Borrowing, the Applicable New Zealand Borrower shall be deemed to have requested a Borrowing of New Zealand Base Rate Loans in an amount necessary to pay all amounts due a New Zealand Fronting Bank in the currency in which the underlying New Zealand Letter of Credit was issued on any New Zealand Reimbursement Date and each New Zealand Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a New Zealand Letter of Credit, each New Zealand Lender shall be deemed to have irrevocably and unconditionally purchased from the New Zealand Fronting Bank that issued such New Zealand Letter of Credit, without recourse or warranty, an undivided Pro Rata interest and participation in all New Zealand LC Obligations relating to the New Zealand Letter of Credit. If the applicable New Zealand Fronting Bank

makes any payment under a New Zealand Letter of Credit and the Applicable New Zealand Borrower does not reimburse such payment on the New Zealand Reimbursement Date, Agent shall promptly notify New Zealand Lenders and each New Zealand Lender shall promptly (within one Business Day) and unconditionally pay to Agent in the currency of the payment made under such New Zealand Letter of Credit, for the benefit of the New Zealand Fronting Bank, the New Zealand Lender's Pro Rata share of such payment. Upon request by a New Zealand Lender, the applicable New Zealand Fronting Bank shall furnish copies of any New Zealand Letters of Credit and New Zealand LC Documents in its possession at such time.

(c) The obligation of each New Zealand Lender to make payments to Agent for the account of the applicable New Zealand Fronting Bank in connection with such New Zealand Fronting Bank's payment under a New Zealand Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a New Zealand Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. No New Zealand Fronting Bank assumes any responsibility for any failure or delay in performance or any breach by any New Zealand Borrower or other Person of any obligations under any New Zealand LC Documents. No New Zealand Fronting Bank makes any express or implied warranty, representation or guarantee to New Zealand Lenders with respect to the New Zealand Facility Collateral, the New Zealand LC Documents or any New Zealand Facility Loan Party. No New Zealand Fronting Bank shall be responsible to any New Zealand Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any New Zealand LC Documents; the validity, genuineness, enforceability, collectability, value or sufficiency of any New Zealand Facility Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any New Zealand Facility Loan Party.

(d) No New Zealand Fronting Bank Indemnitee shall be liable to any Loan Party or other Person for any action taken or omitted to be taken in connection with any New Zealand LC Documents except as a result of such New Zealand Fronting Bank's actual gross negligence, willful misconduct or bad faith, as determined by a final, nonappealable judgment of a court of competent jurisdiction. No New Zealand Fronting Bank shall have any liability to any Lender if such New Zealand Fronting Bank refrains from any action under any New Zealand Letter of Credit or New Zealand LC Documents until it receives written instructions from Required Borrower Group Lenders of New Zealand Borrowers.

2.6.3 New Zealand LC Cash Collateral. If any New Zealand LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that a New Zealand Overadvance exists, (c) after the New Zealand Revolver Commitment Termination Date, or (d) within five Business Days prior to the Facility Termination Date, then New Zealand Borrowers shall, within one Business Day of the New Zealand Fronting Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding New Zealand Letters of Credit and pay to each New Zealand Fronting Bank the

amount of all other New Zealand LC Obligations to such New Zealand Fronting Bank. New Zealand Borrowers shall, within one Business Day of demand by the New Zealand Fronting Bank's or Agent from time to time, Cash Collateralize the LC Obligations of any Defaulting Lender that is a New Zealand Lender. If New Zealand Borrowers fail to provide any Cash Collateral as required hereunder, New Zealand Lenders may (and shall upon direction of Agent) advance, as New Zealand Revolver Loans, the amount of the Cash Collateral required (whether or not the New Zealand Revolver Commitments have terminated, any New Zealand Overadvance exists or would result therefrom or the conditions in Section 6 are satisfied).

2.7 Singapore Letters of Credit.

2.7.1 Issuance of Singapore Letters of Credit. Each Singapore Fronting Bank agrees to issue Singapore Letters of Credit for the account of any Singapore Borrower from time to time until the Facility Termination Date (or until the Singapore Revolver Commitment Termination Date, if earlier), in Singapore Dollars or, at the option of the Applicable Singapore Borrower, Dollars or Euros, on the terms set forth herein, including the following:

(a) Each Singapore Borrower acknowledges that each Singapore Fronting Bank's willingness to issue any Singapore Letter of Credit is conditioned upon such Singapore Fronting Bank's receipt of a Singapore LC Application with respect to the requested Singapore Letter of Credit, as well as such other instruments and agreements as such Singapore Fronting Bank may customarily require for issuance of a letter of credit of similar type and amount. No Singapore Fronting Bank shall have any obligation to issue any Singapore Letter of Credit unless (i) such Singapore Fronting Bank, Bank of America (Hong Kong) and Bank of America (Singapore) receive a Singapore LC Request and Singapore LC Application at least three Business Days prior to the requested date of issuance; (ii) each Singapore LC Condition is satisfied; and (iii) if a Defaulting Lender that is a Singapore Lender exists, such Lender or Singapore Borrowers have entered into arrangements reasonably satisfactory to Agent and such Singapore Fronting Bank to eliminate any funding risk associated with such Defaulting Lender. If a Singapore Fronting Bank receives written notice from a Singapore Lender at least three Business Days before issuance of a Singapore Letter of Credit that any Singapore LC Condition has not been satisfied, such Singapore Fronting Bank shall have no obligation to issue the requested Singapore Letter of Credit (or any other) until such notice is withdrawn in writing by the Required Borrower Group Lenders or until the Required Borrower Group Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, a Singapore Fronting Bank shall not be deemed to have knowledge of any failure of Singapore LC Conditions.

(b) The renewal or extension of any Singapore Letter of Credit shall be treated as the issuance of a new Singapore Letter of Credit, except that delivery of a new Singapore LC Application shall be required at the discretion of the applicable Singapore Fronting Bank. No Singapore Fronting Bank shall renew or extend any Singapore Letter of Credit if it receives written notice from the Agent or the Required Borrower Group Lenders of the existence of a Default or Event of Default.

(c) Singapore Borrowers assume all risks of the acts, omissions or misuses of any Singapore Letter of Credit by the beneficiary. In connection with issuance of any Singapore Letter of Credit, none of Agent, any Singapore Fronting Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a Singapore Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a Singapore Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any Singapore Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of any Singapore Fronting Bank, Agent or any Singapore Lender, including any act or omission of a Governmental Authority. The rights and remedies of each Singapore Fronting Bank under the Loan Documents shall be cumulative. Each Singapore Fronting Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any Singapore Letter of Credit issued by such Singapore Fronting Bank.

(d) In connection with its administration of and enforcement of rights or remedies under any Singapore Letters of Credit or Singapore LC Documents, each Singapore Fronting Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by such Singapore Fronting Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Each Singapore Fronting Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Each Singapore Fronting Bank may employ agents and attorneys-in-fact in connection with any matter relating to Singapore Letters of Credit or Singapore LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.7.2 Singapore LC Reimbursement; Singapore LC Participations.

(a) If a Singapore Fronting Bank honors any request for payment under a Singapore Letter of Credit, the Applicable Singapore Borrower shall pay to such Singapore Fronting Bank, on the same day ("Singapore Reimbursement Date"), the amount paid by such Singapore Fronting Bank under such Letter of Credit, together with interest at the interest rate for Singapore Base Rate Loans from the Singapore Reimbursement Date until payment by the Applicable Singapore Borrower. The obligation of the Applicable Singapore Borrower to reimburse each Singapore Fronting Bank for any payment made under a Singapore Letter of Credit issued by such Singapore Fronting Bank shall be absolute, unconditional, irrevocable, and shall be paid without regard to any lack of validity or enforceability of any Singapore Letter of Credit or the existence of any claim, setoff, defense or other right that the Applicable Singapore Borrower or Loan Parties may have at any time against the beneficiary. Whether or not the Applicable Singapore Borrower submits a Notice of Borrowing, the Applicable Singapore

Borrower shall be deemed to have requested a Borrowing of Singapore Base Rate Loans in an amount necessary to pay all amounts due to a Singapore Fronting Bank in the currency in which the underlying Singapore Letter of Credit was issued on any Singapore Reimbursement Date and each Singapore Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a Singapore Letter of Credit, each Singapore Lender shall be deemed to have irrevocably and unconditionally purchased from the Singapore Fronting Bank that issued such Singapore Letter of Credit, without recourse or warranty, an undivided Pro Rata interest and participation in all Singapore LC Obligations relating to the Singapore Letter of Credit. If the applicable Singapore Fronting Bank makes any payment under a Singapore Letter of Credit and the Applicable Singapore Borrower does not reimburse such payment on the Singapore Reimbursement Date, Agent shall promptly notify Singapore Lenders and each Singapore Lender shall promptly (within one Business Day) and unconditionally pay to Agent in the currency of the payment made under such Singapore Letter of Credit, for the benefit of the Singapore Fronting Bank, the Singapore Lender's Pro Rata share of such payment. Upon request by a Singapore Lender, the applicable Singapore Fronting Bank shall furnish copies of any Singapore Letters of Credit and Singapore LC Documents in its possession at such time.

(c) The obligation of each Singapore Lender to make payments to Agent for the account of the applicable Singapore Fronting Bank in connection with such Singapore Fronting Bank's payment under a Singapore Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a Singapore Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. No Singapore Fronting Bank assumes any responsibility for any failure or delay in performance or any breach by any Singapore Borrower or other Person of any obligations under any Singapore LC Documents. No Singapore Fronting Bank makes any express or implied warranty, representation or guarantee to Singapore Lenders with respect to the Singapore Facility Collateral, the Singapore LC Documents or any Singapore Facility Loan Party. No Singapore Fronting Bank shall be responsible to any Singapore Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any Singapore LC Documents; the validity, genuineness, enforceability, collectability, value or sufficiency of any Singapore Facility Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Singapore Facility Loan Party.

(d) No Singapore Fronting Bank Indemnitee shall be liable to any Loan Party or other Person for any action taken or omitted to be taken in connection with any Singapore LC Documents except as a result of such Singapore Fronting Bank's actual gross negligence, willful misconduct or bad faith, as determined by a final, nonappealable judgment of a court of competent jurisdiction. No Singapore Fronting Bank shall have any liability to any Lender if such Singapore Fronting Bank refrains from any action under any Singapore Letter of Credit or Singapore LC Documents until it receives written instructions from Required Borrower Group Lenders of Singapore Borrowers.

2.7.3 Singapore LC Cash Collateral. If any Singapore LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that a Singapore Overadvance exists, (c) after the Singapore Revolver Commitment Termination Date, or (d) within five Business Days prior to the Facility Termination Date, then Singapore Borrowers shall, within one Business Day of the Singapore Fronting Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding Singapore Letters of Credit and pay to each Singapore Fronting Bank the amount of all other Singapore LC Obligations to such Singapore Fronting Bank. Singapore Borrowers shall, within one Business Day of demand by the Singapore Fronting Bank's or Agent from time to time, Cash Collateralize the LC Obligations of any Defaulting Lender that is a Singapore Lender. If Singapore Borrowers fail to provide any Cash Collateral as required hereunder, Singapore Lenders may (and shall upon direction of Agent) advance, as Singapore Revolver Loans, the amount of the Cash Collateral required (whether or not the Singapore Revolver Commitments have terminated, any Singapore Overadvance exists or would result therefrom or the conditions in Section 6 are satisfied).

2.8 UK Letters of Credit.

2.8.1 Issuance of UK Letters of Credit. Each UK Fronting Bank agrees to issue UK Letters of Credit for the account of any UK Borrower from time to time until the Facility Termination Date (or until the UK Revolver Commitment Termination Date, if earlier), in Sterling or, at the option of the Applicable UK Borrower, Dollars or Euros, on the terms set forth herein, including the following:

(a) Each UK Borrower acknowledges that each UK Fronting Bank's willingness to issue any UK Letter of Credit is conditioned upon such UK Fronting Bank's receipt of a UK LC Application with respect to the requested UK Letter of Credit, as well as such other instruments and agreements as such UK Fronting Bank may customarily require for issuance of a letter of credit of similar type and amount. No UK Fronting Bank shall have any obligation to issue any UK Letter of Credit unless (i) such UK Fronting Bank and Bank of America (London) receive an UK LC Request and UK LC Application at least three Business Days prior to the requested date of issuance; (ii) each UK LC Condition is satisfied; and (iii) if a Defaulting Lender that is an UK Lender exists, such Lender or UK Borrowers have entered into arrangements reasonably satisfactory to Agent and such UK Fronting Bank to eliminate any funding risk associated with such Defaulting Lender. If an UK Fronting Bank receives written notice from an UK Lender at least three Business Days before issuance of an UK Letter of Credit that any UK LC Condition has not been satisfied, such UK Fronting Bank shall have no obligation to issue the requested UK Letter of Credit (or any other) until such notice is withdrawn in writing by the Required Borrower Group Lenders or until the Required Borrower Group Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, an UK Fronting Bank shall not be deemed to have knowledge of any failure of UK LC Conditions.

(b) The renewal or extension of any UK Letter of Credit shall be treated as the issuance of a new UK Letter of Credit, except that delivery of a new UK LC Application shall be required at the discretion of the applicable UK Fronting Bank. No UK Fronting Bank shall renew or extend any UK Letter of Credit if it receives written notice from the Agent or the Required Borrower Group Lenders of the existence of a Default or Event of Default.

(c) UK Borrowers assume all risks of the acts, omissions or misuses of any UK Letter of Credit by the beneficiary. In connection with issuance of any UK Letter of Credit, none of Agent, any UK Fronting Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a UK Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a UK Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any UK Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of any UK Fronting Bank, Agent or any UK Lender, including any act or omission of a Governmental Authority. The rights and remedies of each UK Fronting Bank under the Loan Documents shall be cumulative. Each UK Fronting Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any UK Letter of Credit issued by such UK Fronting Bank.

(d) In connection with its administration of and enforcement of rights or remedies under any UK Letters of Credit or UK LC Documents, each UK Fronting Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by such UK Fronting Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Each UK Fronting Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Each UK Fronting Bank may employ agents and attorneys-in-fact in connection with any matter relating to UK Letters of Credit or UK LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.8.2 UK LC Reimbursement; UK LC Participations.

(a) If an UK Fronting Bank honors any request for payment under a UK Letter of Credit, the Applicable UK Borrower shall pay to such UK Fronting Bank, on the same day ("UK Reimbursement Date"), the amount paid by such UK Fronting Bank under such Letter of Credit, together with interest at the interest rate for UK Base Rate Loans from the UK Reimbursement Date until payment by the Applicable UK Borrower. The obligation of the Applicable UK Borrower to reimburse each UK Fronting Bank for any payment made under a

UK Letter of Credit issued by such UK Fronting Bank shall be absolute, unconditional, irrevocable, and shall be paid without regard to any lack of validity or enforceability of any UK Letter of Credit or the existence of any claim, setoff, defense or other right that the Applicable UK Borrower or Loan Parties may have at any time against the beneficiary. Whether or not the Applicable UK Borrower submits a Notice of Borrowing, the Applicable UK Borrower shall be deemed to have requested a Borrowing of UK Base Rate Loans in an amount necessary to pay all amounts due an UK Fronting Bank in the currency in which the underlying UK Letter of Credit was issued on any UK Reimbursement Date and each UK Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a UK Letter of Credit, each UK Lender shall be deemed to have irrevocably and unconditionally purchased from the UK Fronting Bank that issued such UK Letter of Credit, without recourse or warranty, an undivided Pro Rata interest and participation in all UK LC Obligations relating to the UK Letter of Credit. If the applicable UK Fronting Bank makes any payment under a UK Letter of Credit and the Applicable UK Borrower does not reimburse such payment on the UK Reimbursement Date, Agent shall promptly notify UK Lenders and each UK Lender shall promptly (within one Business Day) and unconditionally pay to Agent in the currency of the payment made under such UK Letter of Credit, for the benefit of the UK Fronting Bank, the UK Lender's Pro Rata share of such payment. Upon request by an UK Lender, the applicable UK Fronting Bank shall furnish copies of any UK Letters of Credit and UK LC Documents in its possession at such time.

(c) The obligation of each UK Lender to make payments to Agent for the account of the applicable UK Fronting Bank in connection with such UK Fronting Bank's payment under a UK Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a UK Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. No UK Fronting Bank assumes any responsibility for any failure or delay in performance or any breach by any UK Borrower or other Person of any obligations under any UK LC Documents. No UK Fronting Bank makes any express or implied warranty, representation or guarantee to UK Lenders with respect to the UK Facility Collateral, the UK LC Documents or any UK Facility Loan Party. No UK Fronting Bank shall be responsible to any UK Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any UK LC Documents; the validity, genuineness, enforceability, collectability, value or sufficiency of any UK Facility Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any UK Facility Loan Party.

(d) No UK Fronting Bank Indemnitee shall be liable to any Loan Party or other Person for any action taken or omitted to be taken in connection with any UK LC Documents except as a result of such UK Fronting Bank's actual gross negligence, willful misconduct or bad faith, as determined by a final, nonappealable judgment of a court of competent jurisdiction. No UK Fronting Bank shall have any liability to any Lender if such UK Fronting Bank refrains from any action under any UK Letter of Credit or UK LC Documents until it receives written instructions from Required Borrower Group Lenders of UK Borrowers.

2.8.3 UK LC Cash Collateral. If any UK LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that a UK Overadvance exists, (c) after the UK Revolver Commitment Termination Date, or (d) within five Business Days prior to the Facility Termination Date, then UK Borrowers shall, within one Business Day of the UK Fronting Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding UK Letters of Credit and pay to each UK Fronting Bank the amount of all other UK LC Obligations to such UK Fronting Bank. UK Borrowers shall, within one Business Day of demand by the UK Fronting Bank's or Agent from time to time, Cash Collateralize the LC Obligations of any Defaulting Lender that is a UK Lender. If UK Borrowers fail to provide any Cash Collateral as required hereunder, UK Lenders may (and shall upon direction of Agent) advance, as UK Revolver Loans, the amount of the Cash Collateral required (whether or not the UK Revolver Commitments have terminated, any UK Overadvance exists or would result therefrom or the conditions in Section 6 are satisfied).

2.9 U.S. Letters of Credit.

2.9.1 Issuance of U.S. Letters of Credit. Each U.S. Fronting Bank agrees to issue U.S. Letters of Credit for the account of any U.S. Borrower or its Restricted Subsidiaries (*provided* that each U.S. Borrower agrees that it is jointly and severally liable with respect to, and guarantees payment under Section 5.10.1 with respect to, any U.S. Letter of Credit issued for the account of a Restricted Subsidiary that is not a U.S. Borrower) from time to time until the Facility Termination Date (or until the U.S. Revolver Commitment Termination Date, if earlier), on the terms set forth herein, including the following:

(a) Each U.S. Borrower acknowledges that each U.S. Fronting Bank's willingness to issue any U.S. Letter of Credit is conditioned upon such U.S. Fronting Bank's receipt of a U.S. LC Application with respect to the requested U.S. Letter of Credit, as well as such other instruments and agreements as such U.S. Fronting Bank may customarily require for issuance of a letter of credit of similar type and amount. No U.S. Fronting Bank shall have any obligation to issue any U.S. Letter of Credit unless (i) such U.S. Fronting Bank and Agent receive a U.S. LC Request and U.S. LC Application at least three Business Days prior to the requested date of issuance; (ii) each U.S. LC Condition is satisfied; and (iii) if a Defaulting Lender that is a U.S. Lender exists, U.S. Borrowers have entered into arrangements reasonably satisfactory to Agent and such U.S. Fronting Bank to eliminate any funding risk associated with such Defaulting Lender. If a U.S. Fronting Bank receives written notice from a U.S. Lender at least three Business Days before issuance of a U.S. Letter of Credit that any U.S. LC Condition has not been satisfied, such U.S. Fronting Bank shall have no obligation to issue the requested U.S. Letter of Credit (or any other) until such notice is withdrawn in writing by the Required Borrower Group Lenders or until the Required Borrower Group Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, a U.S. Fronting Bank shall not be deemed to have knowledge of any failure of U.S. LC Conditions. All Existing U.S. Letters of Credit shall be deemed to have been issued pursuant hereto, and from and after the Closing Date shall be subject to and governed by the terms and conditions hereof.

(b) The renewal or extension of any U.S. Letter of Credit shall be treated as the issuance of a new U.S. Letter of Credit, except that delivery of a new U.S. LC Application shall be required at the discretion of the applicable U.S. Fronting Bank. No U.S. Fronting Bank shall renew or extend any U.S. Letter of Credit if it receives written notice from the Agent or the Required Borrower Group Lenders of the existence of a Default or Event of Default.

(c) U.S. Borrowers assume all risks of the acts, omissions or misuses of any U.S. Letter of Credit by the beneficiary. In connection with issuance of any U.S. Letter of Credit, none of Agent, any U.S. Fronting Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a U.S. Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a U.S. Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any U.S. Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of any U.S. Fronting Bank, Agent or any U.S. Lender, including any act or omission of a Governmental Authority. The rights and remedies of each U.S. Fronting Bank under the Loan Documents shall be cumulative. Each U.S. Fronting Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any U.S. Letter of Credit issued by such U.S. Fronting Bank.

(d) In connection with its administration of and enforcement of rights or remedies under any U.S. Letters of Credit or U.S. LC Documents, each U.S. Fronting Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by such U.S. Fronting Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Each U.S. Fronting Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Each U.S. Fronting Bank may employ agents and attorneys-in-fact in connection with any matter relating to U.S. Letters of Credit or U.S. LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.9.2 U.S. LC Reimbursement; U.S. LC Participations.

(a) If a U.S. Fronting Bank honors any request for payment under a U.S. Letter of Credit, U.S. Borrowers shall pay to such U.S. Fronting Bank, on the same day ("U.S. Reimbursement Date"), the amount paid by such U.S. Fronting Bank under such U.S. Letter of

Credit, together with interest at the interest rate for U.S. Base Rate Loans from the U.S. Reimbursement Date until payment by U.S. Borrowers. The obligation of U.S. Borrowers to reimburse each U.S. Fronting Bank for any payment made under a U.S. Letter of Credit issued by such U.S. Fronting Bank shall be absolute, unconditional, irrevocable, and joint and several among U.S. Borrowers, and shall be paid without regard to any lack of validity or enforceability of any U.S. Letter of Credit or the existence of any claim, setoff, defense or other right that U.S. Borrowers or Loan Parties may have at any time against the beneficiary. Whether or not the North American Loan Party Agent submits a Notice of Borrowing, U.S. Borrowers shall be deemed to have requested a Borrowing of U.S. Base Rate Loans in an amount necessary (based on the Dollar Equivalent thereof) to pay all amounts due to a U.S. Fronting Bank on any U.S. Reimbursement Date and each U.S. Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a U.S. Letter of Credit, each U.S. Lender shall be deemed to have irrevocably and unconditionally purchased from the U.S. Fronting Bank that issued such U.S. Letter of Credit, without recourse or warranty, an undivided Pro Rata interest and participation in all U.S. LC Obligations relating to the U.S. Letter of Credit. If the applicable U.S. Fronting Bank makes any payment under a U.S. Letter of Credit and U.S. Borrowers do not reimburse such payment on the U.S. Reimbursement Date, Agent shall promptly notify U.S. Lenders and each U.S. Lender shall promptly (within one Business Day) and unconditionally pay to Agent in Dollars, for the benefit of U.S. Fronting Bank, the U.S. Lender's Pro Rata share of such payment (based on the Dollar Equivalent thereof). Upon request by a U.S. Lender, the applicable applicable U.S. Fronting Bank shall furnish copies of any U.S. Letters of Credit and U.S. LC Documents in its possession at such time.

(c) The obligation of each U.S. Lender to make payments to Agent for the account of the applicable U.S. Fronting Bank in connection with such U.S. Fronting Bank's payment under a U.S. Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a U.S. Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. No U.S. Fronting Bank assumes any responsibility for any failure or delay in performance or any breach by any U.S. Borrower or other Person of any obligations under any U.S. LC Documents. No U.S. Fronting Bank makes any express or implied warranty, representation or guarantee to U.S. Lenders with respect to the U.S. Facility Collateral, U.S. LC Documents or any U.S. Facility Loan Party. No U.S. Fronting Bank shall be responsible to any U.S. Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any U.S. LC Documents; the validity, genuineness, enforceability, collectability, value or sufficiency of any U.S. Facility Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any U.S. Facility Loan Party.

(d) No U.S. Fronting Bank Indemnitee shall be liable to any Loan Party or other Person for any action taken or omitted to be taken in connection with any U.S. LC Documents except as a result of each U.S. Fronting Bank's actual gross negligence, willful misconduct or bad faith, as determined by a final, nonappealable judgment of a court of competent jurisdiction. No U.S. Fronting Bank shall have any liability to any Lender if such U.S. Fronting Bank refrains from any action under any U.S. Letter of Credit or U.S. LC Documents until it receives written instructions from Required Borrower Group Lenders of the Borrower Group consisting of the U.S. Borrowers.

2.9.3 U.S. LC Cash Collateral. If any U.S. LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that a U.S. Overadvance exists, (c) after the U.S. Revolver Commitment Termination Date, or (d) within five Business Days prior to the Facility Termination Date, then U.S. Borrowers shall, within one Business Day of U.S. Fronting Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding U.S. Letters of Credit (based on the Dollar Equivalent thereof) and pay to each U.S. Fronting Bank the amount of all other U.S. LC Obligations to such U.S. Fronting Bank. U.S. Borrowers shall, within one Business Day of demand by U.S. Fronting Bank's or Agent from time to time, Cash Collateralize the U.S. LC Obligations of any Defaulting Lender that is a U.S. Lender. If U.S. Borrowers fail to provide any Cash Collateral as required hereunder, Lenders may (and shall upon direction of Agent) advance, as U.S. Revolver Loans, the amount of the Cash Collateral required (whether or not the U.S. Revolver Commitments have terminated, any U.S. Overadvance exists or would result therefrom or the conditions in Section 6 are satisfied).

2.10 Issuance of Letters of Credit by Non-Lender Fronting Banks. Foreign Borrowers (other than Canadian Borrowers) may request that Agent permit Non-Lender Fronting Banks to issue Letters of Credit hereunder for the account of such Foreign Borrowers; *provided*, that (a) the Dollar Equivalent of the aggregate amount of all such Letters of Credit may not exceed \$45,000,000 at any time outstanding, (b) such Letters of Credit may only be issued to beneficiaries located outside of the United States and Canada, (c) prior to the issuance of any such Letter of Credit and a financial institution becoming a Non-Lender Fronting Bank hereunder, such financial institution shall enter into documentation and, to the extent such Letters of Credit to be issued by such Non-Lender Fronting Banks shall have the benefit of security, security arrangements satisfactory to Agent and the Required Lenders, and (d) each such Letter of Credit issued by a Non-Lender Fronting Bank shall be subject to the terms and conditions of this Agreement. Unless otherwise agreed pursuant to clause (c) above, Non-Lender Fronting Banks shall not be Secured Parties or have any rights to Collateral or distributions thereof (including under Section 5.5.1).

2.11 Applicable Foreign Borrower Sublimits. Notwithstanding anything to the contrary contained in this Section 2, in no event shall any Applicable Foreign Borrower be entitled to receive a Revolver Loan or the issuance of a Letter of Credit (and no Lender shall be required to make or support the same) if at the time of the proposed funding of such Revolver Loan or the issuance of such Letter of Credit (and after giving effect thereto and all pending requests for Revolver Loans and Letters of Credit by or on behalf of such Borrower), the sum of (a) the Dollar Equivalent of the outstanding amount of all Revolver Loans made to such Borrower on such date and (b) the LC Obligations of such Borrower on such date exceeds the

lesser of such Borrower's individual Borrowing Base (without giving effect to its allocable portion of any LC Reserve) or Applicable Foreign Borrower Commitment. If as a result of fluctuations in exchange rates or otherwise the Dollar Equivalent of the sum of all outstanding Revolver Loans made to an Applicable Foreign Borrower and the LC Obligations of such Borrower exceed such Borrower's Applicable Foreign Borrower Commitment, the excess amount shall be payable by the Applicable Foreign Borrower within three Business Days following demand by Agent. In no event shall the aggregate Applicable Foreign Borrower Commitments for all members of a Foreign Borrower Group exceed the Foreign Revolver Commitments for such Foreign Borrower Group.

2.12 Obligations of the non-U.S. Loan Parties. Notwithstanding anything in this Agreement or any other Loan Document to the contrary, except as otherwise expressly agreed by the Agent and the North American Loan Party Agent, no Excluded Loan Party shall be liable or in any manner responsible for, or be deemed to have guaranteed, directly or indirectly, whether as a primary obligor, guarantor, indemnitor, or otherwise, and none of their assets shall secure, directly or indirectly, any U.S. Facility Secured Obligations (including, without limitation, principal, interest, fees, penalties, premiums, expenses, charges, reimbursements, indemnities or any other U.S. Facility Secured Obligations) under this Agreement or any other Loan Document.

SECTION 3. INTEREST, FEES AND CHARGES

3.1 Interest.

3.1.1 Rates and Payment of Interest.

(a) The Obligations shall bear interest as follows:

- (i) in the case of an Australian Bank Bill Rate Loan, at the Australian Bank Bill Rate in effect from time to time, plus the Applicable Margin for Australian Bank Bill Rate Loans;
- (ii) in the case of a Base Rate Loan (other than a New Zealand Base Rate Loan and a Singapore Base Rate Loan), at the Base Rate in effect from time to time, plus the Applicable Margin for such Base Rate Loan;
- (iii) in the case of a New Zealand Base Rate Loan, at the Base Rate in effect from time to time, plus the New Zealand Applicable Margin for New Zealand Base Rate Loans;
- (iv) in the case of a Singapore Base Rate Loan, at the Base Rate in effect from time to time, plus the Singapore Applicable Margin for Singapore Base Rate Loans;
- (v) in the case of a Canadian BA Rate Loan, at the Canadian BA Rate for the applicable Interest Period, plus the Applicable Margin for Canadian BA Rate Loans;

(vi) in the case of a Canadian Prime Rate Loan, at the Canadian Prime Rate in effect from time to time, plus the Applicable Margin for Canadian Prime Rate Loans;

(vii) in the case of a LIBOR Loan (other than a LIBOR Loan to New Zealand Borrowers and Singapore Borrowers), at LIBOR for the applicable Interest Period, plus the Applicable Margin for LIBOR Loans;

(viii) in the case of a LIBOR Loan to New Zealand Borrowers, at LIBOR for the applicable Interest Period, plus the New Zealand Applicable Margin for LIBOR Loans;

(ix) in the case of a LIBOR Loan to Singapore Borrowers, at LIBOR for the applicable Interest Period, plus the Singapore Applicable Margin for LIBOR Loans;

(x) in the case of a New Zealand Bank Bill Rate Loan, at the New Zealand Bank Bill Rate for the applicable Interest Period, plus the New Zealand Applicable Margin for New Zealand Bank Bill Rate Loans;

(xi) in the case of a SIBOR Loan, at SIBOR for the applicable Interest Period, plus the Singapore Applicable Margin for SIBOR Loans;

(xii) in the case of any other Australian Facility Obligation, Belgian Facility Obligation, Dutch Facility Obligation, UK Facility Obligation or U.S. Facility Obligation that is then due and payable (including, to the extent permitted by law, interest not paid when due), at the Base Rate in effect from time to time, plus the Applicable Margin for the related Base Rate Loans;

(xiii) in the case of any other Canadian Facility Obligation that is then due and payable (including, to the extent permitted by law, interest not paid when due), at the Canadian Prime Rate in effect from time to time, plus the Applicable Margin for Canadian Prime Rate Loans;

(xiv) in the case of any other New Zealand Facility Obligation that is then due and payable (including, to the extent permitted by law, interest not paid when due), at the Base Rate in effect from time to time, plus the New Zealand Applicable Margin for New Zealand Base Rate Loans; and

(xv) in the case of any other Singapore Facility Obligation that is then due and payable (including, to the extent permitted by law, interest not paid when due), at the Base Rate in effect from time to time, plus the Singapore Applicable Margin for Singapore Base Rate Loans.

Interest shall accrue from the date the Loan is advanced or the Obligation becomes payable, until paid by the Applicable Borrower(s). If a Loan is repaid on the same day made, one day's interest shall accrue.

(b) Interest on the Revolver Loans shall be payable in the currency of the underlying Revolver Loan.

(c) If all or a portion of (i) the principal amount of any Loan or (ii) any interest payable thereon shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest (including post-petition interest during the pendency of any Insolvency Proceeding) at a rate *per annum* that is (x) in the case of overdue principal, the Default Rate or (y) in the case of any overdue interest, to the extent permitted by applicable law, the Default Rate from and including the date of such non-payment to but excluding the date on which such amount is paid in full (after as well as before judgment). Payment or acceptance of the increased rates of interest provided for in this Section 3.1.1 is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of the Agent, any Security Trustee or any Lender.

(d) Interest accrued on the Loans shall be due and payable in arrears, (i) for any Base Rate Loan or Canadian Prime Rate Loan, quarterly on the first day of each January, April, July and October; (ii) for any Interest Period Loan, on the last day of its Interest Period (and, if its Interest Period exceeds three months, at the end of each period of three months) and (iii) on any date of prepayment, with respect to the principal amount of Loans being prepaid. In addition, interest accrued on the (1) Australian Revolver Loans shall be due and payable in arrears on the Australian Revolver Commitment Termination Date, (2) Belgian Revolver Loans shall be due and payable in arrears on the Belgian Revolver Commitment Termination Date, (3) Canadian Revolver Loans shall be due and payable in arrears on the Canadian Revolver Commitment Termination Date, (4) Dutch Revolver Loans shall be due and payable in arrears on the Dutch Revolver Commitment Termination Date, (5) New Zealand Revolver Loans shall be due and payable in arrears on the New Zealand Revolver Commitment Termination Date, (6) Singapore Revolver Loans shall be due and payable in arrears on the Singapore Revolver Commitment Termination Date, (7) UK Revolver Loans shall be due and payable in arrears on the UK Revolver Commitment Termination Date, and (8) U.S. Revolver Loans shall be due and payable in arrears on the U.S. Revolver Commitment Termination Date. Interest accrued on any other Obligations shall be due and payable as provided in the Loan Documents and, if no payment date is specified, shall be due and payable on demand. Notwithstanding the foregoing, interest accrued at the Default Rate shall be due and payable on demand.

3.1.2 Application of LIBOR to Outstanding Loans.

(a) Borrowers may on any Business Day, subject to delivery of a Notice of Conversion/Continuation and the other terms hereof, elect to convert any portion of any Base Rate Loan funded in Dollars, Euros or Sterling (as applicable) to, or to continue any LIBOR Loan at the end of its Interest Period as, a LIBOR Loan. During any Event of Default, Agent may (and shall at the direction of Required Borrower Group Lenders of the applicable Borrower Group) declare that no Loan may be made, converted or continued as a LIBOR Loan.

(b) Whenever Borrowers within a Borrower Group desire to convert or continue Loans as LIBOR Loans, the relevant Loan Party Agent shall give Agent (and in the case of any such request by (i) Australian Borrowers or New Zealand Borrowers, Bank of

America (Australia) and Bank of America (Hong Kong), (ii) Belgian Borrowers, Dutch Borrowers or UK Borrowers, Bank of America (London), or (iii) Singapore Borrowers, Bank of America (Singapore) and Bank of America (Hong Kong) a Notice of Conversion/Continuation, no later than 11:00 a.m. (Local Time) (or 1:00 p.m. (Local Time) in the case of a request on behalf of Canadian Borrowers or U.S. Borrowers) at least three Business Days prior to the requested conversion or continuation date. Promptly after receiving any such notice, Agent shall notify each Applicable Lender thereof. Each Notice of Conversion/Continuation shall be irrevocable, and shall specify the amount of Loans to be converted or continued, the conversion or continuation date (which shall be a Business Day), and the duration of the Interest Period (which shall be deemed to be 30 days if not specified). If, upon the expiration of any Interest Period in respect of any LIBOR Loans, the relevant Loan Party Agent shall have failed to deliver a Notice of Conversion/Continuation with respect thereto as required above, Borrowers shall be deemed to have elected to convert such Loans into Base Rate Loans.

3.1.3 Application of Australian Bank Bill Rate to Outstanding Loans.

(a) The Applicable Australian Borrower may on any Business Day, subject to delivery of a Notice of Conversion/Continuation and the other terms hereof, elect to convert any portion of the Australian Base Rate Loans funded in Australian Dollars, or to continue any Australian Bank Bill Rate Loan at the end of its Interest Period as an Australian Bank Bill Rate Loan; *provided, however*, that such Australian Bank Bill Rate Loans may only be so converted at the end of the Interest Period applicable thereto. During any Event of Default, Agent may (and shall at the direction of Required Borrower Group Lenders of the Borrower Group that consists of the Australian Borrowers) declare that no Loan may be made, converted or continued as an Australian Bank Bill Rate Loan.

(b) Whenever the Applicable Australian Borrower desires to convert or continue Loans as Australian Bank Bill Rate Loans, Asian Loan Party Agent shall give Agent, Bank of America (Australia) and Bank of America (Hong Kong) a Notice of Conversion/Continuation, no later than 11:00 a.m. (Local Time) at least three Business Days prior to the requested conversion or continuation date. Promptly after receiving any such notice, Agent shall notify each Australian Lender thereof. Each Notice of Conversion/Continuation shall be irrevocable, and shall specify the amount of Loans to be converted or continued, the conversion or continuation date (which shall be a Business Day), and the duration of the Interest Period (which shall be deemed to be 30 days if not specified). If, upon the expiration of any Interest Period in respect of any Australian Bank Bill Rate Loans, Asian Loan Party Agent shall have failed to deliver a Notice of Conversion/Continuation with respect thereto as required above, the Applicable Australian Borrower shall be deemed to have elected to convert such Loans into Base Rate Loans.

3.1.4 Application of Canadian BA Rate to Outstanding Loans.

(a) The Applicable Canadian Borrower may on any Business Day, subject to delivery of a Notice of Conversion/Continuation and the other terms hereof, elect to convert any portion of the Canadian Prime Rate Loans, or to continue any Canadian BA Rate Loan at the end of its Interest Period as a Canadian BA Rate Loan; *provided, however*, that such Canadian BA Rate Loans may only be so converted at the end of the Interest Period applicable thereto. During any Event of Default, Agent may (and shall at the direction of Required Borrower Group Lenders of the Borrower Group that consists of the Canadian Borrowers) declare that no Loan may be made, converted or continued as a Canadian BA Rate Loan.

(b) Whenever the Applicable Canadian Borrower desires to convert or continue Loans as Canadian BA Rate Loans, North American Loan Party Agent shall give Agent a Notice of Conversion/Continuation, no later than 1:00 p.m. at least three Business Days prior to the requested conversion or continuation date. Promptly after receiving any such notice, Agent shall notify each Canadian Lender thereof. Each Notice of Conversion/Continuation shall be irrevocable, and shall specify the amount of Loans to be converted or continued, the conversion or continuation date (which shall be a Business Day), and the duration of the Interest Period (which shall be deemed to be one month if not specified). If, upon the expiration of any Interest Period in respect of any Canadian BA Rate Loans, North American Loan Party Agent shall have failed to deliver a Notice of Conversion/Continuation with respect thereto as required above, the Initial Canadian Borrower shall be deemed to have elected to convert such Loans into Canadian Prime Rate Loans.

3.1.5 Application of New Zealand Bank Bill Rate to Outstanding Loans.

(a) The Applicable New Zealand Borrower may on any Business Day, subject to delivery of a Notice of Conversion/Continuation and the other terms hereof, elect to convert any portion of the New Zealand Base Rate Loans funded in New Zealand Dollars, or to continue any New Zealand Bank Bill Rate Loan at the end of its Interest Period as a New Zealand Bank Bill Rate Loan; *provided, however*, that such New Zealand Bank Bill Rate Loans may only be so converted at the end of the Interest Period applicable thereto. During any Event of Default, Agent may (and shall at the direction of Required Borrower Group Lenders of the Borrower Group that consists of the New Zealand Borrowers) declare that no Loan may be made, converted or continued as a New Zealand Bank Bill Rate Loan.

(b) Whenever the Applicable New Zealand Borrower desires to convert or continue Loans as New Zealand Bank Bill Rate Loans, Asian Loan Party Agent shall give Agent, Bank of America (Australia) and Bank of America (Hong Kong) a Notice of Conversion/Continuation, no later than 11:00 a.m. (Local Time) at least three Business Days prior to the requested conversion or continuation date. Promptly after receiving any such notice, Agent shall notify each New Zealand Lender thereof. Each Notice of Conversion/Continuation shall be irrevocable, and shall specify the amount of Loans to be converted or continued, the conversion or continuation date (which shall be a Business Day), and the duration of the Interest Period (which shall be deemed to be one month if not specified). If, upon the expiration of any Interest Period in respect of any New Zealand Bank Bill Rate Loans, Asian Loan Party Agent shall have failed to deliver a Notice of Conversion/Continuation with respect thereto as required above, the Applicable New Zealand Borrower shall be deemed to have elected to convert such Loans into Base Rate Loans.

3.1.6 Application of SIBOR to Outstanding Loans.

(a) The Applicable Singapore Borrower may on any Business Day, subject to delivery of a Notice of Conversion/Continuation and the other terms hereof, elect to convert any portion of any Singapore Base Rate Loan funded in Singapore Dollars to, or to continue any SIBOR Loan at the end of its Interest Period as, a SIBOR Loan; *provided*, that such SIBOR Loan may only be so converted at the end of the Interest Period applicable thereto. During any Event of Default, Agent may (and shall at the direction of Required Borrower Group Lenders of the applicable Borrower Group that consists of the Singapore Borrowers) declare that no Loan may be made, converted or continued as a SIBOR Loan.

(b) Whenever the Applicable Singapore Borrower desires to convert or continue Loans as SIBOR Loans, the Asian Loan Party Agent shall give Agent, Bank of America (Singapore) and Bank of America (Hong Kong) a Notice of Conversion/Continuation, no later than 11:00 a.m. (Local Time) at least three Business Days prior to the requested conversion or continuation date. Promptly after receiving any such notice, Agent shall notify each Singapore Lender thereof. Each Notice of Conversion/Continuation shall be irrevocable, and shall specify the amount of Loans to be converted or continued, the conversion or continuation date (which shall be a Business Day), and the duration of the Interest Period (which shall be deemed to be one month if not specified). If, upon the expiration of any Interest Period in respect of any SIBOR Loans, the Asian Loan Party Agent shall have failed to deliver a Notice of Conversion/Continuation with respect thereto as required above, the Applicable Singapore Borrower shall be deemed to have elected to convert such Loans into Singapore Base Rate Loans.

3.1.7 Interest Periods. In connection with the making, conversion or continuation of any Interest Period Loans, the relevant Loan Party Agent, on behalf of the applicable Borrower(s), shall select an interest period to apply (the "Interest Period"), which interest period shall be a one, two, three, six (or if available to all Applicable Lenders as determined by such Applicable Lenders in good faith based upon prevailing market conditions) nine or twelve month period (or, in the case of Australian Bank Bill Rate Loans only, seven or fourteen days); *provided, however*, that:

(a) the Interest Period shall commence on the date the Loan is made or continued as, or converted into, an Interest Period Loan, and shall expire on the numerically corresponding day in the calendar month at its end;

(b) if any Interest Period commences on a day for which there is no corresponding day in the calendar month at its end or if such corresponding day falls after the last Business Day of such month, then the Interest Period shall expire on the last Business Day of such month;

(c) if any Interest Period would expire on a day that is not a Business Day, the period shall expire on the next Business Day; and

(d) no Interest Period shall extend beyond the Facility Termination Date (or, in the case of any Loan owing by (i) any Australian Borrower, the Australian Revolver Commitment Termination Date, (ii) any Belgian Borrower, the Belgian Revolver Commitment Termination Date, (iii) any Canadian Borrower, the Canadian Revolver Commitment Termination Date, (iv) any Dutch Borrower, the Dutch Revolver Commitment Termination Date, (v) any New Zealand Borrower, the New Zealand Revolver Commitment Termination Date, (vi)

any Singapore Borrower, the Singapore Revolver Commitment Termination Date, (vii) any UK Borrower, the UK Revolver Commitment Termination Date or (viii) any U.S. Borrower, the U.S. Revolver Commitment Termination Date, in each case if earlier).

3.2 Fees.

3.2.1 Unused Line Fee.

(a) Australian Unused Line Fee. Australian Borrowers shall pay to Agent, for the Pro Rata benefit of Australian Lenders, a fee equal to 0.375% per annum times the average daily amount by which the Australian Revolver Commitments exceed the Australian Revolver Exposure during any month; provided, that such fee shall reduce to 0.25% per annum for any month during which the average daily amount of the Australian Revolver Exposure exceeded 50% of the Australian Revolver Commitments. Such fee shall be payable in arrears, on the first day of each month and on the Australian Revolver Commitment Termination Date.

(b) Belgian Unused Line Fee. Belgian Borrowers shall pay to Agent, for the Pro Rata benefit of Belgian Lenders, a fee equal to 0.375% per annum times the average daily amount by which the Belgian Revolver Commitments exceed the Belgian Revolver Exposure during any month; provided, that such fee shall reduce to 0.25% per annum for any month during which the average daily amount of the Belgian Revolver Exposure exceeded 50% of the Belgian Revolver Commitments. Such fee shall be payable in arrears, on the first day of each month and on the Belgian Revolver Commitment Termination Date.

(c) Canadian Unused Line Fee. Canadian Borrowers shall pay to Agent, for the Pro Rata benefit of Canadian Lenders, a fee equal to 0.375% per annum times the average daily amount by which the Canadian Revolver Commitments exceed the Canadian Revolver Exposure during any month; provided, that such fee shall reduce to 0.25% per annum for any month during which the average daily amount of the Canadian Revolver Exposure exceeded 50% of the Canadian Revolver Commitments. Such fee shall be payable in arrears, on the first day of each month and on the Canadian Revolver Commitment Termination Date.

(d) Dutch Unused Line Fee. Dutch Borrowers shall pay to Agent, for the Pro Rata benefit of Dutch Lenders, a fee equal to 0.375% per annum times the average daily amount by which the Dutch Revolver Commitments exceed the Dutch Revolver Exposure during any month; provided, that such fee shall reduce to 0.25% per annum for any month during which the average daily amount of the Dutch Revolver Exposure exceeded 50% of the Dutch Revolver Commitments. Such fee shall be payable in arrears, on the first day of each month and on the Dutch Revolver Commitment Termination Date.

(e) New Zealand Unused Line Fee. New Zealand Borrowers shall pay to Agent, for the Pro Rata benefit of New Zealand Lenders, an unused line fee at a rate per annum specified in the joinder documentation for the New Zealand Lenders. Such fee shall be payable in arrears, on the first day of each month and on the New Zealand Revolver Commitment Termination Date.

(f) Singapore Unused Line Fee. Singapore Borrowers shall pay to Agent, for the Pro Rata benefit of Singapore Lenders, an unused line fee at a rate per annum specified in the joinder documentation for the Singapore Lenders. Such fee shall be payable in arrears, on the first day of each month and on the Singapore Revolver Commitment Termination Date.

(g) **UK Unused Line Fee.** UK Borrowers shall pay to Agent, for the Pro Rata benefit of UK Lenders, a fee equal to 0.375% per annum times the average daily amount by which the UK Revolver Commitments exceed the UK Revolver Exposure during any month; provided, that such fee shall reduce to 0.25% per annum for any month during which the average daily amount of the UK Revolver Exposure exceeded 50% of the UK Revolver Commitments. Such fee shall be payable in arrears, on the first day of each month and on the UK Revolver Commitment Termination Date.

(h) **U.S. Unused Line Fee.** U.S. Borrowers shall pay to Agent, for the Pro Rata benefit of U.S. Lenders, a fee equal to 0.375% per annum times the average daily amount by which the U.S. Revolver Commitments exceed the U.S. Revolver Exposure during any month; provided, that such fee shall reduce to 0.25% per annum for any month during which the average daily amount of the U.S. Revolver Exposure exceeded 50% of the U.S. Revolver Commitments. Such fee shall be payable in arrears, on the first day of each month and on the U.S. Revolver Commitment Termination Date.

3.2.2 Australian Letters of Credit Fees. Each Applicable Australian Borrower shall pay (a) to Agent, for the Pro Rata benefit of Australian Lenders, a fee equal to the per annum rate of the Applicable Margin in effect for Australian Bank Bill Rate Loans times the average daily stated amount of such Applicable Australian Borrower's Australian Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) to Australian Fronting Bank, for its own account, a fronting fee equal to 0.125% per annum on the stated amount of each Australian Letter of Credit issued by it, which fee shall be payable upon the issuance of such Australian Letter of Credit and at the time of each renewal or extension of each Australian Letter of Credit; and (c) to Australian Fronting Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Australian Letters of Credit issued by it, which charges shall be paid as and when incurred.

3.2.3 Belgian Letters of Credit Fees. Each Applicable Belgian Borrower shall pay (a) to Agent, for the Pro Rata benefit of Belgian Lenders, a fee equal to the per annum rate of the Applicable Margin in effect for LIBOR Loans times the average daily stated amount of such Applicable Belgian Borrower's Belgian Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) to Belgian Fronting Bank, for its own account, a fronting fee equal to 0.125% per annum on the stated amount of each Belgian Letter of Credit issued by it, which fee shall be payable upon the issuance of such Belgian Letter of Credit and at the time of each renewal or extension of each Belgian Letter of Credit; and (c) to Belgian Fronting Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Belgian Letters of Credit issued by it, which charges shall be paid as and when incurred.

3.2.4 Canadian Letters of Credit Fees. Each Applicable Canadian Borrower shall pay (a) to Agent, for the Pro Rata benefit of Canadian Lenders, a fee equal to the per annum rate of the Applicable Margin in effect for Canadian BA Rate Loans times the average daily

stated amount of such Applicable Canadian Borrower's Canadian Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) to Canadian Fronting Bank, for its own account, a fronting fee equal to 0.125% per annum on the stated amount of each Canadian Letter of Credit issued by it, which fee shall be payable upon the issuance of such Canadian Letter of Credit and at the time of each renewal or extension of each Canadian Letter of Credit; and (c) to Canadian Fronting Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Canadian Letters of Credit issued by it, which charges shall be paid as and when incurred.

3.2.5 Dutch Letters of Credit Fees. Each Applicable Dutch Borrower shall pay (a) to Agent, for the Pro Rata benefit of Dutch Lenders, a fee equal to the per annum rate of the Applicable Margin in effect for LIBOR Loans times the average daily stated amount of such Applicable Dutch Borrower's Dutch Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) to Dutch Fronting Bank, for its own account, a fronting fee equal to 0.125% per annum on the stated amount of each Dutch Letter of Credit issued by it, which fee shall be payable upon the issuance of such Dutch Letter of Credit and at the time of each renewal or extension of each Dutch Letter of Credit; and (c) to Dutch Fronting Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Dutch Letters of Credit issued by it, which charges shall be paid as and when incurred.

3.2.6 New Zealand Letters of Credit Fees. Each Applicable New Zealand Borrower shall pay (a) to Agent, for the Pro Rata benefit of New Zealand Lenders, a fee equal to the per annum rate of the New Zealand Applicable Margin in effect for New Zealand Bank Bill Rate Loans times the average daily stated amount of such Applicable New Zealand Borrower's New Zealand Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) to New Zealand Fronting Bank, for its own account, a fronting fee in an amount agreed to in the joinder documentation for the New Zealand Fronting Bank on the stated amount of each New Zealand Letter of Credit issued by it, which fee shall be payable upon the issuance of such New Zealand Letter of Credit and at the time of each renewal or extension of each New Zealand Letter of Credit; and (c) to New Zealand Fronting Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of New Zealand Letters of Credit issued by it, which charges shall be paid as and when incurred.

3.2.7 Singapore Letters of Credit Fees. Each Applicable Singapore Borrower shall pay (a) to Agent, for the Pro Rata benefit of Singapore Lenders, a fee equal to the per annum rate of the Singapore Applicable Margin in effect for SIBOR Loans times the average daily stated amount of such Applicable Singapore Borrower's Singapore Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) to Singapore Fronting Bank, for its own account, a fronting fee in an amount agreed to in the joinder documentation for the Singapore Fronting Bank on the stated amount of each Singapore Letter of Credit issued by it, which fee shall be payable upon the issuance of such Singapore Letter of Credit and at the time of each renewal or extension of each Singapore Letter of Credit; and (c) to Singapore Fronting Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Singapore Letters of Credit issued by it, which charges shall be paid as and when incurred.

3.2.8 UK Letters of Credit Fees. Each Applicable UK Borrower shall pay (a) to Agent, for the Pro Rata benefit of UK Lenders, a fee equal to the per annum rate of the Applicable Margin in effect for LIBOR Loans times the average daily stated amount of such Applicable UK Borrower's UK Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) to UK Fronting Bank, for its own account, a fronting fee equal to 0.125% per annum on the stated amount of each UK Letter of Credit issued by it, which fee shall be payable upon the issuance of such UK Letter of Credit and at the time of each renewal or extension of each UK Letter of Credit; and (c) to UK Fronting Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of UK Letters of Credit issued by it, which charges shall be paid as and when incurred.

3.2.9 U.S. Letters of Credit Fees. U.S. Borrowers shall pay (a) to Agent, for the Pro Rata benefit of U.S. Lenders, a fee equal to the per annum rate of the Applicable Margin in effect for LIBOR Loans times the average daily stated amount of U.S. Letters of Credit (based on the Dollar Equivalent thereof), which fee shall be payable monthly in arrears, on the first day of each month; (b) to U.S. Fronting Bank, for its own account, a fronting fee equal to 0.125% per annum on the stated amount of each U.S. Letter of Credit issued by it, which fee shall be payable upon the issuance of such U.S. Letter of Credit and at the time of each renewal or extension of each U.S. Letter of Credit; and (c) to U.S. Fronting Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of U.S. Letters of Credit issued by it, which charges shall be paid as and when incurred.

3.2.10 Other Fees. MRC and the Initial Canadian Borrower shall pay such other fees as described in the Fee Letter.

3.3 Computation of Interest, Fees, Yield Protection. All interest, as well as fees and other charges calculated on a per annum basis, shall be computed for the actual days elapsed, based on a year of 360 days, or, in the case of interest based on Loans denominated in Australian Dollars, Canadian Dollars, New Zealand Dollars and Sterling, on the basis of a 365 day year. Each determination by Agent of any interest, fees or interest rate hereunder shall be final, conclusive and binding for all purposes, absent manifest error. All fees shall be fully earned when due and shall not be subject to rebate, refund or proration. All fees payable under Section 3.2 are compensation for services and are not, and shall not be deemed to be, interest or any other charge for the use, forbearance or detention of money, except to the extent such treatment is inconsistent with any Applicable Law. A certificate setting forth in reasonable detail amounts payable by any Borrower under Section 3.4, 3.7, 3.8 or 3.10 and the basis therefor, submitted to a Loan Party Agent by Agent or the affected Lender or Fronting Bank shall be final, conclusive and binding for all purposes, absent manifest error, and Borrowers shall pay such amounts to the appropriate party within 10 Business Days following receipt of the certificate. For the purposes of the *Interest Act* (Canada), the yearly rate of interest to which any rate calculated on the basis of a period of time different from the actual number of days in the year (360 days, for example) is equivalent is the stated rate multiplied by the actual number of days in

the year (365 or 366, as applicable) and divided by the number of days in the shorter period (360 days, in the example), and the parties hereto acknowledge that there is a material distinction between the nominal and effective rates of interest and that they are capable of making the calculations necessary to compare such rates and that the calculations herein are to be made using the nominal rate method and not on any basis that gives effect to the principle of deemed reinvestment of interest.

3.4 Reimbursement Obligations. Borrowers within each Borrower Group shall reimburse Agent and Security Trustees for all Extraordinary Expenses incurred by Agent and Security Trustees in reference to such Borrower Group or its related Loan Party Group Obligations or Collateral of its related Loan Party Group. In addition to such Extraordinary Expenses, such Borrowers shall also reimburse Agent and Security Trustees for all reasonable and documented legal, accounting, appraisal, and other reasonable and documented fees, costs and expenses, without duplication, incurred by them in connection with (a) negotiation and preparation of any Loan Documents, including any amendment or other modification thereof; (b) administration of and actions relating to any Collateral, including any actions taken to perfect or maintain priority of Agent's or any Security Trustee's Liens on any such Collateral, to maintain any insurance required hereunder or to verify such Collateral; and (c) each inspection, audit or appraisal with respect to any Loan Party within such Borrowers' related Loan Party Group or Collateral securing such Loan Party Group's Obligations, whether prepared by Agent's personnel or a third party (subject to the limitations of Section 10.1.15). All legal and accounting fees incurred by Agent Professionals or any applicable Security Trustee in reference to a Borrower's related Loan Party Group or its related Loan Party Group Obligations or Collateral of such Borrower's related Loan Party Group shall be charged to Borrowers within such Borrower Group at the actual rate charged by such Agent Professionals or such Security Trustee; *provided* that Borrowers' obligation to reimburse Agent and Security Trustees for legal fees shall be limited to the reasonable and documented legal fees and expenses of Vinson & Elkins LLP, U.S. counsel to Agent, the Norton Rose Group, as foreign counsel to Agent and Security Trustees (other than in Belgium and New Zealand), LYDIAN, Belgian counsel to Agent and Security Trustees, and Bell Gully, New Zealand counsel to Agent and Security Trustees and, if necessary, of one local counsel in each other relevant jurisdiction (which may include a local counsel acting in multiple jurisdictions). In addition to the Extraordinary Expenses of Agent and Security Trustees, upon the occurrence and during the continuance of an Event Default, Borrowers shall reimburse Fronting Banks and Lenders for the reasonable and documented fees, charges and disbursements of one counsel for the Fronting Banks and Lenders, as a whole, in connection with the enforcement, collection or protection of their respective rights under the Loan Documents, including all such expenses incurred during any workout, restructuring or Insolvency Proceeding. If, for any reason (including inaccurate reporting on financial statements), it is determined that a higher Applicable Margin (or New Zealand Applicable Margin or Singapore Applicable Margin) should have applied to a period than was actually applied, then the proper margin shall be applied retroactively and Borrowers shall pay to Agent, for the Pro Rata benefit of Lenders, an amount equal to the difference between the amount of interest and fees that would have accrued using the proper margin and the amount actually paid. All amounts payable by Borrowers under this Section 3.4 shall be due and payable in accordance with Section 3.3.

3.5 Illegality. If any Lender determines that any Applicable Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Interest Period Loans, or to determine or charge interest rates based upon the Australian Bank Bill Rate, the Canadian BA Rate, LIBOR, the New Zealand Bank Bill Rate or SIBOR, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell bills of exchange denominated in, or to take deposits of, Australian Dollars or New Zealand Dollars, a currency in the London interbank market, Canadian Dollars through bankers' acceptances or Singapore Dollars in the Singapore interbank market then, on notice thereof by such Lender to Agent, any obligation of such Lender to make or continue affected Interest Period Loans or to convert Floating Rate Loans to affected Interest Period Loans shall be suspended until such Lender notifies Agent that the circumstances giving rise to such determination no longer exist. Upon delivery of such notice, Borrowers of the affected Borrower Group shall prepay or, if applicable, convert all affected Interest Period Loans of such Lender to Floating Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Interest Period Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Interest Period Loans. Upon any such prepayment or conversion, Borrowers of the affected Borrower Group shall also pay accrued interest on the amount so prepaid or converted. If any Lender invokes this Section 3.5, such Lender shall use reasonable efforts to notify a Loan Party Agent and Agent when the conditions giving rise to such action no longer exists, *provided, however*, that such Lender shall have no liability to Borrowers or to any other Person for its failure to provide such notice.

3.6 Inability to Determine Rates. If Required Lenders notify Agent for any reason in connection with a request for a Borrowing of, or conversion to or continuation of, an Interest Period Loan that (a) deposits or bankers' acceptances are not being offered to (i) with respect to LIBOR, banks in the London interbank market, (ii) with respect to Canadian BA Rate, Persons in Canada, (iii) with respect to the Australian Bank Bill Rate, Persons in Australia, (iv) with respect to the New Zealand Bank Bill Rate, Persons in New Zealand, or (v) with respect to SIBOR, banks in the Singapore interbank market, in each case for the applicable amount and Interest Period of such Loan, (b) adequate and reasonable means do not exist for determining the Australian Bank Bill Rate, the New Zealand Bank Bill Rate, LIBOR, the Canadian BA Rate or SIBOR for the requested Interest Period, or (c) the Australian Bank Bill Rate, the New Zealand Bank Bill Rate, LIBOR, the Canadian BA Rate or SIBOR for the requested Interest Period does not adequately and fairly reflect the cost to such Lenders of funding such Loan, then Agent will promptly so notify a Loan Party Agent and each Applicable Lender. Thereafter, the obligation of the Applicable Lenders to make or maintain affected Interest Period Loans shall be suspended until Agent (upon instruction by Required Lenders) revokes such notice. Upon receipt of such notice, a Loan Party Agent may revoke any pending request for a Borrowing of, conversion to or continuation of an Interest Period Loan or, failing that, will be deemed to have submitted a request for a Floating Rate Loan. If any Lender invokes this Section 3.6, such Lender shall use reasonable efforts to notify the relevant Loan Party Agent and Agent when the conditions giving rise to such action no longer exists, *provided, however*, that such Lender shall have no liability to Borrowers or to any other Person for its failure to provide such notice.

3.7 Increased Costs; Capital Adequacy.

3.7.1 Change in Law. If any Change in Law shall:

(a) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Australian Bank Bill Rate, Canadian BA Rate, LIBOR, the New Zealand Bank Bill Rate or SIBOR) or Fronting Bank; or

(b) impose on any Lender or Fronting Bank or the London interbank market, the Singapore interbank market or the New Zealand, Australian or Canadian market any other condition, cost or expense affecting any Loan, Loan Document, Letter of Credit or participation in LC Obligations;

and the result thereof shall be to increase the cost to such Lender of making or maintaining any Interest Period Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or Fronting Bank of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or Fronting Bank hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or Fronting Bank, the Borrower Group to which such Lender or Fronting Bank has a Commitment shall pay to such Lender or Fronting Bank such additional amount or amounts as will compensate such Lender or Fronting Bank for such additional costs incurred or reduction suffered, in each case, in accordance with Section 3.3. For the avoidance of doubt, this Section 3.7.1 shall not apply (i) to any Taxes or (ii) to the extent that any amount is compensated for by the payment of any amount pursuant to Section 3.8.

3.7.2 Capital Adequacy. If any Lender or Fronting Bank determines that any Change in Law affecting such Lender or Fronting Bank or any Lending Office of such Lender or such Lender's or Fronting Bank's holding company, if any, regarding capital, liquidity or leverage requirements has or would have the effect of reducing the rate of return on such Lender's, Fronting Bank's or holding company's capital as a consequence of this Agreement, or such Lender's or Fronting Bank's Commitments, Loans, Letters of Credit or participations in LC Obligations to a level below that which such Lender, Fronting Bank or holding company could have achieved but for such Change in Law (taking into consideration such Lender's, Fronting Bank's and holding company's policies with respect to capital adequacy), then from time to time the Borrower Group to which such Lender or Fronting Bank has a Commitment will pay to such Lender or Fronting Bank, as the case may be, such additional amount or amounts as will compensate it or its holding company for any such reduction suffered, in each case, in accordance with Section 3.3.

3.7.3 Compensation. Failure or delay on the part of any Lender or Fronting Bank to demand compensation pursuant to this Section 3.7 shall not constitute a waiver of its right to demand such compensation, but Borrowers of a Borrower Group shall not be required to compensate a Lender to such Borrower Group or Fronting Bank for any increased costs incurred or reductions suffered more than six months prior to the date that the Lender or Fronting Bank

notifies a Loan Party Agent of the Change in Law giving rise to such increased costs or reductions and of such Lender's or Fronting Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the six month period referred to above shall be extended to include the period of retroactive effect thereof).

3.8 Additional Reserve Costs.

(a) If and so long as any Lender is required by the Bank of England, the European Central Bank or the Financial Services Authority or any other monetary or other authority of the UK to make special deposits, to maintain reserve asset ratios or to pay fees, in each case in respect of such Lender's LIBOR Loans, such Lender may require the Borrower in respect of such Loans to pay, contemporaneously with each payment of interest on each of such Loans, additional interest on such Loan at a rate per annum equal to the Mandatory Costs Rate calculated in accordance with the formula and in the manner set forth in **Schedule 3.8**.

(b) Any additional cost owed pursuant to Section 3.8(a) above shall be payable to the Agent by the applicable Borrower for the account of such Lender on each date on which interest is payable for such Loan.

3.9 Mitigation. If any Lender gives a notice under Section 3.5 or requests compensation under Section 3.7 or 3.8, or if any Borrower is required to pay additional amounts or indemnity payments with respect to a Lender under Section 5.8, then such Lender shall use reasonable efforts to designate a different Lending Office or to assign its rights and obligations hereunder to another of its offices, branches or Affiliates, if, in the judgment of such Lender, such designation or assignment (a) would eliminate the need for such notice or reduce amounts payable or to be withheld in the future, as applicable; and (b) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be materially disadvantageous to such Lender or unlawful. The Borrower or Borrowers of each affected Borrower Group shall pay all reasonable costs and expenses incurred by any Lender that has issued a Commitment to such Borrower Group in connection with any such designation or assignment.

3.10 Funding Losses. If for any reason (other than default by a Lender) (a) any Borrowing of, or conversion to or continuation of, an Interest Period Loan does not occur on the date specified therefor in a Notice of Borrowing or Notice of Conversion/Continuation (whether or not withdrawn), (b) any repayment or conversion of an Interest Period Loan occurs on a day other than the end of its Interest Period, or (c) any Borrower of either Borrower Group fails to repay an Interest Period Loan when required hereunder, then Borrowers of such Borrower Group shall pay to Agent its customary administrative charge and to each Lender all losses and expenses that it sustains as a consequence thereof, including any loss or expense arising from liquidation or redeployment of funds or from fees payable to terminate deposits of matching funds, but excluding loss of margin. All amounts payable by Borrowers under this Section 3.10 shall be due and payable in accordance with Section 3.3. Lenders shall not be required to purchase deposits in the London interbank market or any other applicable market to fund any Interest Period Loan, but the provisions hereof shall be deemed to apply as if each Lender had purchased such deposits to fund such Loans.

3.11 Maximum Interest. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by Applicable Law (“maximum rate”). If Agent or any Lender shall receive interest in an amount that exceeds the maximum rate, the excess interest shall be applied to the principal of the Obligations of the Borrower Group to which such excess interest relates or, if it exceeds such unpaid principal, refunded to such Borrower Group. In determining whether the interest contracted for, charged or received by Agent or a Lender exceeds the maximum rate, such Person may, to the extent permitted by Applicable Law, (a) characterize any payment that is not principal as an expense, fee or premium rather than interest; (b) exclude voluntary prepayments and the effects thereof; and (c) amortize, prorate, allocate and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder. Without limiting the generality of the foregoing provisions of Section 3.11, if any provision of any of the Loan Documents would obligate any Canadian Domiciled Loan Party to make any payment of interest with respect to the Canadian Facility Obligations in an amount or calculated at a rate which would be prohibited by Applicable Law or would result in the receipt of interest with respect to the Canadian Facility Obligations at a criminal rate (as such terms are construed under the Criminal Code (Canada)), then notwithstanding such provision, such amount or rates shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the applicable recipient of interest with respect to the Canadian Facility Obligations at a criminal rate, such adjustment to be effected, to the extent necessary, as follows: (i) first, by reducing the amount or rates of interest required to be paid by the Canadian Facility Loan Parties to the applicable recipient under the Loan Documents; and (ii) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid by the Canadian Facility Loan Parties to the applicable recipient which would constitute interest with respect to the Canadian Facility Obligations for purposes of Section 347 of the Criminal Code (Canada). Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if the applicable recipient shall have received an amount in excess of the maximum permitted by that section of the Criminal Code (Canada), then Canadian Facility Loan Parties shall be entitled, by notice in writing to Agent, to obtain reimbursement from the applicable recipient in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by the applicable recipient to the applicable Canadian Facility Loan Party. Any amount or rate of interest with respect to the Canadian Facility Obligations referred to in this Section 3.11 shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term that any Canadian Revolver Loans to any Canadian Borrower remains outstanding on the assumption that any charges, fees or expenses that fall within the meaning of “interest” (as defined in the Criminal Code (Canada)) shall, if they relate to a specific period of time, be pro rated over that period of time and otherwise be pro rated over the period from the Closing Date to the date of Full Payment of the Canadian Facility Obligations, and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by Agent shall be conclusive for the purposes of such determination.

SECTION 4. LOAN ADMINISTRATION

4.1 Manner of Borrowing and Funding Loans.

4.1.1 Notices of Borrowing.

(a) North American Revolver Loans. Whenever any Canadian Borrower or U.S. Borrower desires funding of a Borrowing of Revolver Loans, the North American Loan Party Agent shall give Agent a Notice of Borrowing. Such notice must be received by Agent no later than 11:00 a.m. (i) on the Business Day of the requested funding date, in the case of Floating Rate Loans and (ii) at least three Business Days prior to the requested funding date, in the case of Interest Period Loans. Notices received after 11:00 a.m. shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (A) the amount of the Borrowing, (B) the requested funding date (which must be a Business Day), (C) whether the Borrowing is to be made as a U.S. Base Rate Loan or a LIBOR Revolver Loan, in the case of a U.S. Borrower, or a Canadian Base Rate Loan, LIBOR Loan, Canadian Prime Rate Loan or Canadian BA Rate Loan, in the case of a Canadian Borrower, (D) in the case of Interest Period Loans, the duration of the applicable Interest Period (which shall be deemed to be one month if not specified) and (E) the Borrower Group Commitment under which such Borrowing is proposed to be made and, if such Borrowing is requested for a Canadian Borrower, the name of the Applicable Canadian Borrower and whether such Loan is to be denominated in Dollars or Canadian Dollars.

(b) European Revolver Loans. Whenever any Belgian Borrower, Dutch Borrower or UK Borrower desires funding of a Borrowing of Revolver Loans, the European Loan Party Agent shall give Agent and Bank of America (London) a Notice of Borrowing. Such notice must be received by Agent and Bank of America (London) no later than 11:00 a.m. (Local Time) (i) at least two Business Days prior to the requested funding date, in the case of Floating Rate Loans and (ii) at least three Business Days prior to the requested funding date, in the case of Interest Period Loans. Notices received after 11:00 a.m. (Local Time) shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (A) the amount of the Borrowing, (B) the requested funding date (which must be a Business Day), (C) whether the Borrowing is to be made as a Base Rate Loan or a LIBOR Loan, (D) in the case of Interest Period Loans, the duration of the applicable Interest Period (which shall be deemed to be one month if not specified), (E) the Borrower Group Commitment under which such Borrowing is proposed to be made and the name of the Applicable Foreign Borrower and (F) the currency in which such Loan will be denominated (which must be a currency permitted under this Agreement for such Loan).

(c) Asian Revolver Loans.

(i) Australia. Whenever any Australian Borrower desires funding of a Borrowing of Revolver Loans, the Asian Loan Party Agent shall give Agent, Bank of America (Australia) and Bank of America (Hong Kong) a Notice of Borrowing. Such notice must be received by Agent, Bank of America (Australia) and Bank of America (Hong Kong) no later than 10:00 a.m. (Local Time) (A) at least two Business Days prior to the requested funding date, in the case of Floating Rate Loans (provided, that a Notice

of Borrowing that requests a Revolver Loan (x) denominated other than in Australian Dollars or (y) in excess of AUS\$30,000,000 (or such lesser amount as Agent may require in its discretion) must be received no later than 10:00 a.m. (Local Time) three Business Days prior to the requested funding date (or such shorter time as may be agreed to by Agent and Australian Lenders)) and (B) at least three Business Days prior to the requested funding date in the case of Interest Period Loans. Notices received after 10:00 a.m. (Local Time) shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (1) the amount of the Borrowing, (2) the requested funding date (which must be a Business Day), (3) whether the Borrowing is to be made as an Australian Bank Bill Rate Loan, an Australian Base Rate Loan or a LIBOR Loan, (4) in the case of Interest Period Loans, the duration of the applicable Interest Period (which shall be deemed to be one month if not specified), (5) the name of the Applicable Foreign Borrower and (6) the currency in which such Loan will be denominated (which must be a currency permitted under this Agreement for such Loan).

(ii) New Zealand. Whenever any New Zealand Borrower desires funding of a Borrowing of Revolver Loans, the Asian Loan Party Agent shall give Agent, Bank of America (Australia) and Bank of America (Hong Kong) a Notice of Borrowing. Such notice must be received by Agent, Bank of America (Australia) and Bank of America (Hong Kong) no later than 10:00 a.m. (Local Time) (A) at least two Business Days prior to the requested funding date, in the case of Floating Rate Loans (provided, that a Notice of Borrowing that requests a Revolver Loan denominated other than in New Zealand Dollars must be received no later than 10:00 a.m. (Local Time) three Business Days prior to the requested funding date (or such shorter time as may be agreed to by Agent and New Zealand Lenders)) and (B) at least three Business Days prior to the requested funding date in the case of Interest Period Loans. Notices received after 10:00 a.m. (Local Time) shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (1) the amount of the Borrowing, (2) the requested funding date (which must be a Business Day), (3) whether the Borrowing is to be made as a New Zealand Bank Bill Rate Loan, a New Zealand Base Rate Loan or a LIBOR Loan, (4) in the case of Interest Period Loans, the duration of the applicable Interest Period (which shall be deemed to be one month if not specified), (5) the name of the Applicable Foreign Borrower and (6) the currency in which such Loan will be denominated (which must be a currency permitted under this Agreement for such Loan).

(iii) Singapore. Whenever any Singapore Borrower desires funding of a Borrowing of Revolver Loans, the Asian Loan Party Agent shall give Agent, Bank of America (Singapore) and Bank of America (Hong Kong) a Notice of Borrowing. Such notice must be received by Agent, Bank of America (Singapore) and Bank of America (Hong Kong) no later than 11:00 a.m. (Local Time) (i) at least two Business Days prior to the requested funding date, in the case of Floating Rate Loans (provided, that a Notice of Borrowing that requests a Revolver Loan denominated other than in Singapore Dollars must be received no later than 11:00 a.m. (Local Time) three Business Days prior to the requested funding date (or such shorter time as may be agreed to by Agent and Singapore Lenders)) and (ii) at least three Business Days prior to the requested funding date in the case of Interest Period Loans. Notices received after 11:00 a.m. (Local Time) shall be deemed received on the next Business Day. Each Notice of Borrowing shall be

irrevocable and shall specify (A) the amount of the Borrowing, (B) the requested funding date (which must be a Business Day), (C) whether the Borrowing is to be made as a Singapore Base Rate Loan, a LIBOR Loan or a SIBOR Loan, (D) in the case of Interest Period Loans, the duration of the applicable Interest Period (which shall be deemed to be one month if not specified), (E) the name of the Applicable Foreign Borrower and (F) the currency in which such Loan will be denominated (which must be a currency permitted under this Agreement for such Loan).

(d) North American Swingline Loans. Whenever any Canadian Borrower or U.S. Borrower desires funding of a Borrowing of Swingline Loans, the North American Loan Party Agent shall give the Agent a Notice of Borrowing. Such notice must be received by the Agent no later than 11:00 a.m. on the Business Day of the requested funding date. Notices received after 11:00 a.m. shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (A) the amount of the Borrowing, (B) the requested funding date (which must be a Business Day), (C) whether the Borrowing is to be made as a Canadian Base Rate Loan or Canadian Prime Rate Loan, in the case of a Canadian Borrower, and (D) the Borrower Group Commitment under which such Borrowing is proposed to be made and, if such Borrowing is requested for a Canadian Borrower, the name of the Applicable Canadian Borrower and whether such Loan is to be denominated in Dollars or Canadian Dollars.

(e) European Swingline Loans. Whenever any Belgian Borrower, Dutch Borrower or UK Borrower desires funding of a Borrowing of Swingline Loans, the European Loan Party Agent shall give the Agent and Bank of America (London) a Notice of Borrowing. Such notice must be received by the Agent no later than 11:00 a.m. (London time) on the Business Day of the requested funding date other than in the case of UK Alternate Swingline Loans and no later than 11:00 a.m. (London time) three Business Days prior to the requested funding date in the case of UK Alternate Swingline Loans. Notices received after 11:00 a.m. (London time) shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (A) the amount of the Borrowing, (B) the requested funding date (which must be a Business Day), (C) the Borrower Group Commitment under which such Borrowing is proposed to be made and the name of the Applicable Foreign Borrower and (D) the currency in which such Loan will be denominated (which must be a currency permitted under this Agreement for such Loan).

(f) Asian Swingline Loans. Whenever any Australian Borrower, New Zealand Borrower or Singapore Borrower desires funding of a Borrowing of Swingline Loans, the Asian Loan Party Agent shall give the Agent, Bank of America (Australia) and Bank of America (Hong Kong) (in the case of a request by Australian Borrowers and New Zealand Borrowers) or Bank of America (Singapore) and Bank of America (Hong Kong) (in the case of a request by Singapore Borrowers) a Notice of Borrowing. Such notice must be received by the Agent and Bank of America (Australia) or Bank of America (Singapore), as applicable, and Bank of America (Hong Kong) no later than 10:00 a.m. (Local Time) on the Business Day of the requested funding date (provided, that a Notice of Borrowing that requests a Swingline Loan denominated in Dollars must be received no later than 10:00 a.m. (Local Time) three Business Days prior to the requested funding date (or such shorter time as may be agreed to by Agent)). Notices received after 10:00 a.m. (Local Time) shall be deemed received on the next Business

Day. Each Notice of Borrowing shall be irrevocable and shall specify (A) the amount of the Borrowing, (B) the requested funding date (which must be a Business Day), (C) the Borrower Group Commitment under which such Borrowing is proposed to be made and the name of the Applicable Foreign Borrower and (D) the currency in which such Loan will be denominated (which must be a currency permitted under this Agreement for such Loan).

(g) Deemed Requests for Revolver Loans. Unless payment is otherwise timely made by each Borrower within a Borrower Group, the becoming due of any amount required to be paid with respect to any of the Obligations of the Loan Party Group to which such Borrower Group belongs (whether principal, interest, fees or other charges, including Extraordinary Expenses, LC Obligations and Cash Collateral) shall be deemed to be a request for Revolver Loans by such Borrower Group on the due date, in the amount of such Obligations and shall bear interest at the per annum rate applicable hereunder to Base Rate Loans, in the case of such Obligations owing by any Loan Party (other than a Canadian Domiciled Loan Party), or to Canadian Prime Rate Loans, in the case of such Obligations owing by a Canadian Domiciled Loan Party. The proceeds of such Revolver Loans shall be disbursed as direct payment of the relevant Obligation.

(h) Controlled Disbursement Accounts. If any Borrower within a Borrower Group establishes a controlled disbursement account with Bank of America or any branch or Affiliate of Bank of America, then the presentation for payment of any check, ACH or electronic debit or other payment item drawn on such account at a time when there are insufficient funds to cover it shall be deemed to be a request for Revolver Loans by such Borrower Group on the date of such presentation, in the amount of such payment item, and shall bear interest at the per annum rate applicable hereunder to Base Rate Loans, in the case of insufficient funds owing by any Loan Party (other than a Canadian Facility Loan Party), or to Canadian Prime Rate Loans, in the case of insufficient funds owing by a Canadian Facility Loan Party. The proceeds of such Revolver Loans may be disbursed directly to the controlled disbursement account or other appropriate account.

4.1.2 Fundings by Lenders; Settlement.

(a) Each Applicable Lender shall timely honor its Borrower Group Commitment by funding its Pro Rata share of each Borrowing of Revolver Loans under such Borrower Group Commitment that is properly requested hereunder; *provided, however*, that no Lender shall be required to honor its Borrower Group Commitment by funding its Pro Rata share of any Borrowing that would cause the Revolver Loans to a Borrower Group to exceed the aggregate Borrowing Base for such Borrower Group or, with respect to any Applicable Foreign Borrower, the limit contained in Section 2.11. Agent shall endeavor to notify the Applicable Lenders of each Notice of Borrowing (or deemed request for a Borrowing) by (i) 12:00 noon (Local Time) on the proposed funding date for Floating Rate Loans to U.S. Borrowers or Canadian Borrowers, (ii) 12:00 noon (Local Time) two Business Days before any proposed funding date for Floating Rate Loans to Foreign Borrowers (other than Canadian Borrowers), or (iii) 11:00 a.m. (Local Time) at least two Business Days before any proposed funding of Interest Period Loans. Each Applicable Lender shall fund to Agent such Lender's Pro Rata share of the Borrowing to the account specified by Agent in immediately available funds not later than 2:00 p.m. (Local Time) on the requested funding date, unless Agent's notice is received after the

times provided above, in which event each Applicable Lender shall fund its Pro Rata share by 11:00 a.m. (Local Time) on the next Business Day. Subject to its receipt of such amounts from the Applicable Lenders, Agent shall disburse the proceeds of the Revolver Loans as directed by the applicable Loan Party Agent. Unless Agent shall have received (in sufficient time to act) written notice from an Applicable Lender that it does not intend to fund its Pro Rata share of a Borrowing, Agent may assume that such Applicable Lender has deposited or promptly will deposit its share with Agent, and Agent may disburse a corresponding amount to the Borrower or Borrowers within such Borrower Group. If an Applicable Lender's share of any Borrowing is not received by Agent, then the Borrower or Borrowers within the Borrower Group agree to repay to Agent on demand the amount of such share, together with interest thereon from the date disbursed until repaid, at the rate applicable to such Borrowing. Notwithstanding the foregoing, the Agent may, in its discretion, fund any request for a Borrowing of Revolver Loans as Swingline Loans.

(b) To facilitate administration of the Revolver Loans, the Lenders, the Swingline Lenders and the Agent agree (which agreement is solely among them, and not for the benefit of or enforceable by any Borrower or any other Loan Party) that settlement among them with respect to Swingline Loans and other Revolver Loans may take place on a date determined from time to time by the Agent, which shall occur at least once every (i) five (5) Business Days with respect to U.S. Swingline Loans, Canadian Swingline Loans and any other Revolver Loans (excluding other Swingline Loans) and (ii) ten (10) Business Days with respect to Australian Swingline Loans, Belgian Swingline Loans, Dutch Swingline Loans, New Zealand Swingline Loans, Singapore Swingline Loans and UK Swingline Loans; provided, that UK Alternate Swingline Loans will not be subject to regular periodic settlement. On each settlement date, settlement shall be made with each Lender in accordance with the Settlement Report delivered by the Agent to the Lenders. Between settlement dates, the Agent may in its discretion (but is not obligated to) apply payments on Revolver Loans to Swingline Loans, regardless of any designation by a Loan Party Agent or any Borrower or any provision herein to the contrary. Each Lender's obligation to make settlements with the Agent is absolute and unconditional, without offset, counterclaim or other defense, and whether or not the Commitments have terminated, an Overadvance exists or the conditions in Section 6 are satisfied. If, due to an Insolvency Proceeding with respect to any Borrower or any other Loan Party or otherwise, any Swingline Loan may not be settled among the Lenders hereunder, then each Applicable Lender shall be deemed to have purchased from the applicable Swingline Lender a Pro Rata participation in each unpaid Swingline Loan and shall transfer the amount of such participation to the applicable Swingline Lender, in immediately available funds, within one Business Day after the Agent's request therefor.

4.1.3 Notices. Each Borrower authorizes the Agent and Lenders to extend Loans, convert or continue Revolver Loans, effect selections of interest rates, and transfer funds to or on behalf of applicable Borrowers based on telephonic or e-mailed instructions by Loan Party Agents to the Agent. Each Loan Party Agent shall confirm each such request by reasonably prompt delivery to the Agent of a Notice of Borrowing or Notice of Conversion/Continuation, if applicable, but if it differs in any material respect from the action taken by the Agent or Lenders, the records of the Agent and Lenders shall govern. Neither the Agent nor any Lender shall have any liability for any loss suffered by a Borrower as a result of the Agent or any Lender acting upon its understanding of telephonic or e-mailed instructions from a person believed in good faith by the Agent or any Lender to be a person authorized to give such instructions on a Loan Party Agent's behalf.

4.2 Defaulting Lender.

4.2.1 Reallocation of Pro Rata Share; Amendments. For purposes of determining Lenders' obligations to fund or participate in Loans or Letters of Credit, the Agent may exclude the Commitments and Loans of any Defaulting Lender from the calculation of Pro Rata shares. A Defaulting Lender shall have no right to vote on any amendment, waiver or other modification of a Loan Document, except as provided in Section 14.1.1(c).

4.2.2 Payments; Fees. The Agent may, in its discretion, receive and retain any amounts payable to a Defaulting Lender under the Loan Documents, and a Defaulting Lender shall be deemed to have assigned to the Agent such amounts until all Obligations owing to the Agent, non-Defaulting Lenders and other Secured Parties have been paid in full. The Agent may apply such amounts to the Defaulting Lender's defaulted obligations, use the funds to Cash Collateralize such Lender's LC Obligations, or readvance the amounts to Borrowers hereunder. A Lender shall not be entitled to receive any fees accruing hereunder during the period in which it is a Defaulting Lender, and the unfunded portion of its Commitment shall be disregarded for purposes of calculating the unused line fee under Section 3.2.1. If any LC Obligations owing to a Defaulting Lender are reallocated to other Lenders, fees attributable to such LC Obligations under Sections 3.2.2, 3.2.3, 3.2.4, 3.2.5, 3.2.6, 3.2.7, 3.2.8, or 3.2.9 shall be paid to such Lenders. Notwithstanding anything to the contrary in this Section 4.2.2, the LC Obligations owing to a Defaulting Lender may be reallocated to the other Lenders only to the extent that such reallocation does not cause the Total Revolver Exposure of any non-Defaulting Lender to exceed such non-Defaulting Lender's Commitment. The Agent shall be paid all fees attributable to LC Obligations that are not reallocated.

4.2.3 Cure. Borrowers, the Agent and each Fronting Bank may agree in writing that a Lender is no longer a Defaulting Lender. At such time, Pro Rata shares shall be reallocated without exclusion of such Lender's Commitment and Loans, and all outstanding Revolver Loans, LC Obligations and other exposures under the Commitments shall be reallocated among Lenders and settled by the Agent (with appropriate payments by the reinstated Lender) in accordance with the readjusted Pro Rata shares. Unless expressly agreed by Borrowers, the Agent and each Fronting Bank, no reinstatement of a Defaulting Lender shall constitute a waiver or release of claims against such Lender. The failure of any Lender to fund a Loan, to make a payment in respect of LC Obligations or otherwise to perform its obligations hereunder shall not relieve any other Lender of its obligations, and no Lender shall be responsible for default by another Lender.

4.3 Number and Amount of Interest Period Loans; Determination of Rate. For ease of administration, all Interest Period Loans of the same Type to a Borrower Group having the same length and beginning date of their Interest Periods and the same currency shall be aggregated together, and such Loans shall be allocated among the Applicable Lenders on a Pro Rata basis. With respect to any Borrower Group, no more than six (6) Borrowings of Interest Period Loans may be outstanding at any time, and each Borrowing of Interest Period Loans when made, continued or converted shall be in a minimum amount of \$1,000,000, or an increment of

\$100,000 in excess thereof. Upon determining Australian Bank Bill Rate, Canadian BA Rate, LIBOR, New Zealand Bank Bill Rate or SIBOR for any Interest Period requested by Borrowers within a Borrower Group, Agent shall promptly notify the applicable Loan Party Agent thereof by telephone or electronically and, if requested by such Loan Party Agent, shall confirm any telephonic notice in writing.

4.4 Loan Party Agents.

4.4.1 North American Loan Party Agent. Each Canadian Domiciled Loan Party and each U.S. Domiciled Loan Party hereby designates MRC ("North American Loan Party Agent") as its representative and agent for all purposes under the Loan Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of any Borrowing Base and financial reports, receipt and payment of Obligations, requests for waivers, amendments or other accommodations, actions under the Loan Documents (including in respect of compliance with covenants), and all other dealings with Agent, any Fronting Bank or any Lender. North American Loan Party Agent hereby accepts such appointment.

4.4.2 European Loan Party Agent. Each Belgian Domiciled Loan Party, each Dutch Domiciled Loan Party and each UK Domiciled Loan Party hereby designates Holdings UK ("European Loan Party Agent") as its representative and agent for all purposes under the Loan Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of any Borrowing Base and financial reports, receipt and payment of Obligations, requests for waivers, amendments or other accommodations, actions under the Loan Documents (including in respect of compliance with covenants), and all other dealings with Agent, European Security Trustee, any Fronting Bank or any Lender. European Loan Party Agent hereby accepts such appointment.

4.4.3 Asian Loan Party Agent. Each Australian Domiciled Loan Party, each New Zealand Domiciled Loan Party and each Singapore Domiciled Loan Party hereby designates Transmark Australia ("Asian Loan Party Agent") as its representative and agent for all purposes under the Loan Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of any Borrowing Base and financial reports, receipt and payment of Obligations, requests for waivers, amendments or other accommodations, actions under the Loan Documents (including in respect of compliance with covenants), and all other dealings with Agent, any Security Trustee, any Fronting Bank or any Lender. Asian Loan Party Agent hereby accepts such appointment.

4.4.4 Loan Party Agents Generally. Agent, each Security Trustee, each Fronting Bank and each Lender shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication (including any Notice of Borrowing) delivered by a Loan Party Agent on behalf of any Loan Party. Agent, any Security Trustee, any Fronting Bank and any Lender may give any notice or communication with a Loan Party hereunder to a Loan Party Agent on behalf of such Loan Party. Each of Agent, any Security Trustee, any Fronting Bank and any Lender shall have the right, in its discretion, to deal exclusively with a Loan Party Agent for any or all purposes under the Loan Documents. Each Loan Party agrees that any notice, election, communication, representation, agreement or undertaking made on its behalf by the applicable Loan Party Agent shall be binding upon and enforceable against it.

4.5 One Obligation. Without in any way limiting any Guarantee of the Secured Obligations, the U.S. Facility Secured Obligations owing by each U.S. Facility Loan Party shall constitute one general obligation of the U.S. Facility Loan Parties and (unless otherwise expressly provided in any Credit Document) shall be secured by Agent's Lien upon all Collateral of each U.S. Facility Loan Party; *provided, however*, that each Credit Party shall be deemed to be a creditor of, and the holder of a separate claim against, each U.S. Facility Loan Party to the extent of any U.S. Facility Secured Obligations owed by such U.S. Facility Loan Party to such Credit Party.

4.6 Effect of Termination. On the effective date of termination of the Commitments, all Obligations shall be immediately due and payable, and any Lender may terminate its and its Affiliates' Bank Products (including, only with the consent of Agent, any Cash Management Services). All undertakings of Loan Parties contained in the Loan Documents shall survive, and Agent and Security Trustees shall retain their Liens in the Collateral and all of their rights and remedies under the Loan Documents until Full Payment of the Secured Obligations. Notwithstanding Full Payment of the Secured Obligations, Agent and Security Trustees shall not be required to terminate their Liens in any Collateral unless, with respect to any damages Agent may incur as a result of the dishonor or return of Payment Items applied to Secured Obligations, Agent receives (a) a written agreement, executed by the relevant Loan Party Agent and any Person whose advances are used in whole or in part to satisfy the Secured Obligations, indemnifying Agent and Lenders from any such damages; or (b) such Cash Collateral as Agent, in its reasonable discretion, deems necessary to protect against any such damages. Sections 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 3.4, 3.6, 3.7, 3.10, 5.4, 5.8, 5.9, 12, 14.2 and this Section 4.6, and the obligation of each Loan Party and Lender with respect to each indemnity given by it in any Loan Document, shall survive Full Payment of the Secured Obligations and any release relating to this credit facility.

SECTION 5. PAYMENTS

5.1 General Payment Provisions. All payments of Obligations shall be made without offset, counterclaim or defense of any kind, and in immediately available funds, not later than 1:00 p.m. (Local Time) on the due date. Any payment after such time shall be deemed made on the next Business Day. If any payment under the Loan Documents shall be stated to be due on a day other than a Business Day, the due date shall be extended to the next Business Day and such extension of time shall be included in any computation of interest and fees. Any payment of an Interest Period Loan prior to the end of its Interest Period shall be accompanied by all amounts due under Section 3.10. Any prepayment of Loans to a Borrower Group shall be applied first to costs and expenses of Agent and Security Trustees (including any Extraordinary Expenses) relating to such Borrower Group, second to Floating Rate Loans (and Agent may, in its discretion, apply such prepayment to Swingline Loans before other Revolver Loans) of such Borrower Group, and then to Interest Period Loans of such Borrower Group; *provided, however*, that as long as no Default or Event of Default exists, prepayments of Interest Period Loans may, at the option of Borrowers of the applicable Borrower Group and Agent, be held by Agent as Cash Collateral and applied to such Loans at the end of their Interest Periods (in which case no

compensation under Section 3.10 hereof shall be payable with respect to such prepayment). All payments with respect to any U.S. Facility Obligations shall be made in Dollars (other than under Sections 2.9.2(a) and 3.2.9(b)) and all payments with respect to any other Obligation shall be made in the currency of the underlying Obligation. Any payment made contrary to the requirements of the preceding sentence shall be subject to the terms of Section 5.11.

5.2 Repayment of Obligations. All (a) Australian Facility Obligations shall be immediately due and payable in full on the Australian Revolver Commitment Termination Date, (b) Belgian Facility Obligations shall be immediately due and payable in full on the Belgian Revolver Commitment Termination Date, (c) Canadian Facility Obligations shall be immediately due and payable in full on the Canadian Revolver Commitment Termination Date, (d) Dutch Facility Obligations shall be immediately due and payable in full on the Dutch Revolver Commitment Termination Date, (e) New Zealand Facility Obligations shall be immediately due and payable in full on the New Zealand Revolver Commitment Termination Date, (f) Singapore Facility Obligations shall be immediately due and payable in full on the Singapore Revolver Commitment Termination Date, (g) UK Facility Obligations shall be immediately due and payable in full on the UK Revolver Commitment Termination Date, and (h) U.S. Facility Obligations shall be immediately due and payable in full on the U.S. Revolver Commitment Termination Date, in each case, unless payment of such Obligations is sooner required hereunder. Revolver Loans may be prepaid from time to time, without penalty or premium, subject to, in the case of Interest Period Loans, the payment of costs set forth in Section 3.10 (except to the extent provided in Section 5.1). Notwithstanding anything herein to the contrary, if an Overadvance exists, Borrowers of the Borrower Group owing such Overadvance shall, on the sooner of Agent's demand or the first Business Day after any Borrower of such Borrower Group has knowledge thereof, repay the outstanding Loans in an amount sufficient to reduce the principal balance of the related Overadvance Loan to zero. If as a result of fluctuations in exchange rates or otherwise the sum of all outstanding U.S. Revolver Loans and U.S. LC Obligations exceeds the U.S. Revolver Commitments, the excess amount shall be payable by the U.S. Borrowers within three Business Days following demand by Agent.

5.3 Payment of Other Obligations. Obligations shall be paid by Borrowers as provided in the Loan Documents or, if no payment date is specified, within 10 Business Days of demand by Agent therefor.

5.4 Marshaling; Payments Set Aside. None of Agent, Security Trustees, Fronting Banks or Lenders shall be under any obligation to marshal any assets in favor of any Loan Party or against any Obligations. If any payment by or on behalf of any Borrower or Borrowers is made to Agent, any Security Trustee, any Fronting Bank, or any Lender, or Agent, any applicable Security Trustee, any Fronting Bank or any Lender exercises a right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Agent, such Security Trustee, such Fronting Bank or such Lender in its discretion) to be repaid to a Creditor Representative or any other Person, then to the extent of such recovery, the Obligation originally intended to be satisfied, and all Liens, rights and remedies relating thereto, shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

5.5 Post-Default Allocation of Payments.

5.5.1 Allocation. Notwithstanding anything herein to the contrary, during an Event of Default, monies to be applied to the Secured Obligations, whether arising from payments by or on behalf of any Loan Party, realization on Collateral, setoff or otherwise, shall be allocated as follows:

(a) with respect to monies, payments, Property or Collateral of or from any U.S. Facility Loan Parties:

(i) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent, to the extent owing by any U.S. Domiciled Loan Party;

(ii) second, to all amounts owing to U.S. Swingline Lender on U.S. Swingline Loans;

(iii) third, to all amounts owing to any U.S. Fronting Bank on U.S. LC Obligations;

(iv) fourth, to all U.S. Facility Obligations constituting fees owing by the U.S. Facility Loan Parties (exclusive of any Foreign Facility Obligations which are guaranteed by the U.S. Domiciled Loan Parties);

(v) fifth, to all U.S. Facility Obligations constituting interest owing by the U.S. Facility Loan Parties (exclusive of any Foreign Facility Obligations which are guaranteed by the U.S. Domiciled Loan Parties);

(vi) sixth, to Cash Collateralization of U.S. LC Obligations;

(vii) seventh, to all U.S. Revolver Loans;

(viii) eighth, to all other U.S. Facility Secured Obligations (exclusive of any Foreign Facility Secured Obligations which are guaranteed by the U.S. Domiciled Loan Parties); and

(ix) ninth, to be applied ratably to clauses (b) through (h) below, to the extent there are insufficient funds for the Full Payment of all Secured Obligations under any such clauses.

(b) with respect to monies, payments, Property or Collateral of or from any Australian Domiciled Loan Party, together with any allocations (I) prior to the Foreign Cross-Guarantee Date, pursuant to Section 5.5.1(a)(ix), and (II) thereafter, pursuant to subclause (ix) of any clause of this Section 5.5.1:

(i) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent and the AUS-NZ Security Trustee, to the extent owing by such Australian Domiciled Loan Party;

(ii) second, to all amounts owing to Australian Swingline Lender on Australian Swingline Loans to such Australian Domiciled Loan Party;

(iii) third, to all amounts owing by such Australian Domiciled Loan Party to any Australian Fronting Bank on Australian LC Obligations of such Australian Domiciled Loan Party;

(iv) fourth, to all Australian Facility Obligations of such Australian Domiciled Loan Party constituting fees (exclusive of any other Foreign Facility Obligations which are guaranteed by such Australian Domiciled Loan Party);

(v) fifth, to all Australian Facility Obligations of such Australian Domiciled Loan Party constituting interest (exclusive of any other Foreign Facility Obligations which are guaranteed by such Australian Domiciled Loan Party);

(vi) sixth, to Cash Collateralization of Australian LC Obligations of such Australian Domiciled Loan Party;

(vii) seventh, to all Australian Revolver Loans of such Australian Domiciled Loan Party;

(viii) eighth, to all other Australian Facility Secured Obligations of such Australian Domiciled Loan Party (exclusive of any other Foreign Facility Secured Obligations which are guaranteed by such Australian Domiciled Loan Party); and

(ix) ninth, following the Foreign Cross-Guarantee Date for such Australian Domiciled Loan Party, to be applied ratably to the Foreign Facility Secured Obligations of other Foreign Domiciled Loan Parties that are the subject of such Foreign Cross-Guarantee in accordance with this Section 5.5.1 to the extent there are insufficient funds for the Full Payment of all such Foreign Facility Secured Obligations.

(c) with respect to monies, payments, Property or Collateral of or from any Belgian Domiciled Loan Party, together with any allocations (I) prior to the Foreign Cross-Guarantee Date, pursuant to Section 5.5.1(a)(ix), and (II) thereafter, pursuant to subclause (ix) of any clause of this Section 5.5.1:

(i) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent and the European Security Trustee, to the extent owing by such Belgian Domiciled Loan Party;

(ii) second, to all amounts owing by such Belgian Domiciled Loan Party to Belgian Swingline Lender on Belgian Swingline Loans of such Belgian Domiciled Loan Party;

(iii) third, to all amounts owing by such Belgian Domiciled Loan Party to any Belgian Fronting Bank on Belgian LC Obligations of such Belgian Domiciled Loan Party;

(iv) fourth, to all Belgian Facility Obligations of such Belgian Domiciled Loan Party constituting fees (exclusive of any other Foreign Facility Obligations which are guaranteed by such Belgian Domiciled Loan Party);

(v) fifth, to all Belgian Facility Obligations of such Belgian Domiciled Loan Party constituting interest (exclusive of any other Foreign Facility Obligations which are guaranteed by such Belgian Domiciled Loan Party);

(vi) sixth, to Cash Collateralization of Belgian LC Obligations of such Belgian Domiciled Loan Party;

(vii) seventh, to all Belgian Revolver Loans of such Belgian Domiciled Loan Party;

(viii) eighth, to all other Belgian Facility Secured Obligations of such Belgian Domiciled Loan Party (exclusive of any other Foreign Facility Secured Obligations which are guaranteed by such Belgian Domiciled Loan Party); and

(ix) ninth, following the Foreign Cross-Guarantee Date for such Belgian Domiciled Loan Party, to be applied ratably to the Foreign Facility Secured Obligations of other Foreign Domiciled Loan Parties that are the subject of such Foreign Cross-Guarantee in accordance with this Section 5.5.1 to the extent there are insufficient funds for the Full Payment of all such Foreign Facility Secured Obligations.

(d) with respect to monies, payments, Property or Collateral of or from any Canadian Domiciled Loan Party, together with any allocations (I) prior to the Foreign Cross-Guarantee Date, pursuant to Section 5.5.1(a)(ix), and (II) thereafter, pursuant to subclause (ix) of any clause of this Section 5.5.1:

(i) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent, to the extent owing by such Canadian Domiciled Loan Party;

(ii) second, to all amounts owing to Canadian Swingline Lender on Canadian Swingline Loans to such Canadian Domiciled Loan Party;

(iii) third, to all amounts owing by such Canadian Domiciled Loan Party to any Canadian Fronting Bank on Canadian LC Obligations of such Canadian Domiciled Loan Party;

(iv) fourth, to all Canadian Facility Obligations of such Canadian Domiciled Loan Party constituting fees (exclusive of any other Foreign Facility Obligations which are guaranteed by such Canadian Domiciled Loan Party);

(v) fifth, to all Canadian Facility Obligations of such Canadian Domiciled Loan Party constituting interest (exclusive of any other Foreign Facility Obligations which are guaranteed by such Canadian Domiciled Loan Party);

(vi) sixth, to Cash Collateralization of Canadian LC Obligations of such Canadian Domiciled Loan Party;

(vii) seventh, to all Canadian Revolver Loans of such Canadian Domiciled Loan Party;

(viii) eighth, to all other Canadian Facility Secured Obligations of such Canadian Domiciled Loan Party (exclusive of any other Foreign Facility Secured Obligations which are guaranteed by such Canadian Domiciled Loan Party); and

(ix) ninth, following the Foreign Cross-Guarantee Date for such Canadian Domiciled Loan Party, to be applied ratably to the Foreign Facility Secured Obligations of other Foreign Domiciled Loan Parties that are the subject of such Foreign Cross-Guarantee in accordance with this Section 5.5.1 to the extent there are insufficient funds for the Full Payment of all such Foreign Facility Secured Obligations.

(e) with respect to monies, payments, Property or Collateral of or from any Dutch Domiciled Loan Party, together with any allocations (I) prior to the Foreign Cross-Guarantee Date, pursuant to Section 5.5.1(a)(ix), and (II) thereafter, pursuant to subclause (ix) of any clause of this Section 5.5.1:

(i) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent and the European Security Trustee, to the extent owing by such Dutch Domiciled Loan Party;

(ii) second, to all amounts owing to Dutch Swingline Lender on Dutch Swingline Loans to such Dutch Domiciled Loan Party;

(iii) third, to all amounts owing by such Dutch Domiciled Loan Party to any Dutch Fronting Bank on Dutch LC Obligations of such Dutch Domiciled Loan Party;

(iv) fourth, to all Dutch Facility Obligations of such Dutch Domiciled Loan Party constituting fees (exclusive of any other Foreign Facility Obligations which are guaranteed by such Dutch Domiciled Loan Party);

(v) fifth, to all Dutch Facility Obligations of such Dutch Domiciled Loan Party constituting interest (exclusive of any other Foreign Facility Obligations which are guaranteed by such Dutch Domiciled Loan Party);

(vi) sixth, to Cash Collateralization of Dutch LC Obligations of such Dutch Domiciled Loan Party;

(vii) seventh, to all Dutch Revolver Loans of such Dutch Domiciled Loan Party;

(viii) eighth, to all other Dutch Facility Secured Obligations of such Dutch Domiciled Loan Party (exclusive of any other Foreign Facility Secured Obligations which are guaranteed by such Dutch Domiciled Loan Party); and

(ix) ninth, following the Foreign Cross-Guarantee Date for such Dutch Domiciled Loan Party, to be applied ratably to the Foreign Facility Secured Obligations of other Foreign Domiciled Loan Parties that are the subject of such Foreign Cross-Guarantee in accordance with this Section 5.5.1 to the extent there are insufficient funds for the Full Payment of all such Foreign Facility Secured Obligations.

(f) with respect to monies, payments, Property or Collateral of or from any New Zealand Domiciled Loan Party, together with any allocations (I) prior to the Foreign Cross-Guarantee Date, pursuant to Section 5.5.1(a)(ix), and (II) thereafter, pursuant to subclause (ix) of any clause of this Section 5.5.1:

(i) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent and the AUS-NZ Security Trustee, to the extent owing by such New Zealand Domiciled Loan Party;

(ii) second, to all amounts owing to New Zealand Swingline Lender on New Zealand Swingline Loans to such New Zealand Domiciled Loan Party;

(iii) third, to all amounts owing by such New Zealand Domiciled Loan Party to any New Zealand Fronting Bank on New Zealand LC Obligations of such New Zealand Domiciled Loan Party;

(iv) fourth, to all New Zealand Facility Obligations of such New Zealand Domiciled Loan Party constituting fees (exclusive of any other Foreign Facility Obligations which are guaranteed by such New Zealand Domiciled Loan Party);

(v) fifth, to all New Zealand Facility Obligations of such New Zealand Domiciled Loan Party constituting interest (exclusive of any other Foreign Facility Obligations which are guaranteed by such New Zealand Domiciled Loan Party);

(vi) sixth, to Cash Collateralization of New Zealand LC Obligations of such New Zealand Domiciled Loan Party;

(vii) seventh, to all New Zealand Revolver Loans of such New Zealand Domiciled Loan Party;

(viii) eighth, to all other New Zealand Facility Secured Obligations of such New Zealand Domiciled Loan Party (exclusive of any other Foreign Facility Secured Obligations which are guaranteed by such New Zealand Domiciled Loan Party); and

(ix) ninth, following the Foreign Cross-Guarantee Date for such New Zealand Domiciled Loan Party, to be applied ratably to the Foreign Facility Secured Obligations of other Foreign Domiciled Loan Parties that are the subject of such Foreign Cross-Guarantee in accordance with this Section 5.5.1 to the extent there are insufficient funds for the Full Payment of all such Foreign Facility Secured Obligations.

(g) with respect to monies, payments, Property or Collateral of or from any Singapore Domiciled Loan Party, together with any allocations (I) prior to the Foreign Cross-Guarantee Date, pursuant to Section 5.5.1(a)(ix), and (II) thereafter, pursuant to subclause (ix) of any clause of this Section 5.5.1:

(i) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent and the Singapore Security Trustee, to the extent owing by such Singapore Domiciled Loan Party;

(ii) second, to all amounts owing to Singapore Swingline Lender on Singapore Swingline Loans to such Singapore Domiciled Loan Party;

(iii) third, to all amounts owing by such Singapore Domiciled Loan Party to any Singapore Fronting Bank on Singapore LC Obligations of such Singapore Domiciled Loan Party;

(iv) fourth, to all Singapore Facility Obligations of such Singapore Domiciled Loan Party constituting fees (exclusive of any other Foreign Facility Obligations which are guaranteed by such Singapore Domiciled Loan Party);

(v) fifth, to all Singapore Facility Obligations of such Singapore Domiciled Loan Party constituting interest (exclusive of any other Foreign Facility Obligations which are guaranteed by such Singapore Domiciled Loan Party);

(vi) sixth, to Cash Collateralization of Singapore LC Obligations of such Singapore Domiciled Loan Party;

(vii) seventh, to all Singapore Revolver Loans of such Singapore Domiciled Loan Party;

(viii) eighth, to all other Singapore Facility Secured Obligations of such Singapore Domiciled Loan Party (exclusive of any other Foreign Facility Secured Obligations which are guaranteed by such Singapore Domiciled Loan Party); and

(ix) ninth, following the Foreign Cross-Guarantee Date for such Singapore Domiciled Loan Party, to be applied ratably to the Foreign Facility Secured Obligations of other Foreign Domiciled Loan Parties that are the subject of such Foreign Cross-Guarantee in accordance with this Section 5.5.1 to the extent there are insufficient funds for the Full Payment of all such Foreign Facility Secured Obligations.

(h) with respect to monies, payments, Property or Collateral of or from any UK Domiciled Loan Party, together with any allocations (I) prior to the Foreign Cross-Guarantee Date, pursuant to Section 5.5.1(a)(ix), and (II) thereafter, pursuant to subclause (ix) of any clause of this Section 5.5.1:

(i) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent and the European Security Trustee, to the extent owing by such UK Domiciled Loan Party;

- (ii) second, to all amounts owing to UK Swingline Lender on UK Swingline Loans to such UK Domiciled Loan Party;
- (iii) third, to all amounts owing by such UK Domiciled Loan Party to any UK Fronting Bank on UK LC Obligations of such UK Domiciled Loan Party;
- (iv) fourth, to all UK Facility Obligations of such UK Domiciled Loan Party constituting fees (exclusive of any other Foreign Facility Obligations which are guaranteed by such UK Domiciled Loan Party);
- (v) fifth, to all UK Facility Obligations of such UK Domiciled Loan Party constituting interest (exclusive of any other Foreign Facility Obligations which are guaranteed by such UK Domiciled Loan Party);
- (vi) sixth, to Cash Collateralization of UK LC Obligations of such UK Domiciled Loan Party;
- (vii) seventh, to all UK Revolver Loans of such UK Domiciled Loan Party;
- (viii) eighth, to all other UK Facility Secured Obligations of such UK Domiciled Loan Party (exclusive of any other Foreign Facility Secured Obligations which are guaranteed by such UK Domiciled Loan Party); and
- (ix) ninth, following the Foreign Cross-Guarantee Date for such UK Domiciled Loan Party, to be applied ratably to the Foreign Facility Secured Obligations of other Foreign Domiciled Loan Parties that are the subject of such Foreign Cross-Guarantee in accordance with this Section 5.5.1 to the extent there are insufficient funds for the Full Payment of all such Foreign Facility Secured Obligations.

Amounts shall be applied to each category of Secured Obligations set forth within subsection (a) through (h) above, as applicable, until Full Payment thereof and then to the next category. If amounts are insufficient to satisfy a category, they shall be applied on a pro rata basis among the Secured Obligations in the category. Amounts distributed with respect to any Secured Bank Product Obligations shall be the lesser of the maximum Secured Bank Product Obligations last reported to Agent or the actual Secured Bank Product Obligations as calculated by the methodology reported to Agent for determining the amount due. Agent shall have no obligation to calculate the amount to be distributed with respect to any Secured Bank Product Obligations, and may request a reasonably detailed calculation of such amount from the applicable Secured Party. If a Secured Party fails to deliver such calculation within five days following request by Agent, Agent may assume the amount to be distributed is zero. The allocations set forth in this Section 5.5.1 are solely to determine the rights and priorities of Agent and Secured Parties as among themselves, and any allocation within subsection (a) through (h) of proceeds of the realization of Collateral may be changed by agreement among them without the consent of any Loan Party; provided that, so long as the Senior Secured Notes Indenture is in effect no change to such provisions will be made which would have the effect of requiring any Foreign Borrowers to also guarantee the Senior Secured Notes. This Section 5.5.1 is not for the benefit of or enforceable by any Borrower. Notwithstanding the preceding two sentences and anything else to

the contrary set forth in any of the Loan Documents, (i) all payments by or on behalf of any Foreign Facility Loan Party shall be applied first to the Foreign Facility Secured Obligations of such Foreign Facility Loan Party then due until paid in full and then, following the Foreign Cross-Guarantee Date with respect to such Foreign Facility Loan Party, to all other Secured Obligations that are the subject of its Foreign Cross-Guarantee until paid in full and (ii) all payments by or on behalf of any U.S. Facility Loan Party or in respect of any U.S. Facility Secured Obligations shall be applied first to U.S. Facility Secured Obligations then due until paid in full and then to all other Secured Obligations until paid in full.

5.5.2 Erroneous Application. Agent shall not be liable for any application of amounts made by it in good faith and, if any such application is subsequently determined to have been made in error, the sole recourse of any Lender or other Person to which such amount should have been made shall be to recover the amount from the Person that actually received it (and, if such amount was received by any Lender, such Lender hereby agrees to return it).

5.6 Application of Payments. The ledger balance in the Dominion Accounts of each Borrower Group as of the end of a Business Day shall be applied to the Loan Party Group Obligations of such Borrower Group at the beginning of the next Business Day during the existence of any Cash Dominion Event; provided, that Agent may, in its discretion, apply the ledger balance in any Dominion Account of any Australian Borrower, New Zealand Borrower, Singapore Borrower or UK Borrower to the respective Loan Party Group Obligations of such Borrower Group whether or not a Cash Dominion Event exists. If, as a result of such application, a credit balance exists, the balance shall not accrue interest in favor of Borrowers and shall be made available to Borrowers of the applicable Borrower Group as long as no Event of Default exists. Each Borrower irrevocably waives the right to direct the application of any payments or Collateral proceeds, and agrees that Agent shall have the continuing, exclusive right to apply and reapply same against the Obligations, in such manner as Agent deems advisable; *provided, however*, that, unless an Event of Default has occurred and is continuing, Agent shall not apply any payments to any Interest Period Loans prior to the last day of the applicable Interest Period.

5.7 Loan Account; Account Stated.

5.7.1 Loan Account. Agent shall maintain in accordance with its usual and customary practices an account or accounts ("Loan Account") evidencing the Obligations of Borrowers within each Borrower Group resulting from each Loan made to such Borrowers or issuance of a Letter of Credit for the account of Borrowers from time to time. Any failure of Agent to record anything in the Loan Account, or any error in doing so, shall not limit or otherwise affect the obligation of any Borrower to pay any amount owing hereunder. With respect to U.S. Borrowers, Agent may maintain a single Loan Account in the name of the North American Loan Party Agent, and each U.S. Borrower confirms that such arrangement shall have no effect on the joint and several character of its liability for the Secured Obligations including its guarantee of the Secured Obligations of the Foreign Borrowers.

5.7.2 Entries Binding. Entries made in the Loan Account shall constitute presumptive evidence of the information contained therein. If any information contained in the Loan Account is provided to or inspected by any Person, then such information shall be conclusive and binding on such Person for all purposes absent manifest error, except to the extent such Person notifies Agent in writing within 45 days after receipt or inspection that specific information is subject to dispute.

5.8 Taxes.

For purposes of this Section 5.8, the term “Lender” includes any Fronting Bank.

5.8.1 Payments Free of Taxes. All payments by or on behalf of any Loan Party of Obligations shall be free and clear of and without deduction or withholding for any Taxes, unless required by Applicable Law. If Applicable Law requires any Loan Party or Agent to withhold or deduct any Taxes, the withholding or deduction shall be based on Applicable Law and the information provided pursuant to this Section 5.8 and Section 5.9, and the applicable Loan Party or Agent shall pay the amount withheld or deducted to the relevant Governmental Authority. If the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by Borrowers shall be increased so that the applicable Credit Parties and Security Trustees receive an amount equal to the sum they would have received if no such withholding or deduction (including deductions applicable to additional sums payable under this Section 5.8.1) had been made. Without limiting the foregoing, Borrowers shall timely pay all Other Taxes to the relevant Governmental Authorities.

5.8.2 Payment. Borrowers shall indemnify, hold harmless and reimburse each Credit Party and each Security Trustee for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes and Other Taxes attributable to amounts payable under this Section 5.8.2) paid by such Credit Party or such Security Trustee, with respect to any Obligations of such Borrower’s Borrower Group, whether or not such Taxes were properly asserted by the relevant Governmental Authority, and including all penalties, interest and reasonable expenses relating thereto. A certificate setting forth in reasonable detail the amount and basis for calculation of any such payment or liability delivered to a Loan Party Agent by a Credit Party or a Security Trustee (with a copy to Agent), shall be conclusive, absent manifest error and all amounts payable by Borrowers under this Section 5.8.2 shall be due in accordance with Section 5.3. As soon as reasonably practicable after any payment of Indemnified Taxes or Other Taxes by a Borrower, the relevant Loan Party Agent shall deliver to Agent a receipt from the Governmental Authority or other evidence of payment reasonably satisfactory to Agent.

5.8.3 Treatment of Certain Refunds. If any Credit Party or any Security Trustee shall become aware that it is entitled to claim a refund or credit from a Governmental Authority in respect of any Indemnified Tax or Other Taxes as to which it has been indemnified by any Borrower or with respect to which any Borrower has paid additional amounts pursuant to this Section 5.8, such Credit Party or such Security Trustee shall promptly notify such Borrower of the availability of such refund claim and, if such Credit Party or such Security Trustee determines in good faith that making a claim for refund will not have a material adverse effect on its Taxes or business operations, shall, within 60 days after receipt of a request by such Borrower, make a claim to such Governmental Authority for such refund. If a Credit Party or a Security Trustee determines, in its sole discretion, that it has received a refund of any Indemnified Tax or Other Taxes as to which it has been indemnified by any Borrower or with respect to which any Borrower has paid additional amounts pursuant to this Section 5.8, it shall

pay to such Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by Borrowers under this Section 5.8 with respect to the Indemnified Tax or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of such Credit Party or such Security Trustee, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that Borrowers agree in writing to repay the amount paid over to Borrowers (plus interest attributable to the period during which the Borrowers held such funds) to such Credit Party or such Security Trustee in the event that such Credit Party or such Security Trustee is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to require any Credit Party or any Security Trustee to make available its tax returns (or any other information relating to its taxes) to any Borrower or any other Person.

5.8.4 New Zealand Tax Matters. The provisions of Section 5.8. (other than Sections 5.8.1, 5.8.2, 5.8.3 and this Section 5.8.4) shall not apply to any advance under any Loan Document to any New Zealand Borrower or any other Borrower required to withhold tax in accordance with New Zealand law (each a "Relevant Borrower" for purposes of this Section 5.8.4).

(a) Each Relevant Borrower must:

(i) elect to register as an "approved issuer" (as defined in section YA 1 of the Income Tax Act 2007 (NZ)) and register the facilities under this Agreement with the Commissioner of Inland Revenue under section 86H of the Stamp and Cheque Duties Act 1971 (NZ) (the "Stamp Act") in each case by not later than 10 working days after the date of this Agreement (or, alternatively, where applicable, such later date as the Relevant Borrower becomes a Relevant Borrower under this Agreement) and maintain such registrations at all times thereafter (provided it is lawfully able to do so); and

(ii) in respect of any payment of interest (or payment deemed by law to be interest) to Lenders who are not resident in New Zealand for taxation purposes, and who are not engaged in business in New Zealand through a fixed establishment in New Zealand, make by not later than the due date thereof the relevant payment of approved issuer levy (as defined in section 86F of the Stamp Act) in accordance with section 86K of the Stamp Act in order to reduce (to the extent permitted by law) the applicable level of non-resident withholding tax to zero percent.

(b) Where a Relevant Borrower makes a payment of interest to which clause 5.8.4(a)(ii) applies the Relevant Borrower shall be entitled to deduct from that payment of interest an amount equal to the amount of approved issuer levy which is payable in relation to that interest payment.

5.8.5 Australia Tax Matters. The provisions of Section 5.8 (other than this Section 5.8.5) shall not apply, and instead the provisions of this Section 5.8.5 shall apply, to any advance under any Loan Document to any Australian Borrower or any other Borrower required to withhold tax in accordance with Australian law (each a "Relevant Borrower" for purposes of this Section 5.8.5).

(a) In respect of any advance under any Loan Document to a Relevant Borrower, the definition of “Foreign Lender” as otherwise provided in this Agreement is hereby modified for all purposes of this Agreement to include an Australian resident entity’s branch outside of Australia.

(b) Definitions. Solely for purposes of this Section 5.8.5, the following terms shall have the following meanings:

“GST” has the meaning given to it in the Australian A New Tax System (Goods and Services) Tax Act 1999 (Cth), as shall any other term used in Section 5.8.5(j) which is defined for purposes of that Act.

“Qualifying Lender” means, in relation to a Relevant Borrower, a Foreign Lender which:

(i) derives all interest on and all fees payable in connection with any Loan Document in carrying on business in Australia at or through a “permanent establishment” in Australia for the purposes of the Australian Income Tax Assessment Act 1936 (Cth), other than as a limited partner in a VCLP, ESVCLP or AFOF (as those terms are defined for the purposes of that Act); or

(ii) is a Treaty Lender with respect to taxes imposed in or under the laws of Australia.

“Treaty State” means a jurisdiction having a double taxation agreement (a “Treaty”) with Australia in force in accordance with the Australian International Tax Agreements Act 1953 (Cth), which makes provision for full exemption from tax withheld on interest paid by an Australian resident to a Treaty Lender.

(c) Tax Gross-up. Save to the extent required under any applicable law, all payments to be made by a Relevant Borrower to any Foreign Lender hereunder or under any Loan Document shall be made free and clear of and without deduction or withholding for or on account of Taxes. If a Relevant Borrower is required to deduct or withhold any Taxes, or an amount for or on account of any Taxes from any payment made hereunder or under the Loan Documents to any Foreign Lender, the sum payable by such Relevant Borrower (in respect of which such deduction or withholding is required to be made) shall be increased to the extent necessary to ensure that such Foreign Lender receives a sum equal to the sum that such Foreign Lender would have received if no such deduction or withholding (including deductions or withholdings applicable to any additional amounts paid under this Section 5.8.5(c)) had been made; *provided*, that this Section 5.8.5(c) shall not apply to the extent that such deduction or withholding would not have arisen if the relevant Foreign Lender had complied with its obligations under Section 5.8.5(f) (*Foreign Lender’s Status*), or Section 5.8.5(g) (*Double Taxation Relief*) or Subdivision 12-E of Schedule 1 to the Australian Taxation Administration Act 1953 (Cth) to the extent the Foreign Lender is required to have a TFN or ABN (as defined for purposes of those provisions) under Australian law, as the case may be.

(d) Tax Indemnity.

(i) The Relevant Borrowers shall (within three Business Days of demand by the Agent) pay to a Lender an amount equal to the loss, liability or cost which that Lender determines will be or has been (directly or indirectly) suffered for or on account of Taxes by that Lender in respect of a Loan Document.

(ii) Clause (d)(i) above shall not apply:

(A) with respect to any Taxes assessed on a Lender:

(1) under the law of the jurisdiction in which such Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which such Lender is treated as resident for tax purposes; or

(2) under the law of the jurisdiction in which such Lender's Lending Office is located in respect of amounts received or receivable in such jurisdiction,

if such Taxes are imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by such Lender; or

(B) to the extent a loss, liability or cost:

(1) is compensated for by an increased payment under Section 5.8.5(c) (*Tax Gross-up*); or

(2) would have been compensated for by an increased payment under Section 5.8.5(c) (*Tax Gross-up*) but was not so compensated solely because one of the exclusions in that Section 5.8.5(c) (*Tax Gross-up*) applied.

(iii) A Lender making, or intending to make a claim under Section 5.8.5(d)(i) above shall promptly notify Agent of the event which will give, or has given, rise to the claim, following which Agent shall notify the Borrowers.

(iv) A Lender shall, on receiving a payment from the Relevant Borrowers under this Section 5.8.5(d), notify Agent.

(e) Tax Credit. If a Relevant Borrower makes a Tax Payment and the relevant Lender determines that:

(i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and

(ii) that Lender has obtained, utilized and retained that Tax Credit.

the Lender shall as soon as reasonably practicable following receipt of such Tax Credit pay an amount to the Relevant Borrower which that Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Relevant Borrower.

(f) Foreign Lender's Status.

Each Foreign Lender certifies to the Agent and the Relevant Borrowers (on the date hereof or, in the case of a Foreign Lender which becomes a party hereto pursuant to a transfer or assignment, on the date on which the relevant transfer or assignment becomes effective) that it is a Qualifying Lender and each Foreign Lender shall promptly notify the Agent if there is any change in its position from that set out above. Upon receipt of any such notification from a Foreign Lender, the Agent shall promptly notify the Relevant Borrowers thereof. If any Foreign Lender is not or ceases to be a Qualifying Lender or does not comply with or perform the formalities required to be a Qualifying Lender (except by reason of any Change in Tax Law after the date the Foreign Lender becomes a party to this agreement) the Relevant Borrower shall not be liable pursuant to this Section 5.8.5 to pay with respect to the Foreign Lender any amount greater than the amount which the Relevant Borrower would have been liable to pay pursuant to this Section 5.8.5 with respect to that Foreign Lender if that Foreign Lender had been, or had not ceased to be on that date, a Qualifying Lender and had complied with or had performed the formalities required to be a Qualifying Lender.

(g) Double Taxation Relief.

If, and to the extent that, the effect of Section 5.8.5(c) (*Tax Gross-up*) or Section 5.8.5(d) (*Tax Indemnity*) can be mitigated by virtue of the provisions of any applicable double taxation agreement or any applicable tax law (whether by a claim to repayment of any taxes referred to in Section 5.8.5(c) (*Tax Gross-up*) or Section 5.8.5(d) (*Tax Indemnity*) or otherwise) the relevant Foreign Lender shall co-operate with the Relevant Borrower with a view to ensuring the application of such double taxation agreement or applicable tax law so far as relevant.

(h) Notification of Requirement to Deduct Tax.

If, at any time, a Relevant Borrower is required by law to make any deduction or withholding from any sum payable by it hereunder or under the other Loan Documents (or if thereafter there is any change in the rates at which or the manner in which such deductions or withholdings are calculated), such Relevant Borrower shall promptly notify Agent.

(i) Evidence of Payment of Tax.

If a Relevant Borrower makes any payment hereunder or under the other Loan Documents in respect of which it is required to make any deduction or withholding, it shall pay the full amount required to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment under applicable law and shall, as promptly as reasonably practicable thereafter, deliver to the Agent on behalf of the Foreign Lenders to which such payment was made evidence of payment as is reasonably satisfactory to Agent.

(j) Goods and Services Tax.

(i) All amounts set out or expressed in a Loan Document to be payable by any party to any Lender which (in whole or in part) constitute the consideration for a taxable supply or taxable supplies for GST purposes shall be deemed to be exclusive of GST and the party liable to make that payment shall pay to the Lender (in addition to and at the same time as paying any consideration for such supply) an amount equal to the GST payable on that supply, subject to receiving a valid tax invoice from the supplier of that supply.

(ii) Where a Loan Document requires any party to reimburse or indemnify a Lender for any cost or expense the reimbursement or indemnity (as the case may be) shall be reduced by the amount of any input tax credit that the Lender (or representative member of the GST Group of which the Lender is a member) is entitled to.

(k) Stamp Taxes.

The Borrowers shall:

(i) pay all stamp duty, registration and other similar Taxes payable in respect of any Loan Document; and

(ii) within three Business Days of demand, indemnify each Lender against any cost, loss or liability that Lender incurs in relation to any stamp duty, registration or other similar Tax paid or payable in respect of any Loan Document.

5.8.6 Belgium Tax Matters. The provisions of Section 5.8 (other than this Section 5.8.6) shall not apply, and instead the provisions of this Section 5.8.6 shall apply, to any advance under any Loan Document to any Belgian Borrower or any other Borrower that is required to make a Tax Deduction in accordance with the relevant provisions of Belgian law (each a "Relevant Borrower" for the purposes of this Section 5.8.6).

(a) Definitions. Solely for purposes of this Section 5.8.6, the following terms shall have the following meanings:

"Qualifying Lender" means a Lender which is beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document and is:

(a) pursuant to article 107, §2, 5°, a) second dash of the Royal Decree implementing the Belgian Income Tax Code:

(i) a tax resident within the European Economic Area or in a jurisdiction having a double taxation agreement with Belgium; and

(ii) a credit institution, i.e. an undertaking whose activity consists of:

(A) receiving deposits or other repayable funds from the public and granting credits for its own account; or

(B) issuing electronic payment instruments; or

(b) a Treaty Lender.

“Treaty State” means a jurisdiction having a double taxation agreement (a “Treaty”) with Belgium which makes provision for full exemption from tax withheld on interest paid by a Belgian tax resident to a Treaty Lender.

(b) Tax Gross-up.

(i) Each Relevant Borrower shall make all payments to be made by it under any Loan Document without any Tax Deduction unless a Tax Deduction is required by law.

(ii) A Relevant Borrower shall, promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify Agent accordingly. Similarly, a Lender shall promptly notify Agent on becoming so aware in respect of a payment payable to that Lender. If Agent receives such notification from a Lender it shall notify the Relevant Borrower.

(iii) If a Tax Deduction is required by law to be made by a Relevant Borrower, the amount of the payment due from that Relevant Borrower shall be increased to an amount which (after making any Tax Deduction) is equal to the payment which would have been made by the Relevant Borrower if no Tax Deduction had been required.

(iv) A payment shall not be increased under clause (iii) above by reason of a Tax Deduction on account of Taxes imposed by Belgium if, on the date on which the payment falls due:

(A) the payment could have been made to the relevant Lender without a Tax Deduction if the Lender had been a Qualifying Lender, but on that date that Lender was not or had ceased to be a Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or Treaty or any published practice or published concession of any relevant taxing authority; or

(B) the relevant Lender is a Qualifying Lender and the payment to the relevant Lender could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under clause (vii) below.

(v) If a Relevant Borrower is required to make a Tax Deduction, that Relevant Borrower shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(vi) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Relevant Borrower making that Tax Deduction shall deliver to Agent for the benefit of the Lender entitled to the payment an evidence reasonably satisfactory to that Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

(vii) A Qualifying Lender and each Relevant Borrower which makes a payment to which that Qualifying Lender is entitled shall, within the applicable statutory period under Belgian law, complete any procedural formalities necessary for that Relevant Borrower to obtain authorization to make that payment without a Tax Deduction.

(c) Tax Indemnity.

(i) The Relevant Borrowers shall (within three Business Days of demand by the Agent) pay to a Lender an amount equal to the loss, liability or cost which that Lender determines will be or has been (directly or indirectly) suffered for or on account of Taxes by that Lender in respect of a Loan Document.

(ii) Clause (c)(i) above shall not apply:

(A) with respect to any Taxes assessed on a Lender:

(1) under the law of the jurisdiction in which such Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which such Lender is treated as resident for tax purposes; or

(2) under the law of the jurisdiction in which such Lender's Lending Office is located in respect of amounts received or receivable in such jurisdiction,

if such Taxes are imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by such Lender; or

(B) to the extent a loss, liability or cost:

(1) is compensated for by an increased payment under Section 5.8.6(b)(iii) (*Tax Gross-up*); or

(2) would have been compensated for by an increased payment under Section 5.8.6(b)(iii) (*Tax Gross-up*) but was not so compensated solely because one of the exclusions in Section 5.8.6(b)(iv) (*Tax Gross-up*) applied.

(iii) A Lender making, or intending to make a claim under Section 5.8.6(c)(i) above shall promptly notify Agent of the event which will give, or has given, rise to the claim, following which Agent shall notify the Borrowers.

(iv) A Lender shall, on receiving a payment from the Relevant Borrowers under this Section 5.8.6(c), notify Agent.

(d) Tax Credit. If a Relevant Borrower makes a Tax Payment and the relevant Lender determines that:

- (i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and
- (ii) that Lender has obtained, utilized and retained that Tax Credit,

the Lender shall (to the extent that it can do so without prejudice to the retention of such Tax Credit and to the extent that it is lawful for it to do so) as soon as reasonably practicable following receipt of such Tax Credit pay an amount to the Relevant Borrower which that Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Relevant Borrower.

(e) Lender Status Confirmation. Each New Lender shall indicate, in the Assignment and Acceptance which it executes on becoming a party, and for the benefit of Agent and the Relevant Borrowers and without liability to any Relevant Borrower, which of the following categories it falls within:

- (i) not a Qualifying Lender;
- (ii) a Qualifying Lender (other than a Treaty Lender); or
- (iii) a Treaty Lender.

If a New Lender fails to indicate its status in accordance with this Section 5.8.6(e), then such New Lender or Lender (as appropriate) shall be treated for the purposes of this Agreement (including by each Relevant Borrower) as if it is not a Qualifying Lender until such time as it notifies Agent which category of Qualifying Lender applies (and Agent, upon receipt of such notification, shall inform the Relevant Borrower). For the avoidance of doubt, an Assignment and Acceptance shall not be invalidated by any failure of a New Lender to comply with this Section 5.8.6(e).

(f) Value Added Tax.

(i) All amounts set out or expressed in a Loan Document to be payable by any party to any Lender which (in whole or in part) constitute the consideration for a supply or supplies for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply or supplies, and accordingly, subject to clause (ii) below, if VAT is or becomes chargeable on any supply made by any Lender to any party under a Loan Document, that party shall pay to the Lender (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of such VAT (and such Lender shall promptly provide an appropriate VAT invoice to such party).

(ii) If VAT is or becomes chargeable on any supply made by any Lender (the “Supplier”) to any other Lender (the “Recipient”) under a Loan Document, and any party other than the Recipient (the “Relevant Party”) is required by the terms of any Loan Document to pay an amount equal to the consideration for such supply to the Supplier (rather than being required to reimburse the Recipient in respect of that consideration),

(A) (where the Supplier is the person required to account to the relevant tax authority for the VAT), the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of VAT; the Recipient must (where this subsection (ii)(A) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and

(B) (where the Recipient is the person required to account to the relevant tax authority for the VAT), the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply. The Recipient must (where this subsection (ii)(B) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment obtained by the Recipient from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply.

(iii) Where a Loan Document requires any party to reimburse or indemnify a Lender for any cost or expense incurred in connection with such Loan Document, the reimbursement or indemnity (as the case may be) shall be for the full amount of cost or expense including such part thereof as represents VAT, save to the extent that such Lender reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

(iv) Any reference in this Section 5.8.6 to any party shall, at any time when such party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the representative member of such group at such time (the term “representative member” to have the same meaning as in the Belgium Value Added Tax Code).

(v) In relation to any supply made by a Lender to any party under a Loan Document, if reasonably requested by such Lender, that party must as promptly as reasonably practicable provide such Lender with details of that party’s VAT registration and such other information as is reasonably requested in connection with such Lender’s VAT reporting requirements in relation to such supply.

(vi) Except as otherwise expressly provided in Section 5.8.6, a reference to “determines” or “determined” in connection with tax provisions contained in Section 5.8.6 means a determination made in the absolute discretion of the person making the determination, acting reasonably.

5.8.7 Dutch Tax Matters. The provisions of Sections 5.8.2 and 5.8.3 shall not apply. Instead of Sections 5.8.2 and 5.8.3, and in addition to Section 5.8.1, the provisions of this Section 5.8.7 shall apply to any advance under any Loan Document to any Dutch Borrower or any other Borrower that is required to make a Tax Deduction in accordance with the relevant provisions of Dutch law (each a "Relevant Borrower" for the purposes of this Section 5.8.7).

(a) Tax Indemnity.

(i) The Relevant Borrowers shall (within three Business Days of demand by the Agent) pay to a Lender an amount equal to the loss, liability or cost which that Lender determines will be or has been (directly or indirectly) suffered for or on account of Taxes by that Lender in respect of a Loan Document.

(ii) Clause (a)(i) above shall not apply:

(A) with respect to any Taxes assessed on a Lender:

(1) under the law of the jurisdiction in which such Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which such Lender is treated as resident for tax purposes; or

(2) under the law of the jurisdiction in which such Lender's Lending Office is located in respect of amounts received or receivable in such jurisdiction,

if such Taxes are imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by such Lender; or

(B) to the extent a loss, liability or cost is compensated for by an increased payment under Section 5.8.1.

(iii) A Lender making, or intending to make a claim under Section 5.8.7(a)(i) above shall promptly notify Agent of the event which will give, or has given, rise to the claim, following which Agent shall notify the Borrowers.

(iv) A Lender shall, on receiving a payment from the Relevant Borrowers under this Section 5.8.7(a), notify Agent.

(b) Tax Credit. If a Relevant Borrower makes a Tax Payment and the relevant Lender determines that:

(i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and

(ii) that Lender has obtained, utilized and retained that Tax Credit,

the Lender shall promptly following receipt of such Tax Credit pay an amount to the Relevant Borrower which that Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Relevant Borrower.

(c) Value Added Tax.

(i) All amounts set out or expressed in a Loan Document to be payable by any party to any Lender which (in whole or in part) constitute the consideration for a supply or supplies for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply or supplies, and accordingly, subject to clause (ii) below, if VAT is or becomes chargeable on any supply made by any Lender to any party under a Loan Document, that party shall pay to the Lender (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of such VAT (and such Lender shall promptly provide an appropriate VAT invoice to such party).

(ii) If VAT is or becomes chargeable on any supply made by any Lender (the "Supplier") to any other Lender (the "Recipient") under a Loan Document, and any party other than the Recipient (the "Relevant Party") is required by the terms of any Loan Document to pay an amount equal to the consideration for such supply to the Supplier (rather than being required to reimburse the Recipient in respect of that consideration),

(A) (where the Supplier is the person required to account to the relevant tax authority for the VAT), the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of VAT; the Recipient must (where this subsection (ii)(A) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and

(B) (where the Recipient is the person required to account to the relevant tax authority for the VAT), the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply. The Recipient must (where this subsection (ii)(B) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply.

(iii) Where a Loan Document requires any party to reimburse or indemnify a Lender for any cost or expense incurred in connection with such Loan Document, the reimbursement or indemnity (as the case may be) shall be for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Lender reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

(iv) Any reference in this Section 5.8.7 to any party shall, at any time when such party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the representative member of such group at such time (the term "representative member" to have the same meaning as in the Dutch Value Added Tax Code).

(v) In relation to any supply made by a Lender to any party under a Loan Document, if reasonably requested by such Lender, that party must as promptly as reasonably practicable provide such Lender with details of that party's VAT registration and such other information as is reasonably requested in connection with such Lender's VAT reporting requirements in relation to such supply.

(vi) Except as otherwise expressly provided in Section 5.8.7, a reference to "determines" or "determined" in connection with tax provisions contained in Section 5.8.7 means a determination made in the absolute discretion of the person making the determination, acting reasonably.

5.8.8 Singapore Tax Matters. The provisions of Section 5.8 (other than this Section 5.8.8) shall not apply, and instead the provisions of this Section 5.8.8 shall apply, to any advance under any Loan Document to any Singapore Borrower or any other Borrower that is required to make a Tax Deduction in accordance with the relevant provisions of Singapore law (each a "Relevant Borrower" for the purposes of this Section 5.8.8). Except as otherwise expressly provided in this Section 5.8.8, a reference to "determines" or "determined" in connection with tax provisions contained in this Section 5.8.8 means a determination made in the absolute discretion of the Person making the determination, acting reasonably.

(a) Definitions. Solely for purposes of this Section 5.8.8, the following terms shall have the following meanings:

"Qualifying Lender" means:

(a) a Lender which is making an advance under a Loan Document and is beneficially entitled to interest payable to that Lender in respect of an advance and is a Person:

(i) which has been granted a waiver by the Inland Revenue Authority of Singapore from compliance with Sections 45 and/or 45A of the Singapore Income Tax Act, Chapter 134; or

(ii) in respect of whose income the Minister for Finance of Singapore has granted a full exemption from tax under Section 13(4) of the Singapore Income Tax Act, Chapter 134 or under Sections 59 and/or 60 of the Singapore Economic Expansion Incentives (Relief from Income Tax) Act, Chapter 86;

(b) a Treaty Lender; or

(c) a Lender which is a Person resident in Singapore for Singapore tax purposes.

"Treaty State" means a jurisdiction having a double taxation agreement (a "Treaty") with Singapore which makes provision for full exemption from tax withheld on interest paid by a Singapore tax resident to a Treaty State resident.

"GST" means any goods and services, value-added or any other Tax of a similar nature, wherever imposed.

(b) Tax Gross-up.

(i) Each Relevant Borrower shall make all payments required to be made by it to any Lender under any Loan Document without any Tax Deduction unless a Tax Deduction is required by law.

(ii) Each Relevant Borrower shall promptly upon becoming aware that a Relevant Borrower must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify Agent accordingly. Similarly, a Lender shall notify Agent on becoming so aware in respect of a payment payable to that Lender. If Agent receives such notification from a Lender it shall notify the Relevant Borrower.

(iii) If a Tax Deduction is required by law to be made by a Relevant Borrower, the amount of the payment due from that Relevant Borrower shall be increased to an amount which (after making any Tax Deduction) is equal to the payment which would have been made by the Relevant Borrower if no Tax Deduction had been required.

(iv) A payment shall not be increased under clause (iii) above by reason of a Tax Deduction on account of Taxes imposed by Singapore if, on the date on which the payment falls due:

(A) the payment could have been made to the relevant Lender without the relevant Tax Deduction if the Lender had been a Qualifying Lender, but on that date that Lender was not or had ceased to be a Qualifying Lender (other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration or application of) any law or Treaty or any published practice or published concession of any relevant taxing authority; or

(B) the relevant Lender is a Qualifying Lender and the Relevant Borrower making the payment is able to demonstrate that the payment could have been made to the Lender without a Tax Deduction had that Lender complied with its obligations under clause (vii) below.

(v) If a Relevant Borrower is required to make a Tax Deduction, that Relevant Borrower shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(vi) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Relevant Borrower making that Tax Deduction shall deliver to Agent for the benefit of the Lender entitled to the payment an evidence reasonably satisfactory to that Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

(vii) A Qualifying Lender and each Relevant Borrower which makes a payment to which that Qualifying Lender is entitled shall, within any applicable period stipulated under Singapore law, cooperate to ensure compliance with any procedural formalities necessary, if any, in order for that payment to be lawfully made to that Qualifying Lender by the Relevant Borrower without a Tax Deduction.

(c) Tax Indemnity.

(i) The Relevant Borrowers shall (within three Business Days of demand by the Agent) pay to a Lender an amount equal to the loss, liability or cost which that Lender determines will be or has been (directly or indirectly) suffered for or on account of Taxes by that Lender in respect of a Loan Document.

(ii) Clause (c)(i) above shall not apply:

(A) with respect to any Taxes assessed on a Lender:

(1) under the law of the jurisdiction in which such Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which such Lender is treated as resident for tax purposes; or

(2) under the law of the jurisdiction in which such Lender's Lending Office is located in respect of amounts received or receivable in such jurisdiction,

if such Taxes are imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by such Lender; or

(B) to the extent a loss, liability or cost:

(1) is compensated for by an increased payment under Section 5.8.8(b)(iii) (*Tax Gross-up*); or

(2) would have been compensated for by an increased payment under Section 5.8.8(b)(iii) (*Tax Gross-up*) but was not so compensated solely because one of the exclusions in Section 5.8.8(b)(iv) (*Tax Gross-up*) applied.

(iii) A Lender intending to make a claim under Section 5.8.8(c)(i) above shall notify the Agent of the event giving rise to the claim, whereupon the Agent shall notify the Borrower thereof.

(iv) A Lender shall, on receiving a payment from the Relevant Borrowers under this Section 5.8.8(c), notify the Agent.

(d) Tax Credit. If a Relevant Borrower makes a Tax Payment and the relevant Lender determines that:

(i) a Tax Credit is attributable to that Tax Payment; and

(ii) that Lender has obtained, utilised and retained that Tax Credit,

the Lender shall as soon as reasonably practicable following receipt of such Tax Credit pay an amount to the Relevant Borrower which that Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Relevant Borrower.

(e) Lender Status Confirmation. Each New Lender shall indicate, in the Assignment and Acceptance which it executes on becoming a party, and for the benefit of Agent, which of the following categories it falls within:

- (i) not a Qualifying Lender;
- (ii) a Qualifying Lender (other than a Treaty Lender); or
- (iii) a Treaty Lender.

The failure of a New Lender to comply with its obligations under this Section 5.8.8(e) shall not affect its entitlement to a Tax Payment under Section 5.8.8(b) (*Tax Gross-up*) or 5.8.8(c) (*Tax Indemnity*) above.

(f) Stamp Taxes. The Borrowers shall:

(i) pay all stamp duty, registration and other similar Taxes payable in respect of any Loan Document; and

(ii) within three Business Days of demand, indemnify each Lender against any cost, loss or liability that Lender incurs in relation to any stamp duty, registration or other similar Tax paid or payable in respect of any Loan Document.

(g) Goods and Services Tax.

(i) All amounts set out or expressed in a Loan Document to be payable by any party to a Lender shall be deemed to be exclusive of any GST. If any goods and services tax is chargeable on any supply made by any Lender to any party in connection with a Loan Document, that party shall pay to the Lender (in addition to and at the same time as paying the consideration) an amount equal to the amount of the GST (and such Lender shall promptly provide a tax invoice complying with the Goods and Services Tax Act Chapter 117A of Singapore to such party).

(ii) Where a Loan Document requires any party to reimburse a Lender for any costs or expenses, that party shall also at the same time pay and indemnify the Lender against all GST incurred by that Lender.

5.8.9 United Kingdom Tax Matters. The provisions of Section 5.8 (other than this Section 5.8.9) shall not apply, and instead the provisions this Section 5.8.9 shall apply, to any advance under any Loan Document to any UK Borrower or any other Borrower to whom the provisions of Section 874 ITA would apply (ignoring any exceptions) on the payment of any amount of interest (each a "Relevant Borrower" for the purposes of this Section 5.8.9) to any Lender.

(a) Solely for the purposes of this Section 5.8.9, the following terms shall have the following meanings:

“Qualifying Lender” means:

(a) a Lender (other than a Lender within clause (b) of the definition of Qualifying Lender) which is beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document and is:

(i) a Lender;

(A) that is a bank (as defined for the purpose of section 879 of the ITA) making an advance under a Loan Document; or

(B) in respect of an advance under a Loan Document by a person that was a bank (as defined for the purpose of section 879 of the ITA) at the time that such advance under a Loan Document was made,

and, in each case, which is within the charge to United Kingdom corporation tax with respect to any payments of interest made in respect of that advance or would be within such charge as respects such payments apart from Section 18A of the CTA; or

(ii) a Lender which is:

(A) a company resident in the United Kingdom for United Kingdom tax purposes;

(B) a partnership, each member of which is:

(1) A company so resident in the United Kingdom; or

(2) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or

(C) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company; or

(iii) a Treaty Lender; or

(b) a building society (as defined for the purposes of section 880 of the ITA) making an advance.

“Tax Confirmation” means a confirmation by a Lender that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document is either:

(a) a company resident in the United Kingdom for United Kingdom tax purposes; or

(b) a partnership each member of which is:

(i) a company so resident in the United Kingdom; or

(ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or

(iii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company.

“Treaty State” means a jurisdiction having a double taxation agreement (a “Treaty”) with the United Kingdom which makes provision for full exemption from tax imposed by the United Kingdom on interest.

“UK Non-Bank Lender” means:

(a) a Lender (which falls within clause (a)(ii) of the definition of Qualifying Lender) which is a party to this Agreement and which has provided a Tax Confirmation to the Agent; and

(b) where a Lender becomes a party after the Closing Date, an Assignee which gives a Tax Confirmation in the Assignment and Acceptance Agreement which it executes on becoming a party.

(b) Tax Gross-up.

(i) Each Relevant Borrower shall make all payments to be made by it under any Loan Document without any Tax Deduction unless a Tax Deduction is required by law.

(ii) A Relevant Borrower shall, promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall promptly notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify the Relevant Borrower.

(iii) If a Tax Deduction is required by law to be made by a Relevant Borrower, the amount of the payment due from that Relevant Borrower shall be increased to an amount which (after making any Tax Deduction) is equal to the payment which would have been made by the Relevant Borrower if no Tax Deduction had been required.

(iv) A payment shall not be increased under clause (iii) above by reason of a Tax Deduction on account of Taxes imposed by the United Kingdom if, on the date on which the payment falls due:

(A) the payment could have been made to the relevant Lender without a Tax Deduction if the Lender had been a Qualifying Lender, but on that date that Lender is not or has ceased to be a Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or Treaty or any published practice or published concession of any relevant taxing authority; or

(B) the relevant Lender is a Qualifying Lender solely by virtue of clause (a)(ii) of the definition of Qualifying Lender, and:

(1) an officer of H.M. Revenue & Customs has given (and not revoked) a direction (a "Direction") under section 931 of the ITA which relates to the payment and that Lender has received from the Relevant Borrower making the payment a certified copy of that Direction; and

(2) the payment could have been made to the Lender without any Tax Deduction if that Direction had not been made; or

(C) the relevant Lender is a Qualifying Lender solely by virtue of clause (a)(ii) of the definition of Qualifying Lender and:

(1) the relevant Lender has not given a Tax Confirmation to the Relevant Borrower; and

(2) the payment could have been made to the Lender without any Tax Deduction if the Lender had given a Tax Confirmation to the Relevant Borrower, on the basis that the Tax Confirmation would have enabled the Relevant Borrower to have formed a reasonable belief that the payment was an "excepted payment" for the purpose of section 930 of the ITA; or

(D) the relevant Lender is a Treaty Lender and the Relevant Borrower making the payment is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under clause (b)(vii), (b)(xi) or (f)(i) (as applicable) below.

(v) If a Relevant Borrower is required to make a Tax Deduction, that Relevant Borrower shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(vi) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Relevant Borrower making that Tax Deduction shall deliver to Agent for the benefit of the Lender entitled to the payment a statement under section 975 of the ITA or other evidence reasonably satisfactory to that Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

(vii) A Treaty Lender and each Relevant Borrower which makes a payment to which that Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that Relevant Borrower to obtain authorization to make that payment without a Tax Deduction.

(viii) Nothing in clause (b)(vii) above shall require a Treaty Lender to:

(A) register under the HMRC DT Treaty Passport scheme;

(B) apply the HMRC DT Treaty Passport scheme to any advance if it has so registered; or

(C) file Treaty forms if it has included an indication to the effect that it wishes the HMRC DT Treaty Passport Scheme to apply to this Agreement in accordance with subsections (b)(xi) or (f)(i) (HMRC DT Treaty Passport scheme confirmation) and the Relevant Borrower making that payment has not complied with its obligations under subsections (b)(xii) or (f)(ii) (HMRC DT Treaty Passport scheme confirmation).

(ix) A UK Non-Bank Lender which becomes a party on the day on which this Agreement is entered into gives a Tax Confirmation to Agent by entering into this Agreement.

(x) A UK Non-Bank Lender shall promptly notify Agent if there is any change in the position from that set out in the Tax Confirmation.

(xi) A Treaty Lender which becomes a party on the day on which this Agreement is entered into that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall include an indication to that effect (for the benefit of Agent and without liability to any Relevant Borrower) by notifying Agent of its scheme reference number and its jurisdiction of tax residence.

(xii) Where a Lender notifies Agent as described in clause (b)(xi) above each Relevant Borrower shall file a duly completed form DTTP2 in respect of such Lender with HM Revenue & Customs within 30 days of the date of this Agreement and shall promptly provide the Lender with a copy of that filing.

(xiii) If a Lender has not included an indication to the effect that it wishes the HMRC DT Treaty Passport scheme to apply to this Agreement in accordance with clause (b)(xi) above or clause (f)(i) (HMRC DT Treaty Passport scheme confirmation), no Relevant Borrower shall file any form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's advance or its participation in any advance.

(c) Tax Indemnity.

(i) The Relevant Borrowers shall (within three Business Days of demand by the Agent) pay to a Lender an amount equal to the loss, liability or cost which that Lender determines will be or has been (directly or indirectly) suffered for or on account of Taxes by that Lender in respect of a Loan Document.

(ii) Clause (c)(i) above shall not apply:

(A) with respect to any Taxes assessed on a Lender:

(1) under the law of the jurisdiction in which such Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which such Lender is treated as resident for tax purposes; or

(2) under the law of the jurisdiction in which such Lender's Lending Office is located in respect of amounts received or receivable in such jurisdiction,

if such Taxes are imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by such Lender; or

(B) to the extent a loss, liability or cost:

(1) is compensated for by an increased payment under Section 5.8.9(b)(iii) (*Tax Gross-up*); or

(2) would have been compensated for by an increased payment under Section 5.8.9(b)(iii) (*Tax Gross-up*) but was not so compensated solely because one of the exclusions in Section 5.8.9(b)(iv) (*Tax Gross-up*) applied.

(iii) A Lender making, or intending to make a claim under Section 5.8.9(c)(i) above shall promptly notify Agent of the event which will give, or has given, rise to the claim, following which Agent shall notify the Borrowers.

(iv) A Lender shall, on receiving a payment from the Relevant Borrowers under this Section 5.8.9(c), notify Agent.

(d) Tax Credit. If a Relevant Borrower makes a Tax Payment and the relevant Lender determines that:

(i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and

(ii) that Lender has obtained, utilized and retained that Tax Credit.

the Lender shall as soon as reasonably practicable following receipt of such Tax Credit pay an amount to the Relevant Borrower which that Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Relevant Borrower.

(e) Lender Status Confirmation. Each New Lender shall indicate, in the Assignment and Acceptance which it executes on becoming a party, and for the benefit of Agent and without liability to any Relevant Borrower, which of the following categories it falls within:

(i) not a Qualifying Lender;

(ii) a Qualifying Lender (other than a Treaty Lender); or

(iii) a Treaty Lender.

If a New Lender fails to indicate its status in accordance with this Section 5.8.9(e), then such New Lender or Lender (as appropriate) shall be treated for the purposes of this Agreement (including by each Relevant Borrower) as if it is not a Qualifying Lender until such time as it notifies Agent which category of Qualifying Lender applies (and Agent, upon receipt of such notification, shall inform the Relevant Borrower). For the avoidance of doubt, an Assignment and Acceptance shall not be invalidated by any failure of a New Lender to comply with this Section 5.8.9(e).

(f) HMRC DT Treaty Passport Scheme Confirmation.

(i) A New Lender that is a Treaty Lender that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall include an indication to that effect (for the benefit of Agent and without liability to any Relevant Borrower) in the Assignment and Acceptance which it executes by including its scheme reference number and its jurisdiction of tax residence in that Assignment and Acceptance.

(ii) Where an Assignment and Acceptance includes the indication described in clause (f)(i) above in the relevant Assignment and Acceptance, each Relevant Borrower which is a party as a Borrower as at the date that the relevant Assignment and Acceptance Agreement is executed (the “Transfer Date”) shall file a duly completed form DTTP2 in respect of such Lender with HM Revenue & Customs within 30 days of that Transfer Date and shall promptly provide the Lender with a copy of that filing.

(g) Stamp Taxes. The Relevant Borrowers shall pay and, within three Business Days of demand, indemnify each Lender against any cost, loss or liability that Lender incurs in relation to all stamp duties, registration or other similar Taxes payable in respect of any Loan Document.

(h) Value Added Tax.

(i) All amounts set out or expressed in a Loan Document to be payable by any party to any Lender which (in whole or in part) constitute the consideration for a supply or supplies for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply or supplies, and accordingly, subject to clause (ii) below, if VAT is or becomes chargeable on any supply made by any Lender to any party under a Loan Document, that party shall pay to the Lender (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of such VAT (and such Lender shall promptly provide an appropriate VAT invoice to such party).

(ii) If VAT is or becomes chargeable on any supply made by any Lender (the “Supplier”) to any other Lender (the “Recipient”) under a Loan Document, and any party other than the Recipient (the “Relevant Party”) is required by the terms of any Loan Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration,

(A) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of VAT. The Recipient must (where this subsection (ii)(A) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and

(B) (where the Recipient is the person required to account to the relevant tax authority for the VAT), the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply. The Recipient must (where this subsection (ii)(B) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply.

(iii) Where a Loan Document requires any party to reimburse or indemnify a Lender for any cost or expense in connection with such Loan Document, the reimbursement or indemnity (as the case may be) shall be for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Lender reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority).

(iv) Any reference in this Section 5.8.9 to any party shall, at any time when such party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the representative member of such group at such time (the term “representative member” to have the same meaning as in the United Kingdom Value Added Tax Act 1994).

(v) In relation to any supply made by a Lender to any party under a Loan Document, if reasonably requested by such Lender, that party must as promptly as reasonably practicable provide such Lender with details of that party’s VAT registration and such other information as is reasonably requested in connection with such Lender’s VAT reporting requirements in relation to such supply.

Except as otherwise expressly provided in this Section 5.8.9, a reference to “determines” or “determined” in connection with tax provisions contained in Section 5.8.9 means a determination made in the absolute discretion of the person making the determination, acting reasonably.

5.9 Lender Tax Information.

For purposes of this Section 5.9, the term “Lender” includes any Fronting Bank.

5.9.1 Generally. Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which a relevant Loan Party is resident for tax purposes, or under any treaty to which such jurisdiction is a party, with respect to payments under any Loan Document shall deliver to Agent and the relevant Loan Party Agent, at the time or times prescribed by Applicable Law or reasonably requested by Agent or the relevant Loan Party Agent, such properly completed and executed documentation or such other evidence as prescribed by Applicable Law as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition and only to the extent applicable, any Lender, if requested by Agent or a Loan Party Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by Agent or such Loan Party Agent as will enable Agent and such Loan Party Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements.

5.9.2 U.S. Borrowers. If a Borrower is a U.S. Person, any Lender that is a U.S. Person shall deliver to Agent and North American Loan Party Agent IRS Form W-9 or such other documentation or information prescribed by Applicable Law or reasonably requested by Agent or North American Loan Party Agent to determine whether such Lender is subject to information reporting requirements and to establish that such Lender is not subject to backup withholding. If any Foreign Lender is entitled to any exemption from or reduction of U.S. withholding tax for payments with respect to the U.S. Facility Obligations, it shall deliver to

Agent and North American Loan Party Agent, on or prior to the date on which it becomes a U.S. Lender or U.S. Fronting Bank hereunder (and from time to time thereafter upon request by Agent or North American Loan Party Agent, but only if such Foreign Lender is legally entitled to do so) two original executed copies of, (a) IRS Form W-8BEN claiming eligibility for benefits of an income tax treaty to which the United States is a party; (b) IRS Form W-8ECI; (c) IRS Form W-8IMY and all required supporting documentation (including, a certificate in the form of **Exhibit J-2** (a “Non-Bank Certificate”) applicable to a partnership, if applicable); (d) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under section 871(h) or section 881(c) of the Code, IRS Form W-8BEN and a Non-Bank Certificate in the form of **Exhibit J-1** or **Exhibit J-2**, as applicable; and/or (e) any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. withholding tax, together with such supplementary documentation as may be necessary to allow Agent and U.S. Borrowers to determine the withholding or deduction required to be made.

5.9.3 Lender Obligations. Each Lender shall promptly notify the relevant Loan Party Agent and Agent of any change in circumstances that would change any claimed Tax exemption or reduction. Each Lender, severally and not jointly with any other Lender, shall indemnify, hold harmless and reimburse (within 10 days after demand therefor) affected Borrowers of the Borrower Group to which such Lender has issued a Commitment and Agent for any Taxes, losses, claims, liabilities, penalties, interest and expenses (including reasonable and documented attorneys’ fees limited to the fees, disbursements and other charges or one primary counsel and one local counsel in each relevant jurisdiction) incurred by or asserted against such affected Borrower of such Borrower Group or Agent by any Governmental Authority due to such Lender’s failure to deliver, or inaccuracy or deficiency in, any documentation required to be delivered by it pursuant to Section 5.8 or this Section 5.9. Each Lender authorizes Agent to set off any amounts due to Agent under this Section against any amounts payable to such Lender under any Loan Document. If a payment made to Agent or a Lender under any Loan Document would be subject to United States withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA, Agent or such Lender shall deliver to the Borrowers and the Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Borrowers or Agent such documentation prescribed by Applicable Law and such additional documentation reasonably requested by the Borrowers or Agent as may be necessary for the Borrowers and Agent to comply with their obligations under FATCA and to determine that such Lender has complied with its obligations under such sections, or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 5.9.3, “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

5.10 Guarantees.

5.10.1 Joint and Several Liability of U.S. Domiciled Loan Parties. Each U.S. Domiciled Loan Party agrees that it is jointly and severally liable for, and absolutely and unconditionally guarantees to Agent and the other Secured Parties the prompt payment and performance of, all Secured Obligations and all agreements of each other Loan Party under the Credit Documents. Each U.S. Domiciled Loan Party agrees that its guarantee obligations as a Guarantor of the Secured Obligations hereunder constitute a continuing guarantee of payment and not of collection, that such guarantee obligations shall not be discharged until Full Payment

of the Secured Obligations, and that such guarantee obligations are absolute and unconditional, irrespective of (a) the genuineness, validity, regularity, enforceability, subordination or any future modification of, or change in, any Secured Obligations or Credit Document, or any other document, instrument or agreement to which any Loan Party is or may become a party or be bound; (b) the absence of any action to enforce this Agreement (including this Section 5.10) or any other Credit Document, or any waiver, consent or indulgence of any kind by Agent or any other Secured Party with respect thereto; (c) the existence, value or condition of, or failure to perfect a Lien or to preserve rights against, any security or guarantee for the Secured Obligations or any action, or the absence of any action, by Agent or any other Secured Party in respect thereof (including the release of any security or guarantee); (d) the insolvency of any Loan Party; (e) any election by Agent or any other Secured Party in an Insolvency Proceeding for the application of Section 1111(b)(2) of the U.S. Bankruptcy Code; (f) any borrowing or grant of a Lien by any other Loan Party, as debtor-in-possession under Section 364 of the U.S. Bankruptcy Code or otherwise; (g) the disallowance of any claims of Agent or any other Secured Party against any Loan Party for the repayment of any Secured Obligations under Section 502 of the U.S. Bankruptcy Code or otherwise; or (h) any other action or circumstances that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, except Full Payment of all Secured Obligations.

5.10.2 Waivers by U.S. Domiciled Loan Parties.

(a) Each U.S. Domiciled Loan Party hereby expressly waives all rights that it may have now or in the future under any statute, at common law, in equity or otherwise, to compel Agent or the other Secured Parties to marshal assets or to proceed against any Loan Party, other Person or security for the payment or performance of any Secured Obligations before, or as a condition to, proceeding against such Loan Party. To the extent permitted by Applicable Law, each U.S. Domiciled Loan Party waives all defenses available to a surety, guarantor or accommodation co-obligor other than Full Payment of all Secured Obligations. It is agreed among each U.S. Domiciled Loan Party, Agent and the other Secured Parties that the provisions of this Section 5.10 are of the essence of the transaction contemplated by the Credit Documents and that, but for such provisions, Agent, Fronting Banks and Lenders would decline to make Loans and issue Letters of Credit. Each U.S. Domiciled Loan Party acknowledges that its guarantee pursuant to this Section is necessary to the conduct and promotion of its business, and can be expected to benefit such business.

(b) Agent and the other Secured Parties may, in their discretion, pursue such rights and remedies as they deem appropriate, including realization upon the Collateral by judicial foreclosure or non-judicial sale or enforcement, to the extent permitted under Applicable Law, without affecting any rights and remedies under this Section 5.10. If, in taking any action in connection with the exercise of any rights or remedies, Agent or any other Secured Party shall forfeit any other rights or remedies, including the right to enter a deficiency judgment against any U.S. Domiciled Party or other Person, whether because of any Applicable Laws pertaining to "election of remedies" or otherwise, each U.S. Domiciled Loan Party consents to such action and, to the extent permitted under Applicable Law, waives any claim based upon it, even if the action may result in loss of any rights of subrogation that any U.S. Domiciled Loan Party might otherwise have had. To the extent permitted under Applicable Law, any election of remedies that results in denial or impairment of the right of Agent or any other Secured Party to seek a

deficiency judgment against any U.S. Domiciled Loan Party shall not impair any other U.S. Domiciled Loan Party's obligation to pay the full amount of the Secured Obligations. To the extent permitted under Applicable Law, each U.S. Domiciled Loan Party waives all rights and defenses arising out of an election of remedies, such as nonjudicial foreclosure with respect to any security for the Secured Obligations, even though that election of remedies destroys such U.S. Domiciled Loan Party's rights of subrogation against any other Person. To the extent permitted under Applicable Law, Agent may bid all or a portion of the Secured Obligations at any foreclosure or trustee's sale or at any private sale, and the amount of such bid need not be paid by Agent but shall be credited against the Secured Obligations in accordance with the terms of this Agreement. To the extent permitted under Applicable Law, the amount of the successful bid at any such sale, whether Agent or any other Person is the successful bidder, shall be conclusively deemed to be the fair market value of the Collateral, and the difference between such bid amount and the remaining balance of the Secured Obligations shall be conclusively deemed to be the amount of the Secured Obligations guaranteed under this Section 5.10, notwithstanding that any present or future law or court decision may have the effect of reducing the amount of any deficiency claim to which Agent or any other Secured Party might otherwise be entitled but for such bidding at any such sale.

5.10.3 Extent of Liability of U.S. Domiciled Loan Parties; Contribution.

(a) Notwithstanding anything herein to the contrary, each U.S. Domiciled Loan Party's liability under this Section 5.10 shall be limited to the greater of (i) all amounts for which such U.S. Domiciled Loan Party is primarily liable, as described below, and (ii) such U.S. Domiciled Loan Party's Allocable Amount.

(b) If any U.S. Domiciled Loan Party makes a payment under this Section 5.10 of any Secured Obligations (other than amounts for which such U.S. Domiciled Loan Party is primarily liable) (a "Guarantor Payment") that, taking into account all other Guarantor Payments previously or concurrently made by any other U.S. Domiciled Loan Party, exceeds the amount that such U.S. Domiciled Loan Party would otherwise have paid if each U.S. Domiciled Loan Party had paid the aggregate Secured Obligations satisfied by such Guarantor Payments in the same proportion that such U.S. Domiciled Loan Party's Allocable Amount bore to the total Allocable Amounts of all U.S. Domiciled Loan Parties, then such U.S. Domiciled Loan Party shall be entitled to receive contribution and indemnification payments from, and to be reimbursed by, each other U.S. Domiciled Loan Party for the amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Guarantor Payment. The "Allocable Amount" for any U.S. Domiciled Loan Party shall be the maximum amount that could then be recovered from such U.S. Domiciled Loan Party under this Section 5.10 without rendering such payment voidable under Section 548 of the U.S. Bankruptcy Code or under any applicable state fraudulent transfer or conveyance act, or similar statute or common law.

(c) Nothing contained in this Section 5.10 shall limit the liability of any Loan Party to pay Loans made directly or indirectly to that Loan Party (including Loans advanced to any other Loan Party and then re-loaned or otherwise transferred to, or for the benefit of, such Loan Party), LC Obligations relating to Letters of Credit issued to support such Loan Party's business, and all accrued interest, fees, expenses and other related Secured Obligations with respect thereto, for which such Loan Party shall be primarily liable for all purposes hereunder.

5.10.4 Joint Enterprise. Each Borrower has requested that Agent, Fronting Banks and Lenders make this credit facility available to Borrowers on a combined basis, in order to finance Borrowers' business most efficiently and economically. Borrowers and Guarantors make up a related organization of various entities constituting a single economic and business enterprise so that Borrowers and Guarantors share an identity of interests such that any benefit received by any one of them benefits the others. Borrowers and Guarantors render services to or for the benefit of the other Borrowers and/or Guarantors, as the case may be, purchase or sell and supply goods to or from or for the benefit of the others, make loans, advances and provide other financial accommodations to or for the benefit of the other Borrowers and Guarantors (including inter alia, the payment by Borrowers and Guarantors of creditors of the other Borrowers or Guarantors and guarantees by Borrowers and Guarantors of indebtedness of the other Borrowers and Guarantors and provide administrative, marketing, payroll and management services to or for the benefit of the other Borrowers and Guarantors). Borrowers and Guarantors have centralized accounting and legal services, certain common officers and directors and generally do not provide consolidating financial statements to creditors. Borrowers acknowledge and agree that Agent's, Fronting Banks' and Lenders' willingness to extend credit to Borrowers and to administer the Collateral on a combined basis, as set forth herein, is done solely as an accommodation to Borrowers and at Borrowers' request.

5.10.5 Subordination. Each Loan Party hereby subordinates any claims, including any rights at law or in equity to payment, subrogation, reimbursement, exoneration, contribution, indemnification or set off, that it may have at any time against any other Loan Party, howsoever arising, to the Full Payment of all Secured Obligations.

5.10.6 Foreign Cross-Guarantee. Promptly following the date on which a guarantee by a Foreign Borrower of the Secured Obligations of other Foreign Borrowers would not also require such Foreign Borrower to guarantee the Senior Secured Notes (including as a result of a repayment or refinancing of the Senior Secured Notes) and except as set forth below, each Foreign Borrower shall guarantee the Secured Obligations of other Foreign Borrowers pursuant to customary guarantee documentation in form and substance reasonably satisfactory to North American Loan Party Agent and Agent (each, a "Foreign Cross-Guarantee"); provided, that (a) neither Holdings UK nor any Australian Borrower shall guarantee or be required to guarantee the Secured Obligations of any other Foreign Borrowers unless the Agent first requests in writing that the Applicable Foreign Borrower provide such guarantee, (b) no Foreign Borrower (that is a "controlled foreign corporation within the meaning of Section 957 of the Code) shall be required to guarantee any Secured Obligations of any other Foreign Borrower that is disregarded as separate from any U.S. Subsidiary for U.S. federal income tax purposes and (c) no Foreign Cross-Guarantee shall be required in the event such Foreign Cross-Guarantee would be unenforceable or violate Applicable Law.

5.11 Currency Matters. Dollars are the currency of account and payment for each and every sum at any time due from Borrowers hereunder unless otherwise specifically provided in this Agreement, any other Loan Document or otherwise agreed to by Agent; *provided*, that

(a) each repayment of a Revolver Loan, LC Obligation or a part thereof shall be made in the currency in which such Revolver Loan or LC Obligation is denominated at the time of that repayment;

(b) each payment of interest shall be made in the currency in which the principal or other sum in respect of which such interest is denominated;

(c) each payment of fees pursuant to Section 3.2.1 shall be in Dollars;

(d) each payment of fees pursuant to Sections 3.2.2 through 3.2.9 (other than Section 3.2.9(a)) shall be in the currency of the underlying Letter of Credit; and

(e) each payment in respect of Extraordinary Expenses and any other costs, expenses and indemnities shall be made in the currency in which the same were incurred by the party to whom payment is to be made.

No payment to any Credit Party or any Security Trustee (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of the Loan Party in respect of which it was made unless and until such Credit Party or such Security Trustee shall have received Full Payment in the currency in which such obligation or liability is payable pursuant to the above provisions of this Section 5.11. Agent has the right, at the expense of the applicable Loan Party, to convert any payment made in an incorrect currency into the applicable currency required under this Agreement. To the extent that the amount of any such payment shall, on actual conversion into such currency, fall short of such obligation or liability actual or contingent expressed in that currency, such Loan Party (together with the other Loan Parties within its Loan Party Group or other obligors pursuant to any Guarantee of the Obligations of such Loan Party Group) agrees to indemnify and hold harmless such Credit Party or such Security Trustee, with respect to the amount of the shortfall with respect to amounts payable by such Loan Party hereunder, with such indemnity surviving the termination of this Agreement and any legal proceeding, judgment or court order pursuant to which the original payment was made which resulted in the shortfall. To the extent that the amount of any such payment to a Credit Party or a Security Trustee shall, upon an actual conversion into such currency, exceed such obligation or liability, actual or contingent, expressed in that currency, such Credit Party or such Security Trustee shall return such excess to the members of the affected Borrower Group.

SECTION 6. CONDITIONS PRECEDENT

6.1 Conditions Precedent to Initial Loans. In addition to the conditions set forth in Section 6.2, Lenders and Fronting Banks shall not be required to fund any requested Loan, issue any Letter of Credit, or otherwise extend credit to Borrowers hereunder, until the date ("Closing Date") on which each of the following conditions has been satisfied (and with respect to deliveries of Loan Documents, each such delivery shall be fully-executed (where applicable) and in form and substance reasonably satisfactory to the Agent and its counsel):

(a) Loan Documents. Notes shall have been executed by each Borrower within a Borrower Group and delivered to each Applicable Lender that requests issuance of a Note at least three Business Days prior to the Closing Date. Each other Loan Document shall have been duly executed (where applicable) by each of the signatories thereto (including, without limitation, each lender party to the Existing Loan Agreement that is continuing as a Lender hereunder) and delivered to the Agent, and each Loan Party shall be in compliance with all terms thereof.

(b) Deposit Account Control Agreements. Subject to **Schedule 10.1.16**, Agent shall have received evidence of the establishment of each Dominion Account and related lockboxes, together with fully-executed Deposit Account Control Agreements with respect thereto and covering the other Deposit Accounts listed on Schedule 5 to the Perfection Certificate (other than Excluded Deposit Accounts).

(c) Securities Account Control Agreements. Agent shall have received fully-executed Securities Account Control Agreements covering the Securities Accounts listed on Schedule 5 to the Perfection Certificate.

(d) Joinder to Intercreditor Agreement. The Agent shall have entered into a notice of amendment and confirmation of joinder to the Intercreditor Agreement with the trustee for the Senior Secured Notes, in form and substance reasonably satisfactory to the Agent, and the Intercreditor Agreement shall be in full force and effect.

(e) Perfected First-Priority Liens. The Agent shall have received (i) reasonably satisfactory evidence that the Agent and/or Security Trustees shall have a valid and perfected first priority (except as otherwise permitted hereunder) Lien, security interest and hypothecation in the Collateral (including acknowledgments of all filings or recordations necessary to perfect its Liens in the Collateral) and (ii) releases, satisfactions and payoff letters terminating all Liens on the Collateral arising under the HSBC Credit Agreement and all other Liens not permitted under Section 10.2.2.

(f) Lien Searches. The Agent shall have received UCC, PPSA, PPSA Australia, title and Lien searches and other evidence reasonably satisfactory to Agent that its and/or Security Trustees' Liens are the only Liens upon the Collateral, except Liens permitted under Section 10.2.2 and Liens being terminated under Section 6.1(e).

(g) Payment of Recording Costs. All filing and recording fees and taxes shall have been duly paid or arrangements reasonably satisfactory to the Agent shall have been made for the payment thereof.

(h) Closing Certificates. The Agent shall have received a certificate of each Loan Party, dated the Closing Date, substantially in the form of **Exhibit H-1** with respect to the Australian Facility Loan Parties, **Exhibit H-2** with respect to the Belgian Facility Loan Parties, **Exhibit H-3** with respect to the Canadian Facility Loan Parties, **Exhibit H-4** with respect to the Dutch Facility Loan Parties, **Exhibit H-5** with respect to the UK Facility Loan Parties and **Exhibit H-6** with respect to the U.S. Facility Loan Parties, in each case with appropriate insertions, executed by the President or any Vice President and the Secretary or any Assistant Secretary of such Loan Party, and attaching the documents referred to in Section 6.1(i).

(i) Organic Documents; Incumbency. The Agent shall have received a copy of (i) each Organic Document of each Loan Party certified, to the extent applicable, as of a recent date by the applicable Governmental Authority, (ii) signature and incumbency certificates

of the Senior Officers of each Loan Party executing the Loan Documents to which it is a party; (iii) in respect of a Belgian Domiciled Loan Party, a KBO certificate and a non-insolvency certificate, each not older than 10 Business Days from the Closing Date; (iv) resolutions of the Board of Directors or similar governing body of each Loan Party (A) approving and authorizing the execution, delivery and performance of the Loan Documents to which it is a party, (B) in the case of each Borrower, the extensions of credit contemplated hereunder, certified as of the Closing Date by its secretary or an assistant secretary as being in full force and effect without modification or amendment and (C) in respect of a Belgian Domiciled Loan Party, setting out the reasons why the board of directors of that Belgian Domiciled Loan Party considered that the entry into this Agreement, any Guarantee (as the case may be) and the Belgian Security Agreements to which it is proposed to be a party, is of benefit to that Belgian Domiciled Loan Party; (v) a good standing certificate (or other similar instrument) from the applicable Governmental Authority of each Loan Party's jurisdiction of incorporation, organization or formation (to the extent a good standing certificate or similar instrument may be obtained in such jurisdiction); and (vi) in respect of a Belgian Domiciled Loan Party, a resolution of the shareholders meeting or a written resolution of all shareholders of that Belgian Domiciled Loan Party approving the provisions of the Loan Documents to which it is proposed to be a party in accordance with article 556 of the Belgian Companies Code (evidence that an extract of such resolution has been filed with the clerk of the commercial court of the judicial district of that Belgian Domiciled Loan Party in accordance with Article 556 of the Belgian Companies Code shall be provided to the Agent within 15 Business Days from the Closing Date).

(j) Fees. Merrill Lynch, Pierce, Fenner & Smith Incorporated and the Agent shall have received the fees to be received on the Closing Date set forth in the Fee Letter. The Lenders shall have received the fees in the amounts previously agreed in writing by the Agent, MRC and such Lenders to be received on the Closing Date, and all reasonable and documented out-of-pocket expenses of the Agent and Security Trustees (including the reasonable and documented fees, disbursements and other charges of counsel (which shall be limited to the reasonable and documented out-of-pocket legal fees and expenses of Vinson & Elkins LLP, U.S. counsel to Agent and Security Trustees, the Norton Rose Group, foreign counsel to Agent and Security Trustees (other than in Belgium and New Zealand), LYDIAN, Belgian counsel to Agent and Security Trustees, Bell Gully, New Zealand counsel to Agent and Security Trustees, and, if necessary, of one local counsel in each other relevant jurisdiction (which may include a local counsel acting in multiple jurisdictions)) for which invoices have been presented prior to the Closing Date shall have been paid.

(k) Solvency Certificate. On the Closing Date, the Agent shall have received a certificate from a Senior Officer of the North American Loan Party Agent, with appropriate attachments and demonstrating that after giving effect to the consummation of the transactions contemplated by this Agreement, the Borrowers and the Guarantors, taken as a whole, are Solvent.

(l) Historical Financial Statements. Lenders shall have received the Historical Financial Statements.

(m) Financial Projections. The Agent shall have received financial projections of the Borrowers, which shall be reasonably acceptable to the Agent (and the Agent hereby acknowledges that it has received the same prior to the date hereof).

(n) Insurance. Certificates of insurance evidencing the existence of insurance to be maintained by the Loan Parties pursuant to Section 10.1.5 and, if applicable, the designation of the Agent or a Security Trustee as loss payee as its interest may appear thereunder, in each case, in form and substance satisfactory to the Agent.

(o) Borrowing Base Certificate. The Agent shall have received Borrowing Base Certificates setting forth each Borrowing Base, in each case, effective as of February 29, 2012.

(p) Perfection Certificate. Each Loan Party shall deliver to the Agent a completed Perfection Certificate, executed and delivered by a Senior Officer of such Loan Party, together with all attachments contemplated thereby.

(q) Legal Opinions. The Agent shall have received reasonably satisfactory opinions of counsel to the Loan Parties, in each case, customary for transactions of this type (which shall cover, among other things, authority, legality, validity, binding effect and enforceability of the Loans and the creation and perfection of Liens in the Collateral) and of appropriate local counsel (including Australian, Belgian, Canadian, Dutch and UK counsel).

(r) No Material Adverse Change. There shall not have occurred since December 31, 2011 any Material Adverse Change or any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect.

(s) Excess Availability. Upon giving effect to the initial funding of Loans and issuance of Letters of Credit, and the payment by the Borrowers of all fees and expenses incurred in connection herewith and due on the Closing Date, as well as the amount of any payables stretched beyond their customary payment practices, Excess Availability shall be at least \$300,000,000.

(t) No Litigation. There shall be no action, suit, investigation litigation or proceeding pending or threatened in any court or before any arbitrator or Governmental Authority that could reasonably be expected to have a Material Adverse Effect or to materially and adversely affect this Agreement (or the transactions contemplated hereby).

(u) Third-Party Consents. The Agent shall have received a certificate of a Senior Officer of each Loan Party either (i) attaching copies of all consents, licenses and approvals required or appropriate to be obtained from any Governmental Authority or other third-party in connection with the execution, delivery and performance by and the validity against each Loan Party of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect, or (ii) stating that no such consents, licenses or approvals are so required.

(v) Payment of Existing Indebtedness. All Indebtedness arising under the HSBC Credit Agreement shall have been repaid in full, and the Agent shall have received payoff letters or similar agreements which evidence the foregoing.

(w) Due Diligence. Agent and Joint Lead Arrangers shall have satisfactorily completed their due diligence, including such collateral reviews, field examinations, audits, appraisals, assessments and other reviews as Agent and Joint Lead Arrangers deem appropriate.

(x) Know Your Customer. Any information reasonably required by a Lender and any other Secured Party to enable it to meet its internal “know your customer” compliance requirements and normal operating procedures shall have been delivered.

6.2 Conditions Precedent to All Credit Extensions. The Agent, Fronting Banks and Lenders shall not be required to fund any Loans, arrange for issuance of any Letters of Credit or grant any other accommodation to or for the benefit of Borrowers (including the initial Loans on the Closing Date), unless the following conditions are satisfied:

(a) No Default or Event of Default shall exist at the time of, or result from, such funding, issuance or grant;

(b) The representations and warranties of each Loan Party in the Loan Documents shall be true and correct in all material respects (or, with respect to representations and warranties qualified by materiality, in all respects) as of the date of such extension of credit (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date);

(c) Availability of not less than the amount of the proposed Borrowing shall exist;

(d) Both immediately before and immediately after giving effect thereto, no Overadvance shall exist or would result therefrom and the Total Revolver Exposure would not exceed the Maximum Facility Amount;

(e) With respect to the issuance of a Letter of Credit, the applicable LC Conditions shall be satisfied; and

(f) With respect to the funding of any Revolver Loan or arrangement for issuance of any Letter of Credit to a Foreign Borrower, or grant of any other accommodation to or for the benefit of any Foreign Borrower, the requirements of Section 2.11 are satisfied.

Each request (or any deemed request, except a deemed request in connection with a Protective Advance or pursuant to Sections 2.2.2(a), 2.3.2(a), 2.4.2(a), 2.5.2(a), 2.6.2(a), 2.7.2(a), 2.8.2(a), or 2.9.2(a)) by a Loan Party Agent or any Borrower for funding of a Loan, issuance of a Letter of Credit or grant of an accommodation shall constitute a representation by all Borrowers that the foregoing conditions are satisfied on the date of such request and on the date of such funding, issuance or grant.

Upon satisfaction on the Closing Date of all the conditions specified in Sections 6.1 and 6.2, (i) the Existing Loan Agreement will be amended and restated by this Agreement (with all loans outstanding thereunder and the Existing U.S. Letters of Credit being renewed and continued) and all Liens securing obligations under the Existing Loan Agreement shall be automatically continued and (ii) such adjustments shall be made as Agent shall specify so that the outstanding Revolver Loans and LC Obligations applicable to each Lender equals its Pro Rata share thereof (after giving effect to this Agreement).

SECTION 7. COLLATERAL

7.1 Grant of Security Interest. To secure the prompt payment and performance of (a) all Secured Obligations (including all Secured Obligations of the Guarantors) whether arising under the Credit Documents or otherwise, each U.S. Domiciled Loan Party hereby grants to the Agent (or confirms that the Agent already possesses), for the benefit of the Secured Parties, and (b) its Applicable Canadian Borrower Secured Obligations, each Canadian Domiciled Loan Party hereby grants to the Agent (or confirms that the Agent already possesses), for the benefit of the Canadian Facility Secured Parties, in each case, a continuing security interest in and Lien upon all of the following Property of such Loan Party, whether now owned or hereafter acquired, and wherever located:

(i) all Accounts;

(ii) all Inventory or Documents, customs receipts, insurance certificates, shipping documents and other written materials related to the purchase or import of any Inventory;

(iii) all Specified Revolving Credit Collateral;

(iv) all Deposit Accounts (other than the Net Available Cash Account, to the extent that it constitutes a Deposit Account) and Securities Accounts (other than the Net Available Cash Account, to the extent it constitutes a Securities Account), including all cash, marketable securities, securities entitlements, financial assets and other funds held in or on deposit in any of the foregoing;

(v) monies, cash and deposits;

(vi) all Records, Supporting Obligations and related Letter-of-Credit Rights, Commercial Tort Claims or other claims and causes of action, in each case, to the extent not primarily related to Notes Priority Lien Collateral; and

(vii) to the extent not otherwise included, all substitutions, replacements, accessions, products and proceeds (including, insurance proceeds, investment property, licenses, royalties, income, payments, claims, damages and proceeds of suit) of any or all of the foregoing.

7.2 Lien on Deposit Accounts; Cash Collateral.

7.2.1 Deposit Accounts. Each Loan Party hereby authorizes and directs each bank or other depository to deliver to the Agent and the Security Trustees, upon request, all balances (other than the minimum balances required to be retained therein by the related depository bank and agreed to by the Agent) in any Deposit Account and Dominion Account maintained by such Loan Party, without inquiry into the authority or right of Agent or any Security Trustee to make such request.

7.2.2 Cash Collateral. Any Cash Collateral may be invested, at Agent's discretion, in Permitted Investments, but Agent shall have no duty to do so, regardless of any agreement or course of dealing with any Loan Party, and shall have no responsibility for any investment or loss. To further secure the prompt payment and performance of all (a) Secured Obligations, each U.S. Domiciled Loan Party hereby grants to Agent, for the benefit of the Secured Parties, and (b) Canadian Facility Secured Obligations, each Canadian Domiciled Loan Party hereby grants to Agent, for the benefit of the Canadian Facility Secured Parties, in each case, a continuing security interest in and Lien on all Cash Collateral of such Loan Party from time to time and all proceeds thereof, whether such Cash Collateral is held in a Cash Collateral Account or otherwise. Loan Parties organized or incorporated outside of the U.S. and Canada shall grant Liens to the applicable Security Trustee on Cash Collateral pursuant to the relevant Security Documents. Agent and each Security Trustee may apply Cash Collateral of (i) a U.S. Domiciled Loan Party to the payment of any Secured Obligations, (ii) an Australian Domiciled Loan Party to the payment of any Australian Facility Secured Obligations, (iii) a Belgian Domiciled Loan Party to the payment of any Belgian Facility Secured Obligations, (iv) a Canadian Domiciled Loan Party to the payment of any Canadian Facility Secured Obligations, (v) a Dutch Domiciled Loan Party to the payment of any Dutch Facility Secured Obligations, (vi) a New Zealand Domiciled Loan Party to the payment of any New Zealand Facility Secured Obligations, (vii) a Singapore Domiciled Loan Party to the payment of any Singapore Facility Secured Obligations, and (viii) a UK Domiciled Loan Party to the payment of any UK Facility Secured Obligations, in each case, in such order as Agent may elect, as they become due and payable. Each Cash Collateral Account and all Cash Collateral shall be under the sole dominion and control of Agent and the Security Trustees. No U.S. Domiciled Loan Party or other Person claiming through or on behalf of any U.S. Domiciled Loan Party shall have any right to any Cash Collateral, until Full Payment of all Secured Obligations. No Australian Domiciled Loan Party or other Person claiming through or on behalf of any Australian Domiciled Loan Party shall have any right to any Cash Collateral, until Full Payment of all Australian Facility Secured Obligations. No Belgian Domiciled Loan Party or other Person claiming through or on behalf of any Belgian Domiciled Loan Party shall have any right to any Cash Collateral, until Full Payment of all Belgian Facility Secured Obligations. No Canadian Domiciled Loan Party or other Person claiming through or on behalf of any Canadian Domiciled Loan Party shall have any right to any Cash Collateral, until Full Payment of all Canadian Facility Secured Obligations. No Dutch Domiciled Loan Party or other Person claiming through or on behalf of any Dutch Domiciled Loan Party shall have any right to any Cash Collateral, until Full Payment of all Dutch Facility Secured Obligations. No New Zealand Domiciled Loan Party or other Person claiming through or on behalf of any New Zealand Domiciled Loan Party shall have any right to any Cash Collateral, until Full Payment of all New Zealand Facility Secured Obligations. No Singapore Domiciled Loan Party or other Person claiming through or on behalf of any Singapore

Domiciled Loan Party shall have any right to any Cash Collateral, until Full Payment of all Singapore Facility Secured Obligations. No UK Domiciled Loan Party or other Person claiming through or on behalf of any UK Domiciled Loan Party shall have any right to any Cash Collateral, until Full Payment of all UK Facility Secured Obligations.

7.3 Pledged Collateral.

7.3.1 Pledge and Delivery of the Pledged Collateral.

(a) Each Foreign Borrower (under its respective Security Document) shall, except as otherwise agreed by Agent, pledge all of such Foreign Borrower's right, title and interest in, to and under (i) the Stock now owned or at any time hereafter acquired by such Foreign Borrower (except for any Stock which such Foreign Borrower owns in an entity that is (1) not a Wholly Owned Restricted Subsidiary of such Foreign Borrower or (2) not organized under the laws of Australia, Belgium, Canada, the Netherlands, New Zealand, Singapore, the United Kingdom, the U.S. or any state, province or territory thereof), including the Stock set forth opposite the name of such Foreign Borrower on **Schedule 7.3**, and all certificates and other instruments representing such Stock; and (ii) the Indebtedness owed to such Foreign Borrower by MRC and its Restricted Subsidiaries now owned or at any time hereafter acquired by such Foreign Borrower, including the Indebtedness set forth opposite the name of such Foreign Borrower on **Schedule 7.3**, and all promissory notes and other instruments evidencing such Indebtedness, in each case, to secure the Secured Obligations of such Foreign Borrower; provided, however, that no Foreign Borrower shall pledge or grant a security interest in, and the definitions of "Pledged Debt", "Pledged Stock", "Pledged Collateral" and "Collateral" shall not include, any Stock or Indebtedness if the pledge of such Stock or Indebtedness or the granting of a security interest therein would result in adverse tax consequences under Section 956 of the Code.

(b) Each Foreign Borrower will cause all Indebtedness of MRC and its Restricted Subsidiaries in a principal amount of \$10,000,000 or more that, in each case, is owing to such Foreign Borrower to be evidenced by a duly executed promissory note or intercompany loan agreement that is pledged and delivered to Agent or its applicable Security Trustee pursuant to the terms of the Security Documents.

(c) Each Foreign Borrower agrees to deliver or cause to be delivered to the Agent or its applicable Security Trustee any and all Pledged Collateral at every time owned by such Foreign Borrower promptly following its acquisition thereof.

(d) Upon delivery to Agent or its applicable Security Trustee, (i) any Pledged Stock shall be accompanied by undated stock powers duly executed by the Applicable Foreign Borrower in blank or other instruments of transfer satisfactory to Agent and such Security Trustee and by such other instruments and documents as they may reasonably request and (ii) all other property comprising part of the Pledged Collateral shall be accompanied by undated proper instruments of assignment duly executed by the Applicable Foreign Borrower in blank and by such other instruments and documents as Agent or the applicable Security Trustee may reasonably request. Each delivery of Pledged Collateral after the date hereof shall be accompanied by a schedule describing the Pledged Collateral so delivered, which schedule shall be attached to **Schedule 7.3** and made a part hereof; *provided* that failure to attach any such schedule hereto or any error in a schedule so attached shall not affect the validity of the pledge of any Pledged Collateral.

(e) To the extent that, in the reasonable judgment of the Agent (confirmed in writing by notice to the applicable Foreign Borrower), the cost or other consequences (including any adverse tax consequences) of obtaining a pledge of or security interest in any Stock or Indebtedness shall be excessive in view of the benefits to be obtained by the Applicable Lenders therefrom, such pledge shall not be required and/or shall be released.

(f) This Section 7.3.1 shall be subject to Section 2.12.

(g) This Section 7.3.1 is not intended to, and does not create, a Lien under the PPSA Australia. Any such Lien under the PPSA Australia is created under the Australian Security Agreements.

(h) This Section 7.3.1 and Sections 7.3.4(a)(iii), 7.3.4(b) and 8.1.5 are not intended to, and do not create, a Lien under Section 131 of the Companies Act, Chapter 50 Singapore. Any such Lien under Section 131 of the Companies Act, Chapter 50 Singapore is created under the Singapore Security Agreements.

7.3.2 Pledge Related Representations, Warranties and Covenants. Each Foreign Borrower hereby represents, warrants and covenants to the Agent and the Secured Parties that:

(a) **Schedule 7.3** sets forth a true and complete list of (i) all the Stock owned by such Foreign Borrower and the percentage of the issued and outstanding units of each class of the Stock of the issuer thereof represented by the Stock owned by such Foreign Borrower and required to be pledged hereunder or pursuant to the Security Documents and (ii) all Indebtedness owned by such Foreign Borrower, and all promissory notes and other instruments evidencing such Indebtedness which are required to be pledged hereunder or pursuant to the Security Documents. Notwithstanding the foregoing, the Foreign Borrowers shall have a period not to exceed 60 days following any Permitted Acquisition to update **Schedule 7.3** in order to reflect the Stock and Indebtedness required to be described on such **Schedule 7.3** as a result of such Permitted Acquisition, and, during such period, the Foreign Borrowers shall be deemed not to have breached a representation for failure to describe on **Schedule 7.3** such Stock and Indebtedness so acquired.

(b) The Pledged Stock and Pledged Debt have been duly and validly authorized and issued by the issuers thereof and (i) in the case of Pledged Stock, are fully paid and nonassessable and (ii) in the case of Pledged Debt, are legal, valid and binding obligations of the issuers thereof, subject to applicable bankruptcy, reorganization, insolvency, fraudulent conveyance and transfer, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law).

(c) Each Foreign Borrower has the power and authority to pledge the Pledged Collateral pledged by it pursuant to the Security Documents in the manner hereby done or contemplated.

(d) No Governmental Approval or any other action by any Governmental Authority and no consent or approval of any securities exchange or any other person (including stockholders, partners, members or creditors of the Applicable Foreign Borrower) is or will be required for the validity of the pledge effected pursuant to the Security Documents (other than such as have been obtained (or will be obtained at the time of the original pledge) and are, or will be, in full force and effect).

(e) By virtue of, or at the time of, the execution and delivery by each Foreign Borrower of the Security Documents (or a supplement or joinder to the Security Documents), or, when any Pledged Collateral of such Foreign Borrower is delivered to Agent or a Security Trustee (or its bailee) in accordance with the Security Documents, Agent and such Security Trustee will obtain in accordance with Applicable Law a valid lien upon and security interest (or pledge) in such Pledged Collateral as security for the payment and performance of its Applicable Foreign Borrower Secured Obligations.

7.3.3 Registration in Nominee Name; Denominations. Agent and each Security Trustee shall have the right (in its sole and absolute discretion) to hold the Pledged Collateral in its own name as pledgee, in the name of its nominee (as pledgee or as sub-agent) or in the name of the Applicable Foreign Borrower, endorsed or assigned in blank or in favor of Agent or its applicable Security Trustee. Agent and the Security Trustees shall at all times have the right to exchange the certificates representing Pledged Collateral for certificates of smaller or larger denominations for any purpose consistent with the Security Documents.

7.3.4 Voting Rights; Dividends and Interest.

(a) Unless and until an Event of Default shall have occurred and be continuing and Agent or a Security Trustee shall have notified the Applicable Foreign Borrower that its rights under this Section are being suspended:

(i) The Applicable Foreign Borrower shall be entitled to exercise any and all voting and other consensual rights and powers inuring to an owner of Pledged Collateral or any part thereof for any purpose consistent with the terms of this Agreement and the other Loan Documents; *provided* that such rights and powers shall not be exercised in any manner that could materially and adversely affect the rights inuring to a holder of any Pledged Collateral or the rights and remedies of Agent, the Security Trustees or any other Secured Party under this Agreement or any other Loan Document or the ability of the Secured Parties to exercise the same.

(ii) Agent and the applicable Security Trustee shall execute and deliver to the Applicable Foreign Borrower, or cause to be executed and delivered to the Applicable Foreign Borrower, all such proxies, powers of attorney and other instruments as the Applicable Foreign Borrower may reasonably request for the purpose of enabling the Applicable Foreign Borrower to exercise the voting and other consensual rights and powers it is entitled to exercise pursuant to paragraph (i) above.

(iii) The Applicable Foreign Borrower shall be entitled to receive and retain any and all dividends, interest, principal and other distributions paid on or distributed in respect of its Pledged Collateral to the extent and only to the extent that such dividends, interest, principal and other distributions are permitted by, and otherwise paid or distributed in accordance with, the terms and conditions of this Agreement, the other Loan Documents and Applicable Laws; *provided* that any noncash dividends, interest, principal or other distributions that would constitute Pledged Stock or Pledged Debt, whether resulting from a subdivision, combination or reclassification of the outstanding Stock of the issuer of any Pledged Collateral or received in exchange for Pledged Collateral or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Pledged Collateral and, if received by the Applicable Foreign Borrower, shall be held in trust for the benefit of the Agent and the Security Trustees, shall be segregated from other property or funds of the Applicable Foreign Borrower and shall be forthwith delivered to the Agent or the applicable Security Trustee upon demand in the same form as so received (with any necessary endorsement).

(b) Upon the occurrence and during the continuance of an Event of Default, after Agent or a Security Trustee shall have notified the Applicable Foreign Borrower of the suspension of its rights under paragraph (a)(iii) of this Section, all rights of the Applicable Foreign Borrower to dividends, interest, principal or other distributions that the Applicable Foreign Borrower is authorized to receive pursuant to paragraph (a)(iii) of this Section shall cease, and all such rights shall thereupon become vested in Agent and its applicable Security Trustee, which shall have the sole and exclusive right and authority to receive and retain such dividends, interest, principal or other distributions. All dividends, interest, principal or other distributions received by the Applicable Foreign Borrower contrary to the provisions of this Section shall be held in trust for the benefit of Agent and the applicable Security Trustee, shall be segregated from other property or funds of the Applicable Foreign Borrower and shall be forthwith delivered to Agent or a Security Trustee upon demand in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by Agent or a Security Trustee pursuant to the provisions of this paragraph shall be retained by Agent or such Security Trustee in an account to be established by Agent or such Security Trustee upon receipt of such money or other property, shall be held as security for the Applicable Foreign Borrower Secured Obligations and shall be applied in accordance with the provisions of Section 5.6. After all Events of Default have been cured or waived and Agent shall have received a certificate from a Senior Officer of Asian Loan Party Agent, European Loan Party Agent (as applicable) or North American Loan Party Agent (in the case of Canada) to that effect, Agent or the applicable Security Trustee shall promptly remit to the Applicable Foreign Borrower (without interest) all dividends, interest, principal or other distributions that the Applicable Foreign Borrower would otherwise be permitted to retain pursuant to the terms of paragraph (a)(iii) of this Section and that remain in such account.

(c) Upon the occurrence and during the continuance of an Event of Default, after Agent or a Security Trustee shall have notified the Applicable Foreign Borrower of the suspension of its rights under paragraph (a)(i) of this Section, all rights of the Applicable Foreign Borrower to exercise the voting and other consensual rights and powers it is entitled to exercise pursuant to paragraph (a)(i) of this Section, and the obligations of Agent and the Security Trustees under paragraph (a)(ii) of this Section, shall cease, and all such rights shall thereupon become vested in Agent and the Security Trustees, which shall have the sole and exclusive right and authority to exercise such voting and other consensual rights and powers; *provided* that, unless otherwise directed by the Required Lenders, Agent and the Security Trustees shall have the right from time to time, in its sole discretion, notwithstanding the continuance of an Event of Default, to permit the Applicable Foreign Borrower to exercise such rights and powers.

7.4 Other Collateral.

7.4.1 Commercial Tort Claims. North American Loan Party Agent shall, within 10 days of a Senior Officer becoming aware thereof, notify Agent in writing if any U.S. Facility Loan Party has a Commercial Tort Claim (other than, as long as no Default or Event of Default exists, Commercial Tort Claims reasonably expected to result in awarded damages (net of anticipated legal expenses relating thereto) of less than \$2,000,000 in aggregate) and, upon Agent's request, shall promptly take such actions as Agent deems appropriate to confer upon Agent (for the benefit of Secured Parties) a duly perfected, first priority Lien upon such claim.

7.4.2 Certain After-Acquired Collateral. If any assets are acquired by any Loan Party after the Closing Date (other than assets constituting Collateral under the Security Documents that become subject to the perfected or valid Lien of the Security Documents upon acquisition thereof) that are of the nature secured by the Security Documents, the applicable Loan Party Agent will notify the Agent, and, if requested by the Agent, such Loan Party will cause such assets to be subjected to a Lien securing the applicable Secured Obligations and will take, and cause the other Loan Parties to take, such actions as shall be necessary or reasonably requested by the Agent to grant and perfect such Liens consistent with the applicable requirements of the Security Documents, including actions described in Section 7.7, all at the expense of the Loan Parties. Without limiting the foregoing, a Loan Party Agent shall notify Agent in writing within 30 days if, after the Closing Date, any Loan Party obtains any interest in any Property consisting of (a) Deposit Accounts other than Excluded Deposit Accounts, (b) Chattel Paper, (c) negotiable Documents, (d) promissory notes and other Instruments (other than checks) or (d) Investment Property consisting of any Securities Account and, upon Agent's reasonable request, shall promptly take such actions as Agent or its Security Trustee reasonably deems appropriate to effect a duly perfected, first priority Lien upon such Collateral (so long as it does not constitute Notes Priority Lien Collateral), including obtaining any appropriate possession, control agreement or lien waiver (it being understood that there shall be no requirement to obtain lien waivers not obtainable with commercially reasonable efforts), as appropriate and/or executing such additional Security Documents as may be reasonably requested by Agent or a Security Trustee. If any Collateral is in the possession of a third party, at Agent's request, the applicable Loan Party having rights in such Collateral shall use commercially reasonable efforts to obtain a Collateral Access Agreement in favor of the Agent and the applicable Security Trustee in each case to the extent the Cost of Inventory held by such third person exceeds the lesser of (i) \$2,000,000 and (ii) five percent (5%) of the Borrower Group Commitments of the applicable Borrower Group.

7.5 Limitation on Permitted Discretion.

(a) The Agent shall have the right to establish, modify or eliminate Reserves against Eligible Accounts and Eligible Inventory from time to time in its Permitted Discretion. In addition, the Agent reserves the right, at any time and from time to time after the Closing Date, to adjust any of the applicable criteria, to establish new criteria and to adjust advance rates with respect to Eligible Accounts and Eligible Inventory, in its Permitted Discretion, subject to Section 14.1.1.

(b) Notwithstanding the foregoing or any provision in this Agreement to the contrary, circumstances, conditions, events or contingencies arising prior to the Closing Date and disclosed to the Agent prior to the Closing Date shall not be the basis for any establishment or modification of Reserves, eligibility criteria or advance rates unless (i) in the case of Reserves and eligibility criteria, such Reserves or eligibility criteria were established on the Closing Date or (ii) such circumstances, conditions, events or contingencies shall have changed in any material respect since the Closing Date.

(c) Any exercise of Permitted Discretion with respect to Reserves shall be based on a good faith reasonable determination of the Agent that (i) the circumstances, conditions, events or contingencies giving rise thereto will or reasonably could be expected to adversely affect a material portion of the value of the Eligible Accounts or Eligible Inventory in any Borrowing Base, the enforceability or priority of the Agent's or a Security Trustee's Liens thereon or the amount the Secured Parties would likely receive in the liquidation of any material portion of Eligible Accounts or Eligible Inventory in any Borrowing Base and (ii) the proposed action to be taken by the Agent to mitigate the effects described in clause (i) (including the amount of any Reserves) bears a reasonable relationship to the circumstance, condition, event or other contingency that is the basis therefor.

(d) Upon delivery of notice to a Loan Party Agent by the Agent of its intent to establish or increase Reserves, the Agent shall be available to discuss the proposed Reserves or increase, and Borrowers may take such action as may be required so that the circumstance, condition, event or other contingency that is the basis for such Reserves or increase no longer exists, in a manner and to the extent reasonably satisfactory to the Agent in the exercise of its Permitted Discretion. In no event shall such notice and opportunity limit the right of the Agent to establish or change such Reserves, unless the Agent shall have determined in its Permitted Discretion that the circumstance, condition, event or other contingency that is the basis for such new Reserves or such change no longer exists or has otherwise been adequately addressed by Borrowers.

7.6 No Assumption of Liability. The Lien on Collateral granted hereunder is given as security only and shall not subject Agent, any Security Trustee or any Lender to, or in any way modify, any obligation or liability of Loan Parties relating to any Collateral.

7.7 Further Assurances. Each Borrower will, and will cause each other Loan Party to promptly execute any and all further documents, financing statements, agreements, title certificates, assignments and instruments, and take all such further actions (including the filing and recording of financing statements and other documents), which may be required under any Applicable Law, or which the Agent, any Security Trustee or the Required Borrower Group Lenders may reasonably request, in order to grant, preserve, protect and perfect the validity and priority of the Liens created or intended to be created by the Security Documents, or otherwise to give effect to the intent of this Agreement, all at the expense of the Loan Parties.

SECTION 8. COLLATERAL ADMINISTRATION

8.1 Administration of Accounts.

8.1.1 Records and Schedules of Accounts. Each Loan Party shall keep accurate and complete records of its Accounts, including all payments and collections thereon, and shall submit to Agent sales, collection, reconciliation and other reports in form reasonably satisfactory to Agent in accordance with Section 10.1.1(g). If the collectability of Accounts of all Borrowers in an aggregate face amount exceeding \$10,000,000 is impaired, then a Loan Party Agent shall notify Agent of such occurrence promptly (and in any event within one Business Day) after any Loan Party has knowledge thereof.

8.1.2 Taxes. If an Account of any Loan Party includes a charge for any Taxes, Agent is authorized, in its discretion, if the applicable Loan Party has not paid such Taxes when due, to pay the amount thereof to the proper Governmental Authority for the account of such Loan Party and to charge the Loan Parties therefor; *provided, however*, that neither Agent nor any other Secured Party shall be liable for any Taxes that may be due from the Loan Parties or with respect to any Collateral.

8.1.3 Account Verification. During a Default, Event of Default or Cash Dominion Event, Agent shall have the right, in the name of Agent, any designee of Agent or any Loan Party, to verify the validity, amount or any other matter relating to any Accounts of the Loan Parties by mail, telephone or otherwise. Loan Parties shall cooperate fully with Agent in an effort to facilitate and promptly conclude any such verification process.

8.1.4 Maintenance of Dominion Accounts. Borrowers shall maintain Dominion Accounts pursuant to lockbox or other arrangements reasonably acceptable to Agent. Borrowers shall obtain a Deposit Account Control Agreement from each lockbox servicer and Dominion Account bank, establishing Agent's (or a Security Trustee's) control over and Lien in the lockbox or Dominion Account, requiring immediate deposit of all remittances received in the lockbox to a Dominion Account and waiving offset rights of such servicer or bank, except for customary administrative charges. Subject to **Schedule 10.1.16**, Dominion Accounts for Belgian Borrowers and Dutch Borrowers must be maintained exclusively at Bank of America. Subject to **Schedule 10.1.16**, Dominion Accounts for Australian Borrowers, New Zealand Borrowers, Singapore Borrowers and UK Borrowers must be maintained exclusively at Bank of America and shall be under the sole dominion and exclusive control of Agent (or its Security Trustee) whether or not a Cash Dominion Event exists; provided, that (a) collected funds will be disbursed from such Dominion Accounts in the discretion of Agent and (b) during any period

that Dominion Accounts for such Foreign Borrowers are not maintained at Bank of America in accordance with **Schedule 10.1.16**, such Dominion Accounts not maintained at Bank of America shall be fully blocked in favor of Agent (or its Security Trustee) and all cash receipts therein shall be transferred on a daily basis to Dominion Accounts maintained at Bank of America. If a Dominion Account for Canadian Borrowers or U.S. Borrowers is not maintained with Bank of America, Agent (or its Security Trustee) may, during the existence of any Cash Dominion Event, require immediate transfer of all cash receipts in such account to a Dominion Account maintained with Bank of America. Agent, Security Trustees and Lenders assume no responsibility to Borrowers for any lockbox arrangement or Dominion Account, including any claim of accord and satisfaction or release with respect to any Payment Items accepted by any bank.

8.1.5 Proceeds of Collateral. Borrowers shall request in writing and otherwise take all necessary steps to ensure that all payments on Accounts or otherwise relating to Collateral are made directly to a Dominion Account (or a lockbox relating to a Dominion Account). If any Borrower or Subsidiary receives cash or Payment Items with respect to any Collateral, it shall hold same in trust for Agent and the Security Trustees and within one (1) Business Day deposit same into a Dominion Account. Foreign Borrowers may not participate in any cash pooling arrangements.

8.2 Administration of Inventory.

8.2.1 Records and Reports of Inventory. Each Loan Party shall keep accurate and complete records of its Inventory, including costs and daily withdrawals and additions, and shall submit to Agent inventory and reconciliation reports (which reports shall set forth the Inventory information by location) in form reasonably satisfactory to Agent in accordance with Section 10.1.1(g).

8.2.2 Returns of Inventory. No Loan Party shall return any Inventory to a supplier, vendor or other Person, whether for cash, credit or otherwise, unless (a) such return is in the Ordinary Course of Business; (b) no Default, Event of Default or Overadvance exists or would result therefrom; (c) Agent is promptly notified if the aggregate value of all Inventory returned in any month exceeds \$35,000,000 in the aggregate for all Borrowers; and (d) any payment received by a Loan Party for a return is promptly remitted to Agent for application to the Obligations in accordance with Section 5.5 or 5.6, as applicable.

8.2.3 Storage and Maintenance. Loan Parties shall use, store and maintain all Inventory with reasonable care and caution, in accordance with applicable standards of any insurance and in conformity in all material respects with all Applicable Law, including the FLSA, if applicable, and shall make current rent payments (within applicable grace periods provided for in leases) at all locations where any Collateral is located.

8.3 Administration of Deposit Accounts. **Schedule 8.3** sets forth all Deposit Accounts maintained by Borrowers as of the date hereof, including all Dominion Accounts. Subject to **Schedule 10.1.16**, each Borrower shall take all actions necessary to establish Agent's (or its Security Trustee's) control of each such Deposit Account through a Deposit Account Control Agreement (other than Excluded Deposit Accounts). A Borrower shall be the sole

account holder of each Deposit Account and shall not allow any other Person (other than Agent or a Security Trustee) to have control over a Deposit Account or any Property deposited therein. Notwithstanding the preceding sentence, a U.S. Facility Loan Party may establish a deposit account that does not contain proceeds of Loans, Inventory, Accounts or Specified Revolving Credit Collateral, which deposit account shall be (a) identified as such in writing to the Agent and (b) solely for the deposit of proceeds from the sale of Notes Priority Lien Collateral pending final application thereof to the Senior Secured Notes (such account, the “Net Available Cash Account”). A Loan Party Agent shall promptly notify Agent of any opening or closing of a Deposit Account and will amend **Schedule 8.3** to reflect same.

8.4 General Provisions.

8.4.1 Location of Collateral. (a) All tangible items of Collateral, other than Inventory in transit, shall at all times be kept by Loan Parties at the Borrowers’ business locations set forth in **Schedule 8.4.1**, except that Loan Parties may (i) make sales or other dispositions of Collateral in accordance with Section 10.2.4; (ii) in the case of any U.S. Facility Loan Party, move Collateral to another location in the United States; (iii) in the case of any UK Domiciled Loan Party, move Collateral to another location in the United Kingdom; (iv) in the case of a Canadian Domiciled Loan Party, move Collateral to another location in Canada set forth on **Schedule 8.4.1** or, (1) upon 15 Business Days prior written notice to Agent, and (2) so long as all actions shall have been taken prior to such move to ensure that the Agent has a perfected first priority security interest in and Lien on such Collateral, any other location in Canada; (v) in the case of any Australian Domiciled Loan Party, move Collateral to another location in Australia; (vi) in the case of any Belgian Domiciled Loan Party, move Collateral to another location in Belgium; (vii) in the case of any Dutch Domiciled Loan Party, move Collateral to another location in the Netherlands; (viii) in the case of any New Zealand Domiciled Loan Party, move Collateral to another location in New Zealand; and (ix) in the case of any Singapore Domiciled Loan Party, move Collateral to another location in Singapore.

(b) Each Borrower shall maintain insurance with respect to the Collateral, covering casualty, hazard, theft, malicious mischief, flood and other risks, in amounts, with endorsements and with insurers (having a Best’s Financial Strength Rating of at least VII, unless otherwise approved by Agent) as are reasonably satisfactory to Agent. From time to time upon request, Borrowers shall deliver to Agent the originals or certified copies of their insurance policies. Unless Agent shall agree otherwise (giving due consideration to what is commercially available in the insurance market for the applicable jurisdiction), each policy shall include satisfactory endorsements (i) showing Agent (or its Security Trustee) as loss payee, as appropriate; (ii) requiring at least 10 days’ prior written notice to Agent (or such shorter period as agreed to by Agent) in the event of cancellation of the policy for any reason whatsoever; and (iii) specifying that the interest of Agent shall not be impaired or invalidated by any act or neglect of any Borrower or the owner of the Property, nor by the occupation of the premises for purposes more hazardous than are permitted by the policy. If any Borrower fails to provide and pay for any insurance, Agent may, at its option, but shall not be required to, procure the insurance and charge such Borrower therefor. Each Borrower agrees to deliver to Agent, promptly upon the request of Agent, copies of all reports made to insurance companies. While no Event of Default exists, Borrowers may settle, adjust or compromise any insurance claim, as long as the proceeds are delivered to Agent. If an Event of Default has occurred and is continuing, only Agent shall be authorized to settle, adjust and compromise such claims.

8.4.2 Protection of Collateral. All expenses of protecting, storing, warehousing, insuring, handling, maintaining and shipping any Collateral of a Loan Party Group, all Taxes payable with respect to any Collateral of a Loan Party Group (including any sale thereof), and all other payments required to be made by Agent or a Security Trustee to any Person to realize upon any Collateral of a Loan Party Group, shall be borne and paid by Loan Parties of such Loan Party Group. Neither Agent nor any Security Trustee shall be liable or responsible in any way for the safekeeping of any Collateral, for any loss or damage thereto (except for reasonable care in its custody while Collateral is in Agent's or such Security Trustee's actual possession), for any diminution in the value thereof, or for any act or default of any warehouseman, carrier, forwarding agency or other Person whatsoever, but the same shall be at Loan Parties' sole risk.

8.4.3 Defense of Title to Collateral. Each Loan Party shall at all times (a) defend its title to Collateral and Agent's or Security Trustees' Liens therein against all Persons, claims and demands whatsoever, except Permitted Liens.

8.5 Power of Attorney. Each of the Canadian Domiciled Loan Parties and U.S. Domiciled Loan Parties hereby irrevocably constitutes and appoints Agent (and all Persons designated by Agent) as such Loan Party's true and lawful attorney (and agent-in-fact), coupled with an interest, for the purposes provided in this Section. Agent, or Agent's designee, may, without notice and in either its or a Loan Party's name, but at the cost and expense of such Loan Parties within such Loan Party's Loan Party Group:

(a) Endorse a Canadian Domiciled Loan Party's or a U.S. Domiciled Loan Party's name on any Payment Item or other proceeds of Collateral (including proceeds of insurance) that come into Agent's possession or control; and

(b) During the continuance of an Event of Default, (i) notify any Account Debtors of a Canadian Domiciled Loan Party or a U.S. Domiciled Loan Party of the assignment of their Accounts, demand and enforce payment of such Accounts by legal proceedings or otherwise, and generally exercise any rights and remedies with respect to such Accounts; (ii) settle, adjust, modify, compromise, discharge or release any Accounts or other Collateral of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties, or any legal proceedings brought to collect Accounts or Collateral of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties; (iii) sell or assign any Accounts and other Collateral of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties upon such terms, for such amounts and at such times as Agent deems advisable; (iv) collect, liquidate and receive balances in Deposit Accounts or Securities Accounts of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties, and take control, in any manner, of proceeds of Collateral of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties; (v) prepare, file and sign a Canadian Domiciled Loan Party's or a U.S. Domiciled Loan Party's name to a proof of claim or other document in a bankruptcy of an Account Debtor, or to any notice, assignment or satisfaction of Lien or similar document; (vi) receive, open and dispose of mail addressed to a Canadian Domiciled Loan Party or a U.S. Domiciled Loan Party, and notify postal authorities to

deliver any such mail to an address designated by Agent; (vii) endorse any Chattel Paper, Document, Instrument, bill of lading, or other document or agreement relating to any Accounts, Inventory or other Collateral of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties; (viii) use a Canadian Domiciled Loan Party's or a U.S. Domiciled Loan Party's stationery and sign its name to verifications of Accounts and notices to Account Debtors of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties; (ix) use information contained in any data processing, electronic or information systems relating to Collateral of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties; (x) make and adjust claims under insurance policies of the Canadian Domiciled Loan Parties or the U.S. Domiciled Loan Parties; (xi) take any action as may be necessary or appropriate to obtain payment under any letter of credit, banker's acceptance or other instrument for which a Canadian Domiciled Loan Party or a U.S. Domiciled Loan Party is a beneficiary; and (xii) take all other actions as Agent reasonably deems appropriate to fulfill any Canadian Domiciled Loan Party's or U.S. Domiciled Loan Party's obligations under the Loan Documents.

SECTION 9. REPRESENTATIONS AND WARRANTIES

9.1 General Representations and Warranties. In order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, each Borrower (with respect to itself and its Subsidiaries) makes the following representations and warranties to, and agreements with, the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit:

9.1.1 Corporate Status. Each Borrower and each Material Subsidiary (a) is a duly organized or incorporated and validly existing corporation or other entity in good standing under the laws of the jurisdiction of its organization or incorporation (to the extent such jurisdiction provides for the designation of entities organized or incorporated thereunder as existing in good standing) and has the corporate or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and in good standing in all jurisdictions where it is required to be so qualified, except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect.

9.1.2 Corporate Power and Authority. Each Loan Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Loan Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Loan Documents to which it is a party. Each Loan Party has duly executed and delivered and has stamped or will stamp within the appropriate time frame (where applicable) each Loan Document to which it is a party and each such Loan Document constitutes the legal, valid and binding obligation of such Loan Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity. Each Loan Party is in compliance with all laws, orders, writs and injunctions except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

9.1.3 No Violation. Neither the execution, delivery or performance by any Loan Party of the Loan Documents to which it is a party nor compliance with the terms and provisions thereof nor the consummation of the transactions contemplated hereby or thereby will (a) contravene any material provision of any Applicable Law applicable to such Loan Party (including without limitation in respect of the Australian Borrowers, section 260B of the Corporations Act (Cth) (2001)), (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of such Loan Party or any of the Restricted Subsidiaries (other than Liens created under the Loan Documents) pursuant to, the terms of any material indenture, loan agreement, lease agreement, mortgage, deed of trust, agreement or other material instrument to which such Loan Party or any of the Restricted Subsidiaries is a party or by which it or any of its property or assets is bound or (c) violate any provision of the Organic Documents of such Loan Party or any of the Restricted Subsidiaries.

9.1.4 Litigation. There are no actions, suits, arbitrations or proceedings (including Environmental Claims) pending or, to the knowledge of such Borrower, threatened with respect to such Borrower or any of its Subsidiaries that could reasonably be expected to result in a Material Adverse Effect or a Material Adverse Change.

9.1.5 Margin Regulations. Neither such Borrower nor any of its Subsidiaries is engaged principally, as one or more of its important activities, in the business of extending credit for the purpose of purchasing any “margin stock” as defined in Regulation U. Neither the making of any Loan hereunder nor the use of the proceeds thereof will violate the provisions of Regulation T, U or X of the Board of Governors.

9.1.6 Governmental Approvals. The execution, delivery and performance of each Loan Document does not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except for (a) such as have been obtained or made and are in full force and effect, (b) filings and recordings in respect of the Liens created pursuant to the Loan Documents and (c) such licenses, approvals, authorizations or consents the failure to obtain or make could not reasonably be expected to have a Material Adverse Effect.

9.1.7 Investment Company Act. No Loan Party (i) is an “investment company”, or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended, and (ii) has a license pursuant to the Dutch Financial Supervision Act.

9.1.8 True and Complete Disclosure.

(a) None of the factual information and data (taken as a whole) heretofore or contemporaneously furnished by or on behalf of such Borrower, any of such Borrower’s Subsidiaries or any of their respective authorized representatives in writing to the Agent and/or any Lender on or before the Closing Date (including (i) the Confidential Information Memorandum and (ii) all information contained in the Loan Documents) for purposes of or in connection with this Agreement or any transaction contemplated herein contained any untrue statement of or omitted to state any material fact necessary to make such information and data

(taken as a whole) not misleading at such time in light of the circumstances under which such information or data was furnished, it being understood and agreed that for purposes of this Section 9.1.8(a), such factual information and data shall not include projections and pro forma financial information.

(b) The projections and pro forma financial information contained in the information and data referred to in paragraph (a) above were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may materially differ from the projected results.

9.1.9 Financial Condition; Financial Statements. The (a) unaudited historical consolidated financial information of the Parent as set forth in the Confidential Information Memorandum, (b) Historical Financial Statements and (c) the consolidated financial statements delivered pursuant to Section 10.1.1, in each case present or will, when provided, present fairly in all material respects the consolidated financial position of the Parent and its Subsidiaries at the respective dates of said information, statements and the consolidated results of operations for the respective periods covered thereby. The financial statements referred to in clauses (b) and (c) of this Section 9.1.9 have been prepared in accordance with GAAP, consistently applied (except to the extent provided in the notes to said financial statements), and the audit reports accompanying such financial statements delivered pursuant to Section 10.1.1(a) are not subject to any qualification as to the scope of the audit or the status of the Parent as a going concern. There has been no Material Adverse Change since December 31, 2011.

9.1.10 Tax Returns; Payments; Australian GST Group; UK Charges.

(a) Such Borrower and each of its Subsidiaries have filed all federal and provincial income tax returns and all other material tax returns, domestic and foreign, required to be filed by any of them and have paid all income and other material Taxes payable by them that have become due, other than those (i) not yet delinquent or (ii) contested in good faith as to which adequate reserves have been provided in accordance with GAAP and which could not reasonably be expected to result in a Material Adverse Effect. Such Borrower and each of its Subsidiaries have paid, or have provided adequate reserves (in the good faith judgment of the management of such Borrower) in accordance with GAAP for the payment of, all material federal, state, provincial and foreign income taxes applicable for all prior fiscal years and for the current fiscal year to the Closing Date.

(b) As of the Closing Date, each Australian Facility Loan Party is not, nor has it ever been, a member of a GST Group.

(c) Under the law of each Loan Party's jurisdiction of incorporation it is not necessary that any UK Security Agreement be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to any UK Security Agreement or the transactions contemplated by any UK Security Agreement, except (A) registration of particulars of each UK Security Agreement at the Companies Registration Office in England and Wales in accordance with Part 25 (Company Charges) of the

Companies Act 2006 or any regulations relating to the registration of charges made under, or applying the provisions of, the Companies Act 2006 (B) filing, registration or recordation on a voluntary basis or as required in order to perfect the security interest created by any UK Security Agreement in any relevant jurisdiction and (C) in each case, payment of associated fees, stamp taxes or mortgage duties.

9.1.11 Employee Benefit Plans.

(a) Compliance with ERISA. Each U.S. Employee Plan is in compliance with ERISA, the Code and any Applicable Law; no Reportable Event has occurred (or is reasonably likely to occur) with respect to any U.S. Employee Plan; no U.S. Employee Plan is insolvent or in reorganization (or is reasonably likely to be insolvent or in reorganization), and no written notice of any such insolvency or reorganization has been given to such Borrower, any Subsidiary or any ERISA Affiliate; no U.S. Employee Plan (other than a multiemployer plan) has an accumulated or waived funding deficiency (or is reasonably likely to have such a deficiency); none of such Borrower, any Subsidiary or any ERISA Affiliate has incurred (or is reasonably likely expected to incur) any liability to or on account of a U.S. Employee Plan pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201 or 4204 of ERISA or Section 4971 or 4975 of the Code or has been notified in writing that it will incur any liability under any of the foregoing Sections with respect to any U.S. Employee Plan; no proceedings have been instituted (or are reasonably likely to be instituted) to terminate or to reorganize any U.S. Employee Plan or to appoint a trustee to administer any U.S. Employee Plan, and no written notice of any such proceedings has been given to such Borrower, any Subsidiary or any ERISA Affiliate; and no lien imposed under the Code or ERISA on the assets of such Borrower or any Subsidiary or any ERISA Affiliate exists (or is reasonably likely to exist) nor has such Borrower, any Subsidiary or any ERISA Affiliate been notified in writing that such a lien will be imposed on the assets of such Borrower, any Subsidiary or any ERISA Affiliate on account of any U.S. Employee Plan, except to the extent that a breach of any of the representations, warranties or agreements in this Section 9.1.11 would not result, individually or in the aggregate, in an amount of liability that would be reasonably likely to have a Material Adverse Effect. No U.S. Employee Plan (other than a Multiemployer Plan) has an Unfunded Current Liability that would, individually or when taken together with any other liabilities referenced in this Section 9.1.11, be reasonably likely to have a Material Adverse Effect. With respect to U.S. Employee Plans that are Multiemployer Plans, the representations and warranties in this Section 9.1.11(a), other than any made with respect to (i) liability under Section 4201 or 4204 of ERISA or (ii) liability for termination or reorganization of such U.S. Employee Plans under ERISA, are made to the best knowledge of such Borrower.

(b) Canadian Employee Plans.

(i) No Canadian Employee Plan enacted or adopted after the Closing Date provides for medical, life or other welfare benefits (through insurance or otherwise), with respect to any current or former employee of any Canadian Domiciled Loan Party or any Affiliate thereof after retirement or other termination of service (other than coverage mandated by Requirements of Law or coverage provided through the end of the month containing the date of termination from service or otherwise where part of a severance package or with

respect to injured or disabled employees). Except as could not reasonably be expected to give rise, individually or in the aggregate, to Material Adverse Effect (it being acknowledged that, for purposes of this Section 9.1.11(b), funding deficiencies, other benefit liabilities and events, conditions and circumstances that could give rise to liabilities, as such deficiencies, liabilities and circumstances exist as of the Closing Date, to the extent that they remain applicable at the relevant determination date, and any future obligations arising therefrom shall be included or considered in the determination of whether as of any date a Material Adverse Effect has occurred, exists or could reasonably be expected to occur):

(ii) Canadian Domiciled Loan Parties are in compliance in all material respects with the requirements of the PBA and any binding FSCO requirements of general application with respect to each Canadian Pension Plan and in compliance with any FSCO directive or order directed specifically at a Canadian Pension Plan. No Canadian Pension Plan has any Unfunded Current Liability. No fact or situation that may reasonably be expected to result in a Material Adverse Effect exists in connection with any Canadian Pension Plan. No Canadian Domiciled Loan Party or Subsidiary contributes to or participates in a Canadian Multi-Employer Plan. No Canadian Domiciled Loan Party or an Affiliate thereof maintains, contributes or has any liability with respect to a Canadian Pension Plan which provides benefits on a defined benefit basis. No Termination Event has occurred. All contributions required to be made by any Canadian Domiciled Loan Party or Subsidiary to any Canadian Pension Plan have been made in a timely fashion in accordance with the terms of such Canadian Pension Plan and the PBA. No Lien has arisen, choate or inchoate, in respect of any Canadian Domiciled Loan Party or their property in connection with any Canadian Pension Plan (save for contribution amounts not yet due).

(c) Foreign Plans. All Foreign Plans are in compliance with, and have been established, administered and operated in accordance with, the terms of such Foreign Plans and applicable law, except for any failure to so comply, establish, administer or operate the Foreign Plans as would not reasonably be expected to have a Material Adverse Effect. All contributions or other payments which are due with respect to each Foreign Plan have been made in full and there are no funding deficiencies thereunder, except to the extent any such events would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) UK DB Pension Plan.

(i) No UK Domiciled Loan Party (A) is an employer (as defined for the purposes of sections 38 to 51 of the Pensions Act 2004) in respect of any UK DB Pension Plan or (B) is or has at any time been “connected” with or an “associate” (as those terms are used in sections 38 and 43 of the Pensions Act 2004) of such an employer, except to the extent any such events would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(ii) No UK Domiciled Loan Party has been issued with a Financial Support Direction or Contribution Notice in respect of any UK DB Pension Plan which Financial Support Direction or Contribution Notice will or would be reasonably likely to have a Material Adverse Effect.

9.1.12 Subsidiaries. Schedule 9.1.12 lists each Subsidiary of such Borrower (and the direct and indirect ownership interest of such Borrower therein), in each case existing on the Closing Date. To the knowledge of such Borrower, after due inquiry, each Material Subsidiary as of the Closing Date has been so designated on Schedule 9.1.12.

9.1.13 Intellectual Property. Such Borrower and each of the Restricted Subsidiaries have obtained all rights to intellectual property, free from burdensome restrictions, that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, except where the failure to obtain any such rights could not reasonably be expected to have a Material Adverse Effect.

9.1.14 Environmental Laws.

(a) Except as could not reasonably be expected to have a Material Adverse Effect: (i) such Borrower and each of the Subsidiaries and all Real Estate are, and have been, in compliance with, and possess all permits, licenses and registrations required pursuant to, all Environmental Laws; (ii) neither such Borrower, nor any of the Subsidiaries is subject to any Environmental Claim or any other liability under any Environmental Law; (iii) such Borrower and its Subsidiaries are not conducting, or required to conduct, any investigation, removal, remedial or other corrective action pursuant to any Environmental Law at any location, including any Real Estate currently owned or leased by such Borrower or any of its Subsidiaries, and any real property to which such Borrower or any of its Subsidiaries may have sent Hazardous Materials; and (iv) no underground storage tank or related piping, or any impoundment or other disposal area containing Hazardous Materials is located at, on or under any Real Estate currently owned or leased by such Borrower or any of its Subsidiaries.

(b) Neither such Borrower, nor any of the Subsidiaries has treated, stored, transported, released or disposed or arranged for disposal or transport for disposal of Hazardous Materials at, on, under or from any currently or formerly owned or leased Real Estate or facility in a manner that could reasonably be expected to have a Material Adverse Effect.

9.1.15 Properties. Such Borrower and each of the Subsidiaries have good and marketable title to or leasehold interest in all properties that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, free and clear of all Liens (other than any Liens permitted by this Agreement or the Senior Secured Notes Indenture) and except where the failure to have such good title or such leasehold interest could not reasonably be expected to have a Material Adverse Effect. All Liens of Agent or a Security Trustee in the Collateral are duly perfected, opposable and first priority Liens (or in the case of Foreign Borrowers valid and first priority Liens), subject only to Liens permitted pursuant to Section 10.2.2 that are expressly allowed to have priority over Agent's or a Security Trustee's Liens.

9.1.16 Solvency. On the Closing Date, immediately following the making of each Loan and after giving effect to the application of the proceeds of such Loans, the Borrowers and the Guarantors, taken as a whole, are Solvent.

9.1.17 Accounts. Agent may rely, in determining which Accounts are Eligible Accounts, on all statements and representations made by Borrowers with respect thereto. Each Borrower warrants with respect to each of its Accounts at the time it is shown as an Eligible Account in a Borrowing Base Certificate, that, to such Borrower's knowledge, in all material respects:

(a) it is genuine and what it purports to be, and is not evidenced by a judgment;

(b) it arises out of a completed, bona fide sale and delivery of goods or rendition of services in the Ordinary Course of Business, and substantially in accordance with any purchase order, contract or other document relating thereto;

(c) it is for a sum certain, maturing as stated in the invoice covering such sale or rendition of services, a copy of which has been furnished or is available to Agent on request;

(d) it is not subject to any offset, Lien (other than those Liens permitted pursuant to Section 10.2.2), deduction, defense, dispute, counterclaim or other adverse condition except as arising in the Ordinary Course of Business and disclosed to Agent; and it is absolutely owing by the Account Debtor, without contingency in any respect;

(e) no purchase order, agreement, document or Applicable Law restricts assignment of the Account to Agent (regardless of whether, under the UCC, the PPSA, the Civil Code or other Applicable Law, the restriction is ineffective), and the applicable Borrower is the sole payee or remittance party shown on the invoice;

(f) no extension, compromise, settlement, modification, credit, deduction or return has been authorized with respect to the Account, except discounts or allowances granted in the Ordinary Course of Business for prompt payment that are reflected on the face of the invoice related thereto and in the reports submitted to Agent hereunder; and

(g) (i) there are no facts or circumstances that are reasonably likely to impair the enforceability or collectability of such Account; (ii) the Account Debtor had the capacity to contract when the Account arose, continues to meet the applicable Borrower's customary credit standards, is Solvent, is not contemplating or subject to an Insolvency Proceeding, and has not failed, or suspended or ceased doing business; and (iii) there are no proceedings or actions threatened or pending against any Account Debtor that could reasonably be expected to have a material adverse effect on the Account Debtor's financial condition.

9.1.18 Australian Facility Loan Parties. If it is an Australian Facility Loan Party, (a) the entering into and performance by it of its obligations under the Loan Documents to which it is expressed to be a party are for its commercial benefit and are in its commercial interests; and (b) the entry into and performance by it of its obligations under the Loan Documents to which it is a party do not contravene Part 2J.3 or Part 2E of the Corporations Act 2001 (Cth).

9.1.19 Pari passu ranking. Each UK Borrower's payment obligations under the Loan Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

9.1.20 Ranking. Each UK Security Agreement has or will have the ranking in priority which it is expressed to have in the relevant UK Security Agreement and, other than as permitted under or contemplated by the Loan Documents, it is not subject to any prior ranking or pari passu ranking Lien.

9.1.21 Belgian Financial Assistance. The Loans have not been and will not be used to finance or refinance the acquisition of or subscription for shares in any Belgian Domiciled Loan Party (unless carried out in accordance with the Belgian Companies Code) and no security interests created under the Security Documents and Guarantees will be used in breach of article 329/629 of the Belgian Companies Code.

9.1.22 OFAC. No Loan Party (a) is a Person whose Property or interest in Property is blocked or subject to blocking pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)), (b) engages in any dealings or transactions prohibited by Section 2 of such executive order, or is otherwise associated with any such Person in any manner violative of Section 2, or (c) is a Person on the list of Specially Designated Nationals and Blocked Persons or subject to the limitations or prohibitions under any other U.S. Department of Treasury's Office of Foreign Assets Control regulation or executive order.

9.1.23 Patriot Act. Each Loan Party is in compliance, in all material respects, with (a) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (b) the Uniting And Strengthening America By Providing Appropriate Tools Required To Intercept And Obstruct Terrorism (USA Patriot Act of 2001). No part of the proceeds of the Loans will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

SECTION 10. COVENANTS AND CONTINUING AGREEMENTS

10.1 Affirmative Covenants. The Borrowers, jointly and severally, hereby covenant and agree that on the Closing Date and thereafter, until the Commitments, the Swingline Commitments and each Letter of Credit have terminated and the Loans, together with interest, Fees and all other Obligations (other than contingent indemnification obligations for which no claim has been identified), are paid in full:

10.1.1 Financial and Other Information. The Borrowers will furnish to the Agent:

(a) as soon as available and in any event on or before the date on which such financial statements are required to be filed with the SEC (or, if such financial statements are not required to be filed with the SEC, on or before the date that is 105 days after the end of each such fiscal year), (i) the consolidated balance sheet of MRC and its Subsidiaries (or, so long as the Parent is a Passive Entity which owns MRC, the Parent and its Subsidiaries) as at the end of such fiscal year, and the related consolidated statement of operations and consolidated statement of cash flows for such fiscal year, setting forth comparative consolidated figures for the preceding fiscal year, and certified by independent certified public accountants of recognized national standing whose opinion shall not be qualified as to the scope of audit or as to the status of MRC or the Parent, as applicable, or any of the Material Subsidiaries (or group of Subsidiaries that together would constitute a Material Subsidiary) as a going concern, together in any event with a certificate of such accounting firm stating that in the course of its regular audit of the business of MRC or the Parent, as applicable, and the Material Subsidiaries, which audit was conducted in accordance with generally accepted auditing standards, such accounting firm has obtained no knowledge of any Default or Event of Default that has occurred and is continuing or, if in the opinion of such accounting firm such a Default or Event of Default has occurred and is continuing, a statement as to the nature thereof which shall be certified by a Senior Officer of MRC or the Parent, as applicable, and (ii) the unaudited consolidating financial statements of MRC and its Subsidiaries (or, so long as the Parent is a Passive Entity which owns MRC, the Parent and its Subsidiaries) containing a balance sheet as of the end of such fiscal year and a statement of operations for such fiscal year prepared in reasonable detail;

(b) as soon as available and in any event on or before the date on which such financial statements are required to be filed with the SEC with respect to each of the first three quarterly accounting periods in each fiscal year of MRC (or, if such financial statements are not required to be filed with the SEC, on or before the date that is sixty (60) days after the end of each such quarterly accounting period), the consolidated balance sheet of MRC and its Restricted Subsidiaries (or, so long as the Parent is a Passive Entity which owns MRC, Parent and the Restricted Subsidiaries), in each case as at the end of such quarterly period and the related consolidated statement of operations for such quarterly accounting period and for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and the related consolidated statement of cash flows for the elapsed portion of the fiscal year ended with the last day of such quarterly period, and setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the prior fiscal year, all of which shall be certified by a Senior Officer of MRC or the Parent, as applicable, subject to changes resulting from audit and normal year-end audit adjustments;

(c) as soon as available and in any event on or before the date that is thirty (30) days after the end of each fiscal month of MRC, the consolidated balance sheet of MRC and its Restricted Subsidiaries (or, so long as the Parent is a Passive Entity which owns MRC, the Parent and the Restricted Subsidiaries), in each case as at the end of such fiscal month and the related consolidated statement of operations for such fiscal month and for the elapsed portion of the fiscal year ended with the last day of such fiscal month, and the related consolidated statement of cash flows for the elapsed portion of the fiscal year ended with the last day of such

fiscal month, and setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the prior fiscal year, all of which shall be certified by a Senior Officer of MRC or the Parent, as applicable, subject to changes resulting from audit and normal year-end audit adjustments;

(d) not more than sixty (60) days after the commencement of each fiscal year of MRC, a budget of MRC and its Restricted Subsidiaries in reasonable detail for such fiscal year on a quarterly basis and as customarily prepared by management of MRC for their internal use consistent in scope with the financial statements provided pursuant to Section 10.1.1(a), setting forth the material assumptions upon which such budgets are based;

(e) at the time of the delivery of the financial statements provided for in Sections 10.1.1(a) and (b), a Compliance Certificate of a Senior Officer of MRC to the effect that no Default or Event of Default exists or, if any Default or Event of Default does exist, specifying the nature and extent thereof, which certificate shall set forth (i) the Consolidated Fixed Charge Coverage Ratio (and accompanying calculations) as at the end of such fiscal year or period, as the case may be, (ii) a specification of any change in the identity of the Restricted Subsidiaries and Unrestricted Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Subsidiaries and Unrestricted Subsidiaries, respectively, provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be, (iii) the then applicable level of the Applicable Margin and (iv) the amount of any Pro Forma Adjustment not previously set forth in a Pro Forma Adjustment Certificate or any change in the amount of a Pro Forma Adjustment set forth in any Pro Forma Adjustment Certificate previously provided and, in either case, in reasonable detail, the calculations and basis therefor. At the time of the delivery of the financial statements provided for in Section 10.1.1(a), a certificate of a Senior Officer of each Loan Party Agent setting forth certain information required pursuant to Sections 1 and 2 of the Perfection Certificate or confirming that there has been no change in such information since the Closing Date or the date of the most recent certificate delivered pursuant to this subsection (e), as the case may be;

(f) as soon as available but in any event within twenty-five (25) days of the end of each calendar month, a Borrowing Base Certificate (which shall be calculated in a consistent manner with the most recently delivered Borrowing Base Certificate) covering each Borrower and supporting information in connection therewith, *provided* that (i) the Borrowers will be required to furnish a Borrowing Base Certificate and supporting information in connection therewith within four (4) days of the end of each calendar week as of the end of such calendar week during which a FCCR Test Event is continuing, (ii) the North American Loan Party Agent may deliver updates to the Foreign Allocated U.S. Availability component of any Foreign Borrower's Borrowing Base (A) when no FCCR Test Event is continuing, once per calendar week and (B) at such other times as Agent may agree in its discretion and (iii) the Borrowers may not reallocate the Foreign Allocated U.S. Availability component of any Foreign Borrower's Borrowing Base if such reallocation would result in an Overadvance for such Foreign Borrower;

(g) as soon as available but in any event within twenty-five (25) days of the end of each calendar month (or, if requested by Agent, on a weekly basis if a FCCR Test Event has occurred and is continuing), in each case, as of the period then ended:

(i) a schedule detailing the Borrowers' Inventory, in form reasonably satisfactory to Agent, (1) by Borrower and by location (showing Inventory located with a third party under any consignment, bailee arrangement, or warehouse agreement, in each case, to the extent the Cost of Inventory at such location exceeds (A) \$1,000,000 in the aggregate with respect to Canadian Borrowers and U.S. Borrowers and (B) \$500,000 in the aggregate with respect to any other Borrower Group), (2) including a report of material variances or other results of Inventory counts performed by the Borrowers since the last Inventory schedule and (3) reconciled to the Borrowing Base Certificate delivered as of such date.

(ii) a worksheet of calculations prepared by the Borrowers to determine Eligible Accounts and Eligible Inventory, such worksheets detailing the Accounts and Inventory excluded from Eligible Accounts and Eligible Inventory and the reason for such exclusion;

(iii) a schedule and aging of each Borrower's and each Guarantor's accounts payable presented at the vendor level; and

(iv) a detailed aged trial balance of all Accounts of each Borrower as of the end of the preceding month (or shorter applicable period), specifying each Account's Account Debtor name and address (if requested), amount, invoice date and due date and, at the Agent's reasonable request, showing any discount, allowance, credit, authorized return or dispute, and including such proof of delivery, copies of invoices and invoice registers, copies of related documents, repayment histories, status reports and other information as Agent may reasonably request.

(h) promptly after a Senior Officer of any Borrower or any Subsidiary obtains knowledge thereof, notice of (i) the occurrence of any event that constitutes a Default or Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action the applicable Borrower proposes to take with respect thereto and (ii) any litigation or governmental proceeding pending against any Borrower or any Subsidiary that could reasonably be expected to result in a Material Adverse Effect or a Material Adverse Change;

(i) any Borrower will promptly advise the Agent in writing after obtaining knowledge of any one or more of the following environmental matters, unless such environmental matters could not, individually or when aggregated with all other such matters, be reasonably expected to result in a Material Adverse Effect:

(i) Any pending or threatened Environmental Claim against any Loan Party or any current or former Real Estate;

(ii) Any condition or occurrence on or otherwise related to any current or former Real Estate that (A) could reasonably be expected to result in noncompliance by any Loan Party with any applicable Environmental Law or (B) could reasonably be anticipated to form the basis of an Environmental Claim against any Loan Party or any current or former Real Estate;

(iii) Any condition or occurrence on or otherwise related to any current or former Real Estate that could reasonably be anticipated to cause such Real Estate to be subject to any restrictions on the ownership, occupancy, use or transferability of such Real Estate under any Environmental Law; and

(iv) The conduct of, or need to conduct, any investigation, or any removal, remedial or other corrective action in response to the actual or alleged presence, release or threatened release of any Hazardous Material on, at, under or from any current or former Real Estate or otherwise related to Environmental Law.

All such notices shall describe in reasonable detail the nature of the claim, investigation, condition, occurrence or removal or remedial action and the response thereto. The term "Real Estate" shall mean land, buildings and improvements owned or leased by any Loan Party, but excluding all operating fixtures and equipment, whether or not incorporated into improvements.

(j) promptly upon filing thereof, copies of any filings (including on Form 10-K, 10-Q or 8-K) or registration statements with, and reports to, the SEC or any analogous Governmental Authority in any relevant jurisdiction by the Parent or any Subsidiary (other than amendments to any registration statement (to the extent such registration statement, in the form it becomes effective, is delivered to the Lenders and the Agent), exhibits to any registration statement and, if applicable, any registration statements on Form S-8) and copies of all financial statements, proxy statements, notices and reports that the Parent or any Subsidiary shall send to the holders of any publicly issued debt of the Parent and/or any Subsidiary in their capacity as such holders (in each case to the extent not theretofore delivered to the Lenders and the Agent pursuant to this Agreement) and, with reasonable promptness, such other information (financial or otherwise) as the Agent on its own behalf or on behalf of any Lender (acting through the Agent) may reasonably request in writing from time to time;

(k) not later than any date on which financial statements are delivered with respect to any Test Period in which a Pro Forma Adjustment is made as a result of the consummation of the acquisition of any Acquired Entity or Business by any Borrower or any Restricted Subsidiary for which there shall be a Pro Forma Adjustment, a Pro Forma Adjustment Certificate;

(l) reasonably promptly but not later than sixty (60) days following the occurrence of any change referred to in subclauses (i) through (iv) below, written notice of any change (i) in the legal name of any Loan Party, (ii) in the jurisdiction of organization or location of any Loan Party for purposes of the Uniform Commercial Code, PPSA Australia, PPSA New Zealand or PPSA, (iii) in the identity or type of organization of any Loan Party or (iv) in the Federal Taxpayer Identification Number (or the equivalent identifier in any other jurisdiction including tax file numbers) or organizational or corporate identification number (including any Australian business numbers) of any Loan Party, *provided* that, notwithstanding the foregoing, with respect to any Loan Party incorporated in New Zealand or any Loan Party who has granted a security interest over any Property which is subject to the terms of the PPSA New Zealand, at least fourteen (14) days' prior written notice of any change in the legal name of any such Loan Party must be provided. The applicable Borrower or Borrowers shall also promptly provide the Agent with certified Organic Documents reflecting any of the changes described in the first sentence of this clause (l).

(m) promptly after the sending or filing thereof, copies of any annual information report (including all actuarial reports and other schedules and attachments thereto) required to be filed with a Governmental Authority in connection with each U.S. Employee Plan, any Foreign Plan that is required by Applicable Law to be funded or any Canadian Pension Plan; promptly upon receipt, copies of any notice, demand, inquiry or subpoena received in connection with any U.S. Employee Plan or Canadian Pension Plan from a Governmental Authority (other than routine inquiries in the course of application for a favorable IRS determination letter); and at Agent's request, copies of any annual report required to be filed with a Governmental Authority in connection with any other U.S. Employee Plan or Canadian Pension Plan.

(n) promptly following receipt, a copy of any notice from the Pensions Regulator in which it proposes to take action which may result in the issuance of a Contribution Notice or Financial Support Direction in respect of any UK DB Pension Plan.

Notwithstanding the foregoing, the obligations in paragraphs (a) and (b) of this Section 10.1.1 may be satisfied with respect to financial information of the Parent and the Subsidiaries by furnishing (A) the applicable financial statements of any direct or indirect parent of the Parent or (B) the Parent's (or any direct or indirect parent thereof's), as applicable, Form 10-K or 10-Q, as applicable, filed with the SEC (*provided* that, to the extent such information relates to a parent of the Parent, such information is accompanied by consolidating information that explains in reasonable detail the differences between the information relating to such parent, on the one hand, and the information relating to the Parent and the Restricted Subsidiaries, taken together on a standalone basis, on the other hand); and any documentation required to be delivered pursuant to this Section 10.1.1 may be delivered electronically and if so delivered, shall be deemed to be delivered on the date (i) on which the North American Loan Party Agent posts the materials containing such documents or information, or provides a link thereto, on the North American Loan Party Agent's website on the Internet, or (ii) on which such documents are posted on an Internet or intranet website, if any, to which each Lender and Agent have access (including www.sec.gov (or other website of the SEC), a commercial third-party website or a website sponsored by Agent), *provided* that, in any case, the Loan Party Agent shall provide written notice to Agent of any documents being delivered in accordance with clauses (i) or (ii) above on the date such documents are posted, and paper copies of such documents shall be delivered to Agent upon its written request.

10.1.2 Books, Records and Inspections. The Borrowers will, and will cause each of their respective Subsidiaries to, permit officers and designated representatives of the Agent or the Required Lenders to visit and inspect any of their properties or assets in whomsoever's possession to the extent that it is within such party's control to permit such inspection, and to examine their books and records and discuss their affairs, finances and accounts with, and be advised as to the same by, its and their officers and independent accountants, all at such reasonable times and intervals and to such reasonable extent as the Agent or the Required Lenders may desire (upon reasonable advance notice to the applicable Loan Party Agent); *provided* that, excluding any such visits and inspections during the continuation of an Event of Default, only the Agent (or any of its representatives or independent contractors) on

behalf of the Required Lenders may exercise rights of the Agent and the Lenders under this Section 10.1.2 and the Agent shall not exercise such rights more often than two times during any calendar year absent the existence of an Event of Default and only one such time shall be at the Borrowers' expense unless Excess Availability is less than the greater of 15% of the Commitments or \$150,000,000, in which case the second time shall also be at the Borrowers' expense; *provided further* that when an Event of Default exists, the Agent (or any of its representatives or independent contractors) or any representative of the Required Lenders may do any of the foregoing at the expense of the Borrowers at any time during normal business hours and upon reasonable advance notice. The Agent and the Required Lenders shall give any Borrower the opportunity to participate in any discussions with such Borrower's independent public accountants.

10.1.3 Collateral Access Agreements. Each Borrower and each Guarantor shall use commercially reasonable efforts to obtain a Collateral Access Agreement with respect to Inventory which is located in any location leased by such Loan Party, located in any third-party warehouse or otherwise in the possession of a bailee or other third-party, in each case, to the extent the Cost of Inventory at such location, or held by such bailee or third person exceeds the lesser of (i) \$2,000,000 and (ii) five percent (5%) of the Borrower Group Commitments of the applicable Borrower Group. For purposes of determining Australian Eligible Inventory, Belgian Eligible Inventory, Dutch Eligible Inventory and UK Eligible Inventory under the Borrowing Base, until the expiration of the Temporary Eligibility Period, the Borrowers shall be deemed to have obtained such Collateral Access Agreements at all such locations.

10.1.4 Payment of Taxes; Australian Tax Consolidation.

(a) Each Loan Party will pay and discharge, and will cause each Subsidiary to pay and discharge, all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims that, if unpaid, could reasonably be expected to become a material Lien (other than a Permitted Lien) upon any properties of such Loan Party or any Restricted Subsidiary, *provided* that no Loan Party, nor any Subsidiary shall be required to pay any such tax, assessment, charge, levy or claim that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of the management of such Loan Party) with respect thereto in accordance with GAAP and the failure to pay could not reasonably be expected to result in a Material Adverse Effect.

(b) Each Australian Domiciled Loan Party must ensure that (i) so long as it is a member of a consolidated group for tax purposes there is at all times a valid tax sharing agreement for that consolidated group in form and substance reasonably satisfactory to the Agent; (ii) the tax sharing agreement is amended or replaced to the extent necessary to ensure that it remains a valid tax sharing agreement (having regard to changes in the composition or activities of the consolidated group); and (iii) it is not at any time liable for group liability (as such term is defined in Section 721-10 of the Income Tax Assessment Act 1997 (Cth)) other than in respect of its own assets and activities (including as a result of tax consolidation or any tax sharing agreement), in each case except to the extent such Loan Party is maintaining adequate reserves (in the good faith judgment of the management of such Loan Party) with respect thereto and the failure to so comply could not reasonably be expected to result in a Material Adverse Effect.

(c) Each Australian Facility Loan Party must ensure that it will not become a member of a GST Group unless the GST Group of which the Australian Facility Loan Party becomes a member has at all times while the Australian Facility Loan Party is a member a valid ITSA for that GST Group in a form and substance reasonably satisfactory to Agent, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

10.1.5 Maintenance of Insurance. The Borrowers will, and will cause each Material Subsidiary to, at all times maintain in full force and effect, with insurance companies that each Borrower believes (in the good faith judgment of the management of such Borrower) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in at least such amounts (after giving effect to any self-insurance which such Borrower believes (in the good faith judgment of management of such Borrower) is reasonable and prudent in light of the size and nature of its business) and against at least such risks (and with such risk retentions) as such Borrower believes (in the good faith judgment of management of such Borrower) is reasonable and prudent in light of the size and nature of its business; and will furnish to the Agent (for delivery to the Lenders), upon written request from the Agent, information presented in reasonable detail as to the insurance so carried.

10.1.6 Consolidated Corporate Franchises. Each Borrower will do, and will cause each Material Subsidiary to do, or cause to be done, all things necessary to preserve and keep in full force and effect its existence, corporate rights and authority, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect; *provided, however*, that any Borrower and its Subsidiaries may consummate any transaction permitted under Section 10.2.3, 10.2.4 or 10.2.5.

10.1.7 Compliance with Statutes, Regulations, etc. Each Borrower will, and will cause each Subsidiary to, comply with all applicable laws, rules, regulations and orders applicable to it or its property, including all governmental approvals or authorizations required to conduct its business, and to maintain all such governmental approvals or authorizations in full force and effect, in each case except where the failure to do so, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

10.1.8 ERISA. Promptly after any Borrower or any Subsidiary or any ERISA Affiliate knows or has reason to know of the occurrence of any of the following events that, individually or in the aggregate (including in the aggregate such events previously disclosed or exempt from disclosure hereunder, to the extent the liability therefor remains outstanding), would be reasonably likely to have a Material Adverse Effect, the North American Loan Party Agent will deliver to each Lender a certificate of a Senior Officer of the applicable Borrower setting forth details as to such occurrence and the action, if any, that such Borrower, such Subsidiary or such ERISA Affiliate is required or proposes to take, together with any notices (required, proposed or otherwise) given to or filed with or by such Borrower, such Subsidiary, such ERISA Affiliate, the PBGC, a U.S. Employee Plan participant (other than notices relating to an individual participant's benefits) or the U.S. Employee Plan administrator with respect

thereto: that a Reportable Event has occurred; that an accumulated funding deficiency has been incurred or an application is to be made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including any required installment payments) or an extension of any amortization period under Section 412 of the Code with respect to a U.S. Employee Plan; that a U.S. Employee Plan having an Unfunded Current Liability has been or is to be terminated, reorganized, partitioned or declared insolvent under Title IV of ERISA (including the giving of written notice thereof); that a U.S. Employee Plan has an Unfunded Current Liability that has or will result in a lien under ERISA or the Code; that proceedings will be or have been instituted to terminate a U.S. Employee Plan having an Unfunded Current Liability (including the giving of written notice thereof); that a proceeding has been instituted against a Borrower, a Subsidiary or an ERISA Affiliate pursuant to Section 515 of ERISA to collect a delinquent contribution to a U.S. Employee Plan; that the PBGC has notified any Borrower, any Subsidiary or any ERISA Affiliate of its intention to appoint a trustee to administer any U.S. Employee Plan; that any Borrower, any Subsidiary or any ERISA Affiliate has failed to make a required installment or other payment pursuant to Section 412 of the Code with respect to a U.S. Employee Plan; or that any Borrower, any Subsidiary or any ERISA Affiliate has incurred or will incur (or has been notified in writing that it will incur) any liability (including any contingent or secondary liability) to or on account of a Plan pursuant to Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201 or 4204 of ERISA or Section 4971 or 4975 of the Code.

10.1.9 Canadian Pension Plans and UK DB Pension Plans.

(a) Promptly after any Canadian Domiciled Loan Party or any Subsidiary or any Affiliate knows or has reason to know of the occurrence of any of the following events, the applicable Canadian Domiciled Loan Party will deliver to the Agent a certificate of a Senior Officer of the applicable Canadian Domiciled Loan Party setting forth details as to such occurrence and the action, if any, that such Canadian Domiciled Loan Party, such Subsidiary or such Affiliate is required or proposes to take, together with any notices (required, proposed or otherwise) given to or filed with or by such Canadian Domiciled Loan Party, such Subsidiary, such Affiliate, the FSCO, a Canadian Employee Plan participant (other than notices relating to an individual participant's benefits) or the Canadian Employee Plan administrator with respect thereto: any violation or asserted violation of any Applicable Law (including PBA), for which there is a reasonable likelihood that there will be an adverse determination, and such adverse determination would have or could reasonably be expected to have a Material Adverse Effect; the occurrence of any Termination Event.

(b) Each Canadian Domiciled Loan Party's and its Subsidiaries' Canadian Pension Plans shall be duly registered and administered in all respects in material compliance with, as applicable, the PBA, the Income Tax Act (Canada) and all other Applicable Law (including regulations, orders and directives), and the terms of the Canadian Pension Plans and any agreements relating thereto. Each Canadian Domiciled Loan Party shall ensure that it and its Subsidiaries: (i) has no Unfunded Current Liability in respect of any Canadian Pension Plan, including any Canadian Pension Plan to be established and administered by it or them; (ii) pay all amounts required to be paid by it or them in respect of such Canadian Pension Plan when due; (iii) has no Lien on any of its or their property that arises or exists in respect of any Canadian Pension Plan except as disclosed in **Schedule 10.2.2**; (iv) do not engage in a prohibited

transaction or breach any applicable laws with respect to any Canadian Pension Plan that could reasonably be expected to result in a Material Adverse Effect in respect of such Canadian Pension Plan; (v) do not permit to occur or continue any Termination Event; and (vi) not maintain, contribute or have any liability in respect of a Canadian Pension Plan which provides benefits on a defined benefit basis during the term of this Agreement.

(c) Each UK Domiciled Loan Party shall ensure that in respect of all UK DB Pension Plans operated by or maintained for the benefit of the UK Domiciled Loan Parties no action or omission is taken in relation to such a pension scheme which has or is reasonably likely to have a Material Adverse Effect (including the termination or commencement of winding-up proceedings of any UK DB Pension Plan or any UK DB Pension Plan ceasing to employ any member of such a pension scheme).

(d) Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, each Loan Party shall ensure that no UK Domiciled Loan Party is or has been at any time an employer (for the purposes of sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pension Schemes Act 1993) or “connected” with or an “associate” of (as those terms are defined in sections 38 or 43 of the Pensions Act 2004) such an employer without the Loan Party disclosing that the UK Domiciled Loan Party is or was an employer or “connected” with or an “associate” of an employer (“employer”, “connected” and “associated” all as defined previously in this clause) to the Agent promptly upon the Loan Party becoming aware of this and in advance of any acquisition unless the Loan Party having made reasonable due diligence inquiries in this regard does not become aware of this until after any acquisition.

10.1.10 Maintenance of Properties. Each Borrower will, and will cause each Restricted Subsidiary to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear, casualty and condemnation excepted, except to the extent that the failure to do so could reasonably be expected to have a Material Adverse Effect.

10.1.11 Transactions with Affiliates. Each Borrower will conduct, and cause each Restricted Subsidiary to conduct, all transactions with any of its Affiliates (other than the Borrowers or the Restricted Subsidiaries) on terms that are substantially as favorable to such Borrower or such Restricted Subsidiary as it would obtain in a comparable arm’s-length transaction with a Person that is not an Affiliate, *provided* that the foregoing restrictions shall not apply to (a) the payment of customary investment banking fees paid to the Sponsor for services rendered to the Borrowers and the Subsidiaries in connection with divestitures, acquisitions, financings and other transactions, (b) transactions permitted by Section 10.2.6, (c) Transaction Expenses, (d) the issuance of Stock or Stock Equivalents of any Borrower to the management of such Borrower (or any direct or indirect parent thereof) or any of its Subsidiaries pursuant to arrangements described in clause (f) of this Section 10.1.11, (e) loans and other transactions by the Borrowers and the Restricted Subsidiaries to the extent permitted under Section 10.2, (f) employment and severance arrangements between the Borrowers and the Restricted Subsidiaries and their respective officers and employees in the Ordinary Course of Business, (g) payments by any Borrower (and any direct or indirect parent thereof) and the Restricted Subsidiaries pursuant to the tax sharing agreements among such Borrower (and any such parent)

and the Restricted Subsidiaries on customary terms to the extent attributable to the ownership or operation of such Borrower and the Restricted Subsidiaries, (h) the payment of customary fees and reasonable out of pocket costs to, and indemnities provided on behalf of, directors, managers, consultants, officers and employees of the Borrowers and the Restricted Subsidiaries in the Ordinary Course of Business to the extent attributable to the ownership or operation of the Borrowers and the Restricted Subsidiaries, (i) transactions pursuant to permitted agreements in existence on the Closing Date and set forth on **Schedule 10.1.11** or any amendment thereto to the extent such an amendment is not adverse, taken as a whole, to the Lenders in any material respect, and (j) customary payments by any Borrower and any Restricted Subsidiary to the Sponsor made for any financial advisory, financing, underwriting or placement services or in respect of other investment banking activities (including in connection with acquisitions or divestitures), which payments are approved by the majority of the members of the board of directors or a majority of the disinterested members of the board of directors of such Borrower (or any direct or indirect parent thereof), in good faith.

10.1.12 End of Fiscal Years; Fiscal Quarters. Each Borrower will, for financial reporting purposes, cause (a) each of Parent's, its, and each of its Subsidiaries', fiscal years to end on December 31 of each year and (b) each of Parent's, its, and each of its Subsidiaries', fiscal quarters to end on dates consistent with such fiscal year-end and such Borrower's past practice; *provided, however*, that such Borrower may, upon written notice to the Agent, change the financial reporting convention specified above to any other financial reporting convention reasonably acceptable to the Agent, in which case such Borrower and the Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary in order to reflect such change in financial reporting.

10.1.13 Additional Loan Parties.

(a) Any Subsidiary organized under the laws of Australia, Belgium, Canada, the Netherlands, New Zealand, Singapore or the United Kingdom may, at the election of the North American Loan Party Agent, become a Foreign Borrower hereunder within the applicable Foreign Borrower Group for its jurisdiction of organization upon (i) the execution and delivery to Agent and/or Security Trustees (A) by such Subsidiary of a supplement or joinder to this Agreement, substantially in the form of **Exhibit I**, (B) by such Subsidiary of Security Documents in form and substance reasonably satisfactory to Agent and the relevant Security Trustee as may be required for the relevant jurisdiction (*provided*, that any such new Security Document shall be in substantially the same form as the comparable Security Documents to which the existing Loan Parties of the Loan Party Group of the New Loan Party (if any) are party and, in any event, shall not be more onerous with respect to the obligations of such New Loan Party than those contained in the Security Documents to which the other members of such New Loan Party's Loan Party Group (if any) are party), and (C) by a Senior Officer of the applicable Loan Party Agent for such Subsidiary, of a (1) Borrowing Base Certificate for such Subsidiary effective as of not more than 25 days preceding the date on which such Subsidiary becomes a Foreign Borrower and (2) written notice of such Subsidiary's Applicable Foreign Borrower Commitment, and (ii) the completion of Agent's due diligence to its reasonable satisfaction and of compliance procedures for applicable "know your customer" and anti-money laundering rules; *provided* that, prior to permitting such Subsidiary to borrow any Revolver Loans or obtain the issuance of any Letters of Credit hereunder, the Agent, in its discretion, shall have the right to conduct an appraisal and

field examination with respect to such Subsidiary, including, without limitation, of (x) such Subsidiary's practices in the computation of its Borrowing Base and (y) the assets included in such Subsidiary's Borrowing Base and related financial information such as, but not limited to, sales, gross margins, payables, accruals and reserves, in each case, prepared on a basis reasonably satisfactory to Agent and at the sole expense of such Subsidiary.

(b) Except as set forth in Section 10.2.1(b)(ix) and 10.2.1(b)(x) and subject to any applicable limitations set forth in the Security Documents, each U.S. Borrower will cause each direct or indirect U.S. Subsidiary of MRC (other than any Excluded Subsidiary) formed or otherwise purchased or acquired after the date hereof (including pursuant to a Permitted Acquisition) or that has ceased to be an Excluded Subsidiary pursuant to clause (e), (f) or (h) of the definition of Excluded Subsidiary, in each case within 30 days of such date, to execute a supplement or joinder to this Agreement, substantially in the form of **Exhibit I**, in order for such Subsidiary to become a U.S. Borrower and/or a U.S. Facility Guarantor under Section 5.10 and a grantor under Section 7.1 or, to the extent reasonably requested by the Agent, enter into a new Security Document in form and substance reasonably satisfactory to the Agent and North American Loan Party Agent.

10.1.14 Use of Proceeds.

(a) The Borrowers will use the proceeds of all Revolver Loans made on the Closing Date to (a) refinance Indebtedness under the HSBC Credit Agreement and (b) pay Transaction Expenses.

(b) The Borrowers will use Letters of Credit and the proceeds of all other Revolver Loans and Swingline Loans (a) to finance ongoing working capital needs, (b) for other general corporate purposes of any Borrower, including to fund permitted distributions and Permitted Acquisitions and (c) to pay Transaction Expenses.

10.1.15 Appraisals; Field Examinations. At any time that the Agent reasonably requests, each Borrower will, and will cause each Guarantor to, permit the Agent or professionals (including consultants, accountants, lawyers and appraisers) retained by the Agent, on reasonable prior notice and during normal business hours and with reasonable frequency, to conduct appraisals and commercial finance examinations or updates thereof including, without limitation, of (a) such Borrower's practices in the computation of the Borrowing Base and (b) the assets included in the Borrowing Base and related financial information such as, but not limited to, sales, gross margins, payables, accruals and reserves, in each case, prepared on a basis reasonably satisfactory to the Agent and at the sole expense of the Borrowers; *provided, however*, if no Default or Event of Default shall have occurred and be continuing, only one (1) such appraisal and one (1) such examination or update per fiscal year shall be conducted at the Borrowers' expense (exclusive of any appraisals and field examinations conducted pursuant to Section 10.1.13); *provided, further, however*, that if Excess Availability is less than 15% of the Commitments or \$150,000,000, one (1) additional appraisal and one (1) additional examination or update per fiscal year may be conducted at the Borrowers' expense (exclusive of any appraisals and field examinations conducted pursuant to Section 10.1.13). The foregoing shall not limit the Agent's ability to perform additional appraisals, examinations and updates at the sole expense of the Borrowers upon the occurrence and continuance of a Default or Event of Default.

10.1.16 Post-Closing Matters. Each Borrower agrees that it will, or will cause its relevant Subsidiaries to, complete each of the actions described on **Schedule 10.1.16** as soon as commercially reasonable and by no later than the date set forth in **Schedule 10.1.16** with respect to such action or such later date as the Agent may reasonably agree.

10.1.17 Centre of Main Interests and Establishments. For the purposes of The Council of the European Union regulation No. 1346/2000 on Insolvency proceedings (the "Regulation"), each of the Belgian Domiciled Loan Parties', Dutch Domiciled Loan Parties' and UK Domiciled Loan Parties' centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in its jurisdiction of incorporation and none of them have an "establishment" (as that term is used in Article 2(h) of the Regulation) in any other jurisdiction.

10.2 Negative Covenants. The Borrowers (for themselves and each of their respective Restricted Subsidiaries), jointly and severally, hereby covenant and agree that on the Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated and the Loans, together with interest, fees and all other Obligations (other than contingent indemnification obligations for which no claim has been identified), are paid in full:

10.2.1 Limitation on Indebtedness.

(a) The Borrowers will not, and will not permit any of the Restricted Subsidiaries to, incur, create, assume or permit to exist, directly or indirectly (collectively, "incur" and collectively, an "incurrence"), any Indebtedness; *provided, however*, that the Borrowers and the Restricted Subsidiaries will be entitled to incur Indebtedness if the Consolidated Total Debt to Consolidated EBITDA Ratio at the time such additional Indebtedness is incurred would have been no greater than 5.50 to 1.0 determined on a Pro Forma Basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred and the application of proceeds therefrom had occurred at the beginning of the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1; *provided*, that such additional Indebtedness shall not be secured Indebtedness unless (i) the Secured Leverage Ratio at the time such additional Indebtedness is incurred would have been no greater than 5.0 to 1.0, determined on a Pro Forma Basis in the manner set forth above, (ii) such secured Indebtedness has a final maturity date no earlier than the date that is 180 days following the Facility Termination Date and (iii) the Liens (A) of any U.S. Domiciled Loan Party securing such Indebtedness shall constitute Notes Priority Liens for purposes of the Intercreditor Agreement and (B) of any Restricted Subsidiary other than a U.S. Domiciled Loan Party securing such Indebtedness shall not be extended to cover any property constituting Collateral.

(b) The limitation set forth in clause (a) of this Section 10.2.1 will not prohibit any of the following:

(i) (A) Indebtedness arising under the Loan Documents and (B) Indebtedness arising under the Senior Secured Notes Indenture; *provided*, *however*, that with respect to any such Indebtedness specified in this subclause (i)(B) that is incurred after the Closing Date, such Indebtedness satisfies the terms set forth in the proviso at the end of Section 10.2.1(a);

(ii) Indebtedness of (A) any Loan Party owing to any Borrower or any Restricted Subsidiary, (B) any Subsidiary who is not a Loan Party owing to any other Subsidiary who is not a Loan Party (including Indebtedness incurred in connection with customary cash pooling and cash management practices) and (C) subject to compliance with Section 10.2.5 at the time of the incurrence thereof, any Subsidiary who is not a Loan Party owing to any Loan Party;

(iii) Indebtedness in respect of any bankers' acceptance, bank guarantees, letter of credit, warehouse receipt or similar facilities entered into in the Ordinary Course of Business (including in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims);

(iv) subject to compliance with Section 10.2.5 at the time of incurrence, Guarantee Obligations incurred by (A) Restricted Subsidiaries in respect of Indebtedness of any Borrower or other Restricted Subsidiaries that is permitted to be incurred under this Agreement and (B) any Borrower in respect of Indebtedness of Restricted Subsidiaries that is permitted to be incurred under this Agreement, *provided* that, except as provided in clauses (ix) and (x) below, there shall be no Guarantee (1) by a Restricted Subsidiary that is not a Guarantor of any Indebtedness of any Borrower and (2) in respect of any Permitted Additional Debt, unless such Guarantee is made by a Guarantor and, in the case of Permitted Additional Debt that is subordinated, is subordinated;

(v) Guarantee Obligations (A) incurred in the Ordinary Course of Business in respect of obligations of (or to) suppliers, customers, franchisees, lessors and licensees or (B) otherwise constituting Investments permitted by Section 10.2.5;

(vi) (A) Indebtedness incurred within 270 days of the acquisition, construction or improvement of fixed or capital assets to finance the acquisition, construction or improvement of such fixed or capital assets, (B) Indebtedness arising under Capital Leases entered into in connection with Permitted Sale Leasebacks and (C) Indebtedness arising under Capital Leases, other than Capital Leases in effect on the date hereof and Capital Leases entered into pursuant to subclauses (A) and (B) above, *provided*, that the aggregate amount of Indebtedness incurred pursuant to this subclause (C) shall not exceed \$20,000,000 at any time outstanding, and (D) any modification, replacement, refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (A), (B) or (C) above, *provided* that, except to the extent otherwise expressly permitted hereunder, the principal amount thereof (including pursuant to clause (C)) does not exceed the principal amount thereof outstanding immediately prior to such

modification, replacement, refinancing, refunding, renewal or extension, except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension;

(vii) Indebtedness outstanding on the date hereof (A) listed on **Schedule 10.2.1** and any modification, replacement, refinancing, refunding, renewal or extension thereof, *provided* that, except to the extent otherwise expressly permitted hereunder, (1) the principal amount thereof does not exceed the principal amount thereof outstanding immediately prior to such modification, replacement, refinancing, refunding, renewal or extension, except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension plus an amount equal to any existing commitment unutilized and letters of credit undrawn thereunder and (2) the direct and contingent obligors with respect to such Indebtedness are not changed and (B) owing by any Borrower to any Restricted Subsidiary or by any Restricted Subsidiary to any Borrower or any other Restricted Subsidiary;

(viii) Indebtedness in respect of Hedge Agreements;

(ix) (A) Indebtedness of a Person or Indebtedness attaching to assets of a Person that, in either case, becomes a Restricted Subsidiary (or is a Restricted Subsidiary that survives a merger with such Person) or Indebtedness attaching to assets that are acquired by any Borrower or any Restricted Subsidiary, in each case, after the Closing Date as the result of a Permitted Acquisition, *provided*, that (1) such Indebtedness existed at the time such Person became a Restricted Subsidiary or at the time such assets were acquired and, in each case, was not created in anticipation thereof, (2) such Indebtedness is not guaranteed in any respect by any Borrower or any Restricted Subsidiary (other than by any such Person that so becomes a Restricted Subsidiary or is the survivor of a merger with such Person and any of its Subsidiaries) and (3) to the extent required under Section 10.1.13, such Person executes a supplement or joinder to this Agreement, substantially in the form of **Exhibit I**, in order to become a Loan Party, a Guarantor under Section 5.10 (if applicable) and a grantor under Section 7.1 (or with respect to a Foreign Subsidiary, enters into a new Security Document in form and substance reasonably satisfactory to the Agent and the applicable Loan Party Agent), *provided* that the requirements of this subclause (3) shall not apply to (I) an aggregate amount at any time outstanding of up to the greater of (A) \$300,000,000 or (B) 10% of Consolidated Total Assets at the time of the incurrence of such Indebtedness (less all Indebtedness as to which the proviso to clause (x)(A)(2) below then applies) at such time of such Indebtedness (and modifications, replacements, refinancings, refundings, renewals and extensions thereof pursuant to subclause (B) below) and (II) any Indebtedness of the type that could have been incurred under Section 10.2.1(b)(vi), and (B) any modification, replacement, refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (A) above, *provided* that, except to the extent otherwise expressly permitted hereunder, (X) the principal amount of any such Indebtedness does not exceed the principal amount thereof outstanding immediately prior

to such modification, replacement, refinancing, refunding, renewal or extension except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension plus an amount equal to any existing commitment unutilized and letters of credit undrawn thereunder and (Y) the direct and contingent obligors with respect to such Indebtedness are not changed;

(x) (A) Permitted Additional Debt of MRC or any Restricted Subsidiary incurred to finance a Permitted Acquisition, *provided* that (1) if such Indebtedness is incurred by a Restricted Subsidiary that is not a Guarantor, such Indebtedness is not guaranteed by any Loan Party unless such Guarantee, at the time of incurrence thereof, would be permitted at such time under Section 10.2.5(g) and (2) to the extent required under Section 10.1.13, such acquired Person executes a supplement or joinder to this Agreement, substantially in the form of **Exhibit I**, in order to become a Loan Party, a Guarantor under Section 5.10 (if applicable) and a grantor under Section 7.1 (or with respect to a Foreign Subsidiary, enters into a new Security Document in form and substance reasonably satisfactory to the Agent and the applicable Loan Party Agent), *provided* that the requirements of this subclause (2) shall not apply to an aggregate amount at any time outstanding of up to the greater of (A) \$300,000,000 or (B) 10% of Consolidated Total Assets at the time of the incurrence of such Indebtedness (less all Indebtedness as to which clause (I) of the proviso to clause (ix)(A)(3) above then applies) at such time of the aggregate of such Indebtedness (and modifications, replacements, refinancings, refundings, renewals and extensions thereof pursuant to subclause (B) below), and (B) any modification, replacement, refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (A) above, *provided* that, except to the extent otherwise expressly permitted hereunder, (1) the principal amount of any such Indebtedness does not exceed the principal amount thereof outstanding immediately prior to such modification, replacement, refinancing, refunding, renewal or extension except by an amount equal to the unpaid accrued interest and premium thereon plus other reasonable amounts paid and fees and expenses incurred in connection with such modification, replacement, refinancing, refunding, renewal or extension plus an amount equal to any existing commitment unutilized and letters of credit undrawn thereunder and (2) the direct and contingent obligors with respect to such Indebtedness are not changed;

(xi) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations not in connection with money borrowed, in each case, provided in the Ordinary Course of Business, including those incurred to secure health, safety and environmental obligations in the Ordinary Course of Business;

(xii) (A) Indebtedness incurred in connection with any Permitted Sale Leaseback, provided that, with respect to any Permitted Sale Leaseback other than the Permitted Sale Leaseback identified in clause (b) of the definition of "Permitted Sale Leaseback", the Net Cash Proceeds thereof are promptly applied to the prepayment of the Senior Secured Notes to the extent required by the Senior Secured Notes Indenture; and (B) any refinancing, refunding, renewal or extension of any Indebtedness specified in

subclause (A) above; *provided further* that, except to the extent otherwise permitted hereunder, (1) the principal amount of any such Indebtedness is not increased above the principal amount thereof outstanding immediately prior to such refinancing, refunding, renewal or extension and (2) the direct and contingent obligors with respect to such Indebtedness are not changed;

(xiii) (A) additional Indebtedness of MRC and its Restricted Subsidiaries and (B) any refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (A) above; *provided* that the aggregate amount of Indebtedness incurred and remaining outstanding pursuant to this clause (xiii) shall not at any time exceed the greater of (1) \$300,000,000 and (2) 10% of Consolidated Total Assets at the time of the incurrence of such Indebtedness; *provided, however*, not more than the greater of (X) \$50,000,000 and (Y) 1.5% of Consolidated Total Assets at the time of the incurrence of such Indebtedness in aggregate principal amount of Indebtedness of any Borrower or any Guarantor incurred under this clause (xiii) shall be secured;

(xiv) Indebtedness in respect of Permitted Additional Debt to the extent that the Net Cash Proceeds therefrom are, immediately after the receipt thereof, applied to the prepayment of the Senior Secured Notes in accordance with the Senior Secured Notes Indenture;

(xv) Indebtedness in respect of overdraft facilities, employee credit card programs and other cash management arrangements in the Ordinary Course of Business and, with regard to Restricted Subsidiaries that are not Loan Parties, Indebtedness in respect of cash pooling arrangements in the Ordinary Course of Business;

(xvi) unsecured Indebtedness in respect of obligations of any Borrower or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services, *provided* that such obligations are incurred in connection with open accounts extended by suppliers on customary trade terms (which require that all such payments be made within 60 days after the incurrence of the related obligation) in the Ordinary Course of Business and not in connection with the borrowing of money or Hedge Agreements;

(xvii) Indebtedness arising from agreements of any Borrower or any Restricted Subsidiary providing for indemnification, adjustment of purchase price or similar obligations, in each case, entered into in connection with Permitted Acquisitions, other Investments and the disposition of any business, assets or capital stock permitted hereunder, other than Guarantee Obligations incurred by any Person acquiring all or any portion of such business, assets or capital stock for the purpose of financing such acquisition, *provided* that (A) such Indebtedness is not reflected on the balance sheet of any Borrower or any Restricted Subsidiary (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected on such balance sheet for purposes of this clause (A)) and (B) the maximum assumable liability in respect of all such Indebtedness shall at no time exceed the gross proceeds, including non-cash proceeds (the fair market value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value), actually received by the Borrowers and the Restricted Subsidiaries in connection with such disposition;

(xviii) Indebtedness of any Borrower or any Restricted Subsidiary consisting of (A) obligations to pay insurance premiums or (B) take or pay obligations contained in supply agreements, in each case, arising in the Ordinary Course of Business and not in connection with the borrowing of money or Hedge Agreements;

(xix) Indebtedness representing deferred compensation, severance and health and welfare retirement benefits to current and former employees of the Borrowers (or any direct or indirect parent thereof) and the Restricted Subsidiaries incurred in the Ordinary Course of Business;

(xx) unsecured, Subordinated Indebtedness consisting of promissory notes in an aggregate principal amount of not more than \$10,000,000 issued by any Borrower or any Guarantor to current or former officers, managers, consultants, directors and employees (or their respective spouses, former spouses, successors, executors, administrators, heirs, legatees or distributees) to finance the purchase or redemption of Stock or Stock Equivalents of such Borrower (or any direct or indirect parent thereof) permitted by Section 10.2.6;

(xxi) Indebtedness consisting of obligations of the Borrowers or the Restricted Subsidiaries under deferred compensation or other similar arrangements incurred by such Person in connection with Permitted Acquisitions or any other Investment expressly permitted hereunder;

(xxii) cash management obligations and other Indebtedness in respect of netting services, automatic clearinghouse arrangements, overdraft protections and similar arrangements in each case in connection with deposit accounts;

(xxiii) Indebtedness arising from advance payments received in the Ordinary Course of Business from customers for goods and services purchased or rented in the Ordinary Course of Business and not for borrowed money;

(xxiv) Indebtedness of any Receivables Entity in respect of any Qualified Receivables Transaction that is without recourse to any Loan Party or any of their respective assets; and

(xxv) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (i) through (xxiv) above.

10.2.2 Limitation on Liens. The Borrowers will not, and will not permit any of the Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (real or personal, tangible or intangible) of such Borrower or any Restricted Subsidiary, whether now owned or hereafter acquired, except:

(a) Liens arising under the Credit Documents;

(b) Permitted Liens;

(c) (i) Liens securing Indebtedness permitted pursuant to Section 10.2.1(b)(vi) (including, without limitation, any “purchase money security interest” defined under the PPSA Australia or the PPSA New Zealand entered into in the Ordinary Course of Business where the purchase price is paid within 60 days of supply), *provided* that (A) such Liens attach at all times only to the assets so financed except for accessions to such property and the proceeds and the products thereof and (B) that individual financings of equipment provided by one lender may be cross collateralized to other financings of equipment provided by such lender, and (ii) Liens on the assets of Restricted Subsidiaries that are not Loan Parties securing Indebtedness permitted pursuant to Section 10.2.1(b)(xiii) and 10.2.1(b)(xv);

(d) Liens existing on the date hereof and listed on **Schedule 10.2.2**;

(e) The replacement, extension or renewal of any Lien permitted by clauses (a) through (d) above and clause (f) of this Section 10.2.2 upon or in the same assets (other than after acquired property that is affixed or incorporated into the property covered by such Lien or financed by Indebtedness permitted under Section 10.2.1(b) and proceeds and products thereof) theretofore subject to such Lien or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor except to the extent otherwise permitted hereunder) of the Indebtedness secured thereby;

(f) Liens existing on the assets of any Person that becomes a Restricted Subsidiary (or is a Restricted Subsidiary that survives a merger with such Person), or existing on assets acquired, pursuant to a Permitted Acquisition or other Investment to the extent the Liens on such assets secure Indebtedness permitted by Section 10.2.1(b)(ix) or other obligations permitted by this Agreement, *provided* that such Liens attach at all times only to the same assets that such Liens (other than after acquired property that is affixed or incorporated into the property covered by such Lien or financed by Indebtedness permitted under Section 10.2.1(b) and proceeds and products thereof) attached to, and secure only the same Indebtedness or obligations (or any modifications, refinancings, extensions, renewals, refundings or replacements of such Indebtedness permitted by Section 10.2.1(b)) that such Liens secured, immediately prior to such Permitted Acquisition or other Investment, as applicable;

(g) (i) Liens placed upon the Stock and Stock Equivalents of any Restricted Subsidiary that is not a Loan Party acquired pursuant to a Permitted Acquisition to secure Indebtedness incurred pursuant to Section 10.2.1(b)(x) in connection with such Permitted Acquisition and (ii) Liens placed upon the assets of any Restricted Subsidiary that is not a Loan Party to secure a guarantee by, or Indebtedness of, such Restricted Subsidiary of any Indebtedness of any Borrower or any other Restricted Subsidiary incurred pursuant to Section 10.2.1(b)(x);

(h) Liens securing Indebtedness or other obligations of any Loan Party or a Subsidiary in favor of any Loan Party or any Subsidiary that is a Loan Party and Liens securing Indebtedness or other obligations of any Subsidiary that is not a Loan Party in favor of any Subsidiary that is not a Loan Party;

(i) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (ii) attaching to commodity trading accounts or other commodities brokerage accounts incurred in the Ordinary Course of Business; and (iii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking industry;

(j) Liens (i) on cash advances in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 10.2.5 to be applied against the purchase price for such Investment, and (ii) consisting of an agreement to sell, transfer, lease or otherwise dispose of any property in a transaction permitted under Section 10.2.4, in each case, solely to the extent such Investment or sale, disposition, transfer or lease, as the case may be, would have been permitted on the date of the creation of such Lien;

(k) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale and purchase of goods entered into by any Borrower or any Restricted Subsidiary in the Ordinary Course of Business permitted by this Agreement;

(l) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 10.2.5;

(m) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the Ordinary Course of Business and not for speculative purposes;

(n) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts of any non-Loan Party to permit satisfaction of overdraft or similar obligations incurred in the Ordinary Course of Business of such non-Loan Party or (iii) relating to purchase orders and other agreements entered into with customers of any Borrower or any Restricted Subsidiary in the Ordinary Course of Business;

(o) Liens solely on any cash earnest money deposits made by any Borrower or any Restricted Subsidiary in connection with any letter of intent or purchase agreement permitted hereunder;

(p) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(q) Liens securing the Senior Secured Notes; *provided*, that with respect to any such Senior Secured Notes issued after December 21, 2009, such Indebtedness is permitted to be secured in accordance with the proviso at the end of Section 10.2.1(a);

(r) Liens securing Indebtedness permitted under Section 10.2.1(a), to the extent permitted in accordance with the proviso at the end of such Section 10.2.1(a);

(s) Liens securing obligations under Hedge Agreements that are not Secured Bank Product Obligations; *provided*, that such Liens constitute Notes Priority Liens for purposes of the Intercreditor Agreement;

(t) additional Liens so long as (i) the aggregate principal amount of the obligations so secured does not exceed the greater of (y) \$50,000,000 at any time outstanding and (z) 1.5% of Consolidated Total Assets at the time of the incurrence of such obligations and (ii) to the extent such additional Liens attach to any Accounts or Inventory of any Borrower, such Liens are subordinated to the Lien of Agent, for the benefit of the Secured Parties, pursuant to an intercreditor agreement in form and substance reasonably satisfactory to Agent and North American Loan Party Agent;

(u) Liens on Stock in joint ventures held by any Borrower provided such joint venture is not a Guarantor;

(v) Liens (i) of a Restricted Subsidiary that is not a Loan Party arising from precautionary security filings regarding a “true sale” to a Receivables Entity pursuant to a Qualified Receivables Transaction and (ii) on Accounts and Related Assets of a Receivables Entity imposed in connection with a Qualified Receivables Transaction;

(w) Liens constituting deemed security interests under section 12(3) of the PPSA Australia or section 17(1)(b) of the PPSA New Zealand which do not secure payment or performance of an obligation and any equivalent arrangement entered into any other jurisdiction; and

(x) Liens on dedicated cash collateral accounts of Restricted Foreign Subsidiaries (other than Canadian Subsidiaries) and the deposits therein not to exceed \$50,000,000 in the aggregate securing letters of credit issued for the account of a Foreign Borrower or any other Restricted Foreign Subsidiary (in each case other than a Canadian Borrower) by any financial institution (which financial institution for the avoidance of doubt shall not be required to be a Lender or Fronting Bank).

10.2.3 Limitation on Fundamental Changes. Except as expressly permitted by Section 10.2.4 or 10.2.5, each Borrower will not, and will not permit any of the Restricted Subsidiaries to, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all its business units, assets or other properties, except that:

(a) so long as no Default or Event of Default would result therefrom, any Subsidiary of any Borrower or any other Person may be merged or consolidated with or into a Borrower, *provided* that (i) a Borrower shall be the continuing or surviving entity or (ii) if the Person formed by or surviving any such merger, amalgamation or consolidation is not a Borrower (such Person, the “Successor Borrower”), (A)(1) in the case of a merger, amalgamation or consolidation by a Person organized or existing under the laws of the United States, any state thereof or the District of Columbia, the Successor Borrower shall be an entity organized or existing under the laws of the United States, any state thereof or the District of

Columbia, (2) in the case of a merger, amalgamation or consolidation by a Person organized or existing under the laws of Canada or any province thereof, the Successor Borrower shall be an entity organized or existing under the laws of Canada or any province thereof, and (3) in the case of a merger, amalgamation or consolidation by a Person not organized or existing under the laws of the United States, any state thereof, the District of Columbia, Canada or any province thereof, the Successor Borrower shall be an entity organized or existing under the laws of the country in which the non-surviving Borrower was organized or existing or the laws of any state or province thereof, (B) the Successor Borrower shall expressly assume all the obligations of a Borrower under this Agreement and the other Loan Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Agent, (C) each applicable Guarantor, unless it is the other party to such merger, amalgamation or consolidation, shall have by a supplement hereto confirmed that its Guarantee shall apply to the Successor Borrower's obligations under this Agreement, (D) each U.S. Domiciled Loan Party and each Foreign Domiciled Loan Party, as applicable, unless it is the other party to such merger or consolidation, shall have by a supplement to this Agreement confirmed that its obligations thereunder shall apply to the Successor Borrower's obligations under this Agreement, and (E) the Borrower shall have delivered to the Agent (1) an officer's certificate stating that such merger, amalgamation or consolidation and such supplements to this Agreement and the other Loan Documents preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the Security Documents and (2) if reasonably requested by the Agent, an opinion of counsel to the effect that such merger, amalgamation or consolidation does not violate this Agreement or any other Loan Document, and *provided further* that if the foregoing are satisfied, the Successor Borrower will succeed to, and be substituted for, such Borrower under this Agreement;

(b) any Subsidiary of a Borrower (other than another Borrower) or any other Person may be merged, amalgamated or consolidated with or into any one or more Subsidiaries of such Borrower, *provided* that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving entity or (B) such Borrower shall take all steps necessary to cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, (ii) in the case of any merger, amalgamation or consolidation involving one or more Guarantors, a Guarantor shall be the continuing or surviving entity or the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Guarantor) shall execute a supplement or joinder to this Agreement, substantially in the form of **Exhibit I**, in order to become a Guarantor under Section 5.10 and a grantor under Section 7.1 (or in the case of a Guarantor not organized in the U.S. or Canada enter into other Security Documents) to the extent required under Section 10.1.13, (iii) no Default or Event of Default would result from the consummation of such merger, amalgamation or consolidation, (iv) any Indebtedness incurred to finance such merger, amalgamation or consolidation is permitted to be incurred by the Senior Secured Notes Indenture, and (v) such Borrower shall have delivered to the Agent an officer's certificate stating that such merger, amalgamation or consolidation and such supplements and/or joinders to any Security Document preserve the enforceability of the Guarantee and the perfection and priority of the Liens under the Security Documents;

(c) any Restricted Subsidiary that is not a Borrower or Guarantor may sell, lease, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or otherwise) to any Borrower, a Guarantor or any other Restricted Subsidiary;

(d) any Guarantor may sell, lease, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or otherwise) to any Borrower or any other Guarantor; and

(e) any Restricted Subsidiary may liquidate or dissolve if (i) the North American Loan Party Agent determines in good faith that such liquidation or dissolution is in the best interests of the Borrowers and is not materially disadvantageous to the Lenders and (ii) to the extent such Restricted Subsidiary is a Loan Party, any assets or business not otherwise disposed of or transferred in accordance with Section 10.2.4 or 10.2.5, or, in the case of any such business, discontinued, shall be transferred to, or otherwise owned or conducted by, another Loan Party after giving effect to such liquidation or dissolution.

10.2.4 Limitation on Sale of Assets. Each Borrower will not, and will not permit any of the Restricted Subsidiaries to, (x) convey, sell, lease, assign, transfer or otherwise dispose of any of its property, business or assets (including receivables and leasehold interests), whether now owned or hereafter acquired (other than any such sale, transfer, assignment or other disposition resulting from any casualty or condemnation, of any assets of such Borrower or the Restricted Subsidiaries) or (y) sell to any Person (other than a Borrower or a Guarantor) any shares owned by it of any Restricted Subsidiary's Stock and Stock Equivalents, except that:

(a) any Borrower and the Restricted Subsidiaries may sell, transfer or otherwise dispose of (i) inventory in the Ordinary Course of Business, (ii) used or surplus equipment, vehicles and other assets in the Ordinary Course of Business and (iii) Permitted Investments;

(b) any Borrower and the Restricted Subsidiaries may sell, transfer or otherwise dispose of other assets (other than accounts receivable) (each a "Disposition") for fair value, *provided* that:

(i) with respect to any Disposition pursuant to this clause (b) for a purchase price in excess of \$10,000,000, such Borrower or a Restricted Subsidiary shall receive not less than 75% of such consideration in the form of cash or Permitted Investments; *provided* that for the purposes of this clause (i):

(A) any liabilities (as shown on such Borrower's or such Restricted Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto) of such Borrower or such Restricted Subsidiary, other than liabilities that are by their terms subordinated to the payment in cash of the Obligations, that are assumed by the transferee with respect to the applicable Disposition and for which such Borrower and all of the Restricted Subsidiaries shall have been validly released by all applicable creditors in writing,

(B) any securities received by such Borrower or such Restricted Subsidiary from such transferee that are converted by such Borrower or such Restricted Subsidiary into cash (to the extent of the cash received) within 180 days following the closing of the applicable Disposition, and

(C) any Designated Non-Cash Consideration received by such Borrower or such Restricted Subsidiary in respect of such Disposition having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this Section 10.2.4(b) and Section 10.2.4(c) that is at that time outstanding, not in excess of 6% of Consolidated Total Assets at the time of the receipt of such Designated Non-Cash Consideration, with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value,

shall in each case under this clause (i) be deemed to be cash; and

(ii) after giving effect to any such sale, transfer or disposition, no Default or Event of Default shall have occurred and be continuing;

(c) each Borrower and the Restricted Subsidiaries may make sales of assets to any Borrower or to any Restricted Subsidiary, *provided* that with respect to any such sales to Restricted Subsidiaries that are not Guarantors or Borrowers:

(i) such sale, transfer or disposition shall be for fair value;

(ii) with respect to any Disposition pursuant to this clause (c) for a purchase price in excess of \$10,000,000, such Borrower or a Restricted Subsidiary shall receive not less than 75% of such consideration in the form of cash or Permitted Investments; *provided* that for the purposes of this clause (ii):

(A) any liabilities (as shown on such Borrower's or such Restricted Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto) of such Borrower or such Restricted Subsidiary, other than liabilities that are by their terms subordinated to the payment in cash of the Obligations, that are assumed by the transferee with respect to the applicable Disposition and for which such Borrower and all of the Restricted Subsidiaries shall have been validly released by all applicable creditors in writing,

(B) any securities received by such Borrower or such Restricted Subsidiary from such transferee that are converted by such Borrower or such Restricted Subsidiary into cash (to the extent of the cash received) within 180 days following the closing of the applicable Disposition,

(C) any Designated Non-Cash Consideration received by such Borrower or such Restricted Subsidiary in respect of such Disposition having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this Section 10.2.4(c) and Section 10.2.4(b) that is at that time outstanding, not in excess of 6% of Consolidated Total Assets at the time of the receipt of such Designated Non-Cash Consideration, with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value,

shall in each case under this clause (ii) be deemed to be cash.

(d) any Borrower and any Restricted Subsidiary may effect any transaction permitted by Section 10.2.2, 10.2.3, 10.2.5 or 10.2.6;

(e) in addition to selling or transferring accounts receivable pursuant to the other provisions hereof, MRC and the Restricted Subsidiaries may sell or discount without recourse accounts receivable arising in the Ordinary Course of Business in connection with the compromise or collection thereof consistent with such Person's current credit and collection practices;

(f) any Borrower and any Restricted Subsidiary may lease, sublease, license or sublicense (on a non-exclusive basis with respect to any intellectual property) real, personal or intellectual property in the Ordinary Course of Business;

(g) any Borrower and any Restricted Subsidiary may make sales, transfers and other dispositions of property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are promptly applied to the purchase price of such replacement property;

(h) any Borrower and any Restricted Subsidiary may make sales, transfers and other dispositions of property pursuant to Permitted Sale Leaseback transactions;

(i) any Borrower and any Restricted Subsidiary may make Dispositions of Non-Core Assets or any portion thereof;

(j) any Borrower and any Restricted Subsidiary may make sales, transfers and other dispositions of Investments in joint ventures to the extent required by, or made pursuant to customary buy/sell arrangements between, the joint venture parties set forth in joint venture arrangements and similar binding arrangements; and

(k) any Restricted Subsidiary that is not a Loan Party and is domiciled outside of Australia, Belgium, Canada, the Netherlands, New Zealand, Singapore, the UK and the U.S. may make Dispositions of Accounts and Related Assets to a Receivables Entity so long as the requirements included in the definition of Qualified Receivables Transaction have been satisfied.

10.2.5 Limitation on Investments. Each Borrower will not, and will not permit any of the Restricted Subsidiaries to, make any advance, loan, extensions of credit or capital contribution to, or purchase any stock, bonds, notes, debentures or other securities of or any assets of, or make any other Investment in, any Person, except:

(a) extensions of trade credit and asset purchases in the Ordinary Course of Business;

(b) Permitted Investments;

(c) loans and advances to officers, directors and employees of any Borrower (or any direct or indirect parent thereof) or any of its Subsidiaries (i) for reasonable and customary business-related travel, entertainment, relocation and analogous ordinary business purposes (including employee payroll advances), (ii) in connection with such Person's purchase of Stock or Stock Equivalents of such Borrower (or any direct or indirect parent thereof) to the extent that the amount of such loans and advances are contributed to such Borrower in cash and (iii) for purposes not described in the foregoing clauses (i) and (ii), in an aggregate principal amount outstanding not to exceed \$10,000,000;

(d) Investments existing on, or contemplated as of, the date hereof and listed on **Schedule 10.2.5** and any extensions, renewals or reinvestments thereof, so long as the aggregate amount of all Investments pursuant to this clause (d) is not increased at any time above the amount of such Investments existing on the date hereof;

(e) Investments received in connection with the bankruptcy or reorganization of suppliers or customers and in settlement of delinquent obligations of, and other disputes with, customers arising in the Ordinary Course of Business or upon foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment;

(f) Investments to the extent that payment for such Investments is made solely with Stock or Stock Equivalents of any Borrower;

(g) Investments in (i) U.S. Domiciled Loan Parties and (ii) any other Persons provided that after giving effect to such Investments under this clause (g) (ii), either (A) both (1) Excess Availability is greater than the higher of (I) 10% of the Commitments and (II) \$95,000,000 and (2) the Consolidated Fixed Charge Coverage Ratio for the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 is greater than 1.0 to 1.0 or (B) Excess Availability is greater than the higher of (1) 15% of the Commitments and (2) \$150,000,000; *provided* that if the test set forth in clause (g)(ii) (A) or (g)(ii)(B) above is not satisfied, then any Borrower shall be permitted to make Investments in an amount not to exceed \$60,000,000 in the aggregate (net of repayments) for all Borrowers since the last calculation date on which the Borrowers most recently met the test in clause (g)(ii)(A) or (g)(ii)(B) above if, after giving effect to such Investments, either (1) the Consolidated Fixed Charge Coverage Ratio for the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 is greater than 1.0 to 1.0 or (2) Excess Availability is greater than the higher of (x) 10% of the Commitments and (y) \$95,000,000;

(h) Permitted Acquisitions;

(i) Investments constituting non-cash proceeds of sales, transfers and other dispositions of assets to the extent permitted by Section 10.2.4;

(j) Investments made to repurchase or retire Stock of any Borrower or any direct or indirect parent thereof owned by any employee stock ownership plan or key employee stock ownership plan of such Borrower (or any direct or indirect parent thereof);

(k) Investments permitted under Section 10.2.6;

(l) loans and advances to any direct or indirect parent of any Borrower in lieu of, and not in excess of the amount of, dividends to the extent permitted to be made to such parent in accordance with Section 10.2.6;

(m) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the Ordinary Course of Business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors and other credits to suppliers in the Ordinary Course of Business;

(n) Investments in the Ordinary Course of Business consisting of Article 3 endorsements for collection or deposit and Article 4 customary trade arrangements with customers consistent with past practices;

(o) advances of payroll payments to employees in the Ordinary Course of Business;

(p) Guarantee Obligations of any Borrower or any Restricted Subsidiary of leases (other than Capital Leases) or of other obligations that do not constitute Indebtedness, in each case entered into in the Ordinary Course of Business;

(q) Investments made to repurchase or retire equity interests of any Borrower (or any direct or indirect parent thereof) owned by any employee stock ownership plan or key employee stock ownership plan of any Borrower (or any direct or indirect parent thereof);

(r) Investments of a Restricted Subsidiary acquired after the Closing Date or of any Person merged into any Borrower or merged or consolidated with a Restricted Subsidiary in accordance with Section 10.2.3 after the Closing Date to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger or consolidation and were in existence on the date of such acquisition, merger or consolidation;

(s) Investments constituting Guarantee Obligations of Indebtedness permitted under Section 10.2.1; and

(t) Investments by any Restricted Subsidiary that is not a Loan Party in any other Restricted Subsidiary that is not a Loan Party or in a Receivables Entity pursuant to a Qualified Receivables Transaction.

10.2.6 Limitation on Dividends. MRC will not declare or pay any dividends (other than dividends payable solely in its Stock) or return any capital to its stockholders or make any other distribution, payment or delivery of property or cash to its stockholders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any shares of any class of its Stock or Stock Equivalents or the Stock or Stock Equivalents of any direct or indirect parent now or hereafter outstanding, or set aside any funds for any of the foregoing purposes, or permit any of its Restricted Subsidiaries to purchase or otherwise acquire for consideration (other than in connection with an Investment permitted by Section 10.2.5) any Stock or Stock Equivalents of MRC, now or hereafter outstanding (all of the foregoing "dividends"), *provided* that, so long as no Default or Event of Default exists or would exist after giving effect thereto:

(a) MRC may redeem in whole or in part any of its Stock or Stock Equivalents for another class of its Stock or Stock Equivalents or with proceeds from substantially concurrent equity contributions or issuances of new Stock or Stock Equivalents, *provided* that such new Stock or Stock Equivalents contain terms and provisions at least as advantageous to the Lenders in all respects material to their interests as those contained in the Stock or Stock Equivalents redeemed thereby;

(b) MRC may (or may make dividends to permit any direct or indirect parent thereof to) repurchase shares of its (or such parent's) Stock or Stock Equivalents held by officers, directors and employees of MRC and its Subsidiaries, so long as such repurchase is pursuant to, and in accordance with the terms of, management and/or employee stock plans, stock subscription agreements or shareholder agreements; *provided*, that the aggregate amount of all cash paid in respect of all such shares so repurchased in any calendar year does not exceed the sum of (i) \$10,000,000 plus (ii) all amounts obtained by MRC during such calendar year from the sale of such Stock or Stock Equivalents to other officers, directors and employees of MRC and its Subsidiaries in connection with any permitted compensation and incentive arrangements plus (iii) all amounts obtained from any key-man life insurance policies received during such calendar year; *provided further* that the aggregate amount permitted by the foregoing proviso with respect to any calendar year commencing with 2012 shall be increased by 100% of the amount of unused share repurchases for the immediately preceding year (such amount, a "carry-over amount") without giving effect to any carryover amount that was added in such preceding calendar year and assuming any such carry-over amount is utilized first and so long as the aggregate amount of cash paid in respect of all such shares so repurchased in any calendar year does not exceed \$20,000,000; and *provided still further* the aggregate amount of all cash paid in respect of all such shares so repurchased in any calendar year may exceed the aggregate amount permitted by the foregoing provisos if Excess Availability is not less than \$100,000,000 after giving effect to such dividend, distribution or other return of capital;

(c) MRC may pay dividends on its Stock or Stock Equivalents, provided that after giving effect to such payment, either (i) both (A) Excess Availability is greater than the higher of (1) 15% of the Commitments and (2) \$150,000,000 and (B) the Pro Forma Consolidated Fixed Charge Coverage Ratio for the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or (b) of Section 10.1.1 is greater than 1.0 to 1.0 or (ii) Excess Availability is greater than the higher of (A) 20% of the Commitments and (B) \$210,000,000, and provided further that the foregoing test shall not apply to any dividends paid with proceeds arising from a Qualified IPO; and

(d) MRC may pay dividends:

(i) to its direct or indirect parent in amounts sufficient for any such parent to pay its income tax obligations for so long as MRC or any Restricted Subsidiary is a member of a group filing a consolidated, combined, unitary, affiliated or other similar tax return with such parent; *provided* the amount of dividends paid under this clause (i) in respect of income tax obligations is limited to the extent such tax liability is directly

attributable to the taxable income of MRC or its Subsidiaries (that are included in such consolidated, combined, unitary, affiliated or other similar tax return), determined as if MRC and such Subsidiaries filed a separate consolidated, combined, unitary, affiliated or other similar tax return as a stand-alone group and will be used to pay (or to make dividends to allow any direct or indirect parent to pay), within 30 days of the receipt thereof, the tax liability to each relevant jurisdiction in respect of such consolidated, combined, unitary, affiliated or other similar returns;

(ii) the proceeds of which shall be used to allow any direct or indirect parent of MRC to pay (A) its operating expenses incurred in the Ordinary Course of Business and other corporate overhead costs and expenses (including administrative, legal, accounting and similar expenses provided by third parties), which are reasonable and customary and incurred in the Ordinary Course of Business, in an aggregate amount not to exceed \$15,000,000 in any fiscal year of MRC plus any reasonable and customary indemnification claims made by directors or officers of MRC (or any parent thereof) attributable to the ownership or operations of MRC and its Subsidiaries or (B) fees and expenses otherwise (1) due and payable by MRC or any of its Subsidiaries and (2) permitted to be paid by MRC or such Subsidiary under this Agreement;

(iii) without duplication of clause (i), above, the proceeds of which shall be used to pay franchise taxes and other fees, taxes and expenses required to maintain the corporate existence of any direct or indirect parent of MRC or its Restricted Subsidiaries, within thirty (30) days of the receipt thereof;

(iv) to any direct or indirect parent of MRC to finance any Investment permitted to be made pursuant to Section 10.2.5; *provided* that (A) such dividend shall be made substantially concurrently with the closing of such Investment and (B) such parent shall, immediately following the closing thereof, cause (1) all property acquired (whether assets, Stock or Stock Equivalents) to be contributed to MRC or its Restricted Subsidiaries or (2) the merger (to the extent permitted in Section 10.2.5) of the Person formed or acquired into MRC or its Restricted Subsidiaries in order to consummate such Permitted Acquisition; and

(v) constituting repurchases of Stock or Stock Equivalents upon the cashless exercise of stock options.

10.2.7 Limitations on Debt Payments and Amendments.

(a) Each Borrower will not, and will not permit any Restricted Subsidiary to, prepay, repurchase or redeem or otherwise defease any Subordinated Indebtedness held by a Person other than a Loan Party; *provided, however*, that so long as no Default or Event of Default shall have occurred and be continuing at the date of such prepayment, repurchase, redemption or other defeasance or would result after giving effect thereto, any Borrower or any Restricted Subsidiary may prepay, repurchase or redeem Subordinated Indebtedness if either (A) both (1) Excess Availability is greater than the higher of (x) 15% of the Commitments and (y) \$150,000,000 and (2) the Pro Forma Consolidated Fixed Charge Coverage Ratio for the most recent Test Period for which financial statements have been delivered pursuant to clause (a) or

(b) of Section 10.1.1 is greater than 1.0 to 1.0 or (B) Excess Availability is greater than the higher of (1) 20% of the Commitments and (2) \$210,000,000, in each case after giving effect to such prepayment, repurchase, redemption or other defeasance, with the proceeds of Subordinated Indebtedness that (A) is permitted by Section 10.2.1(b) (other than Section 10.2.1(b)(xiv)) and (B) has terms not materially less advantageous to the Lenders than those of such Subordinated Indebtedness being refinanced.

(b) Each Borrower will not waive, amend, modify, terminate or release any Subordinated Indebtedness to the extent that any such waiver, amendment, modification, termination or release would be adverse to the Lenders in any material respect.

(c) The Initial Canadian Borrower will not, and will not permit any Restricted Subsidiary to, make any payment with respect to the Subordinated Indebtedness covered by the Subordination Agreement except for the discharge of such Subordinated Indebtedness as permitted under the Subordination Agreement.

10.2.8 Limitations on Sale Leasebacks. Each Borrower will not, and will not permit any Restricted Subsidiary to, enter into or effect any Sale Leasebacks, other than Permitted Sale Leasebacks.

10.2.9 Changes in Business. The Borrowers and the Subsidiaries, taken as a whole, will not fundamentally and substantively alter the character of their business, taken as a whole, from the business conducted by the Borrowers and the Subsidiaries, taken as a whole, on the Closing Date and other business activities incidental or related to any of the foregoing.

10.2.10 Burdensome Agreements. Each Borrower will not, and will not permit any Restricted Subsidiary to, enter into or permit to exist any contractual obligation (other than this Agreement or any other Loan Document) that limits the ability of (a) any Restricted Subsidiary that is not a Borrower or Guarantor to make dividends to any Borrower or any Guarantor or (b) such Borrower or any Guarantor to create, incur, assume or suffer to exist Liens on property of such Person for the benefit of the Lenders with respect to the Secured Obligations; *provided* that the foregoing clauses (a) and (b) shall not apply to contractual obligations which (i)(A) exist on the date hereof and (to the extent not otherwise permitted by this Section 10.2.10) are listed on **Schedule 10.2.10** and (B) to the extent contractual obligations permitted by clause (A) are set forth in an agreement evidencing Indebtedness, are set forth in any agreement evidencing any permitted renewal, extension or refinancing of such Indebtedness so long as such renewal, extension or refinancing does not expand the scope of such contractual obligation, (ii) are binding on a Restricted Subsidiary at the time such Restricted Subsidiary first becomes a Restricted Subsidiary of such Borrower, so long as such contractual obligations were not entered into solely in contemplation of such Person becoming a Restricted Subsidiary of such Borrower; (iii) represent Indebtedness of a Restricted Subsidiary of such Borrower which is not a Loan Party which is permitted by Section 10.2.1, (iv) arise in connection with any Disposition permitted by Section 10.2.4, (v) are customary provisions in joint venture agreements and other similar agreements applicable to joint ventures permitted under Section 10.2.5 and applicable solely to such joint venture entered into in the Ordinary Course of Business, (vi) are negative pledges and restrictions on Liens in favor of any holder of Indebtedness permitted under Section 10.2.1 but solely to the extent any negative pledge relates to the property financed by or

the subject of such Indebtedness, (vii) are customary restrictions on leases, subleases, licenses or asset sale agreements otherwise permitted hereby so long as such restrictions relate to the assets subject thereto, (viii) comprise restrictions imposed by any agreement relating to secured Indebtedness permitted pursuant to Section 10.2.1 to the extent that such restrictions apply only to the property or assets securing such Indebtedness or, in the case of secured Indebtedness incurred pursuant to Section 10.2.1(b)(ix) or Section 10.2.1(b)(x) only, to the Restricted Subsidiaries incurring or guaranteeing such Indebtedness, (ix) are customary provisions restricting subletting or assignment of any lease governing a leasehold interest of such Borrower or any Restricted Subsidiary, (x) are customary provisions restricting assignment of any agreement entered into in the Ordinary Course of Business, (xi) are restrictions on cash or other deposits imposed by customers under contracts entered into in the Ordinary Course of Business, and (xii) exist under the Senior Secured Notes Indenture or any documentation relating to such debt.

10.3 Financial Covenants. As long as any Commitments or Obligations are outstanding:

10.3.1 Consolidated Fixed Charge Coverage Ratio. MRC and its Restricted Subsidiaries (or so long as Parent is a Passive Entity, Parent and the Restricted Subsidiaries) shall maintain, as of the last day of each fiscal quarter during the occurrence and continuance of a FCCR Test Event, a Consolidated Fixed Charge Coverage Ratio of at least 1.0 to 1.0 for the Test Period ending on the last day of such fiscal quarter.

SECTION 11. EVENTS OF DEFAULT; REMEDIES ON DEFAULT

11.1 Events of Default. Upon the occurrence of any of the following specified events (each, an “Event of Default”), if the same shall occur for any reason whatsoever, whether voluntary or involuntary, by operation of law or otherwise:

11.1.1 Payments. Any Borrower shall (a) default in the payment when due of any principal of the Loans or (b) default in the payment when due of any interest on the Loans or any fees or any other amounts owing hereunder or under any other Loan Document and, so long as no Cash Dominion Event exists, such default shall continue for five or more days; or

11.1.2 Representations, etc. Any representation, warranty or statement made or deemed made by any Loan Party herein or in any Security Document or any certificate, statement, report or other document delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made; or

11.1.3 Covenants. Any Loan Party shall:

(a) default in the due performance or observance by it of any term, covenant or agreement contained in Section 10.1.1(h), Section 10.1.14, Section 10.2 or Section 10.3;

(b) default in the due performance or observance by it of any term, covenant or agreement contained in Section 10.1.1(f) and such default shall continue unremedied for a period of at least ten (10) Business Days (which period is shortened to four (4) Business Days if an FCCR Test Event is continuing) after the earlier of the date on which a Senior Officer of such Loan Party has knowledge of such default and the date of receipt of written notice by such Loan Party from the Agent or the Required Lenders; or

(c) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 11.1.1 or 11.1.2 or clauses (a) or (b) of this Section 11.1.3) contained in this Agreement, any Security Document or the Fee Letter and such default shall continue unremedied for a period of at least thirty (30) days after receipt of written notice by such Loan Party from the Agent or the Required Lenders; or

11.1.4 Default Under Other Agreements. (a) Any of the Borrowers or any of the Restricted Subsidiaries shall (i) default in any payment with respect to any Indebtedness (other than the Obligations) in excess of \$50,000,000 in the aggregate, for such Borrowers and such Restricted Subsidiaries, beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created or (ii) default in the observance or performance of any agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist (other than, with respect to Indebtedness consisting of any Hedge Agreements, termination events or equivalent events pursuant to the terms of such Hedge Agreements), the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, any such Indebtedness to become due prior to its stated maturity; or (b) without limiting the provisions of clause (a) above, any such Indebtedness shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment or as a mandatory prepayment (and, with respect to Indebtedness consisting of any Hedge Agreements, other than due to a termination event or equivalent event pursuant to the terms of such Hedge Agreements), prior to the stated maturity thereof; or

11.1.5 Bankruptcy, etc. (a) Any Borrower or any Specified Subsidiary shall commence a voluntary Insolvency Proceeding; (b) any Foreign Subsidiary that is a Specified Subsidiary, shall commence a voluntary case, proceeding or action under domestic or foreign law relating to bankruptcy, judicial management, insolvency reorganization or relief of debtors legislation of its jurisdiction of incorporation, in each case as now or hereafter in effect, or any successor thereto; (c) an involuntary Insolvency Proceeding is commenced against any Borrower or any Specified Subsidiary and the petition is not controverted within 10 days after commencement thereof; (d) an involuntary Insolvency Proceeding is commenced against any Borrower or any Specified Subsidiary and the petition is not dismissed within 60 days after commencement thereof; (e) a Creditor Representative or similar Person is appointed for, or takes charge of, all or substantially all of the property of any Borrower or any Specified Subsidiary; (f) any Borrower or any Specified Subsidiary commences any other proceeding or action under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to any Borrower or any Specified Subsidiary; (g) there is commenced against any Borrower or any Specified Subsidiary any such proceeding or action that remains undismissed for a period of 60 days; (h) any Borrower or any Specified Subsidiary is adjudicated insolvent or bankrupt; (i) any order of relief or other order approving any such case or proceeding or action is entered; (j) any Borrower or any Specified Subsidiary suffers any appointment of any Creditor Representative or

the like for it or any substantial part of its Property to continue undischarged or unstayed for a period of 60 days; (k) any Borrower or any Specified Subsidiary makes a general assignment for the benefit of creditors; (l) any corporate action is taken by any Borrower or any Specified Subsidiary for the purpose of effecting any of the foregoing; (m) (i) any UK Borrower or Singapore Borrower, (1) is unable or admits inability to pay its debts as they fall due, (2) suspends making payments on any of its debts or (3) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Indebtedness; or (ii) in respect of any UK Borrower or Singapore Borrower, (1) the value of its assets is less than that of its liabilities (taking into account contingent and prospective liabilities) or (2) a moratorium or other protection from its creditors is declared or imposed in respect of any its Indebtedness; or (n) any Borrower or any Specified Subsidiary incorporated in New Zealand (or the New Zealand based assets or business of any other Borrower or Specified Subsidiary) is declared at risk pursuant to the Corporations (Investigation and Management) Act 1989 (New Zealand), or a statutory manager is appointed or any step taken with a view to any such appointment in respect of it or those assets or business under that Act; or

11.1.6 ERISA. (a) Any U.S. Employee Plan shall fail to satisfy the minimum funding standard required for any plan year or part thereof or a waiver of such standard or extension of any amortization period is sought or granted under Section 412 of the Code; any U.S. Employee Plan is or shall have been terminated or is the subject of termination proceedings under ERISA (including the giving of written notice thereof); an event shall have occurred or a condition shall exist in either case entitling the PBGC to terminate any U.S. Employee Plan or to appoint a trustee to administer any U.S. Employee Plan (including the giving of written notice thereof); any U.S. Employee Plan shall have an accumulated funding deficiency (whether or not waived); any Borrower or any Subsidiary or any ERISA Affiliate has incurred or is likely to incur a liability to or on account of a U.S. Employee Plan under Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201 or 4204 of ERISA or Section 4971 or 4975 of the Code (including the giving of written notice thereof); (b) there could result from any event or events set forth in clause (a) of this Section 11.1.6 the imposition of a lien, the granting of a security interest, or a liability, or the reasonable likelihood of incurring a lien, security interest or liability; and (c) such lien, security interest or liability will or would be reasonably likely to have a Material Adverse Effect; or

11.1.7 Canadian Pension Plan and UK Pensions Regulator. (a) (i) A Termination Event shall occur or any Canadian Multi-Employer Plan shall be terminated, in each case, in circumstances which would result or could reasonably be expected to result in a Canadian Facility Loan Party being required to make a contribution to or in respect of a Canadian Pension Plan or a Canadian Multi-Employer Plan or results in the appointment, by FSCO, of an administrator to wind up a Canadian Pension Plan, (ii) any Canadian Domiciled Loan Party is in default with respect to any required contributions to a Canadian Pension Plan, or (iii) any Lien arises (save for contribution amounts not yet due) in connection with any Canadian Pension Plan, provided the events set forth in clauses (i), (ii) and (iii), individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect (it being acknowledged that, for purposes of this Section, funding deficiencies and other benefit liabilities existing as of the Closing Date shall be included in the determination of whether a Material Adverse Effect has occurred or exists); or

(b) The Pensions Regulator issues a Financial Support Direction or a Contribution Notice to any UK Domiciled Loan Party and such Financial Support Direction or Contribution Notice will or would be reasonably likely to have a Material Adverse Effect; or

11.1.8 Guarantee. Any Guarantee provided by any Material Subsidiary or any material provision thereof shall cease to be in full force or effect or any such Guarantor thereunder or any Loan Party shall deny or disaffirm in writing any such Guarantor's obligations under the Guarantee (or any of the foregoing shall occur with respect to a Guarantee provided by a Subsidiary that is not a Material Subsidiary and shall continue unremedied for a period of at least 5 Business Days after receipt of written notice to the North American Loan Party Agent from the Agent or the Required Lenders); or

11.1.9 Security Documents. Any Security Document pursuant to which the assets of any Borrower or any Material Subsidiary are pledged as Collateral or any material provision thereof shall cease to be in full force or effect (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Agent, any Security Trustee or any Lender) or any grantor thereunder or any Loan Party shall deny or disaffirm in writing any grantor's obligations under such Security Document (or any of the foregoing shall occur with respect to Collateral provided by a Subsidiary that is not a Material Subsidiary and shall continue unremedied for a period of at least 5 Business Days after receipt of written notice to the North American Loan Party Agent from the Agent or the Required Lenders); or

11.1.10 Judgments. One or more judgments or decrees shall be entered against any Borrower or any of the Restricted Subsidiaries involving a liability of \$50,000,000 or more in the aggregate for all such judgments and decrees for the Borrowers and the Restricted Subsidiaries (to the extent not paid or fully covered by insurance provided by a carrier not disputing coverage) and any such judgments or decrees shall not have been satisfied, vacated, discharged or stayed or bonded pending appeal within 60 days from the entry thereof; or

11.1.11 Change of Control. A Change of Control shall occur; or

11.1.12 Intercreditor; Subordination. The Intercreditor Agreement shall be invalidated or otherwise cease to constitute the legal, valid and binding obligations of the Senior Secured Notes Secured Parties (as defined therein) and the Subordinated Lien Secured Parties (as defined therein), enforceable in accordance with its terms (to the extent that any Indebtedness held by such parties remains outstanding) or the subordination provisions of any document or instrument evidencing any Permitted Additional Debt or other Subordinated Indebtedness having a principal amount in excess of \$15,000,000 that are subordinated shall be invalidated or otherwise cease to be legal, valid and binding obligations of the holders of such Permitted Additional Debt or other Subordinated Indebtedness, enforceable in accordance with their terms;

then, (1) upon the occurrence of any Event of Default described in Section 11.1.5, automatically, and (2) upon the occurrence of any other Event of Default, at the request of (or with the consent of) Required Lenders, upon notice to the Borrowers by the Agent, (A) the Commitment of each Lender and the obligation of any Fronting Bank to issue any Letter of Credit shall immediately terminate; (B) each of the following shall immediately become due and payable, in each case without presentment, demand, protest or other requirements of any kind, all of which are hereby

expressly waived by each Loan Party: (I) the unpaid principal amount of and accrued interest on the Loans, (II) an amount equal to the maximum amount that may at any time be drawn under all Letters of Credit then outstanding (regardless of whether any beneficiary under any such Letter of Credit shall have presented, or shall be entitled at such time to present, the drafts or other documents or certificates required to draw under such Letters of Credit), and (III) all other Obligations; *provided*, the foregoing shall not affect in any way the obligations of Lenders under Sections 2.2.2, 2.3.2, 2.4.2, 2.5.2, 2.6.2, 2.7.2, 2.8.2, or 2.9.2; (C) the Agent and Security Trustees may enforce any and all Liens and security interests created pursuant to Security Documents; and (D) the Agent shall direct the Borrowers to pay (and each Borrower hereby agrees upon receipt of such notice, or upon the occurrence of any Event of Default specified in Section 11.1.5 to pay) to the Agent such additional amounts of cash as reasonably requested by any Fronting Bank, to be held as security for the Borrowers' reimbursement Obligations in respect of Letters of Credit then outstanding.

11.2 License. Agent is hereby granted an irrevocable (during the continuance of an Event of Default), non-exclusive license or other right to use, license or sub-license (without payment of royalty or other compensation to any Loan Party) any or all intellectual property of Loan Parties, computer hardware and software, trade secrets, brochures, customer lists, promotional and advertising materials, labels, packaging materials and other Property, in advertising for sale, marketing, selling, collecting, completing manufacture of, or otherwise exercising any rights or remedies with respect to, any Collateral. Each Loan Party's rights and interests under intellectual property shall inure to Agent's benefit.

11.3 Setoff. At any time during the continuation of an Event of Default, each of the Agent, any Fronting Bank, any Lender, and any of their Affiliates is authorized, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Agent, Fronting Bank, such Lender or such Affiliate to or for the credit or the account of a Loan Party against any Obligations, irrespective of whether or not the Agent, such Fronting Bank, such Lender or such Affiliate shall have made any demand under this Agreement or any other Loan Document and although such Obligations may be contingent or unmatured or are owed to a branch or office of the Agent, such Fronting Bank, such Lender or such Affiliate different from the branch or office holding such deposit or obligated on such indebtedness. The rights of the Agent, each Fronting Bank, each Lender and each such Affiliate under this Section 11.3 are in addition to other rights and remedies (including other rights of setoff) that such Person may have.

11.4 Remedies Cumulative; No Waiver.

11.4.1 Cumulative Rights. All agreements, warranties, guaranties, indemnities and other undertakings of Loan Parties under the Credit Documents are cumulative and not in derogation of each other. The rights and remedies of the Agent and Lenders are cumulative, may be exercised at any time and from time to time, concurrently or in any order, and are not exclusive of any other rights or remedies available by agreement, by law, at equity or otherwise. All such rights and remedies shall continue in full force and effect until Full Payment of all Obligations.

11.4.2 Waivers. No waiver or course of dealing shall be established by (a) the failure or delay of the Agent or any Lender to require strict performance by Loan Parties with any terms of the Loan Documents, or to exercise any rights or remedies with respect to Collateral or otherwise; (b) the making of any Loan or issuance of any Letter of Credit during a Default, Event of Default or other failure to satisfy any conditions precedent; or (c) acceptance by the Agent or any Lender of any payment or performance by a Loan Party under any Loan Documents in a manner other than that specified therein. It is expressly acknowledged by Loan Parties that any failure to satisfy a financial covenant on a measurement date shall not be cured or remedied by satisfaction of such covenant on a subsequent date.

11.5 Judgment Currency. If, for the purpose of obtaining judgment in any court or obtaining an order enforcing a judgment, it becomes necessary to convert any amount due under this Agreement in any a currency (hereinafter in this Section 11.5 called the "first currency") into any other currency (hereinafter in this Section 11.5 called the "second currency"), then the conversion shall be made at the Agent's spot rate of exchange for buying the first currency with the second currency prevailing at the Agent's close of business on the Business Day next preceding the day on which the judgment is given or (as the case may be) the order is made. Any payment made by an Loan Party to any Credit Party or any Security Trustee pursuant to this Agreement in the second currency shall constitute a discharge of the obligations of any applicable Loan Parties to pay to such Credit Party or such Security Trustee any amount originally due to the Credit Party or Security Trustee in the first currency under this Agreement only to the extent of the amount of the first currency which such Credit Party or such Security Trustee is able, on the date of the receipt by it of such payment in any second currency, to purchase, in accordance with such Credit Party's or such Security Trustee's normal banking procedures, with the amount of such second currency so received. If the amount of the first currency falls short of the amount originally due to such Credit Party or such Security Trustee in the first currency under this Agreement, Loan Parties agree that they will indemnify each Credit Party and each Security Trustee against and save such Credit Party and such Security Trustee harmless from any shortfall so arising. This indemnity shall constitute an obligation of each such Loan Party separate and independent from the other obligations contained in this Agreement, shall give rise to a separate and independent cause of action and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum or sums in respect of amounts due to any Credit Party or any Security Trustee under any Loan Documents or under any such judgment or order. Any such shortfall shall be deemed to constitute a loss suffered by such Credit Party or such Security Trustee and Loan Parties shall not be entitled to require any proof or evidence of any actual loss. If the amount of the first currency exceeds the amount originally due to a Credit Party or a Security Trustee in the first currency under this Agreement, such Credit Party or such Security Trustee shall promptly remit such excess to Loan Parties. The covenants contained in this Section 11.5 shall survive the Full Payment of the Obligations under this Agreement.

SECTION 12. AGENT AND SECURITY TRUSTEES

12.1 Appointment, Authority and Duties of Agent.

12.1.1 Appointment and Authority.

(a) Each Secured Party appoints and designates Bank of America as the Agent under all Loan Documents. The Agent may, and each Secured Party authorizes the Agent to, enter into all Loan Documents to which the Agent is intended to be a party and accept all Security Documents, for the Agent's benefit and the Pro Rata benefit of the Secured Parties. Each Secured Party agrees that any action taken by the Agent, Required Borrower Group Lenders or Required Lenders in accordance with the provisions of the Loan Documents, and the exercise by the Agent or Required Lenders of any rights or remedies set forth therein, together with all other powers reasonably incidental thereto, shall be authorized by and binding upon all Secured Parties. Without limiting the generality of the foregoing, the Agent, together with the Security Trustees, as applicable, shall have the sole and exclusive authority to (i) act as the disbursing and collecting agent for Lenders with respect to all payments and collections arising in connection with the Loan Documents; (ii) execute and deliver as the Agent each Loan Document, including any intercreditor or subordination agreement (or joinder thereto), and accept delivery of each Loan Document from any Loan Party or other Person; (iii) act as collateral agent for Secured Parties for purposes of perfecting and administering Liens under the Loan Documents, and for all other purposes stated therein; (iv) manage, supervise or otherwise deal with Collateral; and (v) take any Enforcement Action or otherwise exercise any rights or remedies with respect to any Collateral under the Loan Documents, Applicable Law or otherwise. The duties of the Agent shall be ministerial and administrative in nature, and the Agent shall not have a fiduciary relationship with any Secured Party, Participant or other Person, by reason of any Loan Document or any transaction relating thereto. The Agent alone shall be authorized to determine whether any Accounts or Inventory constitute Eligible Accounts or Eligible Inventory, whether to impose or release any reserve, or whether any conditions to funding or to issuance of a Letter of Credit have been satisfied, which determinations and judgments, if exercised in good faith, shall exonerate the Agent from liability to any Lender or other Person for any error in judgment.

(b) For the purposes of creating a solidarité active in accordance with Article 1541 of the Civil Code of Québec between each Secured Party, taken individually, on the one hand, and the Agent, on the other hand, each Loan Party and each such Secured Party acknowledge and agree with the Agent that such Secured Party and the Agent are hereby conferred the legal status of solidary creditors of each such Loan Party in respect of all Obligations owed by each such Loan Party to the Agent and such Secured Party hereunder and under the other Loan Documents (collectively, the "Solidary Claim") and that, accordingly, but subject (for the avoidance of doubt) to Article 1542 of the Civil Code of Québec, each such Loan Party is irrevocably bound towards the Agent and each Secured Party in respect of the entire Solidary Claim of the Agent and such Secured Party. As a result of the foregoing, the parties hereto acknowledge that the Agent and each Secured Party shall at all times have a valid and effective right of action for the entire Solidary Claim of the Agent and such Secured Party and the right to give full acquittance for it. Accordingly, and without limiting the generality of the foregoing, the Agent, as solidary creditor with each Secured Party, shall at all times have a valid

and effective right of action in respect of the Solidary Claim and the right to give a full acquittance for same. By its execution of the Loan Documents to which it is a party, each such Loan Party not a party hereto shall also be deemed to have accepted the stipulations hereinabove provided. The parties further agree and acknowledge that such Liens (hypothecs) under the Security Documents and the other Loan Documents shall be granted to the Agent, for its own benefit and for the benefit of the Secured Parties, as solidary creditor as hereinabove set forth.

12.1.2 Duties. The Agent shall not have any duties except those expressly set forth in the Loan Documents. The conferral upon the Agent of any right shall not imply a duty to exercise such right, unless instructed to do so by Lenders in accordance with this Agreement.

12.1.3 Agent Professionals. The Agent may perform its duties through agents and employees. The Agent may consult with and employ Agent Professionals, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by an Agent Professional. The Agent shall not be responsible for the negligence or misconduct of any agents, employees or Agent Professionals selected by it with reasonable care.

12.1.4 Instructions of Required Lenders. The rights and remedies conferred upon the Agent under the Loan Documents may be exercised without the necessity of joinder of any other party, unless required by Applicable Law. The Agent may request instructions from Required Lenders, Required Borrower Group Lenders or other Secured Parties with respect to any act (including the failure to act) in connection with any Loan Documents, and may seek assurances to its satisfaction from the Secured Parties of their indemnification obligations against all Claims that could be incurred by the Agent in connection with any act. The Agent shall be entitled to refrain from any act until it has received such instructions or assurances, and the Agent shall not incur liability to any Person by reason of so refraining. Instructions of Required Lenders or Required Borrower Group Lenders shall be binding upon all Secured Parties, and no Secured Party shall have any right of action whatsoever against the Agent as a result of the Agent acting or refraining from acting in accordance with the instructions of Required Lenders or Required Borrower Group Lenders. Notwithstanding the foregoing, instructions by and consent of specific parties shall be required to the extent provided in Section 14.1.1. In no event shall the Agent be required to take any action that, in its opinion, is contrary to Applicable Law or any Loan Documents or could subject any Agent Indemnitee to personal liability.

12.2 European Security Trustee.

12.2.1 Appointment of the European Security Trustee.

(a) The European Secured Parties appoint the European Security Trustee to hold (i) any security interest created by any European Security Agreement; and (ii) the covenants and undertakings of the relevant European Security Agreements, with respect to any jurisdiction where the concept of trust is appropriate, on trust for the European Secured Parties and with respect to any jurisdiction where the concept of trust is not appropriate, as security agent for the European Secured Parties, and, in each case, the European Security Trustee accepts that appointment.

(b) The European Security Trustee, its subsidiaries and associated companies may each retain for its own account and benefit any fee, remuneration and profits paid to it in connection with (i) its activities under the Loan Documents and (ii) its engagement in any kind of banking or other business with any Loan Party.

12.2.2 Delegation. The European Security Trustee may delegate to any Person on such terms (which may include the power to sub-delegate) and subject to such conditions as it thinks fit, all or any of the rights, powers, authorities and discretions vested in it by any of the Loan Documents.

12.2.3 Separate Security Trustees.

(a) The European Security Trustee may (whether for the purpose of complying with any law or regulation of any overseas jurisdiction, or for any other reason) appoint any Person to act jointly with the European Security Trustee either as a separate trustee or as a co-trustee (each an “Appointee”) on such terms and subject to such conditions as the European Security Trustee thinks fit and with such of the rights, powers, authorities and discretions vested in the European Security Trustee by any Loan Document as may be conferred by the instrument of appointment of the Appointee.

(b) The European Security Trustee may pay reasonable remuneration to any Appointee, together with any costs and expenses (including legal fees) reasonably incurred by the Appointee in connection with its appointment. All such remuneration, costs and expenses shall be treated, for the purposes of this Agreement, as paid or incurred by the European Security Trustee.

12.2.4 The European Security Agreements.

(a) Each European Secured Party confirms its approval of the relevant European Security Agreements and of any security interest intended to be created under it, and authorizes and instructs the European Security Trustee to execute and deliver the relevant European Security Agreements.

(b) The European Security Trustee may accept without enquiry the title (if any) which any Person may have to any assets over which security interest is intended to be created by the relevant European Security Agreements, and shall not be liable to any other party for any defect in or failure of any such title.

(c) The European Security Trustee shall not be (i) liable or responsible to any European Secured Party for any failure to perfect, protect, register, make any filing or give notice in respect of the security interest intended to be created by the relevant European Security Agreements, unless that failure arises directly from its own gross negligence or wilful misconduct; (ii) obliged to insure any assets over which security interest is intended to be created by the relevant European Security Agreements, to require any other person to maintain any such insurance, or to make any enquiry or conduct any investigation into the legality, validity, effectiveness, adequacy or enforceability of any insurance existing over any such asset; or (iii) obliged to hold in its own possession the relevant European Security Agreements, title deed or other document relating to any assets over which security interest is intended to be created by the relevant European Security Agreements.

12.2.5 Security Trustee as Proprietor. Each European Secured Party confirms that it does not wish to be registered as a joint proprietor of any mortgage or charge created pursuant to the relevant European Security Agreements and accordingly (a) authorizes the European Security Trustee to hold such mortgages and charges in its sole name as trustee for the European Secured Parties; and (b) requests the Land Registry (or other relevant registry) to register the European Security Trustee as a sole proprietor (or heritable creditor, as the case may be) of any such mortgage or charge.

12.2.6 Investments. Except to the extent that a European Security Agreement otherwise requires, any moneys received by the European Security Trustee under or pursuant to a European Security Agreement may be (a) invested in any investments which it may select and which are authorized by Applicable Law; or (b) placed on deposit at any bank or institution (including itself) on such terms as it may think fit, in each case in the name or under the control of the European Security Trustee, and those moneys, together with any accrued income (net of any applicable Tax) shall be held by the European Security Trustee to the order of the Agent, and shall be payable to the Agent on demand.

12.2.7 European Secured Parties' Indemnity to the European Security Trustee. Each European Secured Party shall indemnify the European Security Trustee, its delegates and sub-delegates and Appointees (each an "Indemnified Party"), within three Business Days of demand, against any cost, loss or liability incurred by the European Security Trustee or the relevant Indemnified Party (otherwise than by reason of the gross negligence or wilful misconduct of the European Security Trustee or that Indemnified Party) in acting as European Security Trustee or its delegate, sub-delegate or Appointee under the relevant European Security Agreements (except to the extent that the European Security Trustee, or the relevant Indemnified Party has been reimbursed by any Loan Party pursuant to the relevant European Security Agreements).

12.2.8 Conduct of business by the European Security Trustee. No provision of this Agreement will (a) interfere with the right of the European Security Trustee to arrange its affairs (tax or otherwise) in whatever manner it thinks fit; (b) oblige the European Security Trustee to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or (c) oblige the European Security Trustee to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of tax.

12.2.9 Liability of European Security Trustee.

(a) The European Security Trustee shall not nor shall any of its officers, employees or agents from time to time be responsible for: (i) the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by any Loan Party or any other person given in or in connection with the relevant European Security Agreements; or (ii) the legality, validity, effectiveness, adequacy or enforceability of the relevant European Security Agreements or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with the relevant European Security Agreements.

(b) Without limiting Section 12.2.9(a), the European Security Trustee shall not be liable for any action taken by it or not taken by it under or in connection with the relevant European Security Agreements, unless directly caused by its gross negligence or wilful misconduct.

(c) No party (other than the European Security Trustee) may take any proceedings against any officer, employee or agent of the European Security Trustee in respect of any claim it might have against the European Security Trustee or in respect of any act or omission of any kind by that officer, employee or agent in relation to the relevant European Security Agreements and any officer, employee or agent of the European Security Trustee may rely on this Clause 12.2.9 and the provisions of the Contracts (Rights of Third Parties) Act 1999.

(d) The European Security Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Loan Documents to be paid by the European Security Trustee, if the European Security Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognized clearing or settlement system used by the European Security Trustee for that purpose.

(e) Without affecting the responsibility of the Loan Parties for information supplied by them or on their behalf in connection with any Loan Document, each European Secured Party confirms to the European Security Trustee that it has been, and shall continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with the relevant European Security Agreements including but not limited to: (i) the financial condition, status and nature of the Loan Parties; (ii) the legality, validity, effectiveness, adequacy or enforceability of the relevant European Security Agreements and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with the relevant European Security Agreements; (iii) whether such European Secured Party has recourse, and the nature and extent of that recourse, against any party or any of its respective assets under or in connection with any Loan Document, the transactions contemplated by the European Security Agreements or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with the relevant European Security Agreements; and (iv) the adequacy, accuracy and/or completeness of any information provided by any person under or in connection with the relevant European Security Agreements, the transactions contemplated by the relevant European Security Agreements or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with the relevant European Security Agreements.

12.2.10 European Security Agreements

(a) The European Security Trustee shall accept without investigation, requisition or objection, such title as any person may have to the assets which are subject to the relevant European Security Agreements and shall not (i) be bound or concerned to examine or enquire into the title of any person; (ii) be liable for any defect or failure in the title of any person, whether that defect or failure was known to the European Security Trustee or might have been discovered upon examination or enquiry and whether capable of remedy or not; or (iii) be

liable for any failure on its part to give notice of the relevant European Security Agreements to any third party or otherwise perfect or register the security interests created by the relevant European Security Agreements (unless such failure arises directly from the European Security Trustee's gross negligence or wilful misconduct).

(b) The European Security Trustee shall hold the relevant European Security Agreements and all proceeds of enforcement of them on trust for the European Secured Parties on the terms and conditions of this Agreement.

(c) The relevant European Security Agreements shall rank as continuing security interest for the discharge of the liabilities secured by it.

12.2.11 Disposals.

(a) Subject to Section 12.4.1, the Security Trustee is authorized by each of the European Secured Parties to execute on behalf of itself and each such European Secured Party without the need for any further referral to or authority from such European Secured Party, any release of the security interests created by the relevant European Security Agreements over that asset and, if such asset comprises all of the shares in any Loan Party, the European Security Trustee is further authorized, without the need for any further referral to or authority from such European Secured Party, to execute a release of any security interests granted by such Loan Party over its assets pursuant to any of the European Security Agreements provided that in each such case the proceeds are applied in the manner provided for in this Agreement as if they were realizations pursuant to the relevant European Security Agreements.

(b) Each European Secured Party undertakes to execute such releases and other documents as may be necessary to give effect to the releases specified in Section 12.2.11(a).

12.2.12 Trust. The perpetuity period for each trust created by this Agreement shall be 125 years.

12.2.13 Parallel Debt Obligations. In order to ensure the continuing validity of the security interests governed by Dutch law or Belgian law (a) each Dutch Domiciled Loan Party and each Belgian Domiciled Loan Party irrevocably and unconditionally undertakes (that undertaking in respect of any amount, a "Parallel Debt Obligation" and in respect of all of them, the "Parallel Debt Obligations") to pay to the European Security Trustee an amount equal to and in the same currency as all amounts from time to time due and payable by that Loan Party to the Lenders under the Credit Documents (the obligations to the Lenders in respect of any amount and a certain currency, an "Original Obligation" and its obligations to the Lenders in respect of all of them, the "Original Obligations"); (b) the Parallel Debt Obligations shall be separate from and independent of the Original Obligations, so that the European Security Trustee will have an independent right to demand performance of any Parallel Debt Obligation; (c) the Parallel Debt Obligations shall be owed to the European Security Trustee in its own name and any European Security Agreement governed by Dutch law or Belgian law shall also be expanded to secure the Parallel Debt Obligations; (d) the Lenders, the Loan Parties and the European Security Trustee acknowledge that the European Security Trustee acts in its own name and not as an agent or

representative of the Lenders and the security interests governed by Dutch law or Belgian law created in favor of the European Security Trustee will not be held on trust; (e) other than as set out in Section 12.2.13(f), the Parallel Debt Obligations shall not limit or affect the existence of the Original Obligations, for which the Lenders shall have an independent right to demand performance (to the extent permitted by this Agreement); (f) payment by the Loan Parties of any Parallel Debt Obligation shall to the same extent decrease and be a good discharge of the corresponding Original Obligation owing to the Lenders and payment by the Loan Parties of any Original Obligations to the Lenders shall to the same extent decrease and be a good discharge of the corresponding Parallel Debt Obligation owing by it to the European Security Trustee; and (g) without limiting or affecting the European Security Trustee's right to protect, preserve or enforce its rights under any European Security Agreements governed by Dutch law or Belgian law, the European Security Trustee undertakes to the Lenders not to exercise its rights in respect of any Parallel Debt Obligation without the consent of the Agent. Notwithstanding clause (f) above, no Loan Party may pay any Parallel Debt Obligation other than at the instruction of, and in the manner determined by, the European Security Trustee. For the avoidance of doubt, the Parallel Debt Obligations will become due and payable (opeisbaar) at the same time as the corresponding Original Obligations.

12.2.14 Appointment and Retirement of European Security Trustee. The European Security Trustee (a) subject to the appointment of a successor (in consultation with the European Loan Party Agent) may, and must if the Agent requires, retire at any time from its position as European Security Trustee under the Loan Documents without assigning any reason, and (b) must give notice of its intention to retire by giving to the other European Secured Parties and the European Loan Party Agent not less than 30 days' nor more than 60 days' notice.

12.2.15 Appointment of Successor. The Agent may, with the approval of the European Loan Party Agent (such approval not to be unreasonably withheld) other than during the continuation of an Event of Default, appoint a successor to the European Security Trustee, during the period of notice in Section 12.2.14. If no successor is appointed by the Agent, the European Security Trustee may appoint (after consultation with the Agent and the European Loan Party Agent) its successor. The European Secured Parties shall promptly enter into any agreements that the successor may reasonably require to effect its appointment.

12.2.16 Discharge of European Security Trustee. From the date that the appointment of the successor is effected under Section 12.2.14, the retiring European Security Trustee must be discharged from any further obligations under the Loan Documents as European Security Trustee, and the successor to the European Security Trustee and each of the other European Secured Parties have the same rights and obligations between themselves as they would have had if the successor had been a party to those Loan Documents.

12.3 AUS-NZ Security Trustee

12.3.1 Appointment of AUS-NZ Security Trustee by Australian Facility Secured Parties. The AUS-NZ Security Trustee is (a) appointed by Australian Facility Secured Parties to act as trustee of the Australian Security Trust and as the AUS-NZ Security Trustee for the purpose of the Loan Documents; and (b) irrevocably authorised to enter into the Loan Documents in its capacity as trustee of the Australian Security Trust and to take the action on its behalf and to exercise the rights that are expressly or by implication delegated to the AUS-NZ Security Trustee by a Loan Document and any other action or rights that are reasonably incidental.

12.3.2 Additional Australian Facility Security Parties; Transfers by Australian Lenders. An Australian Lender must not assign, encumber, declare a trust over or otherwise deal with any of its rights or novate any of its rights and obligations under any of the Loan Documents to any person other than as permitted by this Agreement and the other Loan Documents.

12.3.3 Notice of Change: (a) An Australian Facility Secured Party must promptly notify the Agent of any assignment, encumbrance, declaration of trust over or other dealing with or novation of that Australian Facility Secured Party's rights, benefits or obligations under any Credit Document; and (b) the AUS-NZ Security Trustee may treat each Australian Facility Secured Party (or any assignee or substitute Australian Facility Secured Party of which the AUS-NZ Security Trustee has actual notice) as the holder of the benefit of that Australian Facility Secured Party's interests under the Credit Documents unless and until it receives notice under Section 12.3.3 to the contrary.

12.3.4 Distribution of Recoveries. If at any time the AUS-NZ Security Trustee receives money under a Loan Document that is available for distribution, whether or not it represents the proceeds of recovery action taken under any Loan Document, then the AUS-NZ Security Trustee must, subject to any Applicable Law to the contrary including section 140 of the PPSA Australia, distribute that money in accordance with this Agreement.

12.3.5 Included as money. Money referred to in Section 12.3.4 includes money that is received by the AUS-NZ Security Trustee before enforcement proceedings are commenced under a Loan Document in relation to any Australian Facility Collateral but which has not been distributed by that time.

12.3.6 Not included as money. Subject to a contrary decision by the Agent (acting on the instructions of the relevant Required Borrower Group Lenders), the money referred to in Section 12.3.4 does not constitute recovered money (being the aggregate amount received in accordance with Section 5.5 that has not been distributed under this Agreement) if the money is deposited in an interest bearing suspense account under a Loan Document.

12.3.7 Notices and Instructions. The AUS-NZ Security Trustee must: (a) promptly send to each Australian Facility Secured Party details of each communication and document received by it from the Agent or an Australian Domiciled Loan Party in connection with the Loan Documents, unless the details are of a purely routine or administrative nature; (b) subject to the other provisions of this Agreement, act in accordance with any instructions from the Agent (acting on the instructions of the relevant Required Borrower Group Lenders) or, if so instructed by them, refrain from exercising rights vested in it under the Loan Documents; and (c) promptly notify the Agent of any Event of Default of which the AUS-NZ Security Trustee, acting in its capacity as AUS-NZ Security Trustee, acquires actual knowledge and of which the Agent does not have actual knowledge.

12.3.8 Limitation on duties. The AUS-NZ Security Trustee has only those duties, obligations and responsibilities expressly specified in the Loan Documents.

12.3.9 Instructions, Powers and Discretion. Subject to the other provisions of this Section 12.3.9 and except in relation to amounts due to the AUS-NZ Security Trustee in its own right, the AUS-NZ Security Trustee agrees to act in accordance with the instructions of the Agent (acting on the instructions of the relevant Required Borrower Group Lenders) in exercising its rights under the Loan Documents.

12.3.10 Exercise of Rights. The AUS-NZ Security Trustee in its capacity as AUS-NZ Security Trustee must not, without the prior written instructions of the Agent, (a) exercise rights delegated to or conferred on it under the Loan Documents; or (b) waive any breach of or otherwise excuse performance of any obligation of an Australian Domiciled Loan Party under any Loan Document.

12.3.11 Instructions Binding. Any instruction given to or action taken by the AUS-NZ Security Trustee in accordance with this Agreement is binding on all Australian Facility Secured Parties and each Australian Facility Secured Party authorises the AUS-NZ Security Trustee to give any consent and do any other matter or thing necessary or appropriate to give effect to the instruction.

12.3.12 Instructions Given by Agent. The instructions referred to in this Section 12.3.12 (and any other provisions in this Section 12.3 requiring the Agent to seek or act in accordance with the Required Borrower Group Lenders' or all Australian Lenders' consent, authority or instructions) are deemed to be given in accordance with this Agreement, if the Agent communicates such consent, authority or instructions to the AUS-NZ Security Trustee and states that the consent, authority or instructions were given or obtained in accordance with this Agreement. In such event, the AUS-NZ Security Trustee need not enquire whether the Required Borrower Group Lenders or all Australian Lenders have given the requisite consent, authority or instructions to the Agent.

12.3.13 Australian Facility Secured Party Rights. If (in the reasonable opinion of the Agent) the AUS-NZ Security Trustee fails to act in accordance with any instructions given to it under this Agreement (and within a time deemed reasonable by the Agent), each Australian Facility Secured Party has a right to exercise the rights of the AUS-NZ Security Trustee to enable that instruction to be effected.

12.3.14 AUS-NZ Security Trustee's Rights. The AUS-NZ Security Trustee may (a) perform any of its duties, obligations and responsibilities under the Loan Documents by or through its agents and representatives; (b) refrain from exercising any rights vested in it under the Loan Documents until it has received instructions from the Agent, as to whether (and, if it is to be exercised, the way in which) that right is to be exercised and in all cases will not incur any liability when (i) acting in accordance with those instructions or (ii) refraining from acting, either in accordance with those instructions or in the absence of those instructions; (c) refrain from doing anything that would or might in its opinion be contrary to any Applicable Law or directive or otherwise render it liable to any Person and may do anything which is, in its opinion, necessary to comply with any Applicable Law or directive; (d) assume that no Default or Event

of Default has occurred unless the AUS-NZ Security Trustee acquires actual knowledge to the contrary; (e) refrain from taking any step (or further step) to protect or enforce the rights of any Australian Facility Secured Party under the Loan Documents until it has been indemnified or secured to its reasonable satisfaction against any and all Claims which it would or might sustain or incur as a result; (f) hold any of the Loan Documents and any other related documents with any financial institution or reputable Person whose business includes undertaking the safe custody of documents or any lawyer or firm of lawyers selected by the AUS-NZ Security Trustee, and the AUS-NZ Security Trustee is not responsible for any Claims incurred in connection with the deposit of those documents and may pay all sums required to be paid on account or in respect of any deposit of those documents; (g) in the conduct of any trust, instead of acting personally, employ and pay an agent, being a lawyer, or other professional person, to transact or conduct, or concur in doing all acts required to be done by the AUS-NZ Security Trustee (including the receipt and payment of money); and (h) appoint further or additional trustees for the purpose of giving valid receipts without being liable for the actions of those trustees.

12.3.15 Australian Facility Security Party to Provide Statement. The AUS-NZ Security Trustee may at any time request (through the Agent or directly) an Australian Facility Secured Party to provide a statement setting out (a) as at the date of the statement or any other relevant date specified by the AUS-NZ Security Trustee, the Australian Facility Secured Obligations owing to such Australian Facility Secured Party; (b) any other information (including documents) that the AUS-NZ Security Trustee may reasonably require in relation to the details and calculations of the amounts under this Section 12.3.15; (c) if the AUS-NZ Security Trustee requests an Australian Facility Secured Party to provide a statement under this Section 12.3.15 the Australian Facility Secured Party must provide that statement within a reasonable time; (d) The AUS-NZ Security Trustee, as between itself and the other Australian Facility Secured Parties, may rely on the statement referred to in this Section 12.3.15 as conclusive evidence of its contents, unless (i) the contrary is proved, or (ii) the AUS-NZ Security Trustee determines it is not reasonably satisfied as to the correctness of those amounts.

12.3.16 The AUS-NZ Security Trustee may Delegate. (a) If the AUS-NZ Security Trustee, in its sole discretion, considers that delegation is desirable in assisting the AUS-NZ Security Trustee to perform its functions under the Loan Documents, the AUS-NZ Security Trustee may delegate to any person or fluctuating body of persons all or any of the duties, trusts, powers, authorities and discretions vested in the AUS-NZ Security Trustee under or in connection with the Loan Documents; and (b) any delegation under this Section 12.3.16 may be (i) by power of attorney or in any other manner as the AUS-NZ Security Trustee may think fit; and (ii) made on the terms and conditions (including power to sub delegate) as the AUS-NZ Security Trustee may think fit (but the terms and conditions must not be inconsistent with any of the provision of the Loan Documents).

12.3.17 AUS-NZ Security Trustee's Further Rights. The AUS-NZ Security Trustee may (a) rely on any communication or document believed by it to be genuine; (b) rely, as to any matter of fact that might reasonably be expected to be within the knowledge of a Loan Party, on a statement by or on their behalf; (c) obtain and pay for legal or other expert advice or services that may to it seem necessary or desirable and rely on that advice; (d) retain for its own benefit, and without liability to account, any fee or other sum receivable by it for its own account; and (e) accept deposits from, lend money to, provide any advisory or other services to or engage in any kind of banking or other business with any party to the Loan Documents and any Affiliates of any party (and, in each case, may do so without liability to account).

12.3.18 AUS-NZ Security Trustee as Australian Facility Secured Party. The AUS-NZ Security Trustee, in its capacity as a Credit Party (if applicable), has the same rights under this document as any other Credit Party and may exercise those rights as if it were not acting as AUS-NZ Security Trustee.

12.3.19 AUS-NZ Security Trustee's Exoneration. The AUS-NZ Security Trustee is not (a) responsible for the adequacy, accuracy or completeness of any representation, warranty, statement or information in the Loan Documents or any notice or other document delivered under or referred to in the Loan Documents; (b) responsible for the execution, delivery, validity, legality, adequacy, enforceability or admissibility in evidence of the Loan Documents; (c) required to (i) take any action with respect to the PPSA Australia, other than as directed by the Agent; or (ii) monitor the PPSA Australia or the implementation of it; (c) obliged to enquire as to the occurrence or continuation of an Event of Default or Default; (d) under any obligations other than those for which express provision is made in a Loan Document to which it is a party; (e) liable for anything done or not done by it under or in connection with the Loan Documents except in the case of fraud gross negligence or wilful misconduct by the AUS-NZ Security Trustee or any of its agents or representatives; or (f) liable for anything done or not done by any receiver or manager under or in connection with the Australian Facility Collateral.

12.3.20 Capacity. This Agreement and the other Loan Documents only bind the AUS-NZ Security Trustee in its capacity as AUS-NZ Security Trustee and any obligation of the AUS-NZ Security Trustee under this Agreement or the other Loan Documents applies to the AUS-NZ Security Trustee in its capacity as AUS-NZ Security Trustee.

12.3.21 Limited on Liability. No Person to whom the AUS-NZ Security Trustee is liable under this Agreement or any other Loan Document is entitled to have recourse in satisfaction of such liability to any assets held by the AUS-NZ Security Trustee in its personal capacity or in its capacity as trustee of any trust other than the trust established under and pursuant to the this Agreement and the recourse of any such person is limited to the Australian Trust Fund. The AUS-NZ Security Trustee is not liable for any act (or omission) if it acts (or refrains from acting) in accordance with the instructions of Agent, provided that Agent is entitled to give those instructions under and in accordance with the Loan Documents. The provisions of this section 12.3.21 will not apply to any obligation or liability of the AUS-NZ Security Trustee to the extent that it is not satisfied because there is a reduction in the extent, or an extinguishment, of the AUS-NZ Security Trustee's indemnification out of the assets of the Australian Security Trust, as a result of the AUS-NZ Security Trustee's fraud, gross negligence or wilful default.

12.3.22 Exoneration. Neither the AUS-NZ Security Trustee nor any of its directors, officers, employees, agents, attorneys or Affiliates is responsible or liable to any person (a) because a Loan Party does not perform its obligations under the Credit Documents; (b) for the financial condition of the Loan Parties; (c) because any statement, representation or warranty in a Credit Document given by a party other than the AUS-NZ Security Trustee is

incorrect or misleading; (d) for the effectiveness, genuineness, validity, admissibility in evidence or sufficiency of the Credit Documents or any document signed or delivered in connection with the Credit Documents; (e) for the enforceability of the Credit Documents or any other document signed or delivered in connection with the Credit Documents against any person (other than the AUS-NZ Security Trustee); (f) for any loss or damage occurring as a result of it exercising, failing to exercise or purporting to exercise any right or power under this Agreement or other Loan Documents; (g) subject to this Agreement; (i) for the default, negligence or fault of any directors, officers, employees, agents, delegates, attorneys or Affiliates of the AUS-NZ Security Trustee; (ii) for any mistake or omission made by it or any directors, officers, employees, agents, delegates, attorneys or Affiliates of the AUS-NZ Security Trustee; (iii) for any other matter or thing done, or not done, in relation to the Credit Documents; (h) for any absence of, or defect in title or for its inability to exercise any of its powers under the Loan Documents; (i) for any failure by a Loan Party to perform its obligations under any Credit Document; (j) for acting in accordance with the provisions of this Agreement; or (k) for the value, validity, effectiveness, genuineness, enforceability or sufficiency of any Credit Document or any certificate or document given under any of them; except to the extent that the act or omission amounts to fraud, gross negligence or wilful misconduct by the AUS-NZ Security Trustee or any directors, officers, employees, agents, delegates, attorneys or Affiliates of the AUS-NZ Security Trustee or a gross or wilful breach by it of its obligations under this Agreement. Without limiting this Section 12.3.22, the AUS-NZ Security Trustee is not responsible or liable to any Person for anything done or not done in connection with this Agreement by the AUS-NZ Security Trustee or its directors, officers, employees, agents, attorneys or Affiliates except to the extent that the act or omission amounts to fraud, gross negligence or wilful misconduct by the AUS-NZ Security Trustee or a gross or wilful breach by it of its obligations under this Agreement.

12.3.23 No Reliance on AUS-NZ Security Trustee. Each Australian Facility Secured Party confirms that it has itself been, is at all times and continues to be, solely responsible for making its own independent investigation and appraisal of the business, operations, financial condition, creditworthiness, status and affairs of the Loan Parties and has not relied, and will not at any time rely, on the AUS-NZ Security Trustee (a) to provide it with any information relating to the business, operations, financial condition, creditworthiness, status or affairs of the Loan Parties, or the condition, whether coming into its possession before or after providing financial accommodation or facilities to any of the Loan Parties; or (b) to check or enquire into the adequacy, accuracy or completeness of any information provided by the Loan Parties or any other Person under or in connection with the Loan Documents (whether or not the information has been or is at any time circulated to it by the AUS-NZ Security Trustee).

12.3.24 Appointment and Retirement of AUS-NZ Security Trustee. The AUS-NZ Security Trustee (a) subject to the appointment of a successor (in consultation with the Asian Loan Party Agent) may, and must if the Agent requires, retire at any time from its position as AUS-NZ Security Trustee under the Loan Documents without assigning any reason, and (b) must give notice of its intention to retire by giving to the other Australian Facility Secured Parties and the Asian Loan Party Agent not less than 30 days' nor more than 60 days' notice.

12.3.25 Appointment of Successor. The Agent may, with the approval of the Asian Loan Party Agent (such approval not to be unreasonably withheld) other than during the continuation of an Event of Default, appoint a successor to the AUS-NZ Security Trustee, during

the period of notice in Section 12.3.24. If no successor is appointed by the Agent, the AUS-NZ Security Trustee (after consulting with Agent and the Asian Loan Party Agent) may appoint its successor. The Australian Facility Secured Parties shall promptly enter into any agreements that the successor may reasonably require to effect its appointment.

12.3.26 Discharge of AUS-NZ Security Trustee. From the date that the appointment of the successor is effected under Section 12.3.25, the retiring AUS-NZ Security Trustee must be discharged from any further obligations under the Loan Documents as AUS-NZ Security Trustee, and the successor to the AUS-NZ Security Trustee and each of the other Australian Facility Secured Parties have the same rights and obligations between themselves as they would have had if the successor had been a party to those Loan Documents.

12.3.27 Australian Facility Secured Parties to Indemnify AUS-NZ Security Trustee. To the extent that the Loan Parties do not do so on demand or are not obliged to do so, each Australian Facility Secured Party must on demand indemnify the AUS-NZ Security Trustee against any Claims sustained or incurred by the AUS-NZ Security Trustee in (a) complying with any instructions from the Agent or the Australian Facility Secured Parties; (b) otherwise sustained or incurred by it in connection with the Loan Documents or its duties, obligations and responsibilities under the Loan Documents; or (c) as a result of appointing a receiver or manager under any of the Australian Facility Collateral, except to the extent that the Claim is sustained or incurred as a result of the fraud, gross negligence or willful misconduct of the AUS-NZ Security Trustee or any of its representatives. When there are no Australian Facility Secured Obligations (including, anything that is reasonably foreseeable as falling within the definition of Australian Facility Secured Obligations) in relation to an Australian Facility Secured Party and the relevant Australian Facility Secured Party is not committed or obliged to make advances or provide any other financial accommodation to the Australian Domiciled Loan Parties, the relevant Australian Facility Secured Party ceases to be an Australian Facility Secured Party on notice in writing to that effect from the Agent and the AUS-NZ Security Trustee.

12.3.28 Australian Facility Secured Party Notice to Cease. An Australian Facility Secured Party may, by notice to that effect to the AUS-NZ Security Trustee, cease to be an Australian Facility Secured Party.

12.3.29 Waiver and Exercise of Rights: The AUS-NZ Security Trustee's failure or delay to exercise a power or right does not operate as a waiver of that power or right and the exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right. A waiver is not effective unless it is in writing and waiver of a power or right is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.

12.4 Agreements Regarding Collateral and Field Examination Reports.

12.4.1 Lien Releases; Care of Collateral.

(a) Australian Facility Secured Parties authorize the Agent and AUS-NZ Security Trustee to release any Lien with respect to any Australian Facility Collateral (i) upon Full Payment of the Australian Facility Obligations; (ii) that the Asian Loan Party Agent certifies

in writing to the Agent is subject to a disposal permitted under Section 10.2.4 or a Lien which the Asian Loan Party Agent certifies is permitted under Section 10.2.2 and entitled to priority over the Agent's and AUS-Security Trustee's Liens (and the Agent or the AUS-NZ Security Trustee, as applicable, may rely conclusively on any such certificate without further inquiry); (iii) that does not constitute a material part of the Australian Facility Collateral; (iv) following an Event of Default, in connection with an enforcement action and realization on Australian Facility Collateral; or (v) with the written consent of all Australian Lenders.

(b) Belgian Facility Secured Parties authorize the Agent and European Security Trustee to release any Lien with respect to any Belgian Facility Collateral (i) upon Full Payment of the Belgian Facility Obligations; (ii) that the European Loan Party Agent certifies in writing to the Agent is subject to a disposal permitted under Section 10.2.4 or a Lien which the European Loan Party Agent certifies is permitted under Section 10.2.2 and entitled to priority over the Agent's and European Security Trustee's Liens (and the Agent or the European Trustee, as applicable, may rely conclusively on any such certificate without further inquiry); (iii) that does not constitute a material part of the Belgian Facility Collateral; (iv) following an Event of Default, in connection with an enforcement action and realization on Belgian Facility Collateral; or (v) with the written consent of all Belgian Lenders.

(c) Canadian Facility Secured Parties authorize the Agent to release any Lien with respect to any Canadian Facility Collateral (i) upon Full Payment of the Canadian Facility Obligations; (ii) that the North American Loan Party Agent certifies in writing to the Agent is subject to a disposal permitted under Section 10.2.4 or a Lien which the North American Loan Party Agent certifies is permitted under Section 10.2.2 and entitled to priority over the Agent's Liens (and the Agent may rely conclusively on any such certificate without further inquiry); (iii) that does not constitute a material part of the Canadian Facility Collateral; (iv) following an Event of Default, in connection with an enforcement action and realization on Canadian Facility Collateral; or (v) with the written consent of all Canadian Lenders.

(d) Dutch Facility Secured Parties authorize the Agent and European Security Trustee to release any Lien with respect to any Dutch Facility Collateral (i) upon Full Payment of the Dutch Facility Obligations; (ii) that the European Loan Party Agent certifies in writing to the Agent is subject to a disposal permitted under Section 10.2.4 or a Lien which the European Loan Party Agent certifies is permitted under Section 10.2.2 and entitled to priority over the Agent's and European Security Trustee's Liens (and the Agent or the European Trustee, as applicable, may rely conclusively on any such certificate without further inquiry); (iii) that does not constitute a material part of the Dutch Facility Collateral; (iv) following an Event of Default, in connection with an enforcement action and realization on Dutch Facility Collateral; or (v) with the written consent of all Dutch Lenders.

(e) New Zealand Facility Secured Parties authorize the Agent and AUS-NZ Security Trustee to release any Lien with respect to any New Zealand Facility Collateral (i) upon Full Payment of the New Zealand Facility Obligations; (ii) that the Asian Loan Party Agent certifies in writing to the Agent is subject to a disposal permitted under Section 10.2.4 or a Lien which the Asian Loan Party Agent certifies is permitted under Section 10.2.2 and entitled to priority over the Agent's and AUS-NZ Security Trustee's Liens (and the Agent or the AUS-NZ Security Trustee, as applicable, may rely conclusively on any such certificate without further inquiry); (iii) that does not constitute a material part of the New Zealand Facility Collateral; (iv) following an Event of Default, in connection with an enforcement action and realization on New Zealand Facility Collateral; or (v) with the written consent of all New Zealand Lenders.

(f) Singapore Facility Secured Parties authorize the Agent and Singapore Security Trustee to release any Lien with respect to any Singapore Facility Collateral (i) upon Full Payment of the Singapore Facility Obligations; (ii) that the Asian Loan Party Agent certifies in writing to the Agent is subject to a disposal permitted under Section 10.2.4 or a Lien which the Asian Loan Party Agent certifies is permitted under Section 10.2.2 and entitled to priority over the Agent's and Singapore Security Trustee's Liens (and the Agent or the Singapore Security Trustee, as applicable, may rely conclusively on any such certificate without further inquiry); (iii) that does not constitute a material part of the Singapore Facility Collateral; (iv) following an Event of Default, in connection with an enforcement action and realization on Singapore Facility Collateral; or (v) with the written consent of all Singapore Lenders.

(g) UK Facility Secured Parties authorize the Agent and European Security Trustee to release any Lien with respect to any UK Facility Collateral (i) upon Full Payment of the UK Facility Obligations; (ii) that the European Loan Party Agent certifies in writing to the Agent is subject to a disposal permitted under Section 10.2.4 or a Lien which the European Loan Party Agent certifies is permitted under Section 10.2.2 and entitled to priority over the Agent's and European Security Trustee's Liens (and the Agent or the European Trustee, as applicable, may rely conclusively on any such certificate without further inquiry); (iii) that does not constitute a material part of the UK Facility Collateral; (iv) following an Event of Default, in connection with an enforcement action and realization on UK Facility Collateral; or (v) with the written consent of all UK Lenders.

(h) U.S. Facility Secured Parties authorize the Agent to release any Lien with respect to any U.S. Facility Collateral (i) upon Full Payment of the U.S. Facility Obligations; (ii) that the North American Loan Party Agent certifies in writing to the Agent is subject to a disposal permitted under Section 10.2.4 or a Lien which the North American Loan Party Agent certifies is permitted to be sold under Section 10.2.2 and entitled to priority over the Agent's Liens (and the Agent may rely conclusively on any such certificate without further inquiry); (iii) that does not constitute a material part of the U.S. Facility Collateral; (iv) following an Event of Default, in connection with an enforcement action and realization on U.S. Facility Collateral; or (v) with the written consent of all U.S. Lenders.

(i) The Agent shall have no obligation to assure that any Collateral exists or is owned by a Loan Party, or is cared for, protected or insured, nor to assure that the Agent's or any Security Trustee's Liens have been properly created, perfected or enforced, or are entitled to any particular priority, nor to exercise any duty of care with respect to any Collateral.

12.4.2 Possession of Collateral.

(a) The Agent and Australian Facility Secured Parties appoint each Australian Lender as agent (for the benefit of Australian Facility Secured Parties) for the purpose of perfecting Liens in any Australian Facility Collateral held or controlled by such Australian Lender, to the extent such Liens are perfected by possession or control.

(b) The Agent and Canadian Facility Secured Parties appoint each Canadian Lender as agent (for the benefit of Canadian Facility Secured Parties) for the purpose of perfecting Liens in any Canadian Facility Collateral held or controlled by such Canadian Lender, to the extent such Liens are perfected by possession or control.

(c) The Agent and New Zealand Facility Secured Parties appoint each New Zealand Lender as agent (for the benefit of New Zealand Facility Secured Parties) for the purpose of perfecting Liens in any New Zealand Facility Collateral held or controlled by such New Zealand Lender, to the extent such Liens are perfected by possession or control.

(d) The Agent and Singapore Facility Secured Parties appoint each Singapore Lender as agent (for the benefit of Singapore Facility Secured Parties) for the purpose of perfecting Liens in any Singapore Facility Collateral held or controlled by such Singapore Lender, to the extent such Liens are perfected by possession or control.

(e) The Agent and U.S. Facility Secured Parties appoint each U.S. Lender as agent (for the benefit of U.S. Facility Secured Parties) for the purpose of perfecting Liens in any U.S. Facility Collateral held or controlled by such U.S. Lender, to the extent such Liens are perfected by possession or control.

(f) If any Lender obtains possession or control of any Collateral, it shall notify the Agent thereof and, promptly upon the Agent's request, deliver such Collateral to the Agent or the applicable Security Trustee or otherwise deal with it in accordance with the Agent's instructions.

12.4.3 Reports. The Agent shall promptly forward to each Applicable Lender, when complete, copies of any field audit, examination or appraisal report prepared by or for the Agent with respect to any Loan Party or Collateral ("Report"). Each Lender agrees (a) that neither Bank of America nor the Agent makes any representation or warranty as to the accuracy or completeness of any Report, and shall not be liable for any information contained in or omitted from any Report; (b) that the Reports are not intended to be comprehensive audits or examinations, and that the Agent or any other Person performing any audit or examination will inspect only specific information regarding Obligations or the Collateral and will rely significantly upon the applicable Loan Parties' books and records as well as upon representations of the applicable Loan Parties' officers and employees; and (c) to keep all Reports confidential and strictly for such Lender's internal use, and not to distribute any Report (or the contents thereof) to any Person (except to such Lender's Participants, attorneys and accountants) or use any Report in any manner other than administration of the Loans and other Obligations. Each Lender shall indemnify and hold harmless the Agent and any other Person preparing a Report from any action such Lender may take as a result of or any conclusion it may draw from any Report, as well as from any Claims arising as a direct or indirect result of the Agent furnishing a Report to such Lender.

12.5 Reliance By Agent. The Agent shall be entitled to rely, and shall be fully protected in relying, upon any certification, notice or other communication (including those by telephone, telex, telegram, telecopy or e-mail) believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and upon the advice and statements of Agent Professionals. The Agent shall have a reasonable and practicable amount of time to act upon any instruction, notice or other communication under any Loan Document, and shall not be liable for any delay in acting.

12.6 Action Upon Default. The Agent shall not be deemed to have knowledge of any Default or Event of Default, or of any failure to satisfy any conditions in Section 6, unless it has received written notice from a Loan Party Agent, Required Lenders or Required Borrower Group Lenders specifying the occurrence and nature thereof. If any Lender acquires knowledge of a Default, Event of Default or of such conditions, it shall promptly notify the Agent and the other Lenders thereof in writing. Each Secured Party agrees that, except as otherwise provided in any Credit Documents or with the written consent of the Agent and Required Lenders, it will not take any Enforcement Action, accelerate Obligations (other than Secured Bank Product Obligations), or exercise any right that it might otherwise have under Applicable Law to credit bid at foreclosure sales, UCC or PPSA sales or other similar dispositions of Collateral or to assert any rights relating to any Collateral.

12.7 Ratable Sharing. If any Lender shall obtain any payment or reduction of any Obligation, whether through set-off or otherwise, in excess of its share of such Obligation, determined on a Pro Rata basis or in accordance with Section 5.5.1, as applicable, such Lender shall forthwith purchase from the Agent, any Fronting Bank (other than Non-Lender Fronting Banks) and the other Applicable Lenders such participations in the affected Obligation as are necessary to cause the purchasing Lender to share the excess payment or reduction on a Pro Rata basis or in accordance with Section 5.5.1, as applicable. If any of such payment or reduction is thereafter recovered from the purchasing Lender, the purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest. Notwithstanding the foregoing, if a Defaulting Lender obtains a payment or reduction of any Obligation, it shall immediately turn over the amount thereof to the Agent for application under Section 4.2 and it shall provide a written statement to the Agent describing the Obligation affected by such payment or reduction. No Lender shall setoff against any Dominion Account without the prior consent of the Agent.

12.8 Indemnification of Agent Indemnitees. EACH LENDER SHALL INDEMNIFY AND HOLD HARMLESS AGENT INDEMNITEES, TO THE EXTENT NOT REIMBURSED BY LOAN PARTIES (BUT WITHOUT LIMITING THE INDEMNIFICATION OBLIGATIONS OF LOAN PARTIES UNDER ANY CREDIT DOCUMENTS), ON A PRO RATA BASIS, AGAINST ALL CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY SUCH AGENT INDEMNITEE, *PROVIDED* THE ANY CLAIM AGAINST AN AGENT INDEMNITEE RELATES TO OR ARISES FROM ITS ACTING AS OR FOR THE AGENT (IN THE CAPACITY OF THE AGENT). In no event shall any Lender have any obligation hereunder to indemnify or hold harmless an Agent Indemnitee with respect to a Claim that is determined in a final, non-appealable judgment by a court of competent jurisdiction to result from the gross negligence or willful misconduct of such Agent Indemnitee. In the Agent's discretion, it may reserve for any Claims made against an Agent Indemnitee, and may satisfy any judgment, order or settlement relating thereto, from proceeds of Collateral prior to making any distribution of Collateral proceeds to the Secured Parties. If the Agent is sued by any Creditor Representative, debtor-in-possession or other Person for any alleged preference or fraudulent transfer, then any monies paid by the Agent in settlement or satisfaction of such proceeding, together with all interest, costs and expenses (including attorneys' fees) incurred in the defense of same, shall be promptly reimbursed to the Agent by each Lender to the extent of its Pro Rata share.

12.9 Limitation on Responsibilities of Agent. The Agent shall not be liable to any Secured Party for any action taken or omitted to be taken under the Credit Documents, except for losses directly and solely caused by the Agent's gross negligence or willful misconduct. The Agent does not assume any responsibility for any failure or delay in performance or any breach by any Loan Party, Lender or other Secured Party of any obligations under the Credit Documents. The Agent does not make any express or implied warranty, representation or guarantee to the Secured Parties with respect to any Obligations, Collateral, Credit Documents or Loan Party. No Agent Indemnitee shall be responsible to the Secured Parties for any recitals, statements, information, representations or warranties contained in any Credit Documents; the execution, validity, genuineness, effectiveness or enforceability of any Credit Documents; the genuineness, enforceability, collectability, value, sufficiency, location or existence of any Collateral, or the validity, extent, perfection or priority of any Lien therein; the validity, enforceability or collectability of any Obligations; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Loan Party or Account Debtor. No Agent Indemnitee shall have any obligation to any Secured Party to ascertain or inquire into the existence of any Default or Event of Default, the observance or performance by any Loan Party of any terms of the Credit Documents, or the satisfaction of any conditions precedent contained in any Credit Documents.

12.10 Successor Agent and Co-Agents.

12.10.1 Resignation; Successor Agent. Subject to the appointment and acceptance of a successor Agent as provided below, Agent may resign at any time by giving at least 30 days written notice thereof to Lenders and the Loan Party Agents. Upon receipt of such notice, Required Lenders shall have the right to appoint a successor Agent which shall be (a) a U.S. Lender or an Affiliate of a U.S. Lender; or (b) a commercial bank that is organized under the laws of the United States or any state or district thereof, has a combined capital surplus of at least \$200,000,000 and (*provided* no Event of Default exists) is reasonably acceptable to the Loan Party Agents. Upon acceptance by a successor Agent of an appointment to serve as the Agent hereunder, or upon appointment of Required Lenders as successor Agent, such successor Agent shall thereupon succeed to and become vested with all the powers and duties of the retiring Agent without further act, and the retiring Agent shall be discharged from its duties and obligations hereunder but shall continue to have the benefits of the indemnification set forth in Sections 12.8 and 14.2. Notwithstanding any Agent's resignation, the provisions of this Section 12 shall continue in effect for its benefit with respect to any actions taken or omitted to be taken by it while the Agent. Any successor to Bank of America by merger or acquisition of stock or this loan shall continue to be the Agent hereunder without further act on the part of the parties hereto, unless such successor resigns as provided above.

12.10.2 Separate Collateral Agent. It is the intent of the parties that there shall be no violation of any Applicable Law denying or restricting the right of financial institutions to transact business in any jurisdiction. If the Agent believes that it may be limited in the exercise of any rights or remedies under the Credit Documents due to any Applicable Law, the Agent

may appoint an additional Person who is not so limited, as a separate security trustee, collateral agent or co-collateral agent. If the Agent so appoints a security trustee, collateral agent or co-collateral agent, each right and remedy intended to be available to the Agent under the Credit Documents shall also be vested in such separate agent. The Secured Parties shall execute and deliver such documents as the Agent deems appropriate to vest any rights or remedies in such agent. If any security trustee, collateral agent or co-collateral agent shall die or dissolve, become incapable of acting, resign or be removed, then all the rights and remedies of such agent, to the extent permitted by Applicable Law, shall vest in and be exercised by the Agent until appointment of a new agent.

12.11 Due Diligence and Non-Reliance. Each Lender acknowledges and agrees that it has, independently and without reliance upon the Agent or any other Lenders, and based upon such documents, information and analyses as it has deemed appropriate, made its own credit analysis of each Loan Party and its own decision to enter into this Agreement and to fund Loans and participate in LC Obligations hereunder. Each Secured Party has made such inquiries as it deems necessary concerning the Credit Documents, the Collateral and each Loan Party. Each Secured Party further acknowledges and agrees that the other Secured Parties and the Agent have made no representations or warranties concerning any Loan Party, any Collateral or the legality, validity, sufficiency or enforceability of any Credit Documents or Obligations. Each Secured Party will, independently and without reliance upon any other Secured Party or the Agent, and based upon such financial statements, documents and information as it deems appropriate at the time, continue to make and rely upon its own credit decisions in making Loans and participating in LC Obligations, and in taking or refraining from any action under any Credit Documents. Except for notices, reports and other information expressly requested by a Lender, the Agent shall have no duty or responsibility to provide any Secured Party with any notices, reports or certificates furnished to the Agent by any Loan Party or any credit or other information concerning the affairs, financial condition, business or Properties of any Loan Party (or any of its Affiliates) which may come into possession of the Agent or any of Agent's Affiliates.

12.12 Remittance of Payments and Collections.

12.12.1 Remittances Generally. All payments by any Lender to the Agent shall be made by the time and on the day set forth in this Agreement, in immediately available funds. If no time for payment is specified or if payment is due on demand by the Agent and request for payment is made by the Agent by 11:00 a.m. (Local Time) on a Business Day, payment shall be made by Lender not later than 2:00 p.m. (Local Time) on such day, and if request is made after 11:00 a.m. (Local Time), then payment shall be made by 11:00 a.m. (Local Time) on the next Business Day. Payment by the Agent to any Secured Party shall be made by wire transfer, in the type of funds received by the Agent. Any such payment shall be subject to the Agent's right of offset for any amounts due from such payee under the Loan Documents.

12.12.2 Failure to Pay. If any Secured Party fails to pay any amount when due by it to the Agent pursuant to the terms hereof, such amount shall bear interest from the due date until paid at the rate determined by the Agent as customary in the banking industry for interbank compensation. In no event shall Loan Parties be entitled to receive credit for any interest paid by a Secured Party to the Agent, nor shall any Defaulting Lender be entitled to interest on any amounts held by Agent pursuant to Section 4.2.

12.12.3 Recovery of Payments. If the Agent pays any amount to a Secured Party in the expectation that a related payment will be received by the Agent from a Loan Party and such related payment is not received, then Agent may recover such amount from each Secured Party that received it. If the Agent determines at any time that an amount received under any Loan Document must be returned to a Loan Party or paid to any other Person pursuant to Applicable Law or otherwise, then, notwithstanding any other term of any Loan Document, the Agent shall not be required to distribute such amount to any Lender. If any amounts received and applied by the Agent to any Obligations are later required to be returned by the Agent pursuant to Applicable Law, each Lender shall pay to the Agent, on demand, such Lender's Pro Rata share of the amounts required to be returned.

12.13 Agent in its Individual Capacity. As a Lender, Bank of America shall have the same rights and remedies under the other Credit Documents as any other Lender, and the terms "Lenders," "Required Lenders," "Required Borrower Group Lenders" or any similar term shall include Bank of America and its Affiliates in their capacities as Lenders. Each of Bank of America and its Affiliates may accept deposits from, lend money to, provide Bank Products to, act as financial or other advisor to, and generally engage in any kind of business with, the Loan Parties and their Affiliates, as if Bank of America was not Agent hereunder, without any duty to account therefor to Lenders. In their individual capacities, Bank of America and its Affiliates may receive information regarding the Loan Parties, their Affiliates and their Account Debtors (including information subject to confidentiality obligations), and each Secured Party agrees that Bank of America and its Affiliates shall be under no obligation to provide such information to any Secured Party, if acquired in such individual capacity.

12.14 Agent Titles. Each Lender, other than Bank of America, that is designated (on the cover page of this Agreement or otherwise) by Bank of America as an "Agent" or "Arranger" of any type shall not have any right, power, responsibility or duty under any Loan Documents other than those applicable to all Lenders, and shall in no event be deemed to have any fiduciary relationship with any other Lender.

12.15 Bank Product Providers. Each Secured Bank Product Provider that is not a Lender, by delivery of a joinder agreement in form and substance reasonably satisfactory to Agent and the applicable Loan Party Agent, or as otherwise agreed by Agent and such Loan Party Agent, shall agree to be bound by Section 5.5 and this Section 12. Each Secured Bank Product Provider shall indemnify and hold harmless Agent Indemnitees, to the extent not reimbursed by Loan Parties, against all Claims that may be incurred by or asserted against any Agent Indemnitee in connection with such provider's Secured Bank Product Obligations (except those Claims determined in a final, non-appealable judgment by a court of competent jurisdiction to result from the gross negligence or willful misconduct of such Agent Indemnitee).

12.16 No Third Party Beneficiaries. This Section 12 is an agreement solely among the Secured Parties and the Agent, and shall survive Full Payment of the Obligations. This Section 12 does not confer any rights or benefits upon Loan Parties or any other Person. As between Loan Parties and the Agent, any action that the Agent may take under any Credit Documents or with respect to any Obligations shall be conclusively presumed to have been authorized and directed by the Secured Parties.

SECTION 13. BENEFIT OF AGREEMENT; ASSIGNMENTS AND PARTICIPATIONS

13.1 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Loan Parties, the Agent, Secured Parties, and their respective successors and assigns, except that (a) no Loan Party shall have the right to assign its rights or delegate its obligations under any Loan Documents; and (b) any assignment by a Lender must be made in compliance with Section 13.3. The Agent may treat the Person which made any Loan as the owner thereof for all purposes until such Person makes an assignment in accordance with Section 13.3. Any authorization or consent of a Lender shall be conclusive and binding on any subsequent transferee or assignee of such Lender. The Agent, acting solely for this purpose as a non-fiduciary agent of the Borrowers, shall maintain a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders and Fronting Banks, and the Commitments of, and principal amounts (and stated interest) of the Loans, Letters of Credit and other obligations owing to, each Lender or Fronting Bank pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error (provided, that a failure to make any such recordation, or any error in such recordation, shall not affect the Borrowers' obligations in respect of such Loans, Letters of Credit or other obligations), and the Borrowers, the Agent, the Lenders and the Fronting Banks shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as the owner of the Commitments, Loans, Letters of Credit and other obligations recorded in the Register as owing to such Person, for all purposes of this Agreement. The Register shall be available for inspection by the Borrowers and any Lender or Fronting Bank, at any reasonable time and from time to time upon reasonable prior notice.

13.2 Participations.

13.2.1 Permitted Participants; Effect. Any Lender may, in the ordinary course of its business and in accordance with Applicable Law, at any time sell to a financial institution ("Participant") a participating interest in the rights and obligations of such Lender under any Loan Documents. Despite any sale by a Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for performance of such obligations, such Lender shall remain the holder of its Loans and Borrower Group Commitments for all purposes, all amounts payable by Loan Parties within the applicable Loan Party Group shall be determined as if such Lender had not sold such participating interests, and Loan Parties within the applicable Loan Party Group and the Agent shall continue to deal solely and directly with such Lender in connection with the Loan Documents. Each Lender shall be solely responsible for notifying its Participants of any matters under the Loan Documents, and the Agent and the other Lenders shall not have any obligation or liability to any such Participant. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 5.8 unless Loan Party Agent agrees otherwise in writing. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the applicable Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans, Letters of Credit or other obligations under the Loan Documents (the "Participant Register"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register to

any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

13.2.2 Voting Rights. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, waiver or other modification of any Loan Documents; provided, that a Lender may agree with its Participant that such Lender will not, without the consent of such Participant, consent to any amendment, waiver or other modification which (a) forgives principal, interest or fees, (b) reduces the stated interest rate or fees payable with respect to any Loan or Borrower Group Commitment in which such Participant has an interest, (c) postpones the Revolver Commitment Termination Date or the Swingline Commitment Termination Date in respect of a Borrower Group in which such Participant has an interest, or any date fixed for any regularly scheduled payment of principal, interest or fees on such Loan or Commitment, or (d) releases any Loan Party, Guarantor or substantial portion of the Collateral.

13.2.3 Benefit of Set-Off. Loan Parties agree that each Participant shall have a right of set-off in respect of its participating interest to the same extent as if such interest were owing directly to a Lender, and each Lender shall also retain the right of set-off with respect to any participating interests sold by it. By exercising any right of set-off, a Participant agrees to share with Lenders all amounts received through its set-off, in accordance with Section 12.7 as if such Participant were a Lender.

13.3 Assignments.

13.3.1 Permitted Assignments. Subject to Section 13.3.3 below, a Lender may assign to an Eligible Assignee any of its rights and obligations under the Loan Documents, as long as (a) each assignment is of a constant, and not a varying, percentage of the transferor Lender's rights and obligations under the Loan Documents (unless otherwise agreed by the Agent) and, in the case of a partial assignment, is in a minimum principal amount of \$5,000,000 (unless otherwise agreed by the Agent in its discretion) and integral multiples of \$1,000,000 in excess of that amount; (b) except in the case of an assignment in whole of a Lender's rights and obligations, the aggregate amount of the Commitments retained by the transferor Lender is at least \$5,000,000 (unless otherwise agreed by the Agent in its discretion); and (c) the parties to each such assignment shall execute and deliver to the Agent, for its acceptance and recording, an Assignment and Acceptance. Nothing herein shall limit the right of a Lender to pledge or assign any rights under the Loan Documents to (i) any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors and any Operating Circular issued by such Federal Reserve Bank, or (ii) counterparties to swap agreements relating to any Loans; *provided, however*, (1) such Lender shall remain the holder of its Loans and owner of its interest in any Letter of Credit for all purposes hereunder, (2) Borrowers, the Agent, the other Lenders and Fronting Bank shall continue to deal solely and

directly with such Lender in connection with such Lender's rights and obligations under this Agreement, (3) any payment by Loan Parties to the assigning Lender in respect of any Obligations assigned as described in this sentence shall satisfy Loan Parties' obligations hereunder to the extent of such payment, and (4) no such assignment shall release the assigning Lender from its obligations hereunder.

13.3.2 Effect; Effective Date. Upon delivery to the Agent of an assignment notice in the form of **Exhibit A-2** and a processing fee of \$3,500 (unless otherwise agreed by the Agent in its discretion), the assignment shall become effective as specified in the notice, if it complies with this Section 13.3.2. From such effective date, the Eligible Assignee shall for all purposes be a Lender under the Loan Documents, and shall have all rights and obligations of a Lender thereunder. Upon consummation of an assignment, the transferor Lender, the Agent and Loan Parties shall make appropriate arrangements for issuance of replacement and/or new Notes, as applicable. The transferee Lender shall comply with Sections 5.8 and 5.9 and deliver, upon request, an administrative questionnaire satisfactory to Agent.

13.3.3 Certain Assignees. No assignment or participation may be made to any Borrower, Affiliate of any Borrower, Defaulting Lender or natural person except as described in **Schedule 13.3.3**. In connection with any assignment by a Defaulting Lender, such assignment shall be effective only upon payment by the Eligible Assignee or Defaulting Lender to the Agent of an aggregate amount sufficient, upon distribution (through direct payment, purchases of participations or other compensating actions as the Agent deems appropriate), (a) to satisfy all funding and payment liabilities then owing by the Defaulting Lender hereunder, and (b) to acquire its Pro Rata share of all Loans and LC Obligations. If an assignment by a Defaulting Lender shall become effective under Applicable Law for any reason without compliance with the foregoing sentence, then the assignee shall be deemed a Defaulting Lender for all purposes until such compliance occurs. Notwithstanding anything to the contrary in this Section 13.3.3, in order to comply with the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), the amount transferred in respect of a Dutch Borrower shall in any case include an outstanding portion of at least €100,000 (or its equivalent in other currencies) per Dutch Lender or such other amount as may be required from time to time by the Dutch Financial Supervision Act (or implementing legislation) or, if less, the assignee Dutch Lender shall confirm in writing to the Dutch Borrowers that it is a professional market party within the meaning of the Dutch Financial Supervision Act.

13.3.4 Replacement of Certain Lenders. If (x) a Lender (a) fails to give its consent to any amendment, waiver or action for which consent of all Lenders was required and Required Lenders consented, (b) is a Defaulting Lender, or (c) gives a notice under Section 3.5 or requests compensation under Section 3.7 or 3.8, or (y) if any Borrower is required to pay additional amounts or indemnity payments with respect to a Lender under Section 5.8, then, in addition to any other rights and remedies that any Person may have, the Agent or a Loan Party Agent may, by notice to such Lender within 120 days after such event, require such Lender to assign all of its rights and obligations under the Loan Documents to one or more Eligible Assignees, pursuant to appropriate Assignment and Acceptances, within 20 days after the notice. The Agent is irrevocably appointed as attorney-in-fact to execute any such Assignment and Acceptance if the Lender fails to execute it. Such Lender shall be entitled to receive, in cash, concurrently with such assignment, all amounts owed to it under the Loan Documents at par, including all principal, interest and fees through the date of assignment (but excluding any prepayment charge).

SECTION 14. MISCELLANEOUS

14.1 Consents, Amendments and Waivers.

14.1.1 Amendment. No modification of any Loan Document, including any extension or amendment of a Loan Document or any waiver of a Default or Event of Default, shall be effective without the prior written agreement of the Agent (with the consent of Required Lenders) and each Loan Party party to such Loan Document; *provided, however*, that:

(a) without the prior written consent of the Agent, no modification shall be effective with respect to any provision in a Loan Document that relates to any rights, duties or discretion of the Agent;

(b) (i) without the prior written consent of each U.S. Fronting Bank, no modification shall be effective with respect to any U.S. LC Obligations or Sections 2.9.1, 2.9.2 or 2.9.3 or any other provision in a Loan Document that relates to any rights, duties or discretion of any U.S. Fronting Bank, (ii) without the prior written consent of each Australian Fronting Bank, no modification shall be effective with respect to any Australian LC Obligations or Sections 2.2.1, 2.2.2 or 2.2.3 or any other provision in a Loan Document that relates to any rights, duties or discretion of the Australian Fronting Bank, (iii) without the prior written consent of each Belgian Fronting Bank, no modification shall be effective with respect to any Belgian LC Obligations or Sections 2.3.1, 2.3.2 or 2.3.3 or any other provision in a Loan Document that relates to any rights, duties or discretion of the Belgian Fronting Bank, (iv) without the prior written consent of each Canadian Fronting Bank, no modification shall be effective with respect to any Canadian LC Obligations or Sections 2.4.1, 2.4.2 or 2.4.3 or any other provision in a Loan Document that relates to any rights, duties or discretion of the Canadian Fronting Bank, (v) without the prior written consent of each Dutch Fronting Bank, no modification shall be effective with respect to any Dutch LC Obligations or Sections 2.5.1, 2.5.2 or 2.5.3 or any other provision in a Loan Document that relates to any rights, duties or discretion of the Dutch Fronting Bank, (vi) without the prior written consent of each New Zealand Fronting Bank, no modification shall be effective with respect to any New Zealand LC Obligations or Sections 2.6.1, 2.6.2 or 2.6.3 or any other provision in a Loan Document that relates to any rights, duties or discretion of the New Zealand Fronting Bank, (vii) without the prior written consent of each Singapore Fronting Bank, no modification shall be effective with respect to any Singapore LC Obligations or Sections 2.7.1, 2.7.2 or 2.7.3 or any other provision in a Loan Document that relates to any rights, duties or discretion of the Singapore Fronting Bank, and (viii) without the prior written consent of each UK Fronting Bank, no modification shall be effective with respect to any UK LC Obligations or Sections 2.8.1, 2.8.2 or 2.8.3 or any other provision in a Loan Document that relates to any rights, duties or discretion of the UK Fronting Bank; *provided that*, notwithstanding the foregoing, no Non-Lender Fronting Bank shall have any consent rights pursuant to this clause (b);

(c) without the prior written consent of each affected Lender, including a Defaulting Lender, no modification shall be effective that would (i) increase the Borrower Group Commitment of such Lender; (ii) reduce the amount of, or waive or delay payment of, any principal, interest or fees payable to such Lender (except as provided in Section 4.2); or (iii) increase the aggregate amount of all Commitments other than as provided in Section 2.1.7;

(d) without the prior written consent of all (i) Lenders (except any Defaulting Lender as provided in Section 4.2), no modification shall be effective that would (A) extend any Revolver Commitment Termination Date, any Swingline Commitment Termination Date or the Facility Termination Date; (B) alter Section 5.5; (C) amend the definitions of Pro Rata, Required Lenders, Required Borrower Group Lenders, Super-Majority Borrower Group Lenders or Super-Majority Lenders; (D) amend this Section 14.1.1; or (E) increase the Maximum Facility Amount; and (ii) U.S. Lenders and all Canadian Lenders (in each case except any Defaulting Lender as provided in Section 4.2), no modification shall be effective that would alter Section 7.1 (except to add Collateral);

(e) without the prior written consent of the Super-Majority Borrower Group Lenders having commitments to a Borrower Group, no amendment or waiver shall be effective that would:

(i) with respect to Lenders having Borrower Group Commitments to the Australian Borrowers, (A) amend the definitions of Australian Borrowing Base or Total Australian Borrowing Base (and the defined terms used in such definitions) if the effect of such amendment is to increase the advance rates contained therein, to make more credit available or to add new types of Collateral thereunder, (B) increase the advance rates applicable to the Australian Borrowers, (C) release a material portion (but less than all or substantially all) of the Australian Facility Collateral, except as currently contemplated by Section 12.4.1(a), *provided* that a release of all or substantially all of the Australian Facility Collateral requires the prior written consent of all Australian Lenders, (D) release any Australian Facility Loan Party from liability for any Australian Facility Obligations except as otherwise provided in this Agreement, (E) except as permitted under Section 10.2.2, subordinate Agent's or AUS-NZ Security Trustee's Lien on any Australian Facility Collateral or subordinate any Australian Facility Obligations in right of payment to any other Indebtedness or (F) amend the definition of Australian Availability;

(ii) with respect to Lenders having Borrower Group Commitments to the Belgian Borrowers, (A) amend the definitions of Belgian Borrowing Base or Total Belgian Borrowing Base (and the defined terms used in such definitions) if the effect of such amendment is to increase the advance rates contained therein, to make more credit available or to add new types of Collateral thereunder, (B) increase the advance rates applicable to the Belgian Borrowers, (C) release a material portion (but less than all or substantially all) of the Belgian Facility Collateral, except as currently contemplated by Section 12.4.1(b), *provided* that a release of all or substantially all of the Belgian Facility Collateral requires the prior written consent of all Belgian Lenders, (D) release any Belgian Facility Loan Party from liability for any Belgian Facility Obligations except as otherwise provided in this Agreement, (E) except as permitted under Section 10.2.2, subordinate Agent's or European Security Trustee's Lien on any Belgian Facility Collateral or subordinate any Belgian Facility Obligations in right of payment to any other Indebtedness or (F) amend the definition of Belgian Availability;

(iii) with respect to Lenders having Borrower Group Commitments to the Canadian Borrowers, (A) amend the definitions of Canadian Borrowing Base or Total Canadian Borrowing Base (and the defined terms used in such definitions) if the effect of such amendment is to increase the advance rates contained therein, to make more credit available or to add new types of Collateral thereunder, (B) increase the advance rates applicable to the Canadian Borrowers, (C) release a material portion (but less than all or substantially all) of the Canadian Facility Collateral, except as currently contemplated by Section 12.4.1(c), *provided* that a release of all or substantially all of the Canadian Facility Collateral requires the prior written consent of all Canadian Lenders, (D) release any Canadian Facility Loan Party from liability for any Canadian Facility Obligations except as otherwise provided in this Agreement, (E) except as permitted under Section 10.2.2, subordinate Agent's Lien on any Canadian Facility Collateral or subordinate any Canadian Facility Obligations in right of payment to any other Indebtedness or (F) amend the definition of Canadian Availability;

(iv) with respect to Lenders having Borrower Group Commitments to the Dutch Borrowers, (A) amend the definitions of Dutch Borrowing Base or Total Dutch Borrowing Base (and the defined terms used in such definitions) if the effect of such amendment is to increase the advance rates contained therein, to make more credit available or to add new types of Collateral thereunder, (B) increase the advance rates applicable to the Dutch Borrowers, (C) release a material portion (but less than all or substantially all) of the Dutch Facility Collateral, except as currently contemplated by Section 12.4.1(d), *provided* that a release of all or substantially all of the Dutch Facility Collateral requires the prior written consent of all Dutch Lenders, (D) release any Dutch Facility Loan Party from liability for any Dutch Facility Obligations except as otherwise provided in this Agreement, (E) except as permitted under Section 10.2.2, subordinate Agent's or European Security Trustee's Lien on any Dutch Facility Collateral or subordinate any Dutch Facility Obligations in right of payment to any other Indebtedness or (F) amend the definition of Dutch Availability;

(v) with respect to Lenders having Borrower Group Commitments to the New Zealand Borrowers, (A) amend the definitions of New Zealand Borrowing Base or Total New Zealand Borrowing Base (and the defined terms used in such definitions) if the effect of such amendment is to increase the advance rates contained therein, to make more credit available or to add new types of Collateral thereunder, (B) increase the advance rates applicable to the New Zealand Borrowers, (C) release a material portion (but less than all or substantially all) of the New Zealand Facility Collateral, except as currently contemplated by Section 12.4.1(e), *provided* that a release of all or substantially all of the New Zealand Facility Collateral requires the prior written consent of all New Zealand Lenders, (D) release any New Zealand Facility Loan Party from liability for any New Zealand Facility Obligations except as otherwise provided in this Agreement, (E) except as permitted under Section 10.2.2, subordinate Agent's or AUS-NZ Security Trustee's Lien on any New Zealand Facility Collateral or subordinate any New Zealand Facility Obligations in right of payment to any other Indebtedness or (F) amend the definition of New Zealand Availability;

(vi) with respect to Lenders having Borrower Group Commitments to the Singapore Borrowers, (A) amend the definitions of Singapore Borrowing Base or Total Singapore Borrowing Base (and the defined terms used in such definitions) if the effect of such amendment is to increase the advance rates contained therein, to make more credit available or to add new types of Collateral thereunder, (B) increase the advance rates applicable to the Singapore Borrowers, (C) release a material portion (but less than all or substantially all) of the Singapore Facility Collateral, except as currently contemplated by Section 12.4.1(f), *provided* that a release of all or substantially all of the Singapore Facility Collateral requires the prior written consent of all Singapore Lenders, (D) release any Singapore Facility Loan Party from liability for any Singapore Facility Obligations except as otherwise provided in this Agreement, (E) except as permitted under Section 10.2.2, subordinate Agent's or Singapore Security Trustee's Lien on any Singapore Facility Collateral or subordinate any Singapore Facility Obligations in right of payment to any other Indebtedness or (F) amend the definition of Singapore Availability;

(vii) with respect to Lenders having Borrower Group Commitments to the UK Borrowers, (A) amend the definitions of UK Borrowing Base or Total UK Borrowing Base (and the defined terms used in such definitions) if the effect of such amendment is to increase the advance rates contained therein, to make more credit available or to add new types of Collateral thereunder, (B) increase the advance rates applicable to the UK Borrowers, (C) release a material portion (but less than all or substantially all) of the UK Facility Collateral, except as currently contemplated by Section 12.4.1(g), *provided* that a release of all or substantially all of the UK Facility Collateral requires the prior written consent of all UK Lenders, (D) release any UK Facility Loan Party from liability for any UK Facility Obligations except as otherwise provided in this Agreement, (E) except as permitted under Section 10.2.2, subordinate Agent's or European Security Trustee's Lien on any UK Facility Collateral or subordinate any UK Facility Obligations in right of payment to any other Indebtedness or (F) amend the definition of UK Availability; or

(viii) with respect to Lenders having Borrower Group Commitments to the U.S. Borrowers, (A) amend the definition of U.S. Borrowing Base (and the defined terms used in such definitions) if the effect of such amendment is to increase the advance rates contained therein, to make more credit available or to add new types of Collateral thereunder, (B) increase the advance rates applicable to the U.S. Borrowers, (C) release any material portion (but less than all or substantially all) of the U.S. Facility Collateral, except as currently contemplated by Section 12.4.1(h), *provided* that a release of all or substantially all of the U.S. Facility Collateral requires the prior written consent of all U.S. Lenders, (D) release any U.S. Facility Loan Party from liability for any U.S. Facility Obligations except as otherwise provided in this Agreement, (E) except as permitted under Section 10.2.2, subordinate Agent's Lien on any U.S. Facility Collateral or subordinate any U.S. Facility Obligations in right of payment to any other Indebtedness or (F) amend the definition of U.S. Availability;

(f) without the prior written consent of the Super-Majority Lenders, no amendment or waiver shall be effective that would amend the definition of Excess Availability; and

(g) notwithstanding anything in this Section 14.1.1 to the contrary, if the Agent and the North American Loan Party Agent shall have jointly identified an obvious error or any error or omission of a technical nature, in each case, in any provision of the Loan Documents, then the Agent and the North American Loan Party Agent shall be permitted to amend such provision, and, in each case, such amendment shall become effective without any further action or consent of any other party to any Loan Document if the same is not objected to in writing by the Required Lenders to the Agent within ten Business Days following receipt of notice thereof.

14.1.2 Foreign Cross-Guarantee. Following the date on which a Foreign Borrower's Obligations have been guaranteed by other Foreign Borrowers pursuant to an effective Foreign Cross-Guarantee, Agent will give favorable consideration on a case by case basis, taking into account financial assistance rules and other legal considerations, to recommending an amendment permitting such Foreign Borrower's utilization of Availability from the other Foreign Borrowers that have guaranteed such Obligations in order to borrow amounts in excess of its individual Borrowing Base (but not to exceed the applicable Foreign Revolver Commitment amount for such Foreign Borrower's jurisdiction) which utilization will reduce availability to such other Foreign Borrowers on a dollar for dollar basis. Promptly following the date on which a Foreign Borrower has entered into a Foreign Cross-Guarantee and unless otherwise agreed by such Foreign Borrower, the Agent and the relevant Security Trustees agree that they shall take any and all action reasonably necessary to effectuate the release of any security interests in or Liens on all Pledged Collateral of such Foreign Borrower created pursuant to any Security Documents and shall enter into such documentation as such Foreign Borrower may reasonably request to effectuate such release.

14.1.3 Limitations. The agreement of Loan Parties shall not be necessary to the effectiveness of any modification of a Loan Document that deals solely with the rights and duties of Lenders, the Agent, the Security Trustees and/or any Fronting Bank as among themselves. Only the consent of the parties to the Fee Letter or any agreement relating to a Bank Product shall be required for any modification of such agreement. Neither any Non-Lender Fronting Bank nor any non-Lender that is a party to a Bank Product agreement shall have any right to participate in any manner in modification of any Loan Document. The making of any Loans during the existence of a Default or Event of Default shall not be deemed to constitute a waiver of such Default or Event of Default, nor to establish a course of dealing. Any waiver or consent granted by the Agent or Lenders hereunder shall be effective only if in writing and only for the matter specified.

14.1.4 Payment for Consents. After the Closing Date, no Loan Party will, directly or indirectly, pay any remuneration or other thing of value, whether by way of additional interest, fee or otherwise, to any Lender (in its capacity as a Lender hereunder) as consideration for agreement by such Lender with any modification of any Loan Documents, unless such remuneration or value is concurrently paid, on the same terms, on a Pro Rata basis to all Lenders providing their consent.

14.2 Indemnity. IN ADDITION TO THE INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 5.8 OR ANY OTHER PROVISION OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, EACH LOAN PARTY SHALL INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES AGAINST ANY CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE, INCLUDING CLAIMS ASSERTED BY ANY LOAN PARTY OR OTHER PERSON OR ARISING FROM THE NEGLIGENCE OF AN INDEMNITEE. In no event shall any party to a Loan Document have any obligation thereunder to indemnify or hold harmless an Indemnitee with respect to a Claim that is determined in a final, non-appealable judgment by a court of competent jurisdiction to result from the gross negligence, willful misconduct or bad faith of such Indemnitee, and no Loan Party shall have any obligation to indemnify or hold harmless an Indemnitee for disputes solely among Indemnitees and not relating to any act or omission of any Loan Party or its Affiliates (other than any action involving the Agent, any Security Trustee, any Fronting Bank or any Swingline Lender, in each case in its capacity as such, in which case this indemnity shall apply with respect to each such Person, as applicable, to the extent otherwise available). The indemnity under this Section 14.2 shall not apply to any Taxes, other than Taxes arising with respect to a non-Tax Claim.

14.3 Notices and Communications.

14.3.1 Notice Address. Subject to Section 4.4, all notices and other communications by or to a party hereto shall be in writing and shall be given to any Loan Party, at the applicable Loan Party Agent's address shown on the signature pages hereof, and to any other Person at its address shown on the signature pages hereof (or, in the case of a Person who becomes a Lender after the Closing Date, at the address shown on its Assignment and Acceptance), or at such other address as a party may hereafter specify by notice in accordance with this Section 14.3. Each such notice or other communication shall be effective only (a) if given by facsimile transmission, when transmitted to the applicable facsimile number, if confirmation of receipt is received; (b) if given by mail, three Business Days after deposit in the local mail system of the recipient, with first-class postage pre-paid, addressed to the applicable address; or (c) if given by personal delivery (including overnight and courier service), when duly delivered to the notice address with receipt acknowledged. Notwithstanding the foregoing, no notice to Agent pursuant to Sections 2.1.4, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 3.1.1, 3.1.2 or 4.1.1 shall be effective until actually received by the individual to whose attention at Agent such notice is required to be sent. Any written notice or other communication that is not sent in conformity with the foregoing provisions shall nevertheless be effective on the date actually received by the noticed party. Any notice received by North American Loan Party Agent shall be deemed received by all Loan Parties.

14.3.2 Electronic Communications; Voice Mail. Electronic mail and internet websites may be used only for routine communications, such as financial statements, Borrowing Base Certificates and other information required by Section 10.1.1, administrative matters, distribution of Loan Documents for execution, and matters permitted under Section 4.1.3. The Agent and Lenders make no assurances as to the privacy and security of electronic communications. Electronic mail and voice mail may not be used as effective notice under the Loan Documents.

14.3.3 Non-Conforming Communications. The Agent and Lenders may rely upon any notices purportedly given by or on behalf of any Loan Party even if such notices were not made in a manner specified herein, were incomplete or were not confirmed, or if the terms thereof, as understood by the recipient, varied from a later confirmation. Each Loan Party shall indemnify and hold harmless each Indemnitee from any liabilities, losses, costs and expenses arising from any telephonic communication purportedly given by or on behalf of a Loan Party.

14.4 Performance of Loan Parties' Obligations. The Agent may, in its discretion at any time and from time to time, at the expense of the Loan Parties of the applicable Loan Party Group, pay any amount or do any act required of a Loan Party under any Loan Documents or otherwise lawfully requested by the Agent to (a) enforce any Loan Documents or collect any Obligations; (b) protect, insure, maintain or realize upon any Collateral; or (c) defend or maintain the validity or priority of the Agent's or any Security Trustee's Liens in any Collateral, including any payment of a judgment, insurance premium, warehouse charge, finishing or processing charge, or landlord claim, or any discharge of a Lien. All payments, costs and expenses (including Extraordinary Expenses) of the Agent under this Section 14.4 shall be reimbursed to the Agent by Loan Parties, on demand, with interest from the date incurred to the date of payment thereof at the Default Rate applicable to U.S. Base Rate Loans. Any payment made or action taken by Agent under this Section 14.4 shall be without prejudice to any right to assert an Event of Default or to exercise any other rights or remedies under the Loan Documents.

14.5 Credit Inquiries. Each Loan Party hereby authorizes the Agent and Lenders (but they shall have no obligation) to respond to usual and customary credit inquiries from third parties concerning any Loan Party or Subsidiary.

14.6 Severability. Wherever possible, each provision of the Loan Documents shall be interpreted in such manner as to be valid under Applicable Law. If any provision is found to be invalid under Applicable Law, it shall be ineffective only to the extent of such invalidity and the remaining provisions of the Loan Documents shall remain in full force and effect.

14.7 Cumulative Effect; Conflict of Terms. The provisions of the Loan Documents are cumulative. The parties acknowledge that the Loan Documents may use several limitations, tests or measurements to regulate similar matters, and they agree that these are cumulative and that each must be performed as provided. Except as otherwise provided in another Loan Document (by specific reference to the applicable provision of this Agreement), if any provision contained herein is in direct conflict with any provision in another Loan Document, the provision herein shall govern and control.

14.8 Counterparts. Any Loan Document may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when the Agent has received counterparts bearing the signatures of all parties hereto. Delivery of a signature page of any Loan Document by telecopy or other electronic means shall be effective as delivery of a manually executed counterpart of such agreement.

14.9 Entire Agreement. Time is of the essence of the Loan Documents. The Loan Documents constitute the entire contract among the parties relating to the subject matter hereof, and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

14.10 Relationship with Lenders. The obligations of each Lender hereunder are several, and no Lender shall be responsible for the obligations or Commitments of any other Lender. Amounts payable hereunder to each Lender shall be a separate and independent debt. It shall not be necessary for the Agent or any other Lender to be joined as an additional party in any proceeding for such purposes. Nothing in this Agreement and no action of the Agent, Lenders or any other Secured Party pursuant to the Credit Documents shall be deemed to constitute the Agent and any Secured Party to be a partnership, association, joint venture or any other kind of entity, nor to constitute control of any Loan Party.

14.11 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated by any Credit Document, Loan Parties acknowledge and agree that (a)(i) this credit facility and any related arranging or other services by the Agent, any Lender, any of their Affiliates or any arranger are arm's-length commercial transactions between Loan Parties and such Person; (ii) Loan Parties have consulted their own legal, accounting, regulatory and tax advisors to the extent they have deemed appropriate; and (iii) Loan Parties are capable of evaluating, and understand and accept, the terms, risks and conditions of the transactions contemplated by the Credit Documents; (b) each of the Agent, Lenders, their Affiliates and any arranger is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for Loan Parties, any of their Affiliates or any other Person, and has no obligation with respect to the transactions contemplated by the Credit Documents except as expressly set forth therein; and (c) the Agent, Lenders, their Affiliates and any arranger may be engaged in a broad range of transactions that involve interests that differ from those of Loan Parties and their Affiliates, and have no obligation to disclose any of such interests to Loan Parties or their Affiliates. To the fullest extent permitted by Applicable Law, each Loan Party hereby waives and releases any claims that it may have against the Agent, Lenders, their Affiliates and any arranger with respect to any breach of agency or fiduciary duty in connection with any transaction contemplated by a Loan Document.

14.12 Confidentiality.

14.12.1 General Provisions. Each of the Agent, Lenders and each Fronting Bank shall maintain the confidentiality of all Information (as defined below), except that Information may be disclosed (a) to its Affiliates, and to its and their partners, members, directors, officers, employees, agents, advisors and representatives (*provided* such Persons are informed of the confidential nature of the Information and instructed to keep it confidential); (b) to the extent requested by any governmental, regulatory or self-regulatory authority purporting to have jurisdiction over it or its Affiliates; (c) to the extent required by Applicable Law or by any subpoena or other legal process; (d) to any other party hereto; (e) in connection with any action or proceeding, or other exercise of rights or remedies, relating to any Loan Documents or Obligations; (f) subject to an agreement containing provisions substantially the same (or at least as restrictive) as this Section 14.12, to any Transferee or any actual or prospective party (or its advisors) to any Bank Product; (g) with the consent of a Loan Party Agent; (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 14.12

or (ii) is available to the Agent, any Lender, Fronting Bank or any of their Affiliates on a nonconfidential basis from a source other than Loan Parties or (i) on a confidential basis to any rating agency in connection with rating any Borrower or its Subsidiaries. Notwithstanding the foregoing, the Agent and Lenders may publish or disseminate general information describing this credit facility, including the names and addresses of Loan Parties and a general description of Loan Parties' businesses, and may use Loan Parties' logos, trademarks or product photographs in advertising materials. As used herein, "Information" means all information received from a Loan Party or Subsidiary relating to it or its business that is identified as confidential when delivered. Any Person required to maintain the confidentiality of Information pursuant to this Section 14.12 shall be deemed to have complied if it exercises the same degree of care that it accords its own confidential information. Each of the Agent, Lenders and each Fronting Bank acknowledges that (A) Information may include material non-public information concerning a Loan Party or Subsidiary; (B) it has developed compliance procedures regarding the use of material non-public information; (C) it will handle such material non-public information in accordance with Applicable Law, including federal, state, provincial and territorial securities laws; and (D) nothing herein, for purposes of the Singapore Loan Parties, shall be deemed to constitute an agreement by them, with such Singapore Loan Parties, to prescribe a higher degree of confidentiality than that contained in the Singapore Banking Act.

14.12.2 PPSA Australia. Nothing requires a Secured Party to disclose any information of the kind referred to in section 275(1) of the PPSA Australia. The Loan Parties agree that they will only authorize the disclosure of information under section 275(7)(c) or request information under section 275(7)(d) if the Agent approves.

14.13 Certifications Regarding Indentures. Borrowers certify to the Agent and Lenders that neither the execution or performance of the Loan Documents nor the incurrence of any Obligations by Borrowers violates the Senior Secured Notes Indenture. Borrowers further certify that the Commitments and Obligations constitute Permitted Debt under the Senior Secured Notes Indenture. Agent may condition Borrowings, Letters of Credit and other credit accommodations under the Loan Documents from time to time upon Agent's receipt of evidence that the Commitments and Obligations continue to constitute Permitted Debt at such time.

14.14 GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, UNLESS OTHERWISE SPECIFIED, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES (BUT GIVING EFFECT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATION LAW AND FEDERAL LAWS RELATING TO NATIONAL BANKS).

14.15 Consent to Forum; Process Agent.

14.15.1 Forum. EACH PARTY HERETO HEREBY CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN OR WITH JURISDICTION OVER THE STATE OF NEW YORK, IN ANY PROCEEDING OR DISPUTE RELATING IN ANY WAY TO ANY LOAN DOCUMENTS, AND EACH LOAN PARTY AGREES THAT ANY SUCH PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. EACH PARTY IRREVOCABLY WAIVES ALL

CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 14.3.1. Nothing herein shall limit the right of the Agent, any Security Trustee or any Lender to bring proceedings against any Loan Party in any other court, nor limit the right of any party to serve process in any other manner permitted by Applicable Law. Nothing in this Agreement shall be deemed to preclude enforcement by the Agent or any Security Trustee of any judgment or order obtained in any forum or jurisdiction. Final judgment against a Loan Party in any action, suit or proceeding shall be conclusive and may be enforced in any other jurisdiction, including the country in which such Loan Party is domiciled, by suit on the judgment.

14.15.2 Process Agent. Without prejudice to any other mode of service allowed under any relevant law, each Foreign Borrower and each other Loan Party organized outside the U.S. (a) irrevocably appoints CT Corporation located at 111 Eighth Avenue, 13th Floor, New York, New York 10011, as its agent for service of process in relation to any action or proceeding arising out of or relating to any Loan Documents, and (b) agrees that failure by a process agent to notify such Borrower or such Loan Party of any process will not invalidate the proceedings concerned. For purposes of clarity, nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

14.16 Waivers by Loan Parties. To the fullest extent permitted by Applicable Law, each Loan Party waives (a) the right to trial by jury (which the Agent, each Security Trustee and each Lender hereby also waives) in any proceeding or dispute of any kind relating in any way to any Loan Documents, Obligations or Collateral; (b) presentment, demand, protest, notice of presentment, default, non-payment, maturity, release, compromise, settlement, extension or renewal of any commercial paper, accounts, documents, instruments, chattel paper and guaranties at any time held by the Agent on which a Loan Party may in any way be liable, and hereby ratifies anything the Agent may do in this regard; (c) notice prior to taking possession or control of any Collateral; (d) any bond or security that might be required by a court prior to allowing the Agent or a Security Trustee to exercise any rights or remedies; (e) the benefit of all valuation, appraisal and exemption laws; (f) any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) in any way relating to any Enforcement Action, Obligations, Loan Documents or transactions relating thereto; and (g) notice of acceptance hereof. Each Loan Party acknowledges that the foregoing waivers are a material inducement to the Agent, each Security Trustee, each Fronting Bank and Lenders entering into this Agreement and that the Agent, Security Trustees, each Fronting Bank and Lenders are relying upon the foregoing in their dealings with Loan Parties. Each Loan Party has reviewed the foregoing waivers with its legal counsel and has knowingly and voluntarily waived its jury trial and other rights following consultation with legal counsel. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

14.17 Contracting out of PPSA Australia Provisions.

14.17.1 PPSA Notices. Neither a Secured Party nor any receiver or manager is obliged to give any notice under the PPSA Australia (including notice of a verification statement) unless the notice is required by the PPSA Australia and cannot be excluded. The Loan Parties consent to the waiver of the requirement for notice and waive any rights they have to receive a notice under sections 95, 118, 121(4), 130, 135 and 157 of the PPSA Australia.

14.17.2 Contracting Out. To the extent that Chapter 4 of the PPSA Australia would otherwise apply, the parties agree that the following provisions of the PPSA Australia are excluded: (a) to the extent permitted by section 115(1) of the PPSA Australia allows them to be excluded: sections 125, 132(3)(d), 132(4), 135, without limiting Section 12.3.1(a) 142 and 143 of the PPSA Australia; and (b) to the extent permitted by section 115(7) of the PPSA Australia allows them to be excluded: sections 129(2) and (3), 132, 133(1)(b) (as it relates to a Lien of a Secured Party), 134(2), 135, 136(3)(4) and (5). The Loan Parties consent to the waiver of the requirement for notice under any other provision of the PPSA Australia that a Secured Party may notify to a Loan Party after the date of this document and waives any rights it has to receive that notice.

14.18 Waiver of Rights (PPSA New Zealand). The Loan Parties:

(a) have no rights under, or by reference to, sections 114(1)(a), 133 and 134 of the PPSA New Zealand;

(b) waive their rights to:

(i) not have goods damaged if a Secured Party or a receiver removes an accession under section 125 of the PPSA New Zealand;

(ii) receive notice of the removal of an accession under section 129 of the PPSA New Zealand;

(iii) apply to the court for an order concerning the removal of an accession under section 131 of the PPSA New Zealand;

(iv) receive a statement of account under section 116 of the PPSA New Zealand;

(v) receive notice of any proposal of a Secured Party or a receiver to retain collateral under section 120(2) of the PPSA New Zealand; and

(vi) object to any proposal of a Secured Party or a receiver to retain collateral under section 121 of the PPSA New Zealand; and

(c) waive their rights under section 148 of the PPSA New Zealand to receive a copy of a verification statement in respect of any financing statement or financing change statement registered by a Secured Party in respect of any personal property.

14.19 Patriot Act Notice. The Agent and Lenders hereby notify Loan Parties that pursuant to the requirements of the Patriot Act, the Proceeds of Crime Act and other applicable anti-money laundering, anti-terrorist financing, economic or trade sanctions and “know your client” policies, regulations, laws or rules (the Proceeds of Crime Act and such other applicable policies, regulations, laws or rules, collectively, including any guidelines or orders thereunder, “AML Legislation”), the Agent and Lenders are required to obtain, verify and record certain information that identifies each Loan Party, including its legal name, address, tax ID number and other similar information that will allow the Agent and Lenders to identify it in accordance with the Patriot Act and the AML Legislation. The Agent and Lenders may require information regarding Loan Parties’ management and owners, such as legal name, address, social security number and date of birth. Each Loan Party shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or any prospective assignee or participant of a Lender, in order to comply with the Patriot Act and/or the AML Legislation.

14.20 Canadian Anti-Money Laundering Legislation. If the Agent has ascertained the identity of any Canadian Facility Loan Party or any authorized signatories of any Canadian Facility Loan Party for the purposes of applicable AML Legislation, then the Agent:

(a) shall be deemed to have done so as an agent for each Canadian Lender, and this Agreement shall constitute a “written agreement” in such regard between each Canadian Lender and the Agent within the meaning of the applicable AML Legislation; and

(b) shall provide to each Canadian Lender copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.

Notwithstanding the preceding sentence and except as may otherwise be agreed in writing, each of the Canadian Lenders agrees that the Agent has no obligation to ascertain the identity of the Canadian Facility Loan Parties or any authorized signatories of the Canadian Facility Loan Parties on behalf of any Canadian Lender, or to confirm the completeness or accuracy of any information it obtains from any Canadian Facility Loan Party or any such authorized signatory in doing so.

14.21 Know Your Customer. At the request of the Agent, the Borrowers shall promptly supply or procure the supply of documentation and other evidence as is reasonably requested by the Agent (on its behalf or for any Credit Party or prospective Credit Party) in order for a Credit Party to comply with all necessary AML Legislation in connection with the transactions contemplated in the Loan Documents.

14.22 Australian Anti-Money Laundering Provisions. The Australian Borrowers agree that the Agent may delay, block or refuse to process any request for a Borrowing or Australian Letter of Credit without incurring any liability if any Australian Lender reasonably suspects that:

(a) the transaction may breach any AML Legislation;

(b) the transaction involves any Person (natural, corporate or governmental) that is sanctioned under economic and trade sanctions imposed by the United States, the European Union or Australia; or

(c) the transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, conduct which is unlawful in Australia.

The Australian Borrowers must provide all information to the Agent which any Australian Lender reasonably requires in order to manage its money-laundering, terrorism-financing or economic and trade sanctions risk or to comply with any laws or regulations in Australia. The Australian Borrowers agree that the Agent may disclose any information concerning the Australian Borrowers to:

- (i) any law enforcement, regulatory agency or court where required by any such law or regulations in Australia; and
- (ii) any correspondent entity an Australian Lender uses to make the payment for the purpose of compliance with any such law or regulation.

Unless an Australian Borrower has disclosed that it is acting in a trustee capacity or on behalf of another party, the Australian Borrower warrants that it is acting on its own behalf in entering into this document.

Each Australian Borrower declares and undertakes to the Agent that the processing of any request for a Borrowing or Australian Letter of Credit by the Agent in accordance with an Australian Borrower's instructions will not breach any laws or regulations in Australia.

14.23 Belgian Anti-Money Laundering Legislation. Each of the Belgian Lenders agrees that the Agent has no obligation to ascertain the identity of the Belgian Facility Loan Parties or any authorized signatories of the Belgian Facility Loan Parties on behalf of any Belgian Lender, or to confirm the completeness or accuracy of any information it obtains from any Belgian Facility Loan Party or any such authorized signatory in doing so.

14.24 "Know your customer" Checks. Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to comply with all necessary "know your customer" or other similar checks under all AML Legislation in connection with the transactions contemplated in the Loan Documents.

14.25 Reinstatement. This Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against any Loan Party for liquidation or reorganization, should any Loan Party become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of such Loan Party's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to Applicable Law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference", "fraudulent conveyance", or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

14.26 Nonliability of Lenders. Neither the Agent, any Fronting Bank nor any Lender undertakes any responsibility to any Loan Party to review or inform any Loan Party of any matter in connection with any phase of any Loan Party's business or operations. Each Loan Party agrees, on behalf of itself and each other Loan Party, that neither the Agent, any Fronting Bank nor any Lender shall have liability to any Loan Party (whether sounding in tort, contract or otherwise) for losses suffered by any Loan Party in connection with, arising out of, or in any way related to the transactions contemplated and the relationship established by the Loan Documents, or any act, omission or event occurring in connection therewith, unless it is determined in a final non-appealable judgment by a court of competent jurisdiction that such losses resulted from the gross negligence, willful misconduct or bad faith of the party from which recovery is sought. NO LENDER SHALL BE LIABLE FOR ANY DAMAGES ARISING FROM THE USE BY OTHERS OF ANY INFORMATION OR OTHER MATERIALS OBTAINED THROUGH INTRALINKS OR OTHER SIMILAR INFORMATION TRANSMISSION SYSTEMS IN CONNECTION WITH THIS AGREEMENT.

14.27 Ratification of Loan Documents. Each Borrower hereby ratifies and affirms its obligations under the Loan Documents (as amended, restated or otherwise modified on the Closing Date), each of which (as amended, restated or otherwise modified on the Closing Date) shall continue in full force and effect.

[Remainder of page intentionally left blank; signatures begin on following page]

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date set forth above.

MCJUNKIN RED MAN CORPORATION,
as a U.S. Borrower and Guarantor

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

2 Houston Center
909 Fannin, Suite 3100
Houston, TX 77010-1011
Attn: James E. Braun
Telecopy: (832) 308-2876

GREENBRIER PETROLEUM CORPORATION,
as a U.S. Borrower and Guarantor

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

**MCJUNKIN RED MAN DEVELOPMENT
CORPORATION,** as a U.S. Borrower and Guarantor

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

MIDWAY – TRISTATE CORPORATION,
as a U.S. Borrower and Guarantor

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

MILTON OIL & GAS COMPANY,
as a U.S. Borrower and Guarantor

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

MRC MANAGEMENT COMPANY,
as a U.S. Borrower and Guarantor

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

RUFFNER REALTY COMPANY,
as a U.S. Borrower and Guarantor

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

THE SOUTH TEXAS SUPPLY COMPANY, INC. as a U.S.
Borrower and Guarantor

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

MIDFIELD SUPPLY ULC, as a Canadian Borrower

By: /s/ James E. Braun
Name: James E. Braun
Title: Executive Vice President and Chief Financial Officer

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

MRC TRANSMARK HOLDINGS UK LIMITED, as a UK
Borrower

By: /s/ John Bowhay
Name: John Bowhay
Title: Managing Director

Heaton House, Riverside Drive, Hunsworth Lane
Bradford BD19 4DH
Attn: Senior Vice President International Finance and
Administration
Telecopy: +44 (0) 1274 700166

MRC TRANSMARK LIMITED,
as a UK Borrower

By: /s/ John Bowhay
Name: John Bowhay
Title: Managing Director

MRC TRANSMARK (DRAGON) LIMITED,
as a UK Borrower

By: /s/ John Bowhay
Name: John Bowhay
Title: Managing Director

MRC SPF SCANFIT LIMITED,
as a UK Borrower

By: /s/ John Bowhay
Name: John Bowhay
Title: Managing Director

MRC TRANSMARK NV, as a Belgian Borrower

By: _____
Name: _____
Title: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

MRC TRANSMARK HOLDINGS UK LIMITED,
as a UK Borrower

By: _____
Name: _____
Title: _____

Heaton House, Riverside Drive, Hunsworth Lane
Bradford BD19 4DH
Attn: Senior Vice President International Finance and
Administration
Telecopy: +44 (0) 1274 700166

MRC TRANSMARK LIMITED,
as a UK Borrower

By: _____
Name: _____
Title: _____

MRC TRANSMARK (DRAGON) LIMITED,
as a UK Borrower

By: _____
Name: _____
Title: _____

MRC SPF SCANFIT LIMITED,
as a UK Borrower

By: _____
Name: _____
Title: _____

MRC TRANSMARK NV, as a Belgian Borrower

By: /s/ Luc Belis
Name: Luc Belis
Title: Permanent Representative of L. Belis BVBA, Special
Attorney

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

MRC TRANSMARK B.V., as a Dutch Borrower

By: /s/ L. Meijer

Name: L. Meijer

Title: Attorney

MRC TRANSMARK INTERNATIONAL B.V.,
as a Dutch Borrower

By: /s/ L. Meijer

Name: L. Meijer

Title: Attorney

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

MRC TRANSMARK PTY LTD, as an Australian Borrower

Signed for and on behalf of MRC Transmark Pty Ltd ACN 080 156 378 by attorney Dean DeGiorgio under power of attorney dated 23.03.12 and the attorney declares that the attorney has not received any notice of the revocation of such power of attorney, in the presence of:

/s/ Dean DeGiorgio

/s/ Hugh David Anderson

Signature of witness

HUGH DAVID ANDERSON

Name of witness (BLOCK LETTERS)

526 Collins Street, Melbourne
An Australian Legal Practitioner
within the meaning of the Legal
Profession Act 2004

Heaton House, Riverside Drive,
Hunsworth Lane
Bradford BD19 4DH
Attn: Senior Vice President
International Finance and
Administration
Telecopy: +44 (0) 1274 700166

Address of witness

MRC SPF PTY LTD., as an Australian Borrower

Signed for and on behalf of MRC SPF Pty Ltd. ACN 088 104 410 by attorney Dean DeGiorgio .under power of attorney dated _____ and the attorney declares that the attorney has not received any notice of the revocation of such power of attorney, in the presence of:

/s/ Dean DeGiorgio

/s/ Hugh David Anderson

Signature of witness

HUGH DAVID ANDERSON

Name of witness (BLOCK LETTERS)

526 Collins Street, Melbourne
An Australian Legal Practitioner
within the meaning of the Legal
Profession Act 2004

Address of witness

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

AGENT AND LENDERS:

BANK OF AMERICA, N.A.,
as Agent and a U.S. Lender

By: /s/ Mark Porter
Name: Mark Porter
Title: Senior Vice President

Bank of America, N.A. as Agent
901 Main Street, Floor 11
Mail Code TX1-492-11-23
Dallas, Texas 75202

Attn: Mark Porter
Telecopy: 214-209-4766

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

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

By: /s/ Medina Sales De Andrade
Name: Medina Sales De Andrade
Title: Vice President

Bank of America, N.A. as Agent
901 Main Street, Floor 11
Mail Code TX1-492-11-23
Dallas, Texas 75202

Attn: Medina Sales De Andrade
Telecopy: 416-369-7647

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

BANK OF AMERICA, N.A. (acting through its London Branch), as European Security Trustee and as a Belgian Lender, a Dutch Lender and a UK Lender

By: /s/ Mark Porter
Name: Mark Porter
Title: Senior Vice President

Attn: _____
Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

BANK OF AMERICA, N.A. (acting through its Australia Branch), as AUS-NZ Security Trustee and as an Australian Lender

By: /s/ Mark Porter
Name: Mark Porter
Title: Senior Vice President

Attn: _____
Telecopy: _____

With a copy to:

Bank of America, N.A. (acting through its Hong Kong branch)
979 King's Road
Level 14 Devon House
Quarry Bay
Hong Kong
Attn: Loan Agency

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a
U.S. Lender

By: /s/ Brant Murdock
Name: Brant Murdock
Title: Authorized Signatory

301 South College Street, 22nd Floor
Charlotte, NC 28202
Attn: Dave Warga
Telecopy: 704-715-0016

**WELLS FARGO CAPITAL FINANCE CORPORATION
CANADA**, as a Canadian Lender

By: _____
Name: _____
Title: _____

301 South College Street, 22nd Floor
Charlotte, NC 28202
Attn: Dave Warga
Telecopy: 704-715-0016

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a
U.S. Lender

By: _____

Name: Brant Murdock

Title: Authorized Signatory

301 South College Street, 22nd Floor
Charlotte, NC 28202
Attn: Dave Warga
Telecopy: 704-715-0016

**WELLS FARGO CAPITAL FINANCE CORPORATION
CANADA**, as a Canadian Lender

By: /s/ Domenic Cosentino _____

Name: Domenic Cosentino

Title: Authorized Signatory

301 South College Street, 22nd Floor
Charlotte, NC 28202
Attn: Dave Warga
Telecopy: 704-715-0016

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

**WELLS FARGO BANK, NATIONAL ASSOCIATION,
LONDON BRANCH,**
as an Australian Lender, a Belgian Lender and a Dutch Lender

By: /s/ Anita Best
Name: Anita Best
Title: Senior Vice President

301 South College Street, 22nd Floor
Charlotte, NC 28202
Attn: Dave Warga
Telecopy: 704-715-0016

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

BARCLAYS BANK PLC, as a U.S. Lender, a Canadian Lender
and an Australian Lender

By: /s/ Michael J. Mozer

Name: Michael J. Mozer

Title: Vice President

745 Seventh Avenue
New York, NY 10019
Attn: Michael Mozer
Telecopy: 212-526-1456

BARCLAYS BANK PLC,
a Belgian Lender and a Dutch Lender

By: /s/ Michael J. Mozer

Name: Michael J. Mozer

Title: Vice President

745 Seventh Avenue
New York, NY 10019
Attn: Michael Mozer
Telecopy: 212-526-1456

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

By: /s/ Mark Walton
Name: Mark Walton
Title: Authorized Signatory

Attn: _____
Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

U.S. BANK NATIONAL ASSOCIATION,
as a U.S. Lender

By: /s/ Kelli Stabenow
Name: Kelli Stabenow
Title: Assistant Vice President

209 South LaSalle Street, Suite 300
Chicago, IL 60604
Attn: Kelli Stabenow
Telecopy: 312-325-8905

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

**U.S. BANK NATIONAL ASSOCIATION, CANADA
BRANCH, as a Canadian Lender**

By: /s/ Joseph Rauhala
Name: Joseph Rauhala
Title: Principal Officer

Attn: _____
Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

SUNTRUST BANK, as a U.S. Lender

By: /s/ David Holland

Name: David Holland

Title: VP, Portfolio Manager

Attn: _____

Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

TD BANK, N.A., as a U.S. Lender

By: /s/ Edward Behnen

Name: Edward Behnen

Title: Vice President

317 Madison Avenue

New York, NY 10017

Attn: Edward Behnen

Telecopy: (856) 533-7124

THE TORONTO-DOMINION BANK,

as a Canadian Lender

By: _____

Name: _____

Title: _____

Attn: _____

Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

TD BANK, N.A., as a U.S. Lender

By: _____
Name: _____
Title: _____

Attn: _____
Telecopy: _____

THE TORONTO-DOMINION BANK,
as a Canadian Lender

By:	<u>/s/ Darcy Mack</u>	<u>/s/ Michael Ho</u>
Name:	Darcy Mack	Michael Ho
Title:	Vice President	Analyst
_____ _____ Attn: Michael Ho Telecopy: 416-983-6522		

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

CIT BANK, as a U.S. Lender

By: /s/ Julie Patience

Name: Julie Patience

Title: Authorized Signatory

Attn: _____

Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

PNC BANK, NATIONAL ASSOCIATION,
as a U.S. Lender

By: /s/ Katheine M. Garland

Name: Katheine M. Garland

Title: Bank Officer

340 Madison Avenue, 11th Floor

New York, NY 10173

Attn: Katherine Garland

Telecopy: 212-303-0060

PNC BANK CANADA BRANCH,

as a Canadian Lender

By: _____

Name: _____

Title: _____

Attn: _____

Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

PNC BANK, NATIONAL ASSOCIATION,
as a U.S. Lender

By: _____
Name: _____
Title: _____

Attn: _____
Telecopy: _____

PNC BANK CANADA BRANCH,
as a Canadian Lender

By: /s/ Mike Danby _____
Name: Mike Danby
Title: Assistant Vice President

Attn: Account Officer
Telecopy: 416-361-0085

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

RBS CITIZENS BUSINESS CAPITAL,
a division of RBS ASSET FINANCE, INC., a subsidiary of RBS
CITIZENS, N.A., as a U.S. Lender

By: /s/ Patrick Aarons
Name: Patrick Aarons
Title: Senior Vice President

100 Galleria Parkway, Suite 1100
Atlanta, Georgia 30339
Attn: Portfolio Manager
Telecopy: 770-850-4895

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

RBS INVOICE FINANCE LIMITED,
as a Belgian Lender, a Dutch Lender and a UK Lender

By: /s/ Christopher Hawes
Name: Christopher Hawes
Title: Director, Corporate

280 Bishopsgate
London EC2M 4RB
Attn: Jessica Brown
Telecopy: 0207 672 1356

RBS INVOICE FINANCE LIMITED,
as an Australian Lender

By: /s/ Christopher Hawes
Name: Christopher Hawes
Title: Director, Corporate

280 Bishopsgate
London EC2M 4RB
Attn: Jessica Brown
Telecopy: 0207 672 1356

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

UNION BANK, N.A.,
as a U.S. Lender and an Australian Lender

By: /s/ Mike Richman
Name: Mike Richman
Title: VP

445 S. Figueroa #13
LA, CA 90071
Attn: Mike Richman
Telecopy: 215-236-6089

UNION BANK, CANADA BRANCH,
as a Canadian Lender

By: /s/ Anne Collins
Name: Anne Collins
Title: Vice President

730 – 440 2nd Ave. S.W.
Calgary, Alberta, T2P 5E9
Attn: Anne Collins
Telecopy: 403-264-2770

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

JPMORGAN CHASE BANK, N.A.,
as a U.S. Lender

By: /s/ Dan Bueno
Name: Dan Bueno
Title: Vice President

270 Park Avenue, 44th Floor
New York, NY 10017
Telecopy: 646-534-2274

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

By: _____
Name: _____
Title: _____

Attn: _____
Telecopy: _____

JPMORGAN CHASE BANK, N.A., SYDNEY BRANCH
(ABN 43 074 112 011),
as an Australian Lender

By: _____
Name: _____
Title: _____

Attn: _____
Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

JPMORGAN CHASE BANK, N.A.,
as a U.S. Lender

By: _____
Name: _____
Title: _____

Attn: _____
Telecopy: _____

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

By: /s/ Agostino A. Marchetti
Name: Agostino A. Marchetti
Title: SVP

Attn: _____
Telecopy: _____

JPMORGAN CHASE BANK, N.A., SYDNEY BRANCH
(ABN 43 074 112 011),
as an Australian Lender

By: _____
Name: _____
Title: _____

Attn: _____
Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

JPMORGAN CHASE BANK, N.A., as a U.S. Lender

By: _____
Name: _____
Title: _____

Attn: _____
Telecopy: _____

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

By: _____
Name: _____
Title: _____

Attn: _____
Telecopy: _____

**JPMORGAN CHASE BANK, N.A., SYDNEY BRANCH
(ABN 43 074 112 011),
as an Australian Lender**

By: /s/ Lee Wilkinson
Name: Lee Wilkinson
Title: Executive Director

Level 32 Grosvenor Place
225 George Street, Sydney
NSW 2000 Australia

Attn: Lee Wilkinson
Telecopy: +612 9220 7803

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

THE HUNTINGTON NATIONAL BANK,
as a U.S. Lender

By: /s/ Derek Taylor

Name: Derek Taylor

Title: Vice President

310 Grant St., 5th Floor
Pittsburgh, PA. 15219
Attn: Derek Taylor

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

FLAGSTAR BANK, FSB, as a U.S. Lender

By: /s/ Willard D. Dickerson, Jr.

Name: Willard D. Dickerson, Jr.

Title: Senior Vice President

16 Chestnut Street

Foxboro, MA 02035

Attn: Willard D. Dickerson, Jr.

Telecopy: 617-543-1976

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

By: /s/ James M. Armstrong

Name: James M. Armstrong

Title: Senior Vice President

Raymond James Bank, N.A.
710 Carillon Parkway
St. Petersburg, FL 33716

Attn: James Armstrong
Telecopy: (866) 205-1396

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

CITY NATIONAL BANK,
as a U.S. Lender and a Canadian Lender

By: /s/ Robert Yasuda
Name: Robert Yasuda
Title: Vice President

Attn: _____
Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

CAPITAL ONE LEVERAGE FINANCE CORP., as a U.S.
Lender

By: /s/ Michael Burns
Name: Michael Burns
Title: Senior Vice President

275 Broadhollow Road
Melville, N.Y. 11747
Attn: Robert Wallace
Telecopy: (800) 986-0323

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

BOKE, NA, as a U.S. Lender

By: /s/ Ryan Kirk

Name: Ryan Kirk

Title: Commercial Banking Officer

One William Center, 8th Floor

Tulsa, OK 74172

Attn: Ryan Kirk

Telecopy: 918-280-3368

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

By: /s/ Robert F. Mello
Name: Robert F. Mello
Title: Vice President

Attn: _____
Telecopy: _____

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

KEYBANK, N.A., as a U.S. Lender

By: /s/ Andrew Ashley

Name: Andrew Ashley

Title: AVP

4900 Tiedeman Road
OH-01-49-0114
Brooklyn, OH 44144-2303
Attn: Matt Schorgl
Telecopy: 216-370-6001

KEYBANK, N.A., as a Canadian Lender

By: /s/ Andrew Ashley

Name: Andrew Ashley

Title: AVP

4900 Tiedeman Road
OH-01-49-0114
Brooklyn, OH 44144-2303
Attn: Matt Schorgl
Telecopy: 216-370-6001

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

REGIONS BANK, as a U.S. Lender

By: /s/ John Eckhouse

Name: John Eckhouse

Title: Vice President

Attn: Acct Mgr- McJunkin

Telecopy: (205) 264-5282

REGIONS BANK, as a Dutch Lender

By: /s/ John Eckhouse

Name: John Eckhouse

Title: Vice President

Attn: Acct Mgr- McJunkin

Telecopy: (205) 264-5282

[Signature Page to Amended and Restated Loan, Security and Guarantee Agreement]

EXHIBIT A-1
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF ASSIGNMENT AND ACCEPTANCE

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas" and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers"), MRC TRANSMARK PTY LTD., a company incorporated under the laws of the Commonwealth of Australia ("Transmark Australia"), and MRC SPF PTY LTD., a company incorporated under the laws of the Commonwealth of Australia ("SPF Australia" and together with Transmark Australia, the "Initial Australian Borrowers"), MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands" and together with Transmark Netherlands, the "Initial Dutch Borrowers"), MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK" and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"; and collectively with any other UK Borrowers, any other Australian Borrowers, any other Belgian Borrowers, any other Canadian Borrowers, any other Dutch Borrowers, any New Zealand Borrowers, any Singapore Borrowers and any other U.S. Borrowers, the "Borrowers"), the Persons from time to time party to the Loan Agreement as Guarantors, the financial institutions party to the Loan Agreement from time to time as lenders (collectively, "Lenders"), BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (together with any successor agent appointed pursuant to Section 12.10 of the Loan Agreement, the "Agent"), and Barclays Capital, the investment banking division of Barclays Bank PLC, and Wells Fargo Capital Finance LLC, as Co-Syndication Agents. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

_____ (“Assignor”) and _____ (“Assignee”) agree as follows:

1. Assignor hereby assigns to Assignee and Assignee hereby purchases and assumes from Assignor:

(a) Australian facility:

- (i) a principal amount of \$_____ of Assignor’s outstanding Australian Revolver Loans and \$_____ of Assignor’s participations in Australian LC Obligations;
- (ii) the amount of \$_____ of Assignor’s Australian Revolver Commitment (which represents ___% of the total Australian Revolver Commitments);

(b) Belgian facility:

- (i) a principal amount of \$_____ of Assignor’s outstanding Belgian Revolver Loans and \$_____ of Assignor’s participations in Belgian LC Obligations;
- (ii) the amount of \$_____ of Assignor’s Belgian Revolver Commitment (which represents ___% of the total Belgian Revolver Commitments);

(c) Canadian facility:

- (i) a principal amount of \$_____ of Assignor’s outstanding Canadian Revolver Loans and \$_____ of Assignor’s participations in Canadian LC Obligations;
- (ii) the amount of \$_____ of Assignor’s Canadian Revolver Commitment (which represents ___% of the total Canadian Revolver Commitments);

(d) Dutch facility:

- (i) a principal amount of \$_____ of Assignor’s outstanding Dutch Revolver Loans and \$_____ of Assignor’s participations in Dutch LC Obligations;
- (ii) the amount of \$_____ of Assignor’s Dutch Revolver Commitment (which represents ___% of the total Dutch Revolver Commitments);

(e) New Zealand facility:

- (i) a principal amount of \$_____ of Assignor’s outstanding New Zealand Revolver Loans and \$_____ of Assignor’s participations in New Zealand LC Obligations;

- (ii) the amount of \$_____ of Assignor's New Zealand Revolver Commitment (which represents ___% of the total New Zealand Revolver Commitments);
- (f) Singapore facility:
 - (i) a principal amount of \$_____ of Assignor's outstanding Singapore Revolver Loans and \$_____ of Assignor's participations in Singapore LC Obligations;
 - (ii) the amount of \$_____ of Assignor's Singapore Revolver Commitment (which represents ___% of the total Singapore Revolver Commitments);
- (g) UK facility:
 - (i) a principal amount of _____ of Assignor's outstanding UK Revolver Loans and \$_____ of Assignor's participations in UK LC Obligations;
 - (ii) the amount of \$_____ of Assignor's UK Revolver Commitment (which represents ___% of the total UK Revolver Commitments); and
- (h) U.S. facility:
 - (i) a principal amount of \$_____ of Assignor's outstanding U.S. Revolver Loans and \$_____ of Assignor's participations in U.S. LC Obligations; and
 - (ii) the amount of \$_____ of Assignor's U.S. Revolver Commitment (which represents ___% of the total U.S. Revolver Commitments);]¹

(the foregoing items being, collectively, the "Assigned Interest"), together with an interest in the Loan Documents corresponding to the Assigned Interest. This Assignment and Acceptance shall be effective as of the date ("Effective Date") indicated in the corresponding Assignment Notice delivered to Agent, provided such Assignment Notice is executed by Assignor, Assignee, Agent and, if applicable, North American Loan Party Agent. From and after the Effective Date, Assignee hereby expressly assumes, and undertakes to perform, all of Assignor's obligations in respect of the Assigned Interest, and all principal, interest, fees and other amounts which would otherwise be payable to or for Assignor's account in respect of the Assigned Interest shall be payable to or for Assignee's account, to the extent such amounts accrue on or after the Effective Date.

2. Assignor (a) represents that as of the date hereof, prior to giving effect to this assignment:

¹ Assignor and Assignee to select all applicable facilities.

[(i) Australian facility: its Australian Revolver Commitment is \$_____, the outstanding balance of its Australian Revolver Loans and participations in Australian LC Obligations is \$_____,

(ii) Belgian facility: its Belgian Revolver Commitment is \$_____, the outstanding balance of its Belgian Revolver Loans and participations in Belgian LC Obligations is \$_____,

(iii) Canadian facility: its Canadian Revolver Commitment is \$_____, the outstanding balance of its Canadian Revolver Loans and participations in Canadian LC Obligations is \$_____,

(iv) Dutch facility: its Dutch Revolver Commitment is \$_____, the outstanding balance of its Dutch Revolver Loans and participations in Dutch LC Obligations is \$_____,

(v) New Zealand facility: its New Zealand Revolver Commitment is \$_____, the outstanding balance of its New Zealand Revolver Loans and participations in New Zealand LC Obligations is \$_____,

(vi) Singapore facility: its Singapore Revolver Commitment is \$_____, the outstanding balance of its Singapore Revolver Loans and participations in Singapore LC Obligations is \$_____,

(vii) UK facility: its UK Revolver Commitment is \$_____, the outstanding balance of its UK Revolver Loans and participations in UK LC Obligations is \$_____, and

(viii) U.S. facility: its U.S. Revolver Commitment is \$_____, the outstanding balance of its U.S. Revolver Loans and participations in U.S. LC Obligations is \$_____];²

(b) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Loan Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document furnished pursuant thereto, other than that Assignor is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; and

(c) makes no representation or warranty and assumes no responsibility with respect to the financial condition of Borrowers or the performance by Borrowers of their obligations under the Loan Documents. [*Assignor is attaching the Revolver Note[s] held by it and requests that Agent exchange such Revolver Note[s] for new Revolver Notes payable to Assignee [and Assignor].*]

² Assignor to select all applicable facilities.

3. Assignee (a) represents and warrants that it is legally authorized to enter into this Assignment and Acceptance; (b) confirms that it has received copies of the Loan Agreement and such other Loan Documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (c) agrees that it shall, independently and without reliance upon Assignor and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents; (d) confirms that it is an Eligible Assignee; (e) appoints and authorizes Agent to take such action as agent on its behalf and to exercise such powers under the Loan Agreement as are delegated to Agent by the terms thereof, together with such powers as are incidental thereto; [(f) appoints and authorizes European Security Trustee to take such action as agent on its behalf and to exercise such powers under the Loan Agreement as are delegated to European Security Trustee by the terms thereof, together with such powers as are incidental thereto];³ [(g) appoints, pursuant to the terms of the Australian Security Trust Deed, and authorizes AUS-NZ Security Trustee to take such action as agent on its behalf and to exercise such powers under the Loan Agreement and the Australian Security Trust Deed as are delegated to AUS-NZ Security Trustee by the terms thereof, together with such powers as are incidental thereto];⁴ (h) agrees that it will observe and perform all obligations that are required to be performed by it as a “Lender” under the Loan Documents; (i) agrees that it will execute and deliver to the Agent a joinder, or other writing acceptable to Agent, to the intercreditor agreement, dated as of the Closing Date, among Agent and Lenders establishing a mechanism for the allocation and exchange of interests in the Loans, participations in Letters of Credit and collections thereunder; (j) acknowledges receipt of a copy of such intercreditor agreement and, whether or not Assignee delivers a joinder thereto as required by the preceding clause, agrees to be bound by the terms and conditions of such intercreditor agreement as a result of Assignee entering into this Assignment and Acceptance; (k) represents and warrants that the assignment evidenced hereby will not result in a non-exempt “prohibited transaction” under Section 406 of ERISA; (l) agrees that it will execute and deliver to Agent and North American Loan Party Agent all applicable tax forms; [(m) confirms, in accordance with Section[s] [5.8.6(e)][5.8.8(e)][5.8.9(e)] of the Loan Agreement, for the benefit of Agent and the Relevant Borrowers (as defined therein) and without liability to any Relevant Borrower, that it is [not a Qualifying Lender / a Qualifying Lender (other than a Treaty Lender) / a Treaty Lender]⁵; [and] [(n) confirms, for the benefit of Agent and the Relevant Borrowers and without liability to any Relevant Borrower, that its HMRC DT Treaty Passport scheme reference number is [_____] and its jurisdiction of tax residence is [_____]]⁶.

4. This Assignment and Acceptance shall be governed by the laws of the State of New York. If any provision is found to be invalid under Applicable Law, it shall be ineffective only to the extent of such invalidity and the remaining provisions of this Assignment and Acceptance shall remain in full force and effect.

³ Bracketed provision should only be included if Assignee will be a Belgian Lender, Dutch Lender and/or a UK Lender.

⁴ Bracketed provision should only be included if Assignee will be an Australian Lender, a New Zealand Lender and/or a Singapore Lender.

⁵ Bracketed provision should only be included if Assignee will be a Belgium Lender, a Singapore Lender and/or a UK Lender, respectively.

⁶ Bracketed provision should only be included if Assignee is a Treaty Lender and wants the HMRC DT Treaty Passport scheme to apply to the Loan Agreement.

5. Each notice or other communication hereunder shall be in writing, shall be sent by messenger, by telecopy or facsimile transmission, or by first-class mail, shall be deemed given when sent and shall be sent as follows:

(a) If to Assignee, to the following address (or to such other address as Assignee may designate from time to time):

(b) If to Assignor, to the following address (or to such other address as Assignor may designate from time to time):

Payments hereunder shall be made by wire transfer of immediately available Dollars as follows:

If to Assignee, to the following account (or to such other account as Assignee may designate from time to time):

ABA No. _____

Account No. _____
Reference: _____

If to Assignor, to the following account (or to such other account as Assignor may designate from time to time):

ABA No. _____

Account No. _____
Reference: _____

IN WITNESS WHEREOF, this Assignment and Acceptance is executed as of _____, 20__.

("Assignee")

By _____

Title:

("Assignor")

By _____

Title:

EXHIBIT A-2
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF ASSIGNMENT NOTICE

Reference is made to that certain (1) Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas" and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers"), MRC TRANSMARK PTY LTD, a company incorporated under the laws of the Commonwealth of Australia ("Transmark Australia"), and MRC SPF PTY LTD., a company incorporated under the laws of the Commonwealth of Australia ("SPF Australia" and together with Transmark Australia, the "Initial Australian Borrowers"), MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands" and together with Transmark Netherlands, the "Initial Dutch Borrowers"), MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK" and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"; and collectively with any other UK Borrowers, any other Australian Borrowers, any other Belgian Borrowers, any other Canadian Borrowers, any other Dutch Borrowers, any New Zealand Borrowers, any Singapore Borrowers and any other U.S. Borrowers, the "Borrowers"), the Persons from time to time party to the Loan Agreement as Guarantors, the financial institutions party to the Loan Agreement from time to time as lenders (collectively, "Lenders"), BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (together with any successor agent appointed pursuant to Section 12.10 of the Loan Agreement, the "Agent"), and Barclays Capital, the investment banking division of Barclays Bank PLC, and Wells Fargo Capital Finance LLC, as Co-Syndication Agents; and (2) Assignment and Acceptance dated as of _____, 20____ ("Assignment Agreement"), between _____ ("Assignor") and _____ ("Assignee"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

Assignor hereby notifies the Borrowers and Agent of Assignor's intent to assign to Assignee pursuant to the Assignment Agreement:

[(a) Australian facility:

- (i) a principal amount of \$_____ of Assignor's outstanding Australian Revolver Loans and \$_____ of Assignor's participations in Australian LC Obligations;
- (ii) the amount of \$_____ of Assignor's Australian Revolver Commitment (which represents ___% of the total Australian Revolver Commitments);

(b) Belgian facility:

- (i) a principal amount of \$_____ of Assignor's outstanding Belgian Revolver Loans and \$_____ of Assignor's participations in Belgian LC Obligations;
- (ii) the amount of \$_____ of Assignor's Belgian Revolver Commitment (which represents ___% of the total Belgian Revolver Commitments);

(c) Canadian facility:

- (i) a principal amount of \$_____ of Assignor's outstanding Canadian Revolver Loans and \$_____ of Assignor's participations in Canadian LC Obligations;
- (ii) the amount of \$_____ of Assignor's Canadian Revolver Commitment (which represents ___% of the total Canadian Revolver Commitments);

(d) Dutch facility:

- (i) a principal amount of \$_____ of Assignor's outstanding Dutch Revolver Loans and \$_____ of Assignor's participations in Dutch LC Obligations;
- (ii) the amount of \$_____ of Assignor's Dutch Revolver Commitment (which represents ___% of the total Dutch Revolver Commitments);

(e) New Zealand facility:

- (i) a principal amount of \$_____of Assignor's outstanding New Zealand Revolver Loans and \$_____of Assignor's participations in New Zealand LC Obligations;
 - (ii) the amount of \$_____of Assignor's New Zealand Revolver Commitment (which represents __% of the total New Zealand Revolver Commitments);
- (f) Singapore facility:
- (i) a principal amount of \$_____of Assignor's outstanding Singapore Revolver Loans and \$_____of Assignor's participations in Singapore LC Obligations;
 - (ii) the amount of \$_____of Assignor's Singapore Revolver Commitment (which represents __% of the total Singapore Revolver Commitments);
- (g) UK facility:
- (i) a principal amount of \$_____of Assignor's outstanding UK Revolver Loans and \$_____of Assignor's participations in UK LC Obligations;
 - (ii) the amount of \$_____of Assignor's UK Revolver Commitment (which represents __% of the total UK Revolver Commitments); and
- (h) U.S. facility:
- (i) a principal amount of \$_____of Assignor's outstanding U.S. Revolver Loans and \$_____of Assignor's participations in U.S. LC Obligations; and
 - (ii) the amount of \$_____of Assignor's U.S. Revolver Commitment (which represents __% of the total U.S. Revolver Commitments);]

(the foregoing items being, collectively, the "Assigned Interest"), together with an interest in the Loan Documents corresponding to the Assigned Interest. This Assignment Notice shall be effective as of the date ("Effective Date") indicated below, provided this Assignment Notice is executed by Assignor, Assignee, Agent and, if applicable, North America Loan Party Agent. Pursuant to the Assignment Agreement, Assignee has expressly assumed all of Assignor's obligations under the Loan Agreement to the extent of the Assigned Interest, as of the Effective Date.

For purposes of the Loan Agreement, Agent shall deem:

⁷ Assignor and Assignee to select all applicable facilities.

- [(a) Australian facility: Assignor's Australian Revolver Commitment to be reduced by \$_____, and Assignee's Australian Revolver Commitment to be increased by \$_____.
- (b) Belgian facility: Assignor's Belgian Revolver Commitment to be reduced by \$_____, and Assignee's Belgian Revolver Commitment to be increased by \$_____.
- (c) Canadian facility: Assignor's Canadian Revolver Commitment to be reduced by \$_____, and Assignee's Canadian Revolver Commitment to be increased by \$_____.
- (d) Dutch facility: Assignor's Dutch Revolver Commitment to be reduced by \$_____, and Assignee's Dutch Revolver Commitment to be increased by \$_____.
- (e) New Zealand facility: Assignor's New Zealand Revolver Commitment to be reduced by \$_____, and Assignee's New Zealand Revolver Commitment to be increased by \$_____.
- (f) Singapore facility: Assignor's Singapore Revolver Commitment to be reduced by \$_____, and Assignee's Singapore Revolver Commitment to be increased by \$_____.
- (g) UK facility: Assignor's UK Revolver Commitment to be reduced by \$_____, Assignee's UK Revolver Commitment to be increased by \$_____, and
- (h) U.S. facility: Assignor's U.S. Revolver Commitment to be reduced by \$_____, and Assignee's U.S. Revolver Commitment to be increased by \$_____.]⁸

The address of Assignee to which notices and information are to be sent under the terms of the Loan Agreement is:

The address of Assignee to which payments are to be sent under the terms of the Loan Agreement is shown in the Assignment and Acceptance.

⁸ Assignor and Assignee to select all applicable facilities.

This Assignment Notice is being delivered to North American Loan Party Agent and Agent pursuant to **Section 13.3** of the Loan Agreement. Please acknowledge your acceptance of this Assignment Notice by executing and returning to Assignee and Assignor a copy of this Assignment Notice.

IN WITNESS WHEREOF, this Assignment Notice is executed as of _____, 20__.

("Assignee")

By _____

Title:

("Assignor")

By _____

Title:

ACKNOWLEDGED AND AGREED,

AS OF THE DATE SET FORTH ABOVE:

NORTH AMERICAN LOAN PARTY AGENT.*

MCJUNKIN RED MAN CORPORATION

By _____

Title:

* No signature required if Assignee meets the requirements of clauses (a), (b), (c) or (e) of the definition of "Eligible Assignee" in the Loan Agreement.

BANK OF AMERICA, N.A.,

as Agent

By _____

Title:

EXHIBIT B-1
to
Amended and Restated Loan, Security and Guarantee Agreement
FORM OF AUSTRALIAN BORROWING BASE CERTIFICATE

Client Name: _____⁹
Certificate Number: _____
Dates Covered: _____

I. ACCOUNTS

Total Accounts:	AUS\$	
Total Ineligible Accounts:	AUS\$	
Total Eligible Accounts:	AUS\$	
Advance Rate:		85%
Accounts Portion of Borrowing Base:	AUS\$	

II. INVENTORY

Total Inventory:	AUS\$	
Total Ineligible Inventory:	AUS\$	
Total Eligible Inventory:	AUS\$	
Advance Rate:		
a. 70% of the net book value of Eligible Inventory:	AUS\$	
b. 85% of the Net Orderly Liquidation Value of Eligible Inventory:	AUS\$	
Inventory Portion of Borrowing Base (lesser of (a) and (b) above):	AUS\$	
Australian Allocated U.S. Availability:	AUS\$	

III. RESERVES

Australian Rent Reserve:	AUS\$	
Australian LC Reserve:	AUS\$	
Australian Bank Product Reserve:	AUS\$	
Australian Priority Payables Reserve:	AUS\$	
Retention of title reserve:	AUS\$	
A/P to third party processors:	AUS\$	
Excess dilution reserve:	AUS\$	
[Other reserves:	AUS\$	
Total Australian Availability Reserves:	AUS\$	
Australian Borrowing Base:	AUS\$	

⁹ All calculations are only with respect to the Accounts and Inventory of the named Australian Borrower and only with respect to the Australian Allocated U.S. Availability and Australian Availability Reserves allocated to the named Australian Borrower. Details of the ineligible Accounts and ineligible Inventory of the named Australian Borrower are attached.

¹⁰ Additional reserves may be established by the Agent in its Permitted Discretion. Any such reserves will be specifically itemized on this certificate at the time of delivery.

The foregoing information is delivered to Bank of America, N.A. in accordance with the Amended and Restated Loan, Security and Guarantee Agreement among MRC Transmark Pty Ltd ("Transmark Australia") and MRC SPF PTY Ltd., as Australian Borrowers, certain other parties thereto and Bank of America, N.A., as Agent, dated March 27, 2012. In my capacity as a Senior Officer of Transmark Australia, in its capacity as Asian Loan Party Agent, I hereby certify that the information contained herein is true and correct as of the dates shown herein. Nothing contained herein shall constitute a waiver, modification, or limitation in any of the terms or conditions set forth in the referenced Amended and Restated Loan, Security and Guarantee Agreement.

Prepared by: _____
Title: _____
Date: _____

(Details follow this page)

EXHIBIT B-2
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF BELGIAN BORROWING BASE CERTIFICATE

Client Name: _____¹¹
Certificate Number: _____
Dates Covered: _____

I. ACCOUNTS

Total Accounts:	€ _____
Total Ineligible Accounts:	€ _____
Total Eligible Accounts:	€ _____
Advance Rate:	_____ 85%
Accounts Portion of Borrowing Base:	€ _____

II. INVENTORY

Total Inventory:	€ _____
Total Ineligible Inventory:	€ _____
Unadjusted Total Eligible Inventory:	€ _____
50% of Eligible Inventory subject to a business pledge:	€ _____
100% of Eligible Inventory subject to a possessory pledge:	€ _____
Total Eligible Inventory:	€ _____
Advance Rate:	
a. 70% of the net book value of Eligible Inventory:	€ _____
b. 85% of the Net Orderly Liquidation Value of Eligible Inventory:	€ _____
Inventory Portion of Borrowing Base (lesser of (a) and (b) above):	€ _____
Belgian Allocated U.S. Availability:	€ _____

III. RESERVES

Belgian Rent Reserve:	€ _____
Belgian LC Reserve:	€ _____
Belgian Bank Product Reserve:	€ _____
Belgian Priority Payables Reserve:	€ _____
Retention of title reserve:	€ _____
Accrued tax reserve:	€ _____
Excess dilution reserve:	€ _____
[Other reserves:	_____] ¹²
Total Belgian Availability Reserves:	€ _____
Belgian Borrowing Base:	€ _____

¹¹ All calculations are only with respect to the Accounts and Inventory of the named Belgian Borrower and only with respect to the Belgian Allocated U.S. Availability and Belgian Availability Reserves allocated to the named Belgian Borrower. Details of the ineligible Accounts and ineligible Inventory of the named Belgian Borrower are attached.

¹² Additional reserves may be established by the Agent in its Permitted Discretion. Any such reserves will be specifically itemized on this certificate at the time of delivery.

The foregoing information is delivered to Bank of America, N.A. in accordance with the Amended and Restated Loan, Security and Guarantee Agreement among MRC Transmark NV, as Belgian Borrower, certain other parties thereto and Bank of America, N.A., as Agent, dated March 27, 2012. In my capacity as a Senior Officer of MRC Transmark Holdings UK Limited, in its capacity as European Loan Party Agent, I hereby certify that the information contained herein is true and correct as of the dates shown herein. Nothing contained herein shall constitute a waiver, modification, or limitation in any of the terms or conditions set forth in the referenced Amended and Restated Loan, Security and Guarantee Agreement.

Prepared by: _____
Title: _____
Date: _____

(Details follow this page)

EXHIBIT B-3
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF CANADIAN BORROWING BASE CERTIFICATE

Client Name: _____¹³
Certificate Number: _____
Dates Covered: _____

I. ACCOUNTS

Total Accounts:	Cdn\$ _____
Total Ineligible Accounts:	Cdn\$ _____
Total Eligible Accounts:	Cdn\$ _____
Advance Rate:	_____ 85%
Accounts Portion of Borrowing Base:	Cdn\$ _____

II. INVENTORY

Total Inventory:	Cdn\$ _____
Total Ineligible Inventory:	Cdn\$ _____
Total Eligible Inventory:	Cdn\$ _____
Advance Rate:	
a. 70% of the net book value of Eligible Inventory:	Cdn\$ _____
b. 85% of the Net Orderly Liquidation Value of Eligible Inventory:	Cdn\$ _____
Inventory Portion of Borrowing Base (lesser of (a) and (b) above):	Cdn\$ _____
Canadian Allocated U.S. Availability:	Cdn\$ _____

III. RESERVES

Canadian Rent Reserve:	Cdn\$ _____
Canadian LC Reserve:	Cdn\$ _____
Canadian Bank Product Reserve:	Cdn\$ _____
Canadian Priority Payables Reserve:	Cdn\$ _____
Sales tax accrual:	Cdn\$ _____
Excess dilution reserve:	Cdn\$ _____
Wage Earner Protection Program:	Cdn\$ _____
Casing claim contingency:	Cdn\$ _____
A/P to third party yards:	Cdn\$ _____
[Other reserves:	Cdn\$ _____] ¹⁴
Total Canadian Availability Reserves:	Cdn\$ _____
Canadian Borrowing Base:	Cdn\$ _____

¹³ All calculations are only with respect to the Accounts and Inventory of the named Canadian Borrower and only with respect to the Canadian Allocated U.S. Availability and Canadian Availability Reserves allocated to the named Canadian Borrower. Details of the ineligible Accounts and ineligible Inventory of the named Canadian Borrower are attached.

¹⁴ Additional reserves may be established by the Agent in its Permitted Discretion. Any such reserves will be specifically itemized on this certificate at the time of delivery.

The foregoing information is delivered to Bank of America, N.A. in accordance with the Amended and Restated Loan, Security and Guarantee Agreement among Midfield Supply ULC, as Canadian Borrower, certain other parties thereto and Bank of America, N.A., as Agent, dated March 27, 2012. In my capacity as a Senior Officer of McJunkin Red Man Corporation, in its capacity as North American Loan Party Agent, I hereby certify that the information contained herein is true and correct as of the dates shown herein. Nothing contained herein shall constitute a waiver, modification, or limitation in any of the terms or conditions set forth in the referenced Amended and Restated Loan, Security and Guarantee Agreement.

Prepared by: _____
Title: _____
Date: _____

(Details follow this page)

EXHIBIT B-4
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF DUTCH BORROWING BASE CERTIFICATE

Client Name: _____¹⁵

Certificate Number: _____

Dates Covered: _____

I. ACCOUNTS

Total Accounts:	€ _____
Total Ineligible Accounts:	€ _____
Total Eligible Accounts:	€ _____
Advance Rate:	_____ 85%
Accounts Portion of Borrowing Base:	€ _____

II. INVENTORY

Total Inventory:	€ _____
Total Ineligible Inventory:	€ _____
Total Eligible Inventory:	€ _____
Advance Rate:	
a. 70% of the net book value of Eligible Inventory:	€ _____
b. 85% of the Net Orderly Liquidation Value of Eligible Inventory:	€ _____
Inventory Portion of Borrowing Base (lesser of (a) and (b) above):	€ _____
Dutch Allocated U.S. Availability:	€ _____

III. RESERVES

Dutch Rent Reserve:	€ _____
Dutch LC Reserve:	€ _____
Dutch Bank Product Reserve:	€ _____
Dutch Priority Payables Reserve:	€ _____
Retention of title reserve:	€ _____
Accrued tax reserve:	€ _____
Excess dilution reserve:	€ _____
[Other reserves:	€ _____] ¹⁶
Total Dutch Availability Reserves:	€ _____
Dutch Borrowing Base:	€ _____

¹⁵ All calculations are only with respect to the Accounts and Inventory of the named Dutch Borrower and only with respect to the Dutch Allocated U.S. Availability and Dutch Availability Reserves allocated to the named Dutch Borrower. Details of the ineligible Accounts and ineligible Inventory of the named Dutch Borrower are attached.

¹⁶ Additional reserves may be established by the Agent in its Permitted Discretion. Any such reserves will be specifically itemized on this certificate at the time of delivery.

The foregoing information is delivered to Bank of America, N.A. in accordance with the Amended and Restated Loan, Security and Guarantee Agreement among MRC Transmark B.V. and MRC Transmark International B.V., as Dutch Borrowers, certain other parties thereto and Bank of America, N.A., as Agent, dated March 27, 2012. In my capacity as a Senior Officer of MRC Transmark Holdings UK Limited, in its capacity as European Loan Party Agent, I hereby certify that the information contained herein is true and correct as of the dates shown herein. Nothing contained herein shall constitute a waiver, modification, or limitation in any of the terms or conditions set forth in the referenced Amended and Restated Loan, Security and Guarantee Agreement.

Prepared by: _____
Title: _____
Date: _____

(Details follow this page)

EXHIBIT B-5
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF UK BORROWING BASE CERTIFICATE

Client Name: _____¹⁷
Certificate Number: _____
Dates Covered: _____

I. <u>ACCOUNTS</u>	£ _____
Total Accounts:	£ _____
Total Ineligible Accounts:	£ _____
Total Eligible Accounts:	£ _____
Advance Rate:	_____ 85%
Accounts Portion of Borrowing Base:	£ _____
II. <u>INVENTORY</u>	
Total Inventory:	£ _____
Total Ineligible Inventory:	£ _____
Total Eligible Inventory:	£ _____
Advance Rate:	
a. 70% of the net book value of Eligible Inventory:	£ _____
b. 85% of the Net Orderly Liquidation Value of Eligible Inventory:	£ _____
Inventory Portion of Borrowing Base (lesser of (a) and (b) above):	£ _____
UK Allocated U.S. Availability:	£ _____
III. <u>RESERVES</u>	
UK Rent Reserve:	£ _____
UK LC Reserve:	£ _____
UK Bank Product Reserve:	£ _____
UK Priority Payables Reserve:	£ _____
Retention of title reserve:	£ _____
Accrued tax reserve:	£ _____
Excess dilution reserve:	£ _____
[Other reserves:	£ _____] ¹⁸
Total UK Availability Reserves:	£ _____
UK Borrowing Base:	£ _____

¹⁷ All calculations are only with respect to the Accounts and Inventory of the named UK Borrower and only with respect to the UK Allocated U.S. Availability and UK Availability Reserves allocated to the named UK Borrower. Details of the ineligible Accounts and ineligible Inventory of the named UK Borrower are attached.

¹⁸ Additional reserves may be established by the Agent in its Permitted Discretion. Any such reserves will be specifically itemized on this certificate at the time of delivery.

The foregoing information is delivered to Bank of America, N.A. in accordance with the Amended and Restated Loan, Security and Guarantee Agreement among MRC Transmark Holdings UK Limited ("Holdings UK"), MRC Transmark Limited, MRC Transmark (Dragon) Limited and MRC SPF Scanfit Limited, as UK Borrowers, certain other parties thereto and Bank of America, N.A., as Agent, dated March 27, 2012. In my capacity as a Senior Officer of Holdings UK, in its capacity as European Loan Party Agent, I hereby certify that the information contained herein is true and correct as of the dates shown herein. Nothing contained herein shall constitute a waiver, modification, or limitation in any of the terms or conditions set forth in the referenced Amended and Restated Loan, Security and Guarantee Agreement.

Prepared by: _____

Title: _____

Date: _____

(Details follow this page)

EXHIBIT B-6
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF U.S. BORROWING BASE CERTIFICATE

Client Name: McJunkin Red Man Corporation et al.¹⁹

Certificate Number: _____

Dates Covered: _____

I. ACCOUNTS

Total Accounts:	\$ _____
Total Ineligible Accounts:	\$ _____
Total Eligible Accounts:	\$ _____
Advance Rate:	_____ 85%
Accounts Portion of Borrowing Base:	\$ _____

II. INVENTORY

Total Inventory:	\$ _____
Total Ineligible Inventory:	\$ _____
Total Eligible Inventory:	\$ _____
Advance Rate:	
a. 70% of the net book value of Eligible Inventory:	\$ _____
b. 85% of the Net Orderly Liquidation Value of Eligible Inventory:	\$ _____
Inventory Portion of Borrowing Base (lesser of (a) and (b) above):	\$ _____

III. RESERVES

Foreign Allocated U.S. Availability Reserve:	\$ _____
Foreign Overadvance Loan Balance:	\$ _____
U.S. Rent Reserve:	\$ _____
U.S. LC Reserve:	\$ _____
U.S. Bank Product Reserve:	\$ _____
Sales tax accrual:	\$ _____
Excess dilution reserve:	\$ _____
Wage Earner Protection Program:	\$ _____
Casing claim contingency:	\$ _____
A/P to third party yards:	\$ _____
[Other reserves:	\$ _____] ²⁰
Total U.S. Availability Reserves:	\$ _____
U.S. Borrowing Base:	\$ _____

¹⁹ All calculations are with respect to the Accounts and Inventory of all U.S. Borrowers and with respect to the U.S. Availability Reserves of all U.S. Borrowers. Details of the ineligible Accounts and ineligible Inventory of the U.S. Borrowers are attached.

²⁰ Additional reserves may be established by the Agent in its Permitted Discretion. Any such reserves will be specifically itemized on this certificate at the time of delivery.

The foregoing information is delivered to Bank of America, N.A. in accordance with the Amended and Restated Loan, Security and Guarantee Agreement among McJunkin Red Man Corporation ("MRC"), Greenbrier Petroleum Corporation, McJunkin Red Man Development Corporation, Midway-Tristate Corporation, Milton Oil & Gas Company, MRC Management Company, Ruffner Realty Company and The South Texas Supply Company, Inc., as U.S. Borrowers and Guarantors, certain other parties thereto and Bank of America, N.A., as Agent, dated March 27, 2012. In my capacity as a Senior Officer of MRC, in its capacity as North American Loan Party Agent, I hereby certify that the information contained herein is true and correct as of the dates shown herein. Nothing contained herein shall constitute a waiver, modification, or limitation in any of the terms or conditions set forth in the referenced Amended and Restated Loan, Security and Guarantee Agreement.

Prepared by: _____
Title: _____
Date: _____

(Details follow this page)

EXHIBIT C-1
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF AUSTRALIAN REVOLVER NOTE

_____, 20__

\$ _____

[_____]

[BORROWER], a _____, ("Australian Borrower"), for value received, hereby unconditionally promises to pay to the order of _____ ("Australian Lender"), the principal sum of _____ U.S. DOLLARS (\$ _____), or such lesser amount as may be advanced by Australian Lender as Australian Revolver Loans and owing as Australian LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as such agreement may be amended, modified, renewed or extended from time to time, the "Loan Agreement"), among Australian Borrower, certain affiliates of Australian Borrower, certain financial institutions party thereto as lenders and Bank of America, N.A., as collateral agent and administrative agent for itself and the Secured Parties.

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences Australian Revolver Loans and Australian LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of Australian Lender and the duties and obligations of Australian Borrower. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by Australian Borrower to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to Australian Revolver Loans and Australian LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of Australian Borrower hereunder or under any other Loan Documents.

Time is of the essence of this Note. Australian Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. Australian Borrower agrees in accordance with the terms of the Loan Agreement to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable and documented attorneys' fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by Australian Borrower or inadvertently received by the holder of this Note, such excess shall be returned to Australian Borrower or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that Australian Borrower not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Australian Borrower under Applicable Law.

This Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles.

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

[AUSTRALIAN BORROWER]

Per: _____

Name:

Title:

EXHIBIT C-2
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF BELGIAN REVOLVER NOTE

_____, 20__

\$ _____

[_____]

[BORROWER], a _____ (“Belgian Borrower”), for value received, hereby unconditionally promises to pay to the order of _____ (“Belgian Lender”), the principal sum of _____ U.S. DOLLARS (\$ _____), or such lesser amount as may be advanced by Belgian Lender as Belgian Revolver Loans and owing as Belgian LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as such agreement may be amended, modified, renewed or extended from time to time, the “Loan Agreement”), among Belgian Borrower, certain affiliates of Belgian Borrower, certain financial institutions party thereto as lenders and Bank of America, N.A., as collateral agent and administrative agent for itself and the Secured Parties.

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences Belgian Revolver Loans and Belgian LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of Belgian Lender and the duties and obligations of Belgian Borrower. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by Belgian Borrower to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to Belgian Revolver Loans and Belgian LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of Belgian Borrower hereunder or under any other Loan Documents.

Time is of the essence of this Note. Belgian Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. Belgian Borrower agrees in accordance with the terms of the Loan Agreement to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable and documented attorneys’ fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by Belgian Borrower or inadvertently received by the holder of this Note, such excess shall be returned to Belgian Borrower or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that Belgian Borrower not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Belgian Borrower under Applicable Law.

This Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles.

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

[BELGIAN BORROWER]

Per: _____

Name:

Title:

EXHIBIT C-3

to

Amended and Restated Loan, Security and Guarantee Agreement

FORM OF CANADIAN REVOLVER NOTE

_____, 20__

\$ _____

[_____]

[BORROWER], a _____ ("Canadian Borrower"), for value received, hereby unconditionally promises to pay to the order of _____ ("Canadian Lender"), the principal sum of _____ U.S. DOLLARS (\$ _____), or such lesser amount as may be advanced by Canadian Lender as Canadian Revolver Loans and owing as Canadian LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as such agreement may be amended, modified, renewed or extended from time to time, the "Loan Agreement"), among Canadian Borrower, certain affiliates of Canadian Borrower, certain financial institutions party thereto as lenders and Bank of America, N.A., as collateral agent and administrative agent for itself and the Secured Parties.

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences Canadian Revolver Loans and Canadian LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of Canadian Lender and the duties and obligations of Canadian Borrower. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by Canadian Borrower to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to Canadian Revolver Loans and Canadian LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of Canadian Borrower hereunder or under any other Loan Documents.

Time is of the essence of this Note. Canadian Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. Canadian Borrower agrees in accordance with the terms of the Loan Agreement to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable and documented attorneys' fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by Canadian Borrower or inadvertently received by the holder of this Note, such excess shall be returned to Canadian Borrower or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that Canadian Borrower not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Canadian Borrower under Applicable Law.

This Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles.

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

[CANADIAN BORROWER]

Per: _____

Name:

Title:

EXHIBIT C-4
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF DUTCH REVOLVER NOTE

_____, 20__

\$ _____

[_____]

[BORROWER], a _____ (“Dutch Borrower”), for value received, hereby unconditionally promises to pay to the order of _____ (“Dutch Lender”), the principal sum of _____ U.S. DOLLARS (\$ _____), or such lesser amount as may be advanced by Dutch Lender as Dutch Revolver Loans and owing as Dutch LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as such agreement may be amended, modified, renewed or extended from time to time, the “Loan Agreement”), among Dutch Borrower, certain affiliates of Dutch Borrower, certain financial institutions party thereto as lenders and Bank of America, N.A., as collateral agent and administrative agent for itself and the Secured Parties.

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences Dutch Revolver Loans and Dutch LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of Dutch Lender and the duties and obligations of Dutch Borrower. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by Dutch Borrower to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to Dutch Revolver Loans and Dutch LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of Dutch Borrower hereunder or under any other Loan Documents.

Time is of the essence of this Note. Dutch Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. Dutch Borrower agrees in accordance with the terms of the Loan Agreement to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable and documented attorneys’ fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by Dutch Borrower or inadvertently received by the holder of this Note, such excess shall be returned to Dutch Borrower or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that Dutch Borrower not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Dutch Borrower under Applicable Law.

This Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles.

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

[DUTCH BORROWER]

Per: _____

Name:

Title:

EXHIBIT C-5

to

Amended and Restated Loan, Security and Guarantee Agreement

FORM OF NEW ZEALAND REVOLVER NOTE

_____, 20__

\$ _____

[_____]

[BORROWER], a _____ (“New Zealand Borrower”), for value received, hereby unconditionally promises to pay to the order of _____ (“New Zealand Lender”), the principal sum of _____ U.S. DOLLARS (\$ _____), or such lesser amount as may be advanced by New Zealand Lender as New Zealand Revolver Loans and owing as New Zealand LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as such agreement may be amended, modified, renewed or extended from time to time, the “Loan Agreement”), among New Zealand Borrower, certain affiliates of New Zealand Borrower, certain financial institutions party thereto as lenders and Bank of America, N.A., as collateral agent and administrative agent for itself and the Secured Parties.

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences New Zealand Revolver Loans and New Zealand LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of New Zealand Lender and the duties and obligations of New Zealand Borrower. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by New Zealand Borrower to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to New Zealand Revolver Loans and New Zealand LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of New Zealand Borrower hereunder or under any other Loan Documents.

Time is of the essence of this Note. New Zealand Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. New Zealand Borrower agrees in accordance with the terms of the Loan Agreement to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable and documented attorneys’ fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by New Zealand Borrower or inadvertently received by the holder of this Note, such excess shall be returned to New Zealand Borrower or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that New Zealand Borrower not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by New Zealand Borrower under Applicable Law.

This Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles.

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

[NEW ZEALAND BORROWER]

Per: _____

Name:

Title:

EXHIBIT C-6
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF SINGAPORE REVOLVER NOTE

_____, 20__

\$ _____

[_____]

[BORROWER], a _____ ("Singapore Borrower"), for value received, hereby unconditionally promises to pay to the order of _____ ("Singapore Lender"), the principal sum of _____ U.S. DOLLARS (\$ _____), or such lesser amount as may be advanced by Singapore Lender as Singapore Revolver Loans and owing as Singapore LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as such agreement may be amended, modified, renewed or extended from time to time, the "Loan Agreement"), among Singapore Borrower, certain affiliates of Singapore Borrower, certain financial institutions party thereto as lenders and Bank of America, N.A., as collateral agent and administrative agent for itself and the Secured Parties.

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences Singapore Revolver Loans and Singapore LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of Singapore Lender and the duties and obligations of Singapore Borrower. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by Singapore Borrower to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to Singapore Revolver Loans and Singapore LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of Singapore Borrower hereunder or under any other Loan Documents.

Time is of the essence of this Note. Singapore Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. Singapore Borrower agrees in accordance with the terms of the Loan Agreement to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable and documented attorneys' fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by Singapore Borrower or inadvertently received by the holder of this Note, such excess shall be returned to Singapore Borrower or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that Singapore Borrower not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Singapore Borrower under Applicable Law.

This Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles.

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

[SINGAPORE BORROWER]

Per: _____

Name:

Title:

EXHIBIT C-7
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF UK REVOLVER NOTE

_____, 20__

\$ _____

[_____]

[BORROWER], a _____ ("**UK Borrower**"), for value received, hereby unconditionally promises to pay to the order of _____ ("**UK Lender**"), the principal sum of _____ U.S. DOLLARS (\$ _____), or such lesser amount as may be advanced by UK Lender as UK Revolver Loans and owing as UK LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as such agreement may be amended, modified, renewed or extended from time to time, the "**Loan Agreement**"), among UK Borrower, certain affiliates of UK Borrower, certain financial institutions party thereto as lenders and Bank of America, N.A., as collateral agent and administrative agent for itself and the Secured Parties.

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences UK Revolver Loans and UK LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of UK Lender and the duties and obligations of UK Borrower. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by UK Borrower to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to UK Revolver Loans and UK LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of UK Borrower hereunder or under any other Loan Documents.

Time is of the essence of this Note. UK Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. UK Borrower agrees in accordance with the terms of the Loan Agreement to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable and documented attorneys' fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by UK Borrower or inadvertently received by the holder of this Note, such excess shall be returned to UK Borrower or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that UK Borrower not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by UK Borrower under Applicable Law.

This Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles.

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

[UK BORROWER]

Per: _____

Name:

Title:

EXHIBIT C-8

to

Amended and Restated Loan, Security and Guarantee Agreement

FORM OF U.S. REVOLVER NOTE

_____, 20__

\$ _____

New York City, New York

[BORROWER 1], a _____, **[BORROWER 2]**, a _____, and **[BORROWER 3]**, a _____, (collectively, "Initial U.S. Borrowers") and the other U.S. Borrowers party to the Loan Agreement described below from time to time (together with the Initial U.S. Borrowers, "U.S. Borrowers"), for value received, hereby unconditionally promise to pay, on a joint and several basis, to the order of _____ ("U.S. Lender"), the principal sum of _____ U.S. DOLLARS (\$ _____), or such lesser amount as may be advanced by U.S. Lender as U.S. Revolver Loans and owing as U.S. LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as such agreement may be amended, modified, renewed or extended from time to time, the "Loan Agreement"), among Initial U.S. Borrowers, certain affiliates of Initial US Borrowers, certain financial institutions party thereto as lenders and Bank of America, N.A., as collateral agent and administrative agent for itself and the Secured Parties.

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences U.S. Revolver Loans and U.S. LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of U.S. Lender and the duties and obligations of U.S. Borrowers. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by U.S. Borrowers to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to U.S. Revolver Loans and U.S. LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of U.S. Borrowers hereunder or under any other Loan Documents.

Time is of the essence of this Note. Each U.S. Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. U.S. Borrowers jointly and severally agree in accordance with the terms of the Loan Agreement to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable and documented attorneys' fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by U.S. Borrowers or inadvertently received by the holder of this Note, such excess shall be returned to U.S. Borrowers or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that U.S. Borrowers not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by U.S. Borrowers under Applicable Law.

This Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles (but giving effect to federal laws relating to national banks).

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

[INITIAL U.S. BORROWER 1]

By: _____

Name: _____

Title: _____

[INITIAL U.S. BORROWER 2]

By: _____

Name: _____

Title: _____

[INITIAL U.S. BORROWER 3]

By: _____

Name: _____

Title: _____

EXHIBIT D
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF COMPLIANCE CERTIFICATE

Bank of America, N.A.
901 Main Street, 22nd Floor
Dallas, Texas 75202

Attn: Mark Porter
Telecopy: (214) 209-4766

This Compliance Certificate is furnished pursuant to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas" and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers"), MRC TRANSMARK PTY LTD, a company incorporated under the laws of the Commonwealth of Australia ("Transmark Australia"), and MRC SPF PTY LTD., a company incorporated under the laws of the Commonwealth of Australia ("SPF Australia" and together with Transmark Australia, the "Initial Australian Borrowers"), MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands" and together with Transmark Netherlands, the "Initial Dutch Borrowers"), MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK" and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"; and collectively with any other UK Borrowers, any other Australian Borrowers, any other Belgian Borrowers, any other Canadian Borrowers, any other Dutch Borrowers, any New Zealand Borrowers, any Singapore Borrowers and any other U.S. Borrowers, the "Borrowers"), the Persons from time to time party to the Loan Agreement as Guarantors, the financial institutions party to the Loan Agreement from time to time as lenders (collectively, "Lenders"), and BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (together with any successor agent appointed pursuant to Section 12.10, the "Agent"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

THE UNDERSIGNED HEREBY CERTIFIES, ON BEHALF OF THE NORTH AMERICAN LOAN PARTY AGENT AND ON BEHALF OF THE BORROWERS, THAT:

1. I am the duly elected [_____]²¹ of MRC.

2. I have reviewed the terms of the Loan Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of MRC and its Subsidiaries (or, so long as the Parent is a Passive Entity which owns MRC, the Parent and its Subsidiaries) during the accounting period covered by the financial statements attached hereto as Schedule I and such financial statements present fairly in all material respects the financial condition and results of operations of MRC and its Subsidiaries (or, so long as the Parent is a Passive Entity which owns MRC, the Parent and its Subsidiaries) on a consolidated basis in accordance with GAAP, subject to normal year-end audit adjustments and the absence of footnotes.]²²

3. Except as set forth below, no Default or Event of Default exists.

4. Schedule II attached hereto sets forth the Consolidated Fixed Charge Coverage Ratio (and accompanying calculations) as at the end of [the most recent fiscal quarter/fiscal year]. [However, compliance with this financial covenant is not required for the purposes of Section 10.3.1 of the Loan Agreement because no FCCR Test Event has occurred and is continuing. "FCCR Test Event" means the occurrence of any one of the following events: (i) Excess Availability shall be less than the greater of (A) 10% of the Commitments or (B) \$95,000,000 or (ii) an Event of Default shall have occurred and be continuing; *provided*, that, to the extent that the FCCR Test Event has occurred due to clause (i) of this definition, if Excess Availability shall have exceeded the greater of (x) 10% of the Commitments and (y) \$95,000,000 for at least thirty (30) consecutive days, the FCCR Test Event shall be deemed to be over.]

5. Schedule III attached hereto specifies any change in the identity of the Restricted Subsidiaries and/or Unrestricted Subsidiaries as at the end of [fiscal quarter/fiscal year] from the Restricted Subsidiaries and Unrestricted Subsidiaries, respectively, provided to the Lenders on [the Closing Date/ _____, 20__].

6. Schedule IV attached hereto sets forth sets forth the detailed computations necessary to determine the applicable level of the Applicable Margin to be effective as of the first day of the calendar month immediately following the Agent's receipt of this Certificate.

7. Schedule V attached hereto sets forth the amount of any Pro Forma Adjustment not previously set forth in a Pro Forma Adjustment Certificate and/or any change in the amount of a Pro Forma Adjustment set forth in the Pro Forma Adjustment Certificate previously provided on [_____, 20__] and, [in each case,] in reasonable detail, the calculations and basis therefor.

²¹ _____
Certifying officer must be a Senior Officer.

²² For quarterly statements only.

8. [I hereby certify that no Loan Party has changed (i) its legal name, (ii) its organizational identification number, corporate access number, company's registration number or other jurisdiction specific identifying number, if any, issued by the relevant regulatory authority or governmental body in the jurisdiction of organization or incorporation of such Loan Party, (iii) its chief executive office or registered office or (iv) its jurisdiction of incorporation or organization since [the Closing Date] [the date of the most recent Compliance Certificate delivered pursuant to Section 10.1.1(e) of the Loan Agreement.]²³

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Borrowers have taken, are taking, or propose to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in Schedules II, IV and V hereto and the financial statements attached hereto as Schedule I and in support hereof, are made and delivered this ____ day of _____, 20____.

MCJUNKIN RED MAN CORPORATION

By: _____

Name: _____

Title: _____

²³ To be included only in Compliance Certificates delivered in connection with the fiscal year end financial statements provided for in Section 10.1.1(a).

EXHIBIT E
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF NOTICE OF BORROWING

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas" and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers"), MRC TRANSMARK PTY LTD, a company incorporated under the laws of the Commonwealth of Australia ("Transmark Australia"), and MRC SPF PTY LTD., a company incorporated under the laws of the Commonwealth of Australia ("SPF Australia" and together with Transmark Australia, the "Initial Australian Borrowers"), MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands" and together with Transmark Netherlands, the "Initial Dutch Borrowers"), MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK" and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"; and collectively with any other UK Borrowers, any other Australian Borrowers, any other Belgian Borrowers, any other Canadian Borrowers, any other Dutch Borrowers, any New Zealand Borrowers, any Singapore Borrowers and any other U.S. Borrowers, the "Borrowers" and each, a "Borrower"), the Persons from time to time party to the Loan Agreement as Guarantors, the financial institutions party to the Loan Agreement from time to time as lenders (collectively, "Lenders"), and BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (together with any successor agent appointed pursuant to Section 12.10 of the Loan Agreement, the "Agent"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

[The undersigned hereby gives irrevocable notice, pursuant to Section 4.1.1(a) of the Loan Agreement, of a request hereby for a Borrowing of Loans as follows:

Borrower Name: _____
Principal Amount of Borrowing: \$ _____
Date of Borrowing: _____, 20__
Type of Loan:
[U.S. Base Rate] [LIBOR] Loan
[Interest Period: _____ Months]²⁴
Borrower Group Commitment: U.S. Revolver Commitments
Loan Denomination: Dollars]²⁵

[The undersigned hereby gives irrevocable notice, pursuant to Section 4.1.1(a) of the Loan Agreement, of a request hereby for a Borrowing of Loans as follows:

Borrower Name: _____
Principal Amount of Borrowing: [Cdn]\$ _____
Date of Borrowing: _____, 20__
Type of Loan:
[Canadian Base Rate] [Canadian Prime Rate] [LIBOR] [Canadian BA Rate] Loan
[Interest Period: _____ Months]²⁶
Borrower Group Commitment: Canadian Revolver Commitments
Loan Denomination: [Canadian Dollars] [Dollars]]²⁷

²⁴ Provide only if requested Borrowing is a LIBOR Loan.

²⁵ Use this paragraph for Borrowings by U.S. Borrowers.

²⁶ Provide only if requested Borrowing is not a Canadian Base Rate Loan.

²⁷ Use this paragraph for Borrowings by Canadian Borrowers.

[The undersigned hereby gives irrevocable notice, pursuant to Section 4.1.1(b) of the Loan Agreement, of a request hereby for a Borrowing of Loans as follows:

Borrower Name: _____
Principal Amount of Borrowing: [€][\$] _____
Date of Borrowing: _____, 20__
Type of Loan:
[Belgian Base Rate] [Dutch Base Rate] [LIBOR] Loan
[Interest Period: _____ Months]²⁸
Borrower Group Commitment: [Belgian] [Dutch] Revolver Commitments
Loan Denomination: [Euros] [Dollars]]²⁹

[The undersigned hereby gives irrevocable notice, pursuant to Section 4.1.1(b) of the Loan Agreement, of a request hereby for a Borrowing of Loans as follows:

Borrower Name: _____
Principal Amount of Borrowing: [£][€][\$] _____
Date of Borrowing: _____, 20__
Type of Loan:
[UK Base Rate] [LIBOR] Loan
[Interest Period: _____ Months]³⁰
Borrower Group Commitment: UK Revolver Commitments
Loan Denomination: [Sterling] [Euros] [Dollars][insert other currency if applicable in connection with UK Alternate Swingline Loan]³¹

²⁸ Provide only if requested Borrowing is a LIBOR Loan.

²⁹ Use this paragraph for Borrowings by Belgian or Dutch Borrowers.

³⁰ Provide only if requested Borrowing is not a LIBOR Loan.

³¹ Use this paragraph for Borrowings by UK Borrowers.

[The undersigned hereby gives irrevocable notice, pursuant to Section 4.1.1(c)(i) of the Loan Agreement, of a request hereby for a Borrowing of Loans as follows:

Borrower Name: _____
Principal Amount of Borrowing: [AUD\$][\$][€][£] _____
Date of Borrowing: _____, 20__
Type of Loan: _____
[Australian Bank Bill Rate] [Australian Base Rate] [LIBOR] Loan
[Interest Period: _____ Months]³²
Borrower Group Commitment: Australian Revolver Commitments
Loan Denomination: [Australian Dollars] [Dollars] [Euros] [Sterling]]³³

[The undersigned hereby gives irrevocable notice, pursuant to Section 4.1.1(c)(ii) of the Loan Agreement, of a request hereby for a Borrowing of Loans as follows:

Borrower Name: _____
Principal Amount of Borrowing: [NZD\$][\$][€] _____
Date of Borrowing: _____, 20__
Type of Loan: _____
[New Zealand Bank Bill Rate] [New Zealand Base Rate] [LIBOR] Loan
[Interest Period: _____ Months]³⁴
Borrower Group Commitment: New Zealand Revolver Commitments
Loan Denomination: [New Zealand Dollars] [Dollars] [Euros]]³⁵

³² Provide only if requested Borrowing is not an Australian Base Rate Loan.

³³ Use this paragraph for Borrowings by Australian Borrowers.

³⁴ Provide only if requested Borrowing is not a New Zealand Base Rate Loan.

³⁵ Use this paragraph for Borrowings by New Zealand Borrowers.

[The undersigned hereby gives irrevocable notice, pursuant to Section 4.1.1(c)(iii) of the Loan Agreement, of a request hereby for a Borrowing of Loans as follows:

Borrower Name: _____
Principal Amount of Borrowing: [SGD\$][\$][€] _____
Date of Borrowing: _____, 20__
Type of Loan:
[Singapore Base Rate] [LIBOR] [SIBOR] Loan
[Interest Period: _____ Months]³⁶
Borrower Group Commitment: Singapore Revolver Commitments
Loan Denomination: [Singapore Dollars] [Dollars] [Euros]³⁷

The requested Borrowing of Loans is to be wired as follows:

[Name of Bank]
[City of Bank]
Beneficiary:
Account No.:
ABA No.:
Attn:

The undersigned hereby certifies that on the date hereof and on the Date of Borrowing set forth above, and after giving effect to the Borrowing requested hereby and any other Borrowing on such date: (i) there exists and there shall exist no Default or Event of Default; (ii) the representations and warranties of each Loan Party in the Loan Documents are true and correct in all material respects or, with respect to representations and warranties qualified by materiality, in all respects (except in the case of representations and warranties that relate by their terms to a specified date); (iii) Availability of not less than the amount of the proposed Borrowings exists; and (iv) no Overadvance exists or shall exist and the Total Revolver Exposure does not exceed the Maximum Facility Amount.

[Signature Page Follows]

³⁶ Provide only if requested Borrowing is not a Singapore Base Rate Loan.

³⁷ Use this paragraph for Borrowings by Singapore Borrowers.

IN WITNESS WHEREOF, [Asian/European/North American] Loan Party Agent has caused this Notice of Borrowing to be executed and delivered by its duly authorized officer to Agent as of the date first set forth above.

[APPLICABLE LOAN PARTY AGENT]

By: _____
Name:
Title:

EXHIBIT F

to

Amended and Restated Loan, Security and Guarantee Agreement

FORM OF NOTICE OF CONVERSION/CONTINUATION

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas" and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers"), MRC TRANSMARK PTY LTD, a company incorporated under the laws of the Commonwealth of Australia ("Transmark Australia"), and MRC SPF PTY LTD., a company incorporated under the laws of the Commonwealth of Australia ("SPF Australia" and together with Transmark Australia, the "Initial Australian Borrowers"), MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands" and together with Transmark Netherlands, the "Initial Dutch Borrowers"), MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK" and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"; and collectively with any other UK Borrowers, any other Australian Borrowers, any other Belgian Borrowers, any other Canadian Borrowers, any other Dutch Borrowers, any New Zealand Borrowers, any Singapore Borrowers and any other U.S. Borrowers, the "Borrowers" and each, a "Borrower"), the Persons from time to time party to the Loan Agreement as Guarantors, the financial institutions party to the Loan Agreement from time to time as lenders (collectively, "Lenders"), and BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (together with any successor agent appointed pursuant to Section 12.10 of the Loan Agreement, the "Agent"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

[The undersigned hereby gives irrevocable notice, pursuant to Section 3.1.2 of the Loan Agreement, of a request hereby that the Loans set forth below be [continued as LIBOR Loans] [converted to LIBOR Loans] as follows:

Aggregate Principal Amount of Loans to be converted/continued: \$ _____
Date of Conversion/Continuation: _____
Type of Loans: _____
[LIBOR]
[[Australian/Belgian/Canadian/Dutch/New Zealand/Singapore/UK/U.S.] Base Rate] Loans
Interest Period: _____ Months]³⁸

[The undersigned hereby gives irrevocable notice, pursuant to Section 3.1.3 of the Loan Agreement, of a request hereby that the Loans set forth below be [continued as Australian Bank Bill Rate Loans] [converted to Australian Bank Bill Rate Loans] as follows:

Aggregate Principal Amount of Loans to be converted/continued: AUS\$ _____
Date of Conversion/Continuation: _____
Type of Loans: _____
[Australian Bank Bill Rate] [Australian Base Rate] Loans
Interest Period: _____ Months]³⁹

³⁸ Use this paragraph to (a) convert any Base Rate Loans to LIBOR Loans or (b) to continue any LIBOR Loans.

³⁹ Use this paragraph to (a) convert any Australian Base Rate Loans funded in Australian Dollars to Australian Bank Bill Rate Loans or (b) to continue any Australian Bank Bill Rate Loans.

[The undersigned hereby gives irrevocable notice, pursuant to Section 3.1.4 of the Loan Agreement, of a request hereby that the Loans set forth below be [continued as Canadian BA Rate Loans] [converted to Canadian BA Rate Loans] as follows:

Aggregate Principal Amount of Loans to be converted/continued: CDN\$ _____
Date of Conversion/Continuation: _____
Type of Loans: _____
[Canadian BA Rate] [Canadian Prime Rate] Loans
Interest Period: _____ Months]⁴⁰

[The undersigned hereby gives irrevocable notice, pursuant to Section 3.1.5 of the Loan Agreement, of a request hereby that the Loans set forth below be [continued as New Zealand Bank Bill Rate Loans] [converted to New Zealand Bank Bill Rate Loans] as follows:

Aggregate Principal Amount of Loans to be converted/continued: NZD\$ _____
Date of Conversion/Continuation: _____
Type of Loans: _____
[New Zealand Bank Bill Rate] [New Zealand Base Rate] Loans
Interest Period: _____ Months]⁴¹

⁴⁰ Use this paragraph to (a) convert any Canadian Prime Rate Loans to Canadian BA Rate Loans or (b) to continue any Canadian Prime Rate Loans.

⁴¹ Use this paragraph to (a) convert any New Zealand Base Rate Loans funded in New Zealand Dollars to New Zealand Bank Bill Rate Loans or (b) to continue any New Zealand Bank Bill Rate Loans.

[The undersigned hereby gives irrevocable notice, pursuant to Section 3.1.6 of the Loan Agreement, of a request hereby that the Loans set forth below be [continued as SIBOR Loans] [converted to SIBOR Loans] as follows:

Aggregate Principal Amount of Loans to be converted/continued: _____ SGD\$ _____
Date of Conversion/Continuation: _____
Type of Loans: _____
[SIBOR] [Singapore Base Rate] Loans
Interest Period: _____ Months]⁴²

[Signature Page Follows]

⁴² Use this paragraph to (a) convert any Singapore Base Rate Loans funded in Singapore Dollars to SIBOR Loans or (b) to continue any SIBOR Loans.

IN WITNESS WHEREOF, the [Asian/European/North American] Loan Party Agent has caused this Notice of Conversion/Continuation to be executed and delivered by its duly authorized officer to the Agent as of the date first set forth above.

[APPLICABLE LOAN PARTY AGENT]

By: _____
Name:
Title:

EXHIBIT G
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF PERFECTION CERTIFICATE

March 27, 2012

Reference is hereby made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of the date hereof (the "Amended and Restated Loan Agreement"), among McJunkin Red Man Corporation as a U.S. Borrower, certain of its U.S. subsidiaries party thereto as U.S. Borrowers, Midfield Supply ULC, as Canadian Borrower, MRC Transmark Pty Ltd. and MRC SPF Pty Ltd. as Australian Borrowers, MRC Transmark NV as Belgian Borrower, MRC Transmark B.V. and MRC Transmark International B.V. as Netherlands Borrowers and MRC Transmark Holdings UK Limited, MRC Transmark Limited, MRC Transmark (Dragon) Limited and MRC SPF Scanfit Limited as U.K. Borrowers (each of the U.S. Borrowers, Belgian Borrower, Canadian Borrower, Australian Borrowers, Netherlands Borrowers and U.K. Borrowers, a "Loan Party" and collectively the "Loan Parties"), Bank of America, N.A., as Administrative Agent and Collateral Agent (in such capacity, the "Agent"), Bank of America, N.A. Australia Branch as Australian Security Trustee, Bank of America, N.A. London Branch as European Security Trustee, and the Lenders. Capitalized terms used but not defined herein have the meanings assigned in the Amended and Restated Loan Agreement.

Each of the undersigned hereby certifies to the Agent as follows:

1. **Names.** (a) The exact legal name of each Loan Party, as such name appears in its respective certificate of incorporation or formation (or equivalent), is as set forth on Schedule 1.

(b) To our knowledge, Schedule 1 contains a list of all other names (including trade names or similar appellations) used by each Loan Party or any of its divisions or other business units in connection with the conduct of its business or the ownership of its properties at any time during the past five years (including any name used by any other business or organization to which any Loan Party became the successor by merger, consolidation, acquisition, change in form or otherwise (such business or organization, the "Acquired Entity")).

(c) Set forth on Schedule 1 is the Organizational Identification Number, corporate access number, company's registration number or other jurisdiction specific identifying number, if any, issued by the relevant regulatory authority or governmental body in jurisdiction of organization or incorporation of each Loan Party.

(d) Set forth on Schedule 1 is the federal or other jurisdiction appropriate taxpayer identification number of each Loan Party, if any.

(e) Except as set forth on Schedule 1, no Loan Party has changed its jurisdiction of organization or incorporation at any time during the past twelve months.

2. Current Locations. (a) The chief executive office, the principal place of business, the registered head office and location of books and records of each Loan Party, as applicable, is located at the address set forth opposite its name on Schedule 2. Except as set forth on Schedule 2, no Loan Party has changed the location of its chief executive office, principal place of business, registered head office or location of books and records at any time during the past five years.

(a) The jurisdiction of organization or incorporation of each Loan Party is set forth opposite its name on Schedule 2.

(b) The jurisdiction of organization or incorporation of each Acquired Entity is set forth opposite such Acquired Entity's name on Schedule 2.

(c) Set forth opposite the name of each Loan Party on Schedule 2(c) are (i) the names and addresses of all Persons, such as lessees, consignees, warehousemen or purchasers, that have possession of any tangible Collateral having an aggregate value in excess of \$1,000,000 in respect of a U.S. Borrower and \$500,000 in respect of a Foreign Borrower and (ii) all locations where records of Accounts and Inventory of any Loan Party are maintained.

3. Unusual Transactions. Except as described on Schedule 3, all Accounts have been originated by the Loan Party and all Inventory has been acquired by the Loan Party in the ordinary course of business (other than Accounts acquired in connection with a business acquisition).

4. Schedule of Filings. Set forth on Schedule 4 is the applicable registration or filing ministry (or other governmental or regulatory) office in the jurisdiction in which each Loan Party is organized or incorporated or maintains its chief executive office, principal place of business or registered head office, as applicable.

5. Deposit Accounts and Securities Accounts. Attached hereto as Schedule 5 is a schedule of all Deposit Accounts and Security Accounts maintained by each Loan Party, including the name of each institution where each such account is held, the name and account number of each such account and the name of each entity that holds each account.

6. Specified Revolving Credit Collateral. Attached hereto as Schedule 6 is a list of all Commercial Tort Claims, Chattel Paper, Instruments (other than checks to be deposited in the ordinary course of business), Letter of Credit Rights and Investment Property, in each case relating to Accounts or Inventory.

7. Equity Interests. Set forth on Schedule 7 is a list of the wholly owned subsidiaries owned by each Foreign Borrower and the intercompany debt instruments held by each Foreign Borrower, and, to the extent the equity interests of any entity listed on such schedule are required to be pledged pursuant to the Amended and Restated Loan Agreement, the certificate numbers (or equivalent), if any, representing such equity interests.⁴³

[Signature Page Follows]

⁴³ Note: all intercompany debt over \$10,000,000 must be evidenced by a pledged instrument.

IN WITNESS WHEREOF, we have hereunto signed this Perfection Certificate as of the date first written above.

[_____]

By: _____
Name:
Title:

EXHIBIT H-1

to

Amended and Restated Loan, Security and Guarantee Agreement

FORM OF AUSTRALIAN CLOSING CERTIFICATE

March 27, 2012

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of the date hereof (the "Amended and Restated Loan Agreement"), among **MCJUNKIN RED MAN CORPORATION**, a Delaware corporation, **GREENBRIER PETROLEUM CORPORATION**, a West Virginia corporation, **MCJUNKIN RED MAN DEVELOPMENT CORPORATION**, a Delaware corporation, **MIDWAY – TRISTATE CORPORATION**, a New York corporation, **MILTON OIL & GAS COMPANY**, a West Virginia corporation, **MRC MANAGEMENT COMPANY**, a Delaware corporation, **RUFFNER REALTY COMPANY**, a West Virginia corporation, **THE SOUTH TEXAS SUPPLY COMPANY, INC.**, a Texas corporation, **MRC TRANSMARK PTY LTD**, a company incorporated under the laws of Australia, **MRC SPF PTY LTD.**, a company incorporated under the laws of Australia, **MRC TRANSMARK NV**, a limited liability company organized under the laws of Belgium, **MIDFIELD SUPPLY ULC**, an unlimited liability corporation organized under the laws of Alberta, Canada, **MRC TRANSMARK B.V.**, a limited company organized under the laws of Netherlands, **MRC TRANSMARK INTERNATIONAL B.V.**, a limited company organized under the laws of Netherlands, **MRC TRANSMARK HOLDINGS UK LIMITED.**, a company incorporated in England and Wales with company number 05436123, **MRC TRANSMARK LIMITED**, a company incorporated in England and Wales with company number 03471259, **MRC TRANSMARK (DRAGON) LIMITED**, a company incorporated in England and Wales with company number 03797606, **MRC SPF SCANFIT LIMITED**, a company incorporated in England and Wales with company number 02299105, the Persons party thereto as Guarantors (as defined therein), **BANK OF AMERICA, N.A.**, as Administrative Agent and Collateral Agent, and the Lenders. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan Agreement.

1. The undersigned [____], a [____] of [____] (the "Certifying Loan Party"), hereby certifies, on behalf of the Certifying Loan Party, as follows:

(a) (i) The representations and warranties made by the Certifying Loan Party in each of the Loan Documents, in each case as they relate to the Certifying Loan Party on the Closing Date, are true and correct in all material respects (or, with respect to representations and warranties qualified by materiality, in all respects) on and as of the date hereof and (ii) no Default or Event of Default has occurred and is continuing as of the date hereof; and

(b) [Except as described on Schedule 1 hereto, no] [No] consents, licenses or approvals from any Governmental Authority or other third-party are required or appropriate to be obtained in connection with the execution, delivery and performance by and the validity against the Certifying Loan Party of the Loan Documents to which it is a party.

2. The undersigned [_____] of the Certifying Loan Party hereby certifies, on behalf of the Certifying Loan Party, as follows:

(a) There are no liquidation or dissolution proceedings pending or to my knowledge threatened against the Certifying Loan Party, nor to my knowledge has any other event occurred affecting or threatening the corporate existence of the Certifying Loan Party;

(b) The Certifying Loan Party is a company duly incorporated under the laws of the Commonwealth of Australia;

(c) Attached hereto as Exhibit A is a complete and correct copy of an extract of board minutes of the Board of Directors of the Certifying Loan Party on or before the date hereof approving and authorizing (i) the execution, delivery and performance of the Loan Documents (and any agreements relating thereto) to which it is a party and (ii) the extensions of credit contemplated by the Amended and Restated Loan Agreement; the extracts or relevant resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such resolutions are the only corporate proceedings of the Certifying Loan Party now in force relating to or affecting the matters referred to therein;

(d) Attached hereto as Exhibit B is a true and complete copy of the certificate of registration [together with certificates of registration on change of name] of the Certifying Loan Party, as in effect at all times since the date shown on the attached certificate of registration;

(e) Attached hereto as Exhibit C is a true and complete copy of the constitution of the Certifying Loan Party as in effect on and including the date hereof;

(f) Attached hereto as Exhibit D is a complete and correct copy of the extracts of shareholder resolutions duly signed by the sole shareholder of the Certifying Loan Party resolving to approve the Certifying Loan Party's entry into and execution of the Loan Documents;

(g) Attached hereto as Exhibit E is a true and complete copy of the constitution of [_____] as in effect on and including the date hereof; and

(h) The following persons are now duly elected and qualified officers of the Certifying Loan Party holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of the Certifying Loan Party each Loan Document to which it is a party and any certificate or other document to be delivered by the Certifying Loan Party pursuant to such Loan Documents.

Name

Office

Signature

IN WITNESS WHEREOF, the undersigned have hereto set their names as of the date first written above.

Name: _____
Title: _____

EXHIBIT H-2

to

Amended and Restated Loan, Security and Guarantee Agreement

FORM OF BELGIAN CLOSING CERTIFICATE

March 27, 2012

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of the date hereof (the "Amended and Restated Loan Agreement"), among **MCJUNKIN RED MAN CORPORATION**, a Delaware corporation, **GREENBRIER PETROLEUM CORPORATION**, a West Virginia corporation, **MCJUNKIN RED MAN DEVELOPMENT CORPORATION**, a Delaware corporation, **MIDWAY – TRISTATE CORPORATION**, a New York corporation, **MILTON OIL & GAS COMPANY**, a West Virginia corporation, **MRC MANAGEMENT COMPANY**, a Delaware corporation, **RUFFNER REALTY COMPANY**, a West Virginia corporation, **THE SOUTH TEXAS SUPPLY COMPANY, INC.**, a Texas corporation, **MRC TRANSMARK PTY LTD**, a company incorporated under the laws of Australia, **MRC SPF PTY LTD.**, a company incorporated under the laws of Australia, **MRC TRANSMARK NV**, a limited liability company organized under the laws of Belgium, **MIDFIELD SUPPLY ULC**, an unlimited liability corporation organized under the laws of Alberta, Canada, **MRC TRANSMARK B.V.**, a limited company organized under the laws of Netherlands, **MRC TRANSMARK INTERNATIONAL B.V.**, a limited company organized under the laws of Netherlands, **MRC TRANSMARK HOLDINGS UK LIMITED.**, a company incorporated in England and Wales with company number 05436123, **MRC TRANSMARK LIMITED**, a company incorporated in England and Wales with company number 03471259, **MRC TRANSMARK (DRAGON) LIMITED**, a company incorporated in England and Wales with company number 03797606, **MRC SPF SCANFIT LIMITED**, a company incorporated in England and Wales with company number 02299105, the Persons party thereto as Guarantors (as defined therein), **BANK OF AMERICA, N.A.**, as Administrative Agent and Collateral Agent, and the Lenders. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan Agreement.

1. The undersigned [____], the permanent representative of [____], [____] of [____] (the "Certifying Loan Party"), hereby certifies as follows:

(a) (i) The representations and warranties made by the Certifying Loan Party in each of the Loan Documents, in each case as they relate to the Certifying Loan Party on the Closing Date, are true and correct in all material respects (or, with respect to representations and warranties qualified by materiality, in all respects) on and as of the date hereof and (ii) no Default or Event of Default has occurred and is continuing as of the date hereof; and

(b) No consents, licenses or approvals from any Governmental Authority or other third-party are required or appropriate to be obtained in connection with the execution, delivery and performance by and the validity against the Certifying Loan Party of the Loan Documents to which it is a party.

2. The undersigned [_____] of the Certifying Loan Party hereby certifies as follows:

(a) There are no liquidation or dissolution proceedings pending or to my knowledge threatened against the Certifying Loan Party, nor to my knowledge has any other event occurred affecting or threatening the corporate existence of the Certifying Loan Party;

(b) The Certifying Loan Party is a company duly incorporated under the laws of Belgium;

(c) Attached hereto as Exhibit A is a complete and correct copy of the resolutions duly adopted by the Board of Directors (or a duly authorized committee thereof) of the Certifying Loan Party on or before the date hereof approving and authorizing (i) the execution, delivery and performance of the Loan Documents (and any agreements relating thereto) to which it is a party and (ii) the extensions of credit contemplated by the Amended and Restated Loan Agreement; such resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such resolutions are the only corporate proceedings of the Certifying Loan Party now in force relating to or affecting the matters referred to therein;

(d) Attached hereto as Exhibit B is a true and complete copy of the articles of association of the Certifying Loan Party as in effect at all times since the adoption thereof to and including the date hereof;

(e) Attached hereto as Exhibit C is a true and complete copy of the resolutions signed by all the holders of the issued shares in the Certifying Loan Party, adopted in accordance with clause 556 of the Belgian Company Code, approving the terms of, and the transactions contemplated by, the Transaction Documents to which the Certifying Loan Party is a party;

(f) Attached hereto as Exhibit D are true and complete copies of the Certificate of Non-Insolvency of the Certifying Loan Party issued by the Commercial Court of Antwerp and the KBO-Certificate, which are in effect to and including the date hereof; and

(g) The following persons are now duly elected and qualified officers of the Certifying Loan Party holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of the Certifying Loan Party each Loan Document to which it is a party and any certificate or other document to be delivered by the Certifying Loan Party pursuant to such Loan Documents.

Name

Office

Signature

IN WITNESS WHEREOF, the undersigned have hereto set their names as of the date first written above.

Name: _____
Title: _____

EXHIBIT H-3
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF CANADIAN CLOSING CERTIFICATE

TO: Bank of America, N.A.

and such other financial institutions and other persons as may be Secured Parties under the Credit Agreement hereinafter defined (collectively, the “**Secured Parties**” and, individually, a “**Secured Party**”)

AND TO: Bank of America, N.A., in its capacity as agent of the Secured Parties (the “**Agent**”)

AND TO: McCarthy Tétrault LLP

RE: Amended and restated loan, security and guarantee agreement (as the same may be further amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”) dated as of the date hereof among, *inter alia*, McJunkin Red Man Corporation and others as, U.S. borrowers, MRC Transmark Pty Ltd and MRC SPF Pty Ltd., as Australian borrowers, MRC Transmark NV, as Belgium borrower, MRC Transmark B.V. and MRC Transmark International B.V., as Dutch borrowers, MRC Transmark Holdings UK Limited and others, as U.K. borrowers, and Midfield Supply ULC (the “**Borrower**”), as Canadian Borrower, the Lenders, the Agent and the guarantors party thereto.

The undersigned, [____], the [____] of the Borrower, hereby certifies, on behalf of the Borrower as follows:

1. Capitalized terms used and not expressly defined herein shall have the same respective meanings as are ascribed thereto in the Credit Agreement.
2. I have made or have caused to be made such examinations or investigations as are necessary to make the statements below, and I have furnished this certificate with the intent that it may be relied upon as a basis for the consummation of the transactions contemplated in the Credit Agreement.

3. Attached hereto as Exhibit A is a true and complete copy of the articles of the Borrower (and all amendments made thereto to the date hereof), which articles are in full force and effect and no proceedings have been taken or are pending to amend, surrender or cancel them.
4. Attached hereto as Exhibit B is a true and complete copy of the by-laws of the Borrower (and all amendments made thereto to the date hereof), which by-laws are in full force and effect, without any modification or amendment thereto, and no proceedings have been taken or are pending to amend, supplement or repeal them.
5. Attached hereto as Exhibit C is a complete and correct copy of the resolutions duly adopted by the Board of Directors (or a duly authorized committee thereof) of the Borrower on or before the date hereof approving and authorizing (i) the execution, delivery and performance of the Loan Documents (and any agreements relating thereto) to which it is a party entered into in connection with the Credit Agreement and (ii) the extensions of credit contemplated by the Credit Agreement; such resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such resolutions are the only corporate proceedings of the Borrower now in force relating to or affecting the matters referred to therein;
6. The following persons are now duly elected and qualified officers of the Borrower holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of the Borrower each Loan Document to which it is a party and any certificate or other document to be delivered by the Borrower pursuant to such Loan Documents.

<u>Name</u>	<u>Office</u>	<u>Signature</u>
•	•	
•	•	

7. Attached hereto as Exhibit D is a true and complete copy of a shareholder agreement and all amendments thereto (the “**Shareholder Agreement**”) in respect of the Borrower which shareholder agreement is in full force and effect, without any further modification or amendment thereto, and no proceedings have been taken or are pending to amend, supplement or cancel it. No shareholder declaration or other shareholder agreement or instrument has been executed, delivered or entered into which restricts, in any manner whatsoever, the powers and authority of the directors of the Borrower provided for in the *Business Corporations Act* (Alberta).

8. The Borrower has not taken any steps to terminate its existence, to surrender or cancel its articles, to amalgamate, to continue in any other jurisdiction or to change its corporate existence in any way. The Borrower has not received any notice or other communication from any person or Governmental Authority indicating that there exists any situation which, unless remedied, could result in the dissolution or termination of the existence of the Borrower.
9. The execution, delivery and performance by the Borrower of the Credit Agreement and the Loan Documents to which it is a party does not:
 - (a) contravene any order, judgment, injunction, award or decree affecting the Borrower or its properties, assets and undertakings;
 - (b) contravene or result in a breach of or a default under the terms, conditions or provisions of any agreement, instrument or indenture to which the Borrower is a party (including, without limitation to the Shareholder Agreement); or
 - (c) result in the creation of, or the obligation to create, any Lien in or with respect to any of the property, assets or undertakings of the Borrower pursuant to any agreement, instrument or indenture to which it is a party.
10. As at the date hereof:
 - (a) there are no actions, suits, proceedings, litigation or investigations pending or threatened against or affecting the Borrower before or by any Governmental Authority which (i) could reasonably be expected to have a Material Adverse Effect or impair the Borrower's ability to perform its obligations under the Credit Agreement or (ii) could reasonably be expected to materially and adversely affect the Credit Agreement, the Obligations or the transactions contemplated by the Credit Agreement; and
 - (b) the Borrower is not in default of or has failed to satisfy the terms of any judgment or order binding upon it of any Governmental Authority.
11. As of the date hereof, and after giving effect to the Loans and the transactions under the Credit Agreement and the other Loan Documents:
 - (a) the Borrower is Solvent;
 - (b) no Default or Event of Default has occurred and is continuing as of the date hereof;
 - (c) the representations and warranties made by the Borrower in each of the Loan Documents, in each case as they relate to the Borrower on the Closing Date, are true and correct in all material respects (or, with respect to representations and warranties qualified by materiality, in all respects) on and as of the date hereof; and

-
- (d) the Borrower has complied with all agreements and conditions to be satisfied by in under the Loan Documents to which it is a party.
12. No consents, licenses or approvals are required or appropriate to be obtained from any Governmental Authority or other third-party in connection with the execution, delivery and performance by and the validity against the Borrower of the Loan Documents to which it is a party.
13. The chief executive office of the Borrower is located in the Province of Alberta.
14. The share register of the Borrower contained in the minute books of the Borrower is true, correct and complete.

[the remainder of this page has been intentionally left blank]

I give this certificate on behalf of the Borrower, and in my capacity as an officer of the Borrower and no personal liability is assumed by or in respect of the giving of this certificate.

DATED as of March 27, 2012.

Name:
Title:

EXHIBIT H-4
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF DUTCH CLOSING CERTIFICATE

March 27, 2012

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of the date hereof (the "Amended and Restated Loan Agreement"), among **MCJUNKIN RED MAN CORPORATION**, a Delaware corporation, **GREENBRIER PETROLEUM CORPORATION**, a West Virginia corporation, **MCJUNKIN RED MAN DEVELOPMENT CORPORATION**, a Delaware corporation, **MIDWAY – TRISTATE CORPORATION**, a New York corporation, **MILTON OIL & GAS COMPANY**, a West Virginia corporation, **MRC MANAGEMENT COMPANY**, a Delaware corporation, **RUFFNER REALTY COMPANY**, a West Virginia corporation, **THE SOUTH TEXAS SUPPLY COMPANY, INC.**, a Texas corporation, **MRC TRANSMARK PTY LTD**, a company incorporated under the laws of Australia, **MRC SPF PTY LTD.**, a company incorporated under the laws of Australia, **MRC TRANSMARK NV**, a limited liability company organized under the laws of Belgium, **MIDFIELD SUPPLY ULC**, an unlimited liability corporation organized under the laws of Alberta, Canada, **MRC TRANSMARK B.V.**, a limited liability company organized under the laws of Netherlands and registered with the commercial register of the Chamber of Commerce (*Kamer van Koophandel*) for Gooi-, Eem- en Flevoland under number 3905435, **MRC TRANSMARK INTERNATIONAL B.V.**, a limited liability company organized under the laws of Netherlands registered with the commercial register of the Chamber of Commerce (*Kamer van Koophandel*) for Gooi-, Eem- en Flevoland under number 52673669, **MRC TRANSMARK HOLDINGS UK LIMITED.**, a company incorporated in England and Wales with company number 05436123, **MRC TRANSMARK LIMITED**, a company incorporated in England and Wales with company number 03471259, **MRC TRANSMARK (DRAGON) LIMITED**, a company incorporated in England and Wales with company number 03797606, **MRC SPF SCANFIT LIMITED**, a company incorporated in England and Wales with company number 02299105, the Persons party thereto as Guarantors (as defined therein), **BANK OF AMERICA, N.A.**, as Administrative Agent and Collateral Agent, and the Lenders. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan Agreement.

1. The undersigned [____], director of [____], as the corporate director of [____] (the "Certifying Loan Party"), hereby certifies (without personal liability) as follows:

(a) (i) The representations and warranties made by the Certifying Loan Party in each of the Loan Documents, in each case as they relate to the Certifying Loan Party on the Closing Date, are true and correct in all material respects (or, with respect to representations and warranties qualified by materiality, in all respects) on and as of the date hereof and (ii) no Default or Event of Default has occurred and is continuing as of the date hereof; and

(b) No consents, licenses or approvals from any Governmental Authority or other third-party are required or appropriate to be obtained in connection with the execution, delivery and performance by and the validity against the Certifying Loan Party of the Loan Documents to which it is a party.

2. The undersigned director of [_____], as the corporate director of the Certifying Loan Party hereby certifies (without personal liability) as follows:

(a) There are no liquidation or dissolution proceedings pending or to my knowledge threatened against the Certifying Loan Party, nor to my knowledge has any other event occurred affecting or threatening the corporate existence of the Certifying Loan Party;

(b) The Certifying Loan Party is a corporation duly organized and existing under the laws of the Netherlands;

(c) Attached hereto as Exhibit A is a complete and correct copy of the resolutions duly adopted by the Board of Directors (or a duly authorized committee thereof) of the Certifying Loan Party on or before the date hereof approving and authorizing (i) the execution, delivery and performance of the Loan Documents (and any agreements relating thereto) to which it is a party and (ii) the extensions of credit contemplated by the Amended and Restated Loan Agreement; such resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such resolutions are the only corporate proceedings of the Certifying Loan Party now in force relating to or affecting the matters referred to therein;

(d) Attached hereto as Exhibit B is a true and complete copy of the deed of incorporation of the Certifying Loan Party, as in effect at all times since the date shown on the attached deed of incorporation;

(e) Attached hereto as Exhibit C is a true and complete copy of the articles of association of the Certifying Loan Party as in effect on and including the date hereof;

(f) Attached hereto as Exhibit D is a complete and correct copy of the resolutions duly signed by the shareholder of the Certifying Loan Party resolving to approve the Certifying Loan Party's entry into and execution of the Loan Documents;

(g) Attached hereto as Exhibit E is a complete and correct copy of the Certifying Loan Party's excerpt from the commercial register of the Chamber of Commerce; and

(h) The following persons are authorised to sign, on behalf of the Certifying Loan Party, holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of the Certifying Loan Party each Loan Document to which it is a party and any certificate or other document to be delivered by the Certifying Loan Party pursuant to such Loan Documents.

Name

Office

Signature

IN WITNESS WHEREOF, the undersigned has hereto set his name as of the date first written above.

Name: _____
Title: _____

EXHIBIT H-5
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF UK CLOSING CERTIFICATE

March 27, 2012

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of the date hereof (the "Amended and Restated Loan Agreement"), among **MCJUNKIN RED MAN CORPORATION**, a Delaware corporation, **GREENBRIER PETROLEUM CORPORATION**, a West Virginia corporation, **MCJUNKIN RED MAN DEVELOPMENT CORPORATION**, a Delaware corporation, **MIDWAY – TRISTATE CORPORATION**, a New York corporation, **MILTON OIL & GAS COMPANY**, a West Virginia corporation, **MRC MANAGEMENT COMPANY**, a Delaware corporation, **RUFFNER REALTY COMPANY**, a West Virginia corporation, **THE SOUTH TEXAS SUPPLY COMPANY, INC.**, a Texas corporation, **MRC TRANSMARK PTY LTD**, a company incorporated under the laws of Australia, **MRC SPF PTY LTD.**, a company incorporated under the laws of Australia, **MRC TRANSMARK NV**, a limited liability company organized under the laws of Belgium, **MIDFIELD SUPPLY ULC**, an unlimited liability corporation organized under the laws of Alberta, Canada, **MRC TRANSMARK B.V.**, a limited company organized under the laws of Netherlands, **MRC TRANSMARK INTERNATIONAL B.V.**, a limited company organized under the laws of Netherlands, **MRC TRANSMARK HOLDINGS UK LIMITED.**, a company incorporated in England and Wales with company number 05436123, **MRC TRANSMARK LIMITED**, a company incorporated in England and Wales with company number 03471259, **MRC TRANSMARK (DRAGON) LIMITED**, a company incorporated in England and Wales with company number 03797606, **MRC SPF SCANFIT LIMITED**, a company incorporated in England and Wales with company number 02299105, the Persons party thereto as Guarantors (as defined therein), **BANK OF AMERICA, N.A.**, as Administrative Agent and Collateral Agent, and the Lenders. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Amended and Restated Loan Agreement.

1. The undersigned [____], a [____] of [____] (the "Certifying Loan Party"), hereby certifies as follows:

(a) (i) The representations and warranties made by the Certifying Loan Party in each of the Loan Documents, in each case as they relate to the Certifying Loan Party on the Closing Date, are true and correct in all material respects (or, with respect to representations and warranties qualified by materiality, in all respects) on and as of the date hereof and (ii) no Default or Event of Default has occurred and is continuing as of the date hereof; and

(b) No consents, licenses or approvals from any Governmental Authority or other third-party are required or appropriate to be obtained in connection with the execution, delivery and performance by and the validity against the Certifying Loan Party of the Loan Documents to which it is a party.

2. The undersigned [_____] of the Certifying Loan Party hereby certifies as follows:

(a) There are no liquidation or dissolution proceedings pending or to my knowledge threatened against the Certifying Loan Party, nor to my knowledge has any other event occurred affecting or threatening the corporate existence of the Certifying Loan Party;

(b) The Certifying Loan Party is a company duly incorporated under the law of England and Wales;

(c) Attached hereto as Exhibit A is a complete and correct copy of the resolutions duly adopted by the Board of Directors (or a duly authorized committee thereof) of the Certifying Loan Party on or before the date hereof approving and authorizing (i) the execution, delivery and performance of the Loan Documents (and any agreements relating thereto) to which it is a party and (ii) the extensions of credit contemplated by the Amended and Restated Loan Agreement; such resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such resolutions are the only corporate proceedings of the Certifying Loan Party now in force relating to or affecting the matters referred to therein;

(d) Attached hereto as Exhibit B is a true and complete copy of the certificate of incorporation [together with certificates of incorporation on change of name] of the Certifying Loan Party as of a recent date, as in effect at all times since the date shown on the attached certificate of incorporation;

(e) Attached hereto as Exhibit C is a true and complete copy of the [memorandum and articles of association] of the Certifying Loan Party as in effect on and including the date hereof;

(f) Attached hereto as Exhibit D is a complete and correct copy of the resolutions duly signed by the shareholder of the Certifying Loan Party resolving to approve the Certifying Loan Party's entry into and execution of the Loan Documents; and

(g) The following persons are now duly elected and qualified officers of the Certifying Loan Party holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of the Certifying Loan Party each Loan Document to which it is a party and any certificate or other document to be delivered by the Certifying Loan Party pursuant to such Loan Documents.

Name

Office

Signature

IN WITNESS WHEREOF, the undersigned have hereto set their names as of the date first written above.

Name: _____
Title: _____

EXHIBIT H-6
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF U.S. CLOSING CERTIFICATE

March 27, 2012

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of the date hereof (the "Loan Agreement"), among **MCJUNKIN RED MAN CORPORATION**, a Delaware corporation, **GREENBRIER PETROLEUM CORPORATION**, a West Virginia corporation, **MCJUNKIN RED MAN DEVELOPMENT CORPORATION**, a Delaware corporation, **MIDWAY – TRISTATE CORPORATION**, a New York corporation, **MILTON OIL & GAS COMPANY**, a West Virginia corporation, **MRC MANAGEMENT COMPANY**, a Delaware corporation, **RUFFNER REALTY COMPANY**, a West Virginia corporation, **THE SOUTH TEXAS SUPPLY COMPANY, INC.**, a Texas corporation, **MRC TRANSMARK PTY LTD**, a company incorporated under the laws of the Commonwealth of Australia, **MRC SPF PTY LTD.**, a company incorporated under the laws of the Commonwealth of Australia, **MRC TRANSMARK NV**, a limited liability company organized under the laws of Belgium, **MIDFIELD SUPPLY ULC**, an unlimited liability corporation organized under the laws of Alberta, Canada, **MRC TRANSMARK B.V.**, a limited company organized under the laws of Netherlands, **MRC TRANSMARK INTERNATIONAL B.V.**, a limited company organized under the laws of Netherlands, **MRC TRANSMARK HOLDINGS UK LIMITED**, a company incorporated in England and Wales with company number 05436123, **MRC TRANSMARK LIMITED**, a company incorporated in England and Wales with company number 03471259, **MRC TRANSMARK (DRAGON) LIMITED**, a company incorporated in England and Wales with company number 03797606, **MRC SPF SCANFIT LIMITED**, a company incorporated in England and Wales with company number 02299105, the Persons party thereto as Guarantors (as defined therein), **BANK OF AMERICA, N.A.**, as administrative agent and collateral agent, and the Lenders. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

1. The undersigned, [_____] ⁴⁴ of the [certifying Loan Party] (the "Certifying Loan Party") hereby certifies as follows:

(a) (i) The representations and warranties made by the Certifying Loan Party in each of the Loan Documents, in each case as they relate to the Certifying Loan Party on the Closing Date, are true and correct in all material respects (or, with respect to representations and warranties qualified by materiality, in all respects) on and as of the date hereof and (ii) no Default or Event of Default has occurred and is continuing as of the date hereof;

(b) [Except as attached as Schedule 1, no] [No] consents, licenses and approvals from any Governmental Authority or other third-party are required or appropriate to be obtained in connection with the execution, delivery and performance by and the validity against the Certifying Loan Party of the Loan Documents to which it is a party. [Each of the consents, licenses and approvals attached as Schedule 1 is in full force and effect.]; [and] ⁴⁵

⁴⁴ Certifying officer must be a Senior Officer.

⁴⁵ Bracketed paragraphs (c) and (d) to be included in the Closing Certificate for McJunkin Red Man Corporation only.

(c) [Upon giving effect to the initial funding of Loans and issuance of Letters of Credit, and the payment by the Borrowers of all fees and expenses incurred in connection therewith and due on the Closing Date, as well as the amount of any payables stretched beyond their customary payment practices, Excess Availability will be at least \$300,000,000 as demonstrated on Exhibit E attached hereto.

(d) Based on my review of the Historical Financial Statements, the financial projections of the Borrowers and the other financial information provided by the Borrowers to Agent, including the Confidential Information Memorandum, I have concluded that after giving effect to the consummation of the transactions contemplated by the Loan Agreement, the Borrowers and the Guarantors, taken as a whole, are Solvent; and]

(e) [_____] is the duly elected and qualified [President/Vice President/Secretary/Assistant Secretary] of the Certifying Loan Party and the signature set forth on the signature line for such officer below is such officer's true and genuine signature, and such officer is duly authorized to execute and deliver on behalf of the Certifying Loan Party each Loan Document to which the Certifying Loan Party is a party and any certificate or other document to be delivered by the Certifying Loan Party pursuant to such Loan Documents;

The undersigned [President/Vice President/Secretary/Assistant Secretary] of the Certifying Loan Party hereby certifies as follows:

(a) There are no liquidation or dissolution proceedings pending or to my knowledge threatened against the Certifying Loan Party, nor to my knowledge has any other event occurred affecting or threatening the corporate existence of the Certifying Loan Party;

(b) The Certifying Loan Party is a corporation duly organized, validly existing and in good standing under the laws of the State of [_____];

(c) Attached hereto as Exhibit A is a complete and correct copy of the resolutions duly adopted by the Board of Directors (or a duly authorized committee thereof) of the Certifying Loan Party on or before the date hereof approving and authorizing (i) the execution, delivery and performance of the Loan Documents (and any agreements relating thereto) to which it is a party and (ii) the extensions of credit contemplated by the Loan Agreement; such resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such resolutions are the only corporate proceedings of the Certifying Loan Party now in force relating to or affecting the matters referred to therein;

(d) Attached hereto as Exhibit B is a true and complete copy of the certificate of incorporation of the Certifying Loan Party certified by the Secretary of State the State of [_____] as of a recent date, as in effect at all times since the date shown on the attached certificate of incorporation;

(e) Attached hereto as Exhibit C is a true and complete copy of the by-laws of the Certifying Loan Party as in effect at all times since the adoption thereof to and including the date hereof;

(f) Attached hereto as Exhibit D is the [Certificate of Good Standing] [*insert similar instrument*] of the Certifying Loan Party issued by the Secretary of State of the State of [____]; and

(g) The following persons are now duly elected and qualified officers of the Certifying Loan Party holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of the Certifying Loan Party each Loan Document to which it is a party and any certificate or other document to be delivered by the Certifying Loan Party pursuant to such Loan Documents:

Name

Office

Signature

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have hereto set our names as of the date first written above.

Name:
Title:

Name:
Title:

EXHIBIT I
to
Amended and Restated Loan, Security and Guarantee Agreement

FORM OF JOINDER AGREEMENT

This JOINDER AGREEMENT (this "Agreement") dated as of _____, 20___, is executed by the undersigned (the "New Loan Party") for the benefit of BANK OF AMERICA, N.A., in its capacity as collateral agent and administrative agent for itself and the Secured Parties ("Agent"), and the financial institutions from time to time party to the Loan Agreement ("Lenders") under that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas" and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers"), MRC TRANSMARK PTY LTD, a company incorporated under the laws of the Commonwealth of Australia ("Transmark Australia"), and MRC SPF PTY LTD., a company incorporated under the laws of the Commonwealth of Australia ("SPF Australia" and together with Transmark Australia, the "Initial Australian Borrowers"), MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands" and together with Transmark Netherlands, the "Initial Dutch Borrowers"), MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK" and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"); and collectively with any other UK Borrowers, any other Australian Borrowers, any other Belgian Borrowers, any other Canadian Borrowers, any other Dutch Borrowers, any New Zealand Borrowers, any Singapore Borrowers and any other U.S. Borrowers, the "Borrowers" and each, a "Borrower"), the Persons from time to time party to the Loan Agreement as Guarantors, the financial institutions party to the Loan Agreement from time to time as lenders (collectively, "Lenders"), and BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (together with any successor agent appointed pursuant to Section 12.10 of the Loan Agreement, the "Agent"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

WHEREAS, the Borrowers, the Lenders, and the Agent have entered into the Loan Agreement in order to induce the Lenders to make the Loans and the Fronting Banks to issue Letters of Credit to or for the benefit of the Borrowers.

WHEREAS, the New Loan Party is a Subsidiary of a Borrower and is either required or has agreed to execute this Agreement pursuant Section 10.1.13 of the Loan Agreement.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the New Loan Party hereby agrees as follows:

1. By its execution of this Agreement, the New Loan Party shall be deemed to be a party to the Loan Agreement and shall have all of the rights and obligations of a ["U.S. Borrower" and "U.S. Facility Guarantor"] / ["U.S. Facility Guarantor"] / ["Australian / Belgian / Canadian / Dutch / New Zealand / Singapore / UK] Borrower" under the Loan Agreement and agrees that it is a ["U.S. Borrower" and "U.S. Facility Guarantor"] / ["U.S. Facility Guarantor"] / ["Australian / Belgian / Canadian / Dutch / New Zealand / Singapore / UK] Borrower" and bound as a ["U.S. Borrower" and "U.S. Facility Guarantor"] / ["U.S. Facility Guarantor"] / ["Australian / Belgian / Canadian / Dutch / New Zealand / Singapore / UK] Borrower" under the terms of the Loan Agreement as if it had been an original signatory thereto. The New Loan Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Loan Agreement. [In furtherance of the foregoing, the New Loan Party hereby assigns, pledges and grants to the Agent a security interest in all of its right, title and interest in and to its Collateral [and Pledged Collateral]⁴⁶ under the terms of the Loan Agreement.]⁴⁷

2. Schedules [] of the Loan Agreement are hereby amended to add the information relating to the New Loan Party set out on Schedules [] hereof. The New Loan Party hereby confirms that the representations and warranties set forth in the Loan Agreement applicable to it and its Collateral are true and correct in all material respects as of the date hereof after giving effect to such amendment to the Schedules. The New Loan Party agrees that any phrase stating "as of the date hereof", or any similar phrase in its representations and warranties set forth in the Loan Agreement, shall mean "as of the date of this Joinder Agreement".

3. The New Loan Party hereby confirms that [(a) it has delivered on or prior to the date hereof to the Agent and the relevant Security Trustee, (i) all Security Documents required pursuant to Section 10.1.13(a)(i)(B) of the Loan Agreement in the jurisdiction where the New Loan Party is domiciled to grant a valid Lien in the New Loan Party's Collateral to the Agent for the benefit of the applicable Secured Parties and (ii) any documentation reasonably required by

⁴⁶ Bracketed phrase to be included only if the New Loan Party is joining as a Canadian Borrower.

⁴⁷ Bracketed phrase to be included only if the New Loan Party is joining as a Canadian Borrower, U.S. Borrower and/or U.S. Facility Guarantor.

the Agent and the relevant Security Trustee in order for the Agent and such Security Trustee to complete their due diligence and compliance procedures for applicable “know your customer” and anti-money laundering rules, and (b) that a Senior Officer of the applicable Loan Party Agent has delivered to the Agent (i) a Borrowing Base Certificate for the New Loan Party Agent effective as of not more than 25 days preceding the date hereof and (ii) written notice of the New Loan Party’s Applicable Foreign Borrower Commitment.]⁴⁸

4. In furtherance of its obligations under the Loan Agreement, the New Loan Party authorizes the filing of such financing or security statements (or equivalent in the relevant jurisdiction) naming it as debtor, the Agent and/or the relevant Security Trustee as secured party and describing its Collateral and such other documentation as the Agent and/or the relevant Security Trustee may require to evidence, protect and perfect the Liens created by the [Loan Agreement] [Security Documents] to which it is a party.

5. This Agreement shall be deemed to be part of, and a modification to, the Loan Agreement and shall be governed by all the terms and provisions of the Loan Agreement, which terms are incorporated herein by reference, are ratified and confirmed and shall continue in full force and effect as valid and binding agreements of the New Loan Party enforceable against the New Loan Party in accordance with its terms. The New Loan Party hereby waives notice of the Agent’s or any other Secured Party’s acceptance of this Agreement.

IN WITNESS WHEREOF, the New Loan Party has executed this Agreement as of the day and year first written above.

“NEW LOAN PARTY”:
[_____]

By: _____
Name: _____
Title: _____

⁴⁸ _____
Revise as appropriate depending on if the New Loan Party is U.S. or non-U.S. Person.

EXHIBIT J-1

to

Amended and Restated Loan, Security and Guarantee Agreement

FORM OF NON-BANK CERTIFICATE FOR NON-PARTNERSHIP

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas") and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers", MRC TRANSMARK PTY LTD, a company incorporated under the laws of the Commonwealth of Australia ("SPF Australia") and together with Transmark Australia, the "Initial Australian Borrowers", MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands") and together with Transmark Netherlands, the "Initial Dutch Borrowers", MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK") and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"; and collectively with any other UK Borrowers, any other Australian Borrowers, any other Belgian Borrowers, any other Canadian Borrowers, any other Dutch Borrowers, any New Zealand Borrowers, any Singapore Borrowers and any other U.S. Borrowers, the "Borrowers" and each, a "Borrower"), the Persons from time to time party to the Loan Agreement as Guarantors, the financial institutions party to the Loan Agreement from time to time as lenders (collectively, "Lenders"), and BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (together with any successor agent appointed pursuant to Section 12.10 of the Loan Agreement, the "Agent"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

Pursuant to the provisions of Section 5.9.2 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loans and other Obligations (as well as any Notes evidencing such Loans and other Obligations) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of any U.S. Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a controlled foreign corporation related to any U.S. Borrower as described in Section 881(c)(3)(C) of the Code and (v) the interest payments on the Loans and other Obligations are not effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished the Agent and the North American Loan Party Agent with a certificate of its non-United States status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the North American Loan Party Agent, and (2) the undersigned shall have at all times furnished the Agent and the North American Loan Party Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[Signature Page Follows]

[NAME OF LENDER]

By: _____
Name: _____
Title: _____

Date: _____, 20[]

EXHIBIT J-2

to

Amended and Restated Loan, Security and Guarantee Agreement

FORM OF NON-BANK CERTIFICATE FOR PARTNERSHIP

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to that certain Amended and Restated Loan, Security and Guarantee Agreement dated as of March 27, 2012 (as the same may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among MCJUNKIN RED MAN CORPORATION, a Delaware corporation ("MRC"), GREENBRIER PETROLEUM CORPORATION, a West Virginia corporation ("Greenbrier"), MCJUNKIN RED MAN DEVELOPMENT CORPORATION, a Delaware corporation ("McJunkin Development"), MIDWAY – TRISTATE CORPORATION, a New York corporation ("Midway"), MILTON OIL & GAS COMPANY, a West Virginia corporation ("Milton"), MRC MANAGEMENT COMPANY, a Delaware corporation ("Management"), RUFFNER REALTY COMPANY, a West Virginia corporation ("Ruffner"), and THE SOUTH TEXAS SUPPLY COMPANY, INC., a Texas corporation ("South Texas") and together with MRC, Greenbrier, McJunkin Development, Midway, Milton, Management and Ruffner, the "Initial U.S. Borrowers", MRC TRANSMARK PTY LTD, a company incorporated under the laws of the Commonwealth of Australia ("Transmark Australia"), and MRC SPF PTY LTD., a company incorporated under the laws of the Commonwealth of Australia ("SPF Australia") and together with Transmark Australia, the "Initial Australian Borrowers", MRC TRANSMARK NV, a limited liability company organized under the laws of Belgium (the "Initial Belgian Borrower"), MIDFIELD SUPPLY ULC, an unlimited liability corporation organized under the laws of Alberta, Canada (the "Initial Canadian Borrower"), MRC TRANSMARK B.V., a limited company organized under the laws of the Netherlands ("Transmark Netherlands"), and MRC TRANSMARK INTERNATIONAL B.V., a limited company organized under the laws of the Netherlands ("International Netherlands") and together with Transmark Netherlands, the "Initial Dutch Borrowers", MRC TRANSMARK HOLDINGS UK LIMITED, a company incorporated in England and Wales with company number 05436123 ("Holdings UK"), MRC TRANSMARK LIMITED, a company incorporated in England and Wales with company number 03471259 ("Transmark UK"), MRC TRANSMARK (DRAGON) LIMITED, a company incorporated in England and Wales with company number 03797606 ("Dragon UK"), and MRC SPF SCANFIT LIMITED, a company incorporated in England and Wales with company number 02299105 ("SPF UK") and together with Holdings UK, Transmark UK and Dragon UK, the "Initial UK Borrowers"; and collectively with any other UK Borrowers, any other Australian Borrowers, any other Belgian Borrowers, any other Canadian Borrowers, any other Dutch Borrowers, any New Zealand Borrowers, any Singapore Borrowers and any other U.S. Borrowers, the "Borrowers" and each, a "Borrower"), the Persons from time to time party to the Loan Agreement as Guarantors, the financial institutions party to the Loan Agreement from time to time as lenders (collectively, "Lenders"), and BANK OF AMERICA, N.A., a national banking association, in its capacity as collateral agent and administrative agent for itself and the other Secured Parties (together with any successor agent appointed pursuant to Section 12.10 of the Loan Agreement, the "Agent"). Capitalized terms used but not defined herein shall have the meanings given to such terms in the Loan Agreement.

Pursuant to the provisions of Section 5.9.2 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loans and other Obligations (as well as any Notes evidencing such Loans and other Obligations) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loans and other Obligations (as well as any Notes evidencing such Loans and other Obligations), (iii) with respect to the extension of credit pursuant to this Loan Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of any U.S. Borrower within the meaning of Section 871(h)(3)(B) of the Code, (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any U.S. Borrower as described in Section 881(c)(3)(C) of the Code and (vi) the interest payments on the Loans and other Obligations are not effectively connected with the undersigned's or its direct or indirect partners/members' conduct of a U.S. trade or business.

The undersigned has furnished the Agent and the North American Loan Party Agent with IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of its partners/members claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Agent and the North American Loan Party Agent, and (2) the undersigned shall have at all times furnished the Agent and the North American Loan Party Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[Signature Page Follows]

[NAME OF LENDER]

By: _____
Name: _____
Title: _____

Date: _____, 20[]

SCHEDULES

Schedule 1.1(a)	Existing Letters of Credit
Schedule 1.1(b)	Existing Receivables Entities
Schedule 2.1.1(a)	Australian Revolver Commitment
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Schedule 10.2.4	Non-Core Assets
Schedule 10.2.5	Permitted Investments
Schedule 10.2.10	Permitted Burdensome Agreements
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Schedule 1.1(a)
Existing U.S. Letters of Credit

<u>Principal</u>	<u>Beneficiary</u>	<u>Expiration Date</u>	<u>Currency</u>	<u>Available Amount</u>	<u>Issuing Bank</u>
McJunkin Red Man Corporation	The Travelers Indemnity Company	05/01/2012	USD	4,284,000.00	JPMorgan Chase Bank, N.A.
McJunkin Red Man Corporation	Insurance Commissioner of West Virginia	01/31/2013	USD	250,000.00	Bank of America, N.A.
McJunkin Red Man Corporation	Sentry Insurance, A Mutual Company	10/21/2012	USD	75,000.00	Bank of America, N.A.
McJunkin Red Man Corporation	West Virginia Employers' Mutual Insurance Company, d/b/a Brickstreet Mutual Insurance Co.	10/21/2012	USD	30,000.00	Bank of America, N.A.
McJunkin Red Man Corporation	Chu Kong Steel Pipe Group Co Ltd	7/10/2012	USD	5,017,593.00	Bank of America, N.A.
McJunkin Red Man Corporation	HSBC Bank PLC	3/26/2013	USD	13,620,680.77	Bank of America, N.A.

Schedule 1.1(b)
Existing Receivables Entities

None.

Schedule 2.1.1(a)
Australian Revolver Commitments

<u>Australian Lender</u>	<u>Australian Revolver Commitment</u>
Bank of America, N.A. (acting through its Australia Branch)	\$10,000,000.00
RBS Invoice Finance Limited	\$10,000,000.00
Wells Fargo Bank, National Association, London Branch	\$10,000,000.00
Barclays Bank PLC	\$ 9,500,000.00
JPMorgan Chase Bank, N.A., Sydney Branch (ABN 43 074 112 011)	\$ 6,500,000.00
Union Bank, N.A.	\$ 6,000,000.00
Total:	<u>\$52,000,000.00</u>

Schedule 2.1.1(b)
Belgian Revolver Commitments

<u>Belgian Lender</u>	<u>Belgian Revolver Commitment</u>
RBS Invoice Finance Limited	\$ 3,000,000.00
Bank of America, N.A. (acting through its London Branch)	\$ 2,000,000.00
Barclays Bank PLC	\$ 1,000,000.00
Wells Fargo Bank, National Association, London Branch	\$ 1,000,000.00
Total:	<u>\$ 7,000,000.00</u>

Schedule 2.1.1(c)
Canadian Revolver Commitments

<u>Canadian Lender</u>	<u>Canadian Revolver Commitment</u>
Bank of America, N.A. (acting through its Canada Branch)	\$ 38,625,641.25
Wells Fargo Capital Finance Corporation Canada	\$ 28,000,000.00
Barclays Bank PLC	\$ 27,500,000.00
JPMorgan Chase Bank, N.A., Toronto Branch	\$ 10,000,000.00
U.S. Bank National Association, Canada Branch	\$ 7,435,897.43
Goldman Sachs Lending Partners LLC	\$ 7,142,857.14
Union Bank, Canada Branch	\$ 6,622,222.00
PNC Bank Canada Branch	\$ 6,428,571.43
The Toronto-Dominion Bank	\$ 6,428,571.43
City National Bank	\$ 3,717,948.72
KeyBank, N.A.	\$ 3,098,290.60
Total:	<u>\$145,000,000.00</u>

Schedule 2.1.1(d)
Dutch Revolver Commitments

<u>Dutch Lender</u>	<u>Dutch Revolver Commitment</u>
RBS Invoice Finance Limited	\$3,000,000.00
Regions Bank	\$1,750,000.00
Bank of America, N.A. (acting through its London Branch)	\$1,500,000.00
Wells Fargo Bank, National Association, London Branch	\$1,400,000.00
Barclays Bank PLC	\$1,350,000.00
Total:	<u>\$9,000,000.00</u>

Schedule 2.1.1(e)
UK Revolver Commitments

<u>UK Lender</u>	<u>UK Revolver Commitment</u>
Bank of America, N.A. (acting through its London Branch)	\$ 8,000,000.00
RBS Invoice Finance Limited	\$ 4,000,000.00
Total:	<u>\$12,000,000.00</u>

Schedule 2.1.1(f)
U.S. Revolver Commitments

U.S. Lender	U.S. Revolver Commitment
Bank of America, N.A.	\$ 168,052,930.18
Wells Fargo Bank, National Association	\$ 150,000,000.00
Barclays Bank PLC	\$ 80,000,000.00
SunTrust Bank	\$ 60,000,000.00
U.S. Bank National Association	\$ 52,564,102.57
Regions Bank	\$ 48,250,000.00
Union Bank, N.A.	\$ 47,377,778.00
RBS Citizens Business Capital	\$ 45,000,000.00
Goldman Sachs Lending Partners LLC	\$ 42,857,142.86
CIT Bank	\$ 38,571,428.57
PNC Bank, National Association	\$ 38,571,428.57
TD Bank, N.A.	\$ 38,571,428.57
Flagstar Bank, FSB	\$ 35,000,000.00
HSBC Bank USA, N.A.	\$ 31,000,000.00
City National Bank	\$ 26,282,051.28
Raymond James Bank, N.A.	\$ 25,000,000.00
The Huntington National Bank	\$ 25,000,000.00
JPMorgan Chase Bank, N.A.	\$ 23,500,000.00
KeyBank, N.A.	\$ 21,901,709.40
Capital One Leverage Finance Corp.	\$ 20,000,000.00
BOKF, NA	\$ 7,500,000.00
Total:	<u>\$ 1,025,000,000.00</u>

Schedule 3.8
Mandatory Costs Rate

1. The Mandatory Cost is an addition to the interest rate to compensate Lenders for the cost of compliance with (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank.
2. On the first day of each Interest Period (or as soon as possible thereafter) the Agent shall calculate, as a percentage rate, a rate (the “**Additional Cost Rate**”) for each Lender, in accordance with the paragraphs set out below. The Mandatory Cost will be calculated by the Agent as a weighted average of the Lenders’ Additional Cost Rates (weighted in proportion to the percentage participation of each Lender in the relevant Loan) and will be expressed as a percentage rate per annum.
3. The Additional Cost Rate for any Lender lending from a Lending Office in a Participating Member State will be the percentage notified by that Lender to the Agent. This percentage will be certified by that Lender in its notice to the Agent to be its reasonable determination of the cost (expressed as a percentage of that Lender’s participation in all Loans made from that Lending Office) of complying with the minimum reserve requirements of the European Central Bank in respect of loans made from that Lending Office.
4. The Additional Cost Rate for any Lender lending from a Lending Office in the United Kingdom will be calculated by the Agent as follows:
 - (a) in relation to a sterling Revolver Loan:
$$\frac{AB + C(B - D) + E \times 0.01}{100 - (A + C)}$$
 per cent. per annum
 - (b) in relation to a Revolver Loan in any currency other than sterling:
$$\frac{E \times 0.01}{300}$$
 per cent. per annum.Where:
 - A is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which that Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.
 - B is the percentage rate of interest (excluding the Margin and the Mandatory Cost and, if the Loan is an Unpaid Sum, the additional rate of interest specified in paragraph (c) of Section 3.1.1) payable for the relevant Interest Period on the Revolver Loan.
 - C is the percentage (if any) of Eligible Liabilities which that Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.

- D is the percentage rate per annum payable by the Bank of England to the Agent on interest bearing Special Deposits.
- E is designed to compensate Lenders for amounts payable under the Fees Rules and is calculated by the Agent as being the average of the most recent rates of charge supplied by three leading banks in the London interbank market appointed by the Agent in consultation with the European Loan Party Agent (the “**Reference Banks**”) pursuant to paragraph 7 below and expressed in pounds per £1,000,000.
5. For the purposes of this Schedule:
- (a) “**Eligible Liabilities**” and “**Special Deposits**” have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;
 - (b) “**Fees Rules**” means the rules on periodic fees contained in the Financial Services Authority Fees Manual or such other law or regulation as may be in force from time to time in respect of the payment of fees for the acceptance of deposits;
 - (c) “**Fee Tariffs**” means the fee tariffs specified in the Fees Rules under the activity group A.1 Deposit acceptors (ignoring any minimum fee or zero rated fee required pursuant to the Fees Rules but taking into account any applicable discount rate); and
 - (d) “**Tariff Base**” has the meaning given to it in, and will be calculated in accordance with, the Fees Rules.
6. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (i.e. 5 per cent. will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.
7. If requested by the Agent, each Reference Bank shall, as soon as practicable after publication by the Financial Services Authority, supply to the Agent, the rate of charge payable by that Reference Bank to the Financial Services Authority pursuant to the Fees Rules in respect of the relevant financial year of the Financial Services Authority (calculated for this purpose by that Reference Bank as being the average of the Fee Tariffs applicable to that Reference Bank for that financial year) and expressed in pounds per £1,000,000 of the Tariff Base of that Reference Bank.
8. Each Lender shall supply any information required by the Agent for the purpose of calculating its Additional Cost Rate. In particular, but without limitation, each Lender shall supply the following information on or prior to the date on which it becomes a Lender:
- (a) the jurisdiction of its Lending Office; and
 - (b) any other information that the Agent may reasonably require for such purpose.
- Each Lender shall promptly notify the Agent of any change to the information provided by it pursuant to this paragraph.

9. The percentages of each Lender for the purpose of A and C above and the rates of charge of each Reference Bank for the purpose of E above shall be determined by the Agent based upon the information supplied to it pursuant to paragraphs 7 and 8 above and on the assumption that, unless a Lender notifies the Agent to the contrary, each Lender's obligations in relation to cash ratio deposits and Special Deposits are the same as those of a typical bank from its jurisdiction of incorporation with a Lending Office in the same jurisdiction as its Lending Office.
10. The Agent shall have no liability to any person if such determination results in an Additional Cost Rate which over or under compensates any Lender and shall be entitled to assume that the information provided by any Lender or Reference Bank pursuant to paragraphs 3, 7 and 8 above is true and correct in all respects.
11. The Agent shall distribute the additional amounts received as a result of the Mandatory Cost to the Lenders on the basis of the Additional Cost Rate for each Lender based on the information provided by each Lender and each Reference Bank pursuant to paragraphs 3, 7 and 8 above.
12. Any determination by the Agent pursuant to this Schedule in relation to a formula, the Mandatory Cost, an Additional Cost Rate or any amount payable to a Lender shall, in the absence of manifest error, be conclusive and binding on all Parties.
13. The Agent may from time to time, after consultation with the European Loan Party Agent and the Lenders, determine and notify to all Parties any amendments which are required to be made to this Schedule in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on all Parties.

Schedule 7.3
Pledged Stock/Pledged Debt Securities

(a) Pledged Stock

See Annex 1.

(b) Pledged Debt

<u>Lender/Creditor</u>	<u>Borrower/Debtor</u>	<u>Outstanding Principal Amount</u>	<u>Documented (Y/N)</u>
MRC Transmark B.V.	MRC Transmark International B.V.	EUR 700,000	N
MRC Transmark B.V.	MRC Transmark France SAS.	EUR 1,700,000	N
MRC Transmark B.V.	MRC Transmark Kazakhstan	EUR 380,000	N
MRC Transmark Holdings UK Limited	MRC Transmark International B.V.	GBP 678,000	N
MRC Transmark Holdings UK Limited	MRC Transmark Leymas Valve Co Ltd	GBP 8,000	N
MRC Transmark Holdings UK Limited	MRC Transmark Pty Ltd.	AUD 4,000,000 and EUR 4,631,500	Y
MRC Transmark Holdings UK Limited	MRC Transmark Limited	GBP 532,000	N
MRC Transmark Holdings UK Limited	MRC Transmark Middle East FZE	GBP 205,000	N
MRC Transmark Holdings UK Limited	MRC SPF Pty Ltd.	GBP 1,464,000	N
MRC SPF Pty Ltd.	MRC SPF Europe Ltd.	AUD 46,000	N
MRC SPF Pty Ltd.	MRC SPF Middle East Pty Ltd.	AUD 2,226,000	N
MRC SPF Pty Ltd.	MRC SPF Indonesia Pty Ltd.	AUD 1,000	N
MRC SPF Pty Ltd.	PT SPF Indonesia	AUD 332,000	N
MRC SPF Scanfit Limited	MRC SPF Pty Ltd.	GBP 736,000	N
MRC Transmark Dragon Ltd	MRC Transmark Limited	GBP 1,311,000	N
MRC Transmark Limited	MRC Transmark Holdings UK Limited	GBP 4,233,000	N
MRC Transmark Pty Ltd.	MRC SPF Pty Ltd.	AUD 6,258,760 and EUR 4,631,500	Y
MRC Transmark Pty Ltd.	MRC Transmark Holdings UK Limited	AUD 2,654,000	N

Schedule 8.3
Deposit Accounts

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Excluded Deposit Accounts Definition</u>	<u>Description</u>
McJunkin Red Man Corporation	BB&T Corporation	5270852310	(c)	MRM Proof Of Delivery Account
McJunkin Red Man Corporation	JP Morgan Chase Bank, N.A.	631882040		Receivables Account
McJunkin Red Man Corporation	JP Morgan Chase Bank, N.A.	999500028	(c)	Main Disbursements Account
McJunkin Red Man Corporation	JP Morgan Chase Bank, N.A.	713421006	(b)	Flex Spending Account
McJunkin Red Man Corporation	JP Morgan Chase Bank, N.A.	625687249	(c)	Income, State, Use, FICA Tax Account
McJunkin Red Man Corporation	JP Morgan Chase Bank, N.A.	660063751	(c)	Petty Cash Account
McJunkin Red Man Corporation	JP Morgan Chase Bank, N.A.	720039205	(c)	Expense Reimbursement Account
McJunkin Red Man Corporation	PNC Bank, National Association	0001160241		MRM ZBA Lockbox Receipts Account
McJunkin Red Man Corporation	PNC Bank, National Association	1017296201		MRM Concentration Account
McJunkin Red Man Corporation	PNC Bank, National Association	1131299959	(c)	Disbursement Funding Account
McJunkin Red Man Corporation	PNC Bank, National Association	4239703662	(a), (b)	Payroll Account
McJunkin Red Man Corporation	PNC Bank, National Association	4239703638	(a)	Wire and Check Payment Account
MRC Management Company	PNC Bank, National Association	4239736421	(a)	Wire and Check Payment Account
MRC Management Company	PNC Bank, National Association	4239736448	(a),(b)	Payroll Account
McJunkin Red Man Corporation	PNC Bank, National Association	1013637515		ZBA Depository Account
Midfield Supply ULC	Bank of America	47402268	(b)	Payroll Account
Midfield Supply ULC	Bank of America	47402292	(c)	Disbursements Account
Midfield Supply ULC	Bank of America	47402200		Lock Box Account

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Excluded Deposit Accounts Definition</u>	<u>Description</u>
MRC Transmark NV	KBC Bank NV	BE61409051155117	(c)	EUR operating account
MRC Transmark NV	KBC Bank NV	BE39409051155319	(a)	GBP operating account to pay foreign suppliers
MRC Transmark NV	KBC Bank NV	BE92409051155723	(a)	JPY operating account to pay foreign suppliers
MRC Transmark NV	KBC Bank NV	BE03414112418184	(a)	USD operating account to pay foreign suppliers
MRC Transmark NV	KBC Bank NV	BE03414112418184	(b)	EUR Salaries / petty cash
MRC Transmark NV	Bank van de Post	BE83000009226215	(a)	EUR operating account for franking machine
MRC Transmark NV	HSBC	401-000328-001		EUR Dominion account
MRC Transmark NV	HSBC	400515-70767038	(c)	EUR cash pool account (not in use)
MRC Transmark NV	HSBC	401-000328-102		GBP Dominion account
MRC Transmark NV	HSBC	402715-24606760	(c)	GBP cash pool account (not in use)
MRC Transmark NV	HSBC	401-000328-103		JPY Dominion account
MRC Transmark NV	HSBC	401-000328-101		USD Dominion account
MRC Transmark NV	HSBC	400515-70768541	(c)	USD cash pool account (not in use)
MRC Transmark NV	HSBC	401-004320-001	(a)	EUR Disbursement account
MRC Transmark NV	HSBC	401-004320-102	(a)	GBP Disbursement account
MRC Transmark NV	HSBC	401-004320-103	(a)	JPY Disbursement account
MRC Transmark NV	HSBC	401-004320-101	(a)	USD Disbursement account
MRC Transmark Pty Ltd.	Commonwealth Bank of Australia	3626 1018 0959	(a)	AUD FX Contract/creditor settlements
MRC Transmark Pty Ltd.	HSBC	001-288877-001		AUD Dominion account
MRC Transmark Pty Ltd.	HSBC	001-288877-163	(c)	AUD deposit account
MRC Transmark Pty Ltd.	HSBC	001-288877-900		EUR Dominion account

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Excluded Deposit Accounts Definition</u>	<u>Description</u>
MRC Transmark Pty Ltd.	HSBC	001-288877-159		GBP Dominion account
MRC Transmark Pty Ltd.	HSBC	001-288877-160		USD Dominion account
MRC Transmark Pty Ltd.	HSBC	001-288877-004	(a)	AUD Disbursement account
MRC Transmark Pty Ltd.	HSBC	001-288877-909	(a)	EUR Disbursement account
MRC Transmark Pty Ltd.	HSBC	001-288877-907	(a)	GBP Disbursement account
MRC Transmark Pty Ltd.	HSBC	001-288877-908	(a)	USD Disbursement account
MRC Transmark Pty Ltd.	Bank of America Australia	5201-232001-15894081		GBP Dominion account
MRC Transmark Pty Ltd.	Bank of America Australia	5201-232001-15894073		EUR Dominion account
MRC Transmark Pty Ltd.	Bank of America Australia	5201-232001-15894065		USD Dominion account
MRC Transmark Pty Ltd.	Bank of America Australia	5201-232001-15894057		AUD Dominion account
MRC Transmark Limited	Bank of America London	52892017		GBP Dominion account
MRC Transmark Limited	Bank of America London	52892025		EUR Dominion account
MRC Transmark Limited	Bank of America London	52892033		USD Dominion account
MRC Transmark Limited	HSBC	400515-70682654	(a)	DKK Disbursement account
MRC Transmark Limited	HSBC	400515-70681800		EUR Dominion account
MRC Transmark Limited	HSBC	402715-04593715		GBP Dominion account
MRC Transmark Limited	HSBC	400515-70683516		USD Dominion account
MRC Transmark Limited	HSBC	402715-44721136	(a)	GBP Disbursement account
MRC Transmark Limited	HSBC	400515-71976066	(a)	EUR Disbursement account
MRC Transmark Limited	HSBC	400515-71976522	(a)	USD Disbursement account
MRC Transmark International B.V.	HSBC	421-008673-001		EUR Dominion account
MRC Transmark International B.V.	HSBC	421-008673-101		USD Dominion account
MRC Transmark International B.V.	HSBC	421-008673-102		GBP Dominion account

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Excluded Deposit Accounts Definition</u>	<u>Description</u>
MRC Transmark International B.V.	HSBC	400515-71229130	(c)	USD cash pool account (not in use)
MRC Transmark International B.V.	HSBC	400515-71282757	(c)	EUR cash pool account (not in use)
MRC Transmark International B.V.	HSBC	402715-94656547	(c)	GBP cash pool account (not in use)
MRC Transmark International B.V.	HSBC	421-008673-002	(a)	EUR Disbursement account
MRC Transmark International B.V.	HSBC	421-008673-103	(a)	USD Disbursement account
MRC Transmark International B.V.	HSBC	421-008673-104	(a)	GBP Disbursement account
MRC Transmark Holdings UK Limited	HSBC	400515-70683508	(a)	AUD Disbursement account
MRC Transmark Holdings UK Limited	HSBC	400515-70681792	(a)	EUR Disbursement account
MRC Transmark Holdings UK Limited	HSBC	402715-04593707	(a)	GBP Disbursement account
MRC Transmark Holdings UK Limited	HSBC	400515-70683041	(a)	NZD Disbursement account
MRC Transmark Holdings UK Limited	HSBC	400515-70683481	(a)	SGD Disbursement account
MRC Transmark Holdings UK Limited	HSBC	400515-70682638	(a)	USD Disbursement account
MRC Transmark Holdings UK Limited	Bank of America London	52894013		GBP Dominion account
MRC Transmark Holdings UK Limited	Bank of America London	52894021		EUR Dominion account
MRC Transmark Holdings UK Limited	Bank of America London	52894039		USD Dominion account
MRC Transmark Holdings UK Limited	Bank of America London	52894055		AUD Dominion account
MRC Transmark Holdings UK Limited	Bank of America London	52894047		NZD Dominion account
MRC Transmark Holdings UK Limited	Bank of America London	52894063		SGD Dominion account
MRC Transmark B.V.	ABNAMRO EUR	43.29.51.407	(c)	EUR credit cards
MRC Transmark B.V.	ING EUR	P9100	(c)	EUR operating account to be closed
MRC Transmark B.V.	HSBC	421-007832-001		EUR Dominion account
MRC Transmark B.V.	HSBC	400515-70772540	(c)	EUR cash pool not in use
MRC Transmark B.V.	HSBC	421-007832-102		GBP Dominion account

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Excluded Deposit Accounts Definition</u>	<u>Description</u>
MRC Transmark B.V.	HSBC	402715-44608127	(c)	GBP zero balance account
MRC Transmark B.V.	HSBC	421-007832-101		USD Dominion account
MRC Transmark B.V.	HSBC	400515-70770878	(c)	USD cash pool not in use
MRC Transmark B.V.	HSBC	421-007832-002	(a)	EUR Disbursement account
MRC Transmark B.V.	HSBC	421-007832-104	(a)	GBP Disbursement account
MRC Transmark B.V.	HSBC	421-007832-103	(a)	USD Disbursement account
MRC Transmark B.V.	Rabobank	1010.00.669		EUR Dominion account
MRC Transmark B.V.	Rabobank	1010.00.669	(c)	GBP account (not in use)
MRC Transmark B.V.	Rabobank	1010.00.669	(c)	USD account (not in use)
MRC Transmark B.V.	Rabobank	991209958	(b)	EUR G-account
MRC Transmark (Dragon) Limited	HSBC	402715-04593723		GBP Dominion account
MRC Transmark (Dragon) Ltd	HSBC	402715-94721101	(a)	GBP Disbursement account
MRC Transmark (Dragon) Ltd	Bank of America London	52893015		GBP Dominion account
MRC SPF Scanfit Limited	HSBC	402085-30011312		GBP Dominion account
MRC SPF Scanfit Limited	HSBC	400515-70211027		EUR Dominion account
MRC SPF Scanfit Limited	HSBC	400515-71975813	(a)	EUR Disbursement account
MRC SPF Scanfit Limited	HSBC	402085-80016179	(a)	GBP Disbursement account
MRC SPF Scanfit Limited	HSBC-DEPOSIT	402085-53000648	(c)	GBP Deposit account
MRC SPF Scanfit Limited	Bank of America London	52895029		EUR Dominion account
MRC SPF Scanfit Limited	Bank of America London	52895011		GBP Dominion account
MRC SPF Pty Ltd.	HSBC	021-291190-001		AUD Dominion account
MRC SPF Pty Ltd.	HSBC	021-291190-160		USD Dominion account

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Excluded Deposit Accounts Definition</u>	<u>Description</u>
MRC SPF Pty Ltd.	HSBC	021-291190-900		EUR Dominion account
MRC SPF Pty Ltd.	HSBC	021-291190-159		GBP Dominion account
MRC SPF Pty Ltd.	HSBC	021-291190-163	(a)	AUD Disbursement account
MRC SPF Pty Ltd.	HSBC	021-291190-901	(a)	EUR Disbursement account
MRC SPF Pty Ltd.	HSBC	021-291190-903	(a)	USD Disbursement account
MRC SPF Pty Ltd.	HSBC	021-291190-902	(a)	GBP Disbursement account
MRC SPF Pty Ltd.	HSBC	TBC	(a)	EUR Disbursement account
MRC SPF Pty Ltd.	HSBC	021-291190-299	(a)	AUD Disbursement account
MRC SPF Pty Ltd.	HSBC	021-291190-300	(a)	USD Disbursement account
MRC SPF Pty Ltd.	Westpac AUD	###-##-####	(c)	AUD Credit Cards
MRC SPF Pty Ltd.	Bank of America Australia	5201-232001-15895047		GBP Dominion account
MRC SPF Pty Ltd.	Bank of America Australia	5201-232001-15895039		EUR Dominion account
MRC SPF Pty Ltd.	Bank of America Australia	5201-232001-15895021		USD Dominion account
MRC SPF Pty Ltd.	Bank of America Australia	5201-232001-15895013		AUD Dominion account
MRC Piping Systems ¹	HSBC	001-288877-002		AUD Dominion account
MRC Piping Systems	HSBC	001-288877-905	(a)	GBP Disbursement account
MRC Piping Systems	HSBC	001-288877-906	(a)	EUR Disbursement account
MRC Piping Systems	HSBC	001-288877-904	(a)	USD Disbursement account
MRC Piping Systems	HSBC	001-288877-003	(a)	AUD Disbursement account
MRC Piping Systems	HSBC	001-288877-902		GBP Dominion account
MRC Piping Systems	HSBC	001-288877-903		EUR Dominion account
MRC Piping Systems	HSBC	001-288877-901		USD Dominion account

¹ MRC Piping Systems is a division of MRC Transmark Pty Ltd which owns the assets acquired pursuant to the Business Purchase Agreement dated December 22, 2011 entered into between OneSteel Trading Pty Ltd, One Steel Limited, MRC Transmark Pty Ltd and MRC Global Inc. f/k/a McJunkin Red Man Holding Corporation.

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Excluded Deposit Accounts Definition</u>	<u>Description</u>
MRC Piping Systems	Macquarie Bank	183334-239354434	(c)	AUD Rent bond deposit
MRC Piping Systems	ANZ Bank	013414-185592144	(c)	Check account
MRC Piping Systems	ANZ Bank	013414-998152621	(c)	Credit Cards
MRC Piping Systems	Bank of America Australia	5201-232001-15894049		GBP Dominion account
MRC Piping Systems	Bank of America Australia	5201-232001-15894031		EUR Dominion account
MRC Piping Systems	Bank of America Australia	5201-232001-15894023		USD Dominion account
MRC Piping Systems	Bank of America Australia	5201-232001-15894015		AUD Dominion account

Schedule 8.4.1
Locations of Collateral

See Annex 2.

Schedule 9.1.12
Subsidiaries/Excluded Subsidiaries

(a) Subsidiaries

<u>Name</u>	<u>Owner</u>	<u>Percentage Ownership</u>	<u>Type</u>	<u>Material Subsidiary (Y/N)</u>
McJunkin Red Man Canada Ltd.	McJunkin Red Man Corporation	100%	Corporation	Y
Midfield Supply ULC	McJunkin Red Man Canada Ltd.	49%	Unlimited Liability Corporation	Y
	Midfield Holdings (Alberta) Ltd.	51%		
Midfield Holdings (Alberta) Ltd.	McJunkin Red Man Canada Ltd.	100%	Corporation	N
McJunkin Red Man Development Corporation	McJunkin Red Man Corporation	100%	Corporation	N
McJunkin Red Man UK Ltd	McJunkin Red Man Corporation	100%	Corporation	Y
McJunkin Red Man International Corp.	McJunkin Red Man Corporation	100%	Corporation	N
McJunkin Red Man Asia Pacific Limited	McJunkin Red Man International Corp.	100%	Corporation	N
McJunkin Red Man International Services Corp.	McJunkin Red Man International Corp.	100%	Corporation	N
McJunkin Red Man de Mexico S. de R.L. de C.V.	McJunkin Red Man International Corp.	99.9%	Corporation	N
	McJunkin Red Man International Services Corp.	0.1%		
McJunkin Red Man Servicios S. de R.L. de C.V.	McJunkin Red Man International Corp.	99.9%	Corporation	N
	McJunkin Red Man International Services Corp.	0.1%		
The South Texas Supply Company, Inc.	McJunkin Red Man Corporation	100%	Corporation	N
MRC Management Company	McJunkin Red Man Corporation	100%	Corporation	N
Milton Oil & Gas Company	McJunkin Red Man Corporation	100%	Corporation	N
Greenbrier Petroleum Corporation	Milton Oil & Gas Company	100%	Corporation	N

<u>Name</u>	<u>Owner</u>	<u>Percentage Ownership</u>	<u>Type</u>	<u>Material Subsidiary (Y/N)</u>
Ruffner Realty Company	McJunkin Red Man Corporation	100%	Corporation	N
MRC Transmark Group B.V.	McJunkin Red Man UK Ltd	100%	Corporation	Y
MRC Transmark Holdings UK Limited	MRC Transmark Group B.V.	100%	Corporation	N
MRC Transmark International B.V.	MRC Transmark Group B.V.	100%	Corporation	N
MRC Transmark B.V.	MRC Transmark Group B.V.	100%	Corporation	N
MRC Transmark NV	MRC Transmark Group B.V.	99.9%	Corporation	N
	MRC Transmark B.V.	0.1%		
MRC Transmark Middle East FZE	MRC Transmark Group B.V.	100%	Free Zone Establishment	N
MRC Transmark Pty Ltd	MRC Transmark Holdings UK Limited	100%	Corporation	N
MRC Transmark Limited (New Zealand)	MRC Transmark Holdings UK Limited	100%	Corporation	N
MRC Transmark Limited (UK)	MRC Transmark Holdings UK Limited	100%	Corporation	N
MRC Transmark Italy srl	MRC Transmark Holdings UK Limited	100%	Corporation	N
MRC Transmark (Dragon) Limited	MRC Transmark Limited (UK)	100%	Corporation	N
MRC Transmark Pte. Ltd	MRC Transmark Group B.V.	100%	Corporation	N
MRC Transmark France SAS	MRC Transmark Group B.V.	100%	Corporation	N
Heaton Valves Limited	MRC Transmark Limited (UK)	100% ²	Corporation	N
Transmark International Limited	MRC Transmark Limited (UK)	100% ³	Corporation	N
Transmark Fortim Engineering Pte. Ltd.	MRC Transmark Group B.V.	100%	Corporation	N
McJunkin de Angola, LDA	McJunkin Red Man Development Corporation	51%	Corporation	N
	McJunkin Red Man Corporation	49%		

² Minority interests held by nominees.

³ Minority interests held by nominees.

<u>Name</u>	<u>Owner</u>	<u>Percentage Ownership</u>	<u>Type</u>	<u>Material Subsidiary (Y/N)</u>
McJunkin Venezuela NIT	McJunkin Red Man Corporation	100%	Corporation	N
Midway-Tristate Corporation	McJunkin Red Man Corporation	100%	Corporation	N
Red Man Pipe & Supply International Limited	McJunkin Red Man Corporation	100%	Corporation	N
McJunkin Nigeria Limited (Nigeria)	McJunkin Red Man Corporation	100%	Corporation	N
MRC SPF Pty Ltd.	MRC Transmark Pty Ltd	100%	Corporation	N
MRC SPF Europe Ltd.	MRC SPF Pty Ltd.	100%	Corporation	N
MRC SPF East Asia Co. Ltd.	MRC SPF Pty Ltd.	100%	Corporation	N
MRC SPF Indonesia Pty Ltd.	MRC SPF Pty Ltd.	100%	Corporation	N
PT SPF Indonesia	MRC SPF Pty Ltd.	99%	Corporation	N
	MRC SPF Indonesia Pty Ltd.	1%	Corporation	N
MRC SPF Middle East Pty Ltd.	MRC SPF Pty Ltd.	100%	Corporation	N
SPF Europe s.r.l	MRC SPF Europe Ltd.	100%	Corporation	N
MRC SPF Scanfit Ltd.	MRC SPF Europe Ltd.	100%	Corporation	N
MRC Transmark Kazakhstan	MRC Transmark B.V.	90%	Corporation	N
MRC Transmark Leymas Valve Co., Ltd.	MRC Transmark Group B.V.	60%	Corporation	N

(b) Excluded Subsidiaries

None.

Schedule 10.1.11
Permitted Transactions with Affiliates

None.

Schedule 10.1.16

(i) Post-Closing Actions

<u>Action</u>	<u>Date</u>
(1) Deposit Account Control Agreements over Deposit Accounts other than Excluded Deposit Accounts and Dominion Accounts with relevant banks.	90 days
(2) Shareholder resolutions re: article 556 of Belgian Companies Code.	15 days
(3) Australian Borrowers and UK Borrowers to request in writing that their Account Debtors make payments directly to Dominion Accounts maintained with Bank of America (Australia) and Bank of America (London), respectively.	30 days
(4) Australian Borrowers, Belgian Borrower, Dutch Borrowers and UK Borrowers to close their accounts receivable collection accounts maintained with financial institutions other than Bank of America.	90 days
(5) Transmark Netherlands to close EUR Dominion account held with Rabobank.	60 days

(ii) List of Non-Bank of America Dominion Accounts of the Australian and UK Borrowers

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Description</u>
MRC Transmark Pty Ltd.	HSBC	001-288877-001	AUD Dominion account
MRC Transmark Pty Ltd.	HSBC	001-288877-900	EUR Dominion account
MRC Transmark Pty Ltd.	HSBC	001-288877-159	GBP Dominion account
MRC Transmark Pty Ltd.	HSBC	001-288877-160	USD Dominion account
MRC SPF Pty Ltd.	HSBC	021-291190-001	AUD Dominion account
MRC SPF Pty Ltd.	HSBC	021-291190-160	USD Dominion account
MRC SPF Pty Ltd.	HSBC	021-291190-900	EUR Dominion account
MRC SPF Pty Ltd.	HSBC	021-291190-159	GBP Dominion account
MRC Piping Systems	HSBC	001-288877-002	AUD Dominion account

<u>Holder</u>	<u>Institution</u>	<u>Account Number</u>	<u>Description</u>
MRC Piping Systems	HSBC	001-288877-902	GBP Dominion account
MRC Piping Systems	HSBC	001-288877-903	EUR Dominion account
MRC Piping Systems	HSBC	001-288877-901	USD Dominion account
MRC Transmark Limited	HSBC	400515-70681800	EUR Dominion account
MRC Transmark Limited	HSBC	402715-04593715	GBP Dominion account
MRC Transmark Limited	HSBC	400515-70683516	USD Dominion account
MRC Transmark (Dragon) Limited	HSBC	402715-04593723	GBP Dominion account
MRC SPF Scanfit Limited	HSBC	402085-30011312	GBP Dominion account
MRC SPF Scanfit Limited	HSBC	400515-70211027	EUR Dominion account
MRC Transmark International B.V.	HSBC	421-008673-001	EUR Dominion account
MRC Transmark International B.V.	HSBC	421-008673-101	USD Dominion account
MRC Transmark International B.V.	HSBC	421-008673-102	GBP Dominion account
MRC Transmark B.V.	HSBC	421-007832-001	EUR Dominion account
MRC Transmark B.V.	HSBC	421-007832-102	GBP Dominion account
MRC Transmark B.V.	HSBC	421-007832-101	USD Dominion account
MRC Transmark B.V.	Rabobank	1010.00.669	EUR Dominion account
MRC Transmark NV	HSBC	401-000328-001	EUR Dominion account
MRC Transmark NV	HSBC	401-000328-102	GBP Dominion account
MRC Transmark NV	HSBC	401-000328-103	JPY Dominion account
MRC Transmark NV	HSBC	401-000328-101	USD Dominion account

Schedule 10.2.1
Existing Indebtedness

(a) Capital Leases

<u>Warehouse</u>	<u>State</u>	<u>County</u>	<u>Lessor</u>	<u>Amount</u>	<u>Expiration</u>
Branch 023 - St. Louis	MO	Independent City	Hansford Associates, LP	\$ 133,245	09/30/2014
Branch 026 - Augusta	GA	Richmond	Hansford Associates, LP	\$ 168,758	12/31/2014
Branch 097 - Texas City	TX	Galveston	Hansford Associates, LP	\$ 184,356	12/31/2022
Branch 021 - Calvert City	KY	Marshall	Hansford Associates, LP	\$ 246,457	10/31/2016
Branch 030 - Charleston	SC	Charleston	Hansford Associates, LP	\$ 77,385	12/31/2013
Branch 110 - Rock Springs	WY	Sweetwater	Hansford Associates, LP	\$ 142,142	03/31/2022
Branch 112 - Bakersfield	CA	Kern	Hansford Associates, LP	\$1,037,637	03/31/2022

(b) Other Indebtedness

<u>Lender</u>	<u>Borrower</u>	<u>Currency</u>	<u>Amount</u>	<u>Issue Date</u>	<u>Maturity</u>
BNP Paribas	MRC Transmark France SAS	EUR	5,117,749	January 2006	No maturity

USD\$4,409,030.71 incurred by MRC SPF Pty Ltd pursuant to the letter of credit/import line facilities documented by a letter of offer dated 28 November 2011 (the "Letter of Offer") between MRC SPF Pty Ltd, MRC Transmark Holdings UK Limited and HSBC Bank Australia Limited.

AUD10,000,000 limited recourse guarantee and indemnity provided by MRC Transmark Holdings UK Limited to MRC SPF Pty Ltd in respect of the Letter of Offer.

Schedule 10.2.2
Existing Liens

None

Schedule 10.2.4
Non-Core Assets

None

Schedule 10.2.5
Permitted Investments

\$155,357 Investment in Modern Sales Cooperative

\$52,388 Investment in club memberships and long-term sporting event seating licenses

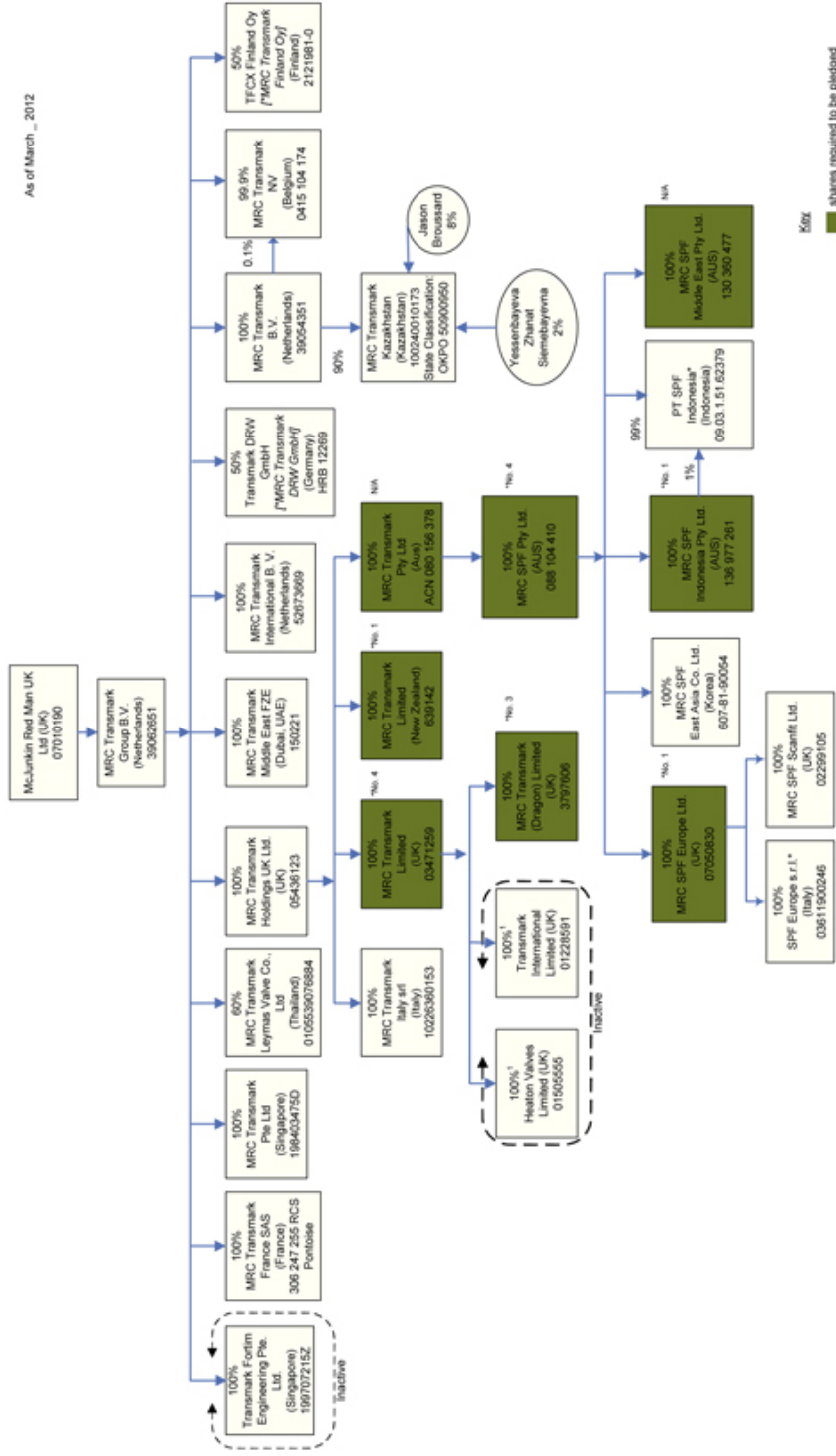
Schedule 10.2.10
Permitted Burdensome Agreements

None

Schedule 13.3.3
Permitted Assignees

Any transaction where Goldman Sachs Lending Partners LLC, Goldman Sachs Credit Partners L.P. or any of their respective successors becomes a Lender hereunder

As of March _ 2012



* Change of Company Name to Be Effected
1. Minority interests held by nominees

█ shares required to be pledged
* share certificate number(s) representing shares in the Wholly Owned Subsidiary (if certified)

Annex 2: Locations of Collateral

<u>NAME</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>POSTCODE</u>	<u>RBTYPE</u>	<u>INVENTORY VALUE</u>	<u>LEASED/ OWNED</u>	<u>PERFECTION ENTITY</u>
MIDFIELD SUPPLY, ULC-ATHABASCA, AB	4014 - 53 STREET	ATHABASCA	AB	T9S1A7	FF	\$ 1,721,251	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-BONNYVILLE, AB	5709 52ND AVE	BONNYVILLE	AB	T9N2H4	FF	\$ 455,405	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-BONNYVILLE, AB	6504 50TH AVE	BONNYVILLE	AB	T9N2M6	FF	\$ 5,472,255	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-BROOKS, AB	1140 - 2 STREET	BROOKS	AB	T1R1B8	FF	\$ 2,845,331	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-CALGARY, AB	SUN LIFE PLAZA, WEST TOWER, SUITE 2500, 144-4TH AVE SW	CALGARY	AB	T2P3N4	FF	\$ 26,238	Leased	MIDFIELD SUPPLY ULC
CLARESHOLM- CLARESHOLM, AB	4209 - STREET EAST	CLARESHOLM	AB	T0L0T0	SATELLITE	\$ 199,409	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-CONSORT, AB	5308 - 44 STREET	CONSORT	AB	T0C1B0	FF	\$ 666,183	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-CORONATION, AB	4457 VICTORIA AVE	CORONATION	AB	T0C1C0	FF	\$ 511,056	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-DRAYTON VALLEY, AB	2449 - 50 STREET	DRAYTON VALLEY	AB	T7A1S1	FF	\$ 1,340,710	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-DRUMHELLER, AB	840 RAILWAY AVE	DRUMHELLER	AB	T0J0Y0	FF	\$ 885,597	Leased	MIDFIELD SUPPLY ULC
MRC - FB INVENTORY- DRUMHELLER, AB	840 RAILWAY AVE	DRUMHELLER	AB	T0J0Y0	INTERNAL	\$ 1,370,008	Leased	MIDFIELD SUPPLY ULC
375 PROJECTS- EDMONTON, AB	4103 - 53RD AVENUE	EDMONTON	AB	T6B3R5	SATELLITE	\$ 5,558,380	Leased	MIDFIELD SUPPLY ULC
MRC - NISKU VALVE ANNEX-EDMONTON, AB	4103 - 53RD AVE	EDMONTON	AB	T6B3R5	SATELLITE	\$ 1,130,360	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-EDSON, AB	5907A - 4 AVE	EDSON	AB	T7E1L9	FF	\$ 1,288,287	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-ELK POINT, AB	4601 - 50 AVE	ELK POINT	AB	T0A1A0	FF	\$ 1,729,750	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-FOX CREEK, AB	204B HIGHWAY AVE	FOX CREEK	AB	T0H1P0	FF	\$ 868,761	Leased	MIDFIELD SUPPLY ULC
CONOCOPHILLIPS- GRANDE PRAIRIE, AB	12102 - 101 AVE	GRANDE PRAIRIE	AB	T8V8A9	CUSTOMER BAILMENT	\$ 5,026	Leased	MIDFIELD SUPPLY ULC

Annex 2: Locations of Collateral

<u>NAME</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>POSTCODE</u>	<u>RBTYPE</u>	<u>INVENTORY VALUE</u>	<u>LEASED/ OWNED</u>	<u>PERFECTION ENTITY</u>
MIDFIELD SUPPLY, ULC-GRANDE PRAIRIE, AB	12102 - 101 AVE BAY 1, 508 RAILWAY AVE W	GRANDE PRAIRIE	AB	T8V8A9	FF	\$ 3,021,047	Leased	MIDFIELD SUPPLY ULC
HANNA-HANNA, AB APACHE ZAMA- HIGH LEVEL, AB	10498 - 93 ST	HANNA	AB	T0J1P0	SATELLITE	\$ 279,079	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-HIGH LEVEL, AB	10498 - 93 ST	HIGH LEVEL	AB	T0H1Z0	FF	\$ 793,642	Leased	MIDFIELD SUPPLY ULC
HINTON-HINTON, AB	173 HAMPSHIRE ROAD	HINTON	AB	T7V1G9	SATELLITE	\$ 482,268	Leased	MIDFIELD SUPPLY ULC
MRC PROJECTS - PIPE YARD-LEDUC, AB	3904 ALLARD WAY	LEDUC	AB	T9E0R8	SATELLITE	\$ 1,041,388	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	FF	\$ 1,368,552	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- LLOYDMINSTER, AB	6102 56TH STREET	LLOYDMINSTER	AB	T9V3A9	FF	\$ 4,233,642	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 9,476	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 17,547	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 8,000	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 21,500	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 14,657	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 919	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 18,053	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 12,137	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 6,649	Leased	MIDFIELD SUPPLY ULC

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MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 7,784	Leased	MIDFIELD SUPPLY ULC
MRC MIDFIELD TRUCKS- LLOYDMINSTER, AB	5105 - 63 STREET	LLOYDMINSTER	AB	T9V2E7	TRUCK STOCK	\$ 5,873	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-MEDICINE HAT, AB	1702 10TH AVE SW	MEDICINE HAT	AB	T1A7T9	FF	\$ 484,093	Leased	MIDFIELD SUPPLY ULC
NISKU RDC PHANTOM-NISKU, AB	502 - 25 AVENUE	NISKU	AB	T9E0K6	SATELLITE	\$ 261,878	Leased	MIDFIELD SUPPLY ULC
SUCKER RODS (R&M ENERGY)- NISKU, AB	502 - 25 AVE	NISKU	AB	T9E0K6	THIRD PARTY - PBB	\$ 756,250	Leased	MIDFIELD SUPPLY ULC
SUCKER RODS (RG INDUSTRIES)- NISKU, AB	502 - 25 AVE	NISKU	AB	T9E0K6	THIRD PARTY - PBB	\$ 1,024,613	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-PEACE RIVER, AB	8102 - 102 AVE	PEACE RIVER	AB	T8S1S7	FF	\$ 1,376,981	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-PROVOST, AB	5319 - 38 STREET	PROVOST	AB	T0B3S0	FF	\$ 637,371	Leased	MIDFIELD SUPPLY ULC
HUSKY RAINBOW LAKE-RAINBOW LAKE, AB	HOME ROAD & HIGHWAY 53	RAINBOW LAKE	AB	T0H2Y0	CUSTOMER BAILMENT	\$ 172,099	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-RAINBOW LAKE, AB	HOME ROAD & HIGHWAY 53	RAINBOW LAKE	AB	T0H2Y0	FF	\$ 758,666	Leased	MIDFIELD SUPPLY ULC
RIMBEY-RIMBEY, AB	5020 - 45 AVE	RIMBEY	AB	T0C2J0	SATELLITE	\$ 286,535	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-ROCKY MTN HOUSE, AB	4519 - 43 STREET	ROCKY MTN HOUSE	AB	T4T1A9	FF	\$ 1,536,791	Leased	MIDFIELD SUPPLY ULC
STETTLER- STETTLER, AB	BOX 1693	STETTLER	AB	T0C2L0	SATELLITE	\$ 403,444	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-SWAN HILLS, AB	4631 FEDERATED ROAD	SWAN HILLS	AB	T0G2C0	FF	\$ 549,816	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-TABER, AB	6202 - 64 STREET	TABER	AB	T1G1Z3	FF	\$ 913,993	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-WAINWRIGHT, AB	106 - 16 AVE	WAINWRIGHT	AB	T9W1L5	FF	\$ 874,113	Leased	MIDFIELD SUPPLY ULC

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WAINWRIGHT- WAINWRIGHT, AB	106 - 16 AVE	WAINWRIGHT	AB	T9W1L5	CLOSED	\$ 4	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- WHITECOURT, AB	BAY #1, 3430 33 STREET	WHITECOURT	AB	T7S1X4	FF	\$ 837,834	Leased	MIDFIELD SUPPLY ULC
ANCHORAGE, AK	2799 RAMPART DRIVE	ANCHORAGE	AK	99501	FF	\$ 1,579,139	Leased	MCJUNKIN RED MAN CORPORATION
SOLDOTNA, AK	35159 K-B DRIVE, SUITE B	SOLDOTNA	AK	99669	FF	\$ 1,289,895	Leased	MCJUNKIN RED MAN CORPORATION
COTTONDALE, AL	5477 SKYLAND BLVD EAST	COTTONDALE	AL	35453	SATELLITE	\$ 641,985	Leased	MCJUNKIN RED MAN CORPORATION
DECATUR, AL	668 MCENTIRE LANE	DECATUR	AL	35601	FF	\$ 433,770	Leased	MCJUNKIN RED MAN CORPORATION
MRC FLOMATON- FLOMATON, AL	505 HOUSTON STREET	FLOMATON	AL	36441	SATELLITE	\$ 151,066	Leased	MCJUNKIN RED MAN CORPORATION
SEARCY, AR	1720 QUEENSWAY STREET, SUITE B	SEARCY	AR	72143	FF	\$ 940,673	Leased	MCJUNKIN RED MAN CORPORATION
MIDFIELD SUPPLY, ULC- DAWSON CREEK, BC	LOT 12-49, VIC TURNER ROAD & HWY 2	DAWSON CREEK	BC	V1G1W3	FF	\$ 822,807	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- FORT NELSON, BC	4851 - 44 AVE	FORT NELSON	BC	V0C1R0	FF	\$ 472,730	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- FORT ST JOHN, BC	8529 - 100 STREET	FORT ST. JOHN	BC	V1J3W7	FF	\$ 1,002,773	Leased	MIDFIELD SUPPLY ULC
CNRL HELMUT- FORT NELSON, BC	4851 - 44 AVE	HELMUT	BC	V0C1R0	CUSTOMER BAILMENT	\$ 99,994	Leased	MIDFIELD SUPPLY ULC
BAKERSFIELD, CA	3000 PEGASUS DRIVE	BAKERSFIELD	CA	93308	FF	\$12,301,871	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS- BAKERSFIELD, CA	3000 PEGASUS DRIVE	BAKERSFIELD	CA	93308	FF	\$ 498,136	Leased	MCJUNKIN RED MAN CORPORATION

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BENICIA, CA	3110 BAYSHORE ROAD	BENICIA	CA	94510	FF	\$ 7,833,034	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS- BENICIA, CA	3110 BAYSHORE ROAD	BENICIA	CA	94510	FF	\$ 855,412	Leased	MCJUNKIN RED MAN CORPORATION
CARSON, CA	1555 E DEL AMO BLVD	CARSON	CA	90746	FF	\$ 1,778,569	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS- CARSON, CA	1555 E DEL AMO BLVD	CARSON	CA	90746	FF	\$ 61,253	Leased	MCJUNKIN RED MAN CORPORATION
CHEVRON CORPORATION- FELLOWS, CA	26407 HIGHWAY 33	FELLOWS	CA	93224	CUSTOMER BAILMENT	\$ 3,146	Leased	MCJUNKIN RED MAN CORPORATION
FELLOWS, CA	26407 HIGHWAY 33	FELLOWS	CA	93224	FF	\$ 1,705,196	Leased	MCJUNKIN RED MAN CORPORATION
AERA ENERGY- VENTURA, CA	1800 SCHOOL CANYON ROAD	VENTURA	CA	93001	CUSTOMER BAILMENT	\$ 5,078	Leased	MCJUNKIN RED MAN CORPORATION
AERA ENERGY- VENTURA, CA	1800 SCHOOL CANYON ROAD	VENTURA	CA	93001	CUSTOMER BAILMENT	\$ 2,936	Leased	MCJUNKIN RED MAN CORPORATION
AERA ENERGY- VENTURA, CA	1800 SCHOOL CANYON ROAD	VENTURA	CA	93001	CUSTOMER BAILMENT	\$ 1,360	Leased	MCJUNKIN RED MAN CORPORATION
AERA ENERGY- VENTURA, CA	1800 SCHOOL CANYON ROAD	VENTURA	CA	93001	CUSTOMER BAILMENT	\$ 2,639	Leased	MCJUNKIN RED MAN CORPORATION
AERA ENERGY- VENTURA, CA	1800 SCHOOL CANYON ROAD	VENTURA	CA	93001	CUSTOMER BAILMENT	\$ 559	Leased	MCJUNKIN RED MAN CORPORATION

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DENVER, CO	4295 KEARNEY ST	DENVER	CO	80216	FF	\$ 1,562,433	Leased	MCJUNKIN RED MAN CORPORATION
EVANS, CO	4049 CARSON AVE	EVANS	CO	80620	FF	\$ 6,850,451	Leased	MCJUNKIN RED MAN CORPORATION
GRAND JUNCTION, CO	640 S 12TH STREET	GRAND JUNCTION	CO	81501	FF	\$ 365,224	Leased	MCJUNKIN RED MAN CORPORATION
RIFLE, CO	2001 COUNTY ROAD 319	RIFLE	CO	81650	FF	\$ 2,234,927	Leased	MCJUNKIN RED MAN CORPORATION
JACKSONVILLE, FL	5440 HIGHWAY AVENUE	JACKSONVILLE	FL	32254	FF	\$ 698,358	Leased	MCJUNKIN RED MAN CORPORATION
AUGUSTA, GA	519 LANEY WALKER BLVD	AUGUSTA	GA	30901	FF	\$ 530,158	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS- AUGUSTA, GA	519 LANEY WALKER BLVD.	AUGUSTA	GA	30901	FF	\$ 419,589	Leased	MCJUNKIN RED MAN CORPORATION
ATLANTA, GA	4411 BIBB BLVD	TUCKER	GA	30084	FF	\$ 4,745,960	Leased	MCJUNKIN RED MAN CORPORATION
DAVENPORT, IA	5109 TREMONT AVENUE	DAVENPORT	IA	52807	FF	\$ 57,842	Leased	MCJUNKIN RED MAN CORPORATION
ST. LOUIS, MO	3672 HIGHWAY 111	GRANITE CITY	IL	62040	FF	\$ 525,194	Leased	MCJUNKIN RED MAN CORPORATION
JOLIET, IL	4026 MOUND ROAD	JOLIET	IL	60436	FF	\$ 669,764	Leased	MCJUNKIN RED MAN CORPORATION
INDIANAPOLIS, IN	8399 ZIONSVILLE ROAD	INDIANAPOLIS	IN	46268	FF	\$ 2,935,634	Leased	MCJUNKIN RED MAN CORPORATION

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PYROMATION/DEISTER UNIQUE MATERIAL- INDIANAPOLIS, IN	8399 ZIONSVILLE ROAD	INDIANAPOLIS	IN	46268	INTERNAL	\$ 13,419	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS-MUNSTER, IN	101 45TH AVENUE, UNIT #1	MUNSTER	IN	46321	FF	\$ 375,490	Leased	MCJUNKIN RED MAN CORPORATION
MUNSTER, IN	101 45TH AVENUE, UNIT #1	MUNSTER	IN	46321	FF	\$12,105,591	Leased	MCJUNKIN RED MAN CORPORATION
MUNSTER, IN	101 45TH AVENUE, UNIT #1	MUNSTER	IN	46321	FF	\$ 85,011	Leased	MCJUNKIN RED MAN CORPORATION
PRATT, KS	40061 NORTH 281 HWY	PRATT	KS	67124	FF	\$ 2,401,420	Leased	MCJUNKIN RED MAN CORPORATION
ULYSSES, KS	2300 WEST OKLAHOMA	ULYSSES	KS	67880	FF	\$ 610,414	Leased	MCJUNKIN RED MAN CORPORATION
ASHLAND WAREHOUSE- ASHLAND, KY	12005 VIRGINIA BLVD	ASHLAND	KY	41102	SATELLITE	\$ 356,476	Leased	MCJUNKIN RED MAN CORPORATION
CALVERT CITY, KY	4505 GILBERTSVILLE HWY	CALVERT CITY	KY	42029	FF	\$ 822,457	Leased	MCJUNKIN RED MAN CORPORATION
CORBIN, KY	3123 CUMBERLAND FALLS HWY	CORBIN	KY	40701	FF	\$ 1,354,293	Leased	MCJUNKIN RED MAN CORPORATION
LOUISVILLE, KY	3405 KRAMERS LANE	LOUISVILLE	KY	40216	FF	\$ 1,183,940	Leased	MCJUNKIN RED MAN CORPORATION
PIKEVILLE, KY	389 TOLLAGE ROAD	PIKEVILLE	KY	41501	FF	\$ 4,070,273	Leased	MCJUNKIN RED MAN CORPORATION
ARCADIA, LA	730 FIRST STREET	ARCADIA	LA	71001	FF	\$ 490,454	Leased	MCJUNKIN RED MAN CORPORATION
HARVEY, LA	1100 1ST AVENUE	HARVEY	LA	70058	FF	\$ 2,104,771	Leased	MCJUNKIN RED MAN CORPORATION

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AUTOMATION SHOP-BATON ROUGE, LA	1050 COMMERCIAL DR	PORT ALLEN	LA	70767	FF	\$ 192,910	Leased	MCJUNKIN RED MAN CORPORATION
SHREVEPORT, LA	9104 LINWOOD AVE	SHREVEPORT	LA	71106	FF	\$ 3,782,545	Leased	MCJUNKIN RED MAN CORPORATION
LAKE CHARLES, LA	804 PPG DRIVE, BUILDING F	WESTLAKE	LA	70669	FF	\$ 971,373	Leased	MCJUNKIN RED MAN CORPORATION
MIDFIELD SUPPLY, ULC- VIRDEN, MB	#1 HWY & JUNCTION 259	VIRDEN	MB	R0M2C0	FF	\$ 542,757	Leased	MCJUNKIN RED MAN CORPORATION
GAYLORD, MI JET	1733 O'ROURKE BLVD	GAYLORD	MI	49735	FF	\$ 463,685	Leased	MCJUNKIN RED MAN CORPORATION
SUBSURFACE- GAYLORD, MI	1733 O'ROURKE BLVD	GAYLORD	MI	49735	CUSTOMER BAILMENT	\$ 1,306	Leased	MCJUNKIN RED MAN CORPORATION
KALKASKA, MI	2606 US 131 NORTH	KALKASKA	MI	49646	FF	\$ 519,382	Leased	MCJUNKIN RED MAN CORPORATION
MASON, MI	4149 LEGION DRIVE	MASON	MI	48854	FF	\$ 845,893	Leased	MCJUNKIN RED MAN CORPORATION
ST PAUL, MN GRANDVIEW, MO	353 FILLMORE AVENUE EAST	ST. PAUL	MN	55107	FF	\$ 539,274	Leased	MCJUNKIN RED MAN CORPORATION
	13907 CENTURY LANE	GRANDVIEW	MO	64030	FF	\$ 560,680	Leased	MCJUNKIN RED MAN CORPORATION
LABARGE PIPE & STEEL-ST LOUIS, MO	7400 SOUTH BROADWAY	ST LOUIS	MO	63111	THIRD PARTY - LINE PIPE	\$ 3,621,364	Leased	MCJUNKIN RED MAN CORPORATION
LAUREL, MS	3051 INDUSTRIAL BOULEVARD	LAUREL	MS	39440	FF	\$ 819,621	Leased	MCJUNKIN RED MAN CORPORATION

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MOBILE, AL	8013 HIGHWAY 90	MOSS POINT	MS	39563	FF	\$ 1,644,273	Leased	MCJUNKIN RED MAN CORPORATION
BILLINGS, MT	1224 CORDOVA LANE, UNIT 2 2650 S	BILLINGS	MT	59101	FF	\$ 379,999	Leased	MCJUNKIN RED MAN CORPORATION
SIDNEY, MT	CENTRAL 4301 YANCEY ROAD, SUITE MRC	SIDNEY	MT	59270	FF	\$ 1,306,719	Leased	MCJUNKIN RED MAN CORPORATION
CHARLOTTE, NC PIEDMONT	4301 YANCEY ROAD	CHARLOTTE	NC	28217	FF	\$ 1,255,487	Leased	MCJUNKIN RED MAN CORPORATION
NATURAL GAS- CHARLOTTE, NC MRC	4301 YANCEY ROAD	CHARLOTTE	NC	28217	CUSTOMER BAILMENT	\$ 10,028	Leased	MCJUNKIN RED MAN CORPORATION
GOLDSBORO- DUDLEY, NC PIEDMONT	250-A FIVE POINTS ROAD	DUDLEY	NC	28333	SATELLITE	\$ 464,120	Leased	MCJUNKIN RED MAN CORPORATION
NATURAL GAS- DUDLEY, NC	250 FIVE POINTS ROAD	DUDLEY	NC	28333	CUSTOMER BAILMENT	\$ 16,674	Leased	MCJUNKIN RED MAN CORPORATION
WILMINGTON, NC	3340A HWY 421 NORTH	WILMINGTON	NC	28401	FF	\$ 126,779	Leased	MCJUNKIN RED MAN CORPORATION
BELFIELD, ND	1086 HIGHWAY 10 EAST	BELFIELD	ND	58622	FF	\$ 6,775,895	Leased	MCJUNKIN RED MAN CORPORATION
MOHALL, ND	103 1ST AVE NW	MOHALL	ND	58761	FF	\$ 1,954,950	Leased	MCJUNKIN RED MAN CORPORATION
STANLEY, ND	6161 HWY 8	STANLEY	ND	58784	FF	\$ 2,052,898	Leased	MCJUNKIN RED MAN CORPORATION
TIOGA, ND	HWY 40 & SIGNAL RD	TIOGA	ND	58852	FF	\$ 3,486,540	Leased	MCJUNKIN RED MAN CORPORATION

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WILLISTON, ND	4928 HWY 85, MADISON RIDGE #400	WILLISTON	ND	58801	FF	\$ 8,185,624	Leased	MCJUNKIN RED MAN CORPORATION
EAST BRUNSWICK, NJ	28 KENNEDY BLVD, SUITE 100	EAST BRUNSWICK	NJ	08816	FF	\$ 3,062,978	Leased	MCJUNKIN RED MAN CORPORATION
WATERFORD, NJ	305 CENTER AVE	WATERFORD WORKS	NJ	08089	FF	\$ 1,886,842	Leased	MCJUNKIN RED MAN CORPORATION
ALBUQUERQUE, NM	514 CARMONY NE	ALBUQUERQUE	NM	87107	FF	\$ 939,480	Leased	MCJUNKIN RED MAN CORPORATION
ARTESIA, NM	200 EAST MAIN STREET	ARTESIA	NM	88210	FF	\$ 1,349,929	Leased	MCJUNKIN RED MAN CORPORATION
FARMINGTON, NM	2400 BLOOMFIELD HWY	FARMINGTON	NM	87401	FF	\$ 3,249,512	Leased	MCJUNKIN RED MAN CORPORATION
LOVINGTON, NM	306 E AVE D	LOVINGTON	NM	88260	FF	\$ 1,023,930	Leased	MCJUNKIN RED MAN CORPORATION
HORSEHEADS NY PIPE YARD- HORSEHEADS, NY	224 NORTH MAIN ST., BUILDING 13-1	HORSEHEADS	NY	14845	SATELLITE	\$ 6,735,230	Leased	MCJUNKIN RED MAN CORPORATION
HORSEHEADS, NY	224 NORTH MAIN STREET, BUILDING 13-1	HORSEHEADS	NY	14845	FF	\$15,934,428	Leased	MCJUNKIN RED MAN CORPORATION
AUSTINTOWN, OH	5550 DUNLAP ROAD	AUSTINTOWN	OH	44515	FF	\$ 606,321	Leased	MCJUNKIN RED MAN CORPORATION
CINCINNATI, OH	7275 EDINGTON DRIVE	CINCINNATI	OH	45249	FF	\$ 593,306	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS- CINCINNATI, OH	7275 EDINGTON DRIVE	CINCINNATI	OH	45249	FF	\$ 802,797	Leased	MCJUNKIN RED MAN CORPORATION
COLUMBUS, OH	1003 DISTRIBUTION DRIVE, UNIT F	COLUMBUS	OH	43228	FF	\$ 5,189,673	Leased	MCJUNKIN RED MAN CORPORATION

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MARIETTA, OH	235 MITCHELL'S LANE	MARIETTA	OH	45750	FF	\$ 134,502	Leased	MCJUNKIN RED MAN CORPORATION
CLEVELAND, OH	4704 HUDSON DR	STOW	OH	44224	FF	\$ 2,664,818	Leased	MCJUNKIN RED MAN CORPORATION
TOLEDO QUALITY NIPPLES- TOLEDO, OH	3110 FRENCHMENS ROAD	TOLEDO	OH	43607	INTERNAL	\$ 76,847	Leased	MCJUNKIN RED MAN CORPORATION
TOLEDO, OH	3110 FRENCHMENS ROAD	TOLEDO	OH	43607	FF	\$ 1,699,602	Leased	MCJUNKIN RED MAN CORPORATION
MCALESTER, OK	101 EAST HIGHWAY 270	ALDERSON	OK	74522	FF	\$ 1,176,952	Leased	MCJUNKIN RED MAN CORPORATION
ARDMORE, OK	621 1/2 INTERSTATE DRIVE	ARDMORE	OK	73401	FF	\$ 407,497	Leased	MCJUNKIN RED MAN CORPORATION
ELK CITY, OK	315 WEST 20TH STREET	ELK CITY	OK	73644	FF	\$ 3,538,566	Leased	MCJUNKIN RED MAN CORPORATION
LINDSAY, OK	603 S. E. 4TH	LINDSAY	OK	73052	FF	\$ 1,027,080	Leased	MCJUNKIN RED MAN CORPORATION
CHESAPEAKE- OKLAHOMA CITY, OK	9327 W RENO	OKLAHOMA CITY	OK	73127	INTERNAL	\$ 2,058,594	Leased	MCJUNKIN RED MAN CORPORATION
OKLAHOMA CITY, OK	9327 W RENO	OKLAHOMA CITY	OK	73127	FF	\$ 5,928,740	Leased	MCJUNKIN RED MAN CORPORATION
PONCA CITY, OK	3400 S 7TH STREET	PONCA CITY	OK	74601	FF	\$ 469,057	Leased	MCJUNKIN RED MAN CORPORATION
AUTOMATION- TULSA, OK	1336 NORTH 143RD EAST AVE	TULSA	OK	74116	FF	\$ 774,419	Leased	MCJUNKIN RED MAN CORPORATION
TULSA, OK	1336 NORTH 143RD EAST AVE	TULSA	OK	74116	FF	\$ 4,235,432	Leased	MCJUNKIN RED MAN CORPORATION

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WAYNOKA SATELLITE- WAYNOKA, OK	942 MAIN ST 3920 OKLAHOMA	WAYNOKA	OK	73860	SATELLITE	\$ 374,829	Leased	MCJUNKIN RED MAN CORPORATION
WOODWARD, OK MIDFIELD SUPPLY, ULC- CORUNNA, ON	AVE	WOODWARD	OK	73801	FF	\$ 2,592,274	Leased	MCJUNKIN RED MAN CORPORATION
BRADFORD, PA	487 POLYMOORE DRIVE 1061 LAFFERTY LANE	CORUNNA	ON	N0N1G0	FF	\$ 1,045,305	Leased	MIDFIELD SUPPLY ULC
PITTSBURGH, PA MRC - SOUTH JERSEY GAS- EDDYSTONE, PA	1103 STATION STREET	BRADFORD	PA	16701	FF	\$ 2,069,836	Leased	MCJUNKIN RED MAN CORPORATION
PHILADELPHIA, PA	1001 INDUSTRIAL HWY, BLDG C	CORAOPOLIS	PA	15108	FF	\$ 4,649,468	Leased	MCJUNKIN RED MAN CORPORATION
INDIANA BRANCH	1001 INDUSTRIAL HIGHWAY, BUILDING C	EDDYSTONE	PA	19022	FF	\$ 510,146	Leased	MCJUNKIN RED MAN CORPORATION
INDIANA, PA	480 GEESEY ROAD	INDIANA	PA	15701	SATELLITE	\$ 3,904,500	Leased	MCJUNKIN RED MAN CORPORATION
LOCK HAVEN PA- LOCK HAVEN, PA	480 GEESEY ROAD	INDIANA	PA	15701	FF	\$ 2,272,215	Leased	MCJUNKIN RED MAN CORPORATION
MRC WEST ALEXANDER- WEST ALEXANDER, PA	WOODWARD AVE	LOCK HAVEN	PA	17745	SATELLITE	\$ 3,322,203	Leased	MCJUNKIN RED MAN CORPORATION
NORTH CHARLESTON, SC	947 OLD BRICK RD AND GREAVES RD 5945 COMMERCE CIRCLE	WEST ALEXANDER	PA	15323	THIRD PARTY - PBB	\$ 3,372,971	Leased	MCJUNKIN RED MAN CORPORATION
		NORTH CHARLESTON	SC	29406	FF	\$ 657,691	Leased	MCJUNKIN RED MAN CORPORATION

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BERT BAXTER-ESTEVAN-ESTEVAN, SK	301 KENSINGTON AVENUE	ESTEVAM	SK	S4A2L7	THIRD PARTY - OCTG	\$ 15,132	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-ESTEVAN, SK	307 KENSINGTON AVE	ESTEVAN	SK	S4A2A1	FF	\$ 2,245,664	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-GULL LAKE, SK	1119 RENFREW STREET	GULL LAKE	SK	S0N1A0	FF	\$ 1,134,655	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-MACKLIN, SK	5413 47TH STREET	MACKLIN	SK	S0L2C0	FF	\$ 2,338,903	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-SWIFT CURRENT, SK	2495 NORTH SERVICE ROAD	SWIFT CURRENT	SK	S9H5L2	FF	\$ 723,560	Leased	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-WEYBURN, SK	1733 RAILWAY AVE	WEYBURN	SK	S4H3J9	FF	\$ 1,242,161	Leased	MIDFIELD SUPPLY ULC
KINGSPORT, TN	1037 TIDEWATER COURT	KINGSPORT	TN	37660	FF	\$ 2,027,687	Leased	MCJUNKIN RED MAN CORPORATION
MRC NASHVILLE-NASHVILLE, TN	83-A CENTURY BLVD	NASHVILLE	TN	37214	SATELLITE	\$ 714,522	Leased	MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS-NASHVILLE, TN	83 CENTURY BLVD	NASHVILLE	TN	37214	CUSTOMER BAILMENT	\$ 73,231	Leased	MCJUNKIN RED MAN CORPORATION
MCJUNKIN APPALACHIAN 9A7-OLIVER SPRINGS, TN	10435 PETROS HIGHWAY	OLIVER SPRINGS	TN	37845	SATELLITE	\$ 506,653	Leased	MCJUNKIN RED MAN CORPORATION
ANDREWS, TX	1200 SOUTH MAIN	ANDREWS	TX	79714	FF	\$ 738,380	Leased	MCJUNKIN RED MAN CORPORATION
CARRIZO SPRINGS, TX	7166 HWY 83 SOUTH	ASHERTON	TX	78827	FF	\$ 2,185,148	Leased	MCJUNKIN RED MAN CORPORATION
BEAUMONT, TX	6375 HIGHWAY 347	BEAUMONT	TX	77705	FF	\$ 1,081,444	Leased	MCJUNKIN RED MAN CORPORATION

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BRIDGEPORT, TX	207 INDUSTRIAL PARK	BRIDGEPORT	TX	76426	FF	\$ 2,325,149	Leased	MCJUNKIN RED MAN CORPORATION
CANADIAN, TX	10870 US HWY 60	CANADIAN	TX	79014	FF	\$ 2,777,307	Leased	MCJUNKIN RED MAN CORPORATION
CENTER, TX	139 CATCO DRIVE 1901 N	CENTER	TX	75935	FF	\$ 433,400	Leased	MCJUNKIN RED MAN CORPORATION
CORPUS CHRISTI, TX	CLARKWOOD BLDG 216	CORPUS CHRISTI	TX	78409	FF	\$ 869,827	Leased	MCJUNKIN RED MAN CORPORATION
CRANE, TX	586 NORTH GASTON	CRANE	TX	79731	FF	\$ 540,763	Leased	MCJUNKIN RED MAN CORPORATION
DILLEY, TX	1064 W HWY 85	DILLEY	TX	78017	FF	\$ 727,734	Leased	MCJUNKIN RED MAN CORPORATION
FAIRFIELD, TX	377 SOUTH IH 45	FAIRFIELD	TX	75840	FF	\$ 1,272,305	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS- GALENA PARK, TX	2333 CLINTON DRIVE	GALENA PARK	TX	77547	FF	\$ 8,413,536	Leased	MCJUNKIN RED MAN CORPORATION
GALENA PARK PIPE YARD- GALENA PARK, TX	2333 CLINTON DRIVE	GALENA PARK	TX	77547	SATELLITE	\$17,435,855	Leased	MCJUNKIN RED MAN CORPORATION
GALENA PARK, TX	2333 CLINTON DRIVE	GALENA PARK	TX	77547	FF	\$22,125,639	Leased	MCJUNKIN RED MAN CORPORATION
GONZALES, TX	261 OIL PATCH LN	GONZALES	TX	78629	FF	\$ 3,454,565	Leased	MCJUNKIN RED MAN CORPORATION
DALLAS, TX	841 HEINZ WAY	GRAND PRAIRIE	TX	75051	FF	\$ 6,536,567	Leased	MCJUNKIN RED MAN CORPORATION
GULF COAST HIGH YIELD- GRAND PRAIRIE, TX	841 HEINZ WAY	GRAND PRAIRIE	TX	75051	SATELLITE	\$ 4,332,621	Leased	MCJUNKIN RED MAN CORPORATION

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HOUSTON OCTG- HOUSTON, TX	909 FANNIN, SUITE 3100	HOUSTON	TX	77010	FF	\$ 120,547	Leased	MCJUNKIN RED MAN CORPORATION
KENEDY, TX	8730 S HWY 181 4705 HIGHWAY	KENEDY	TX	78119	FF	\$ 1,439,731	Leased	MCJUNKIN RED MAN CORPORATION
TEXAS CITY, TX	1765	LA MARQUE	TX	77568	FF	\$ 1,016,575	Leased	MCJUNKIN RED MAN CORPORATION
LAREDO, TX	6339 HWY 359	LAREDO	TX	78043	FF	\$ 1,574,132	Leased	MCJUNKIN RED MAN CORPORATION
LONGVIEW, TX	1405 WEST COTTON, SUITE 100	LONGVIEW	TX	75604	FF	\$ 466,965	Leased	MCJUNKIN RED MAN CORPORATION
MISSION, TX	5500 WEST 107 HIGHWAY	MISSION	TX	78573	FF	\$ 1,984,123	Leased	MCJUNKIN RED MAN CORPORATION
ODESSA, TX	333 SOUTH WEST COUNTY RD	ODESSA	TX	79763	FF	\$11,371,859	Leased	MCJUNKIN RED MAN CORPORATION
PERRYTON, TX	513 S. E. NINTH ST.	PERRYTON	TX	79070	FF	\$ 1,732,562	Leased	MCJUNKIN RED MAN CORPORATION
SAN ANTONIO, TX	5855 FM 1346	SAN ANTONIO	TX	78220	FF	\$21,547,195	Leased	MCJUNKIN RED MAN CORPORATION
SYNDER, TX	3913 LAMESA HWY.	SNYDER	TX	79549	FF	\$ 362,359	Leased	MCJUNKIN RED MAN CORPORATION
ROOSEVELT, UT	1687 WEST HWY 40	ROOSEVELT	UT	84066	FF	\$ 1,973,795	Leased	MCJUNKIN RED MAN CORPORATION
VERNAL, UT	1360 EAST HWY 40	VERNAL	UT	84078	FF	\$ 5,157,293	Leased	MCJUNKIN RED MAN CORPORATION
NARROWS, VA	3520 VIRGINIA AVE	NARROWS	VA	24124	FF	\$ 758,485	Leased	MCJUNKIN RED MAN CORPORATION

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NORTON, VA	ROUTE 757, HAWTHORNE DRIVE	NORTON	VA	24273	FF	\$ 2,317,477	Leased	MCJUNKIN RED MAN CORPORATION
RICHMOND, VA	2500 BELLWOOD ROAD	RICHMOND	VA	23237	FF	\$ 2,840,643	Leased	MCJUNKIN RED MAN CORPORATION
BELLINGHAM, WA	3974 HAMMER DRIVE	BELLINGHAM	WA	98226	FF	\$ 1,064,273	Leased	MCJUNKIN RED MAN CORPORATION
APPLETON, WI	2130 W PERSHING STREET	APPLETON	WI	54914	FF	\$ 127,431	Leased	MCJUNKIN RED MAN CORPORATION
MILWAUKEE, WI	200 WEST BODEN STREET	MILWAUKEE	WI	53207	FF	\$ 140,184	Leased	MCJUNKIN RED MAN CORPORATION
BUCKHANNON, WV	ROUTE 33 WEST 3384 TEAYS	BUCKHANNON	WV	26201	FF	\$ 7,821,929	Leased	MCJUNKIN RED MAN CORPORATION
HURRICANE, WV	VALLEY ROAD	HURRICANE	WV	25526	FF	\$ 2,259,048	Leased	MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS TRANSMISSION- NITRO, WV	MCJUNKIN ROAD	NITRO	WV	25143	INTERNAL	\$ 29,975	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS- CHARLESTON, WV	MCJUNKIN ROAD	NITRO	WV	25143	FF	\$ 86,736	Leased	MCJUNKIN RED MAN CORPORATION
MOUNTAINEER FABRICATORS INC-NITRO, WV	MCJUNKIN ROAD	NITRO	WV	25143	INTERNAL	\$ 33	Leased	MCJUNKIN RED MAN CORPORATION
NITRO BRANCH	MCJUNKIN ROAD	NITRO	WV	25143	INTERNAL	\$ 13	Leased	MCJUNKIN RED MAN CORPORATION
NITRO STAGING- NITRO, WV	MCJUNKIN ROAD, NITRO BUILDING 3	NITRO	WV	25143	SATELLITE	\$ 388,914	Leased	MCJUNKIN RED MAN CORPORATION

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NITRO, WV	MCJUNKIN ROAD ROUTE 35 NORTH,	NITRO	WV	25143	FF	\$32,687,905	Leased	MCJUNKIN RED MAN CORPORATION
ST. ALBANS, WV	WINFIELD ROAD 2852	ST. ALBANS	WV	25177	SATELLITE	\$ 1,576,233	Leased	MCJUNKIN RED MAN CORPORATION
CHEYENNE, WY	CHRISTENSEN ROAD 2852	CHEYENNE	WY	82007	FF	\$14,819,515	Leased	MCJUNKIN RED MAN CORPORATION
CONTROLS- CHEYENNE, WY	CHRISTENSEN ROAD 1471 GARMAN	CHEYENNE	WY	82007	FF	\$ 830,447	Leased	MCJUNKIN RED MAN CORPORATION
GILLETTE, WY	COURT 1175 PANTHER	GILLETTE	WY	82716	FF	\$ 5,935,316	Leased	MCJUNKIN RED MAN CORPORATION
POWELL, WY	BLVD 25 COUNTRY	POWELL	WY	82435	FF	\$ 471,716	Leased	MCJUNKIN RED MAN CORPORATION
RIVERTON, WY	ACRES ROAD	RIVERTON	WY	82501	FF	\$ 485,486	Leased	MCJUNKIN RED MAN CORPORATION
MRC ROCK SPRINGS-ROCK SPRINGS, WY	2221 WESTGATE DRIVE 2851	ROCK SPRINGS	WY	82901	SATELLITE	\$ 7,295	Leased	MCJUNKIN RED MAN CORPORATION
ROCK SPRINGS, WY	YELLOWSTONE ROAD	ROCK SPRINGS	WY	82901	FF	\$ 4,346,405	Leased	MCJUNKIN RED MAN CORPORATION
MIDFIELD SUPPLY, ULC- ANZAC, AB	105 OAK COURT	ANZAC	AB	T0P1J0	FF	\$ 907,269	Owned	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- CALGARY, AB	7072 - 112 AVE SE	CALGARY	AB	T2C4Z1	FF	\$ 20,225	Owned	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- CALGARY, AB	7072 - 112 AVE SE	CALGARY	AB	T2C4Z1	FF	\$ 464,892	Owned	MIDFIELD SUPPLY ULC
MATERIAL MANAGEMENT DEAD STOCK 702-NISKU, AB	502 - 25TH AVENUE	NISKU	AB	T9E0K6	INTERNAL	\$ 61,581	Owned	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- NISKU, AB	502 - 25 AVE	NISKU	AB	T9E0K6	FF	\$ 294,847	Owned	MIDFIELD SUPPLY ULC

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MIDFIELD SUPPLY, ULC- NISKU, AB	502 - 25 AVE	NISKU	AB	T9E0K6	FF	\$46,957,354	Owned	MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- RED DEER, AB	7555 EDGAR INDUSTRIAL DR	RED DEER	AB	T4P3R2	FF	\$ 659,164	Owned	MIDFIELD SUPPLY ULC
REDWATER- REDWATER, AB	4724 - 44 STREET 150 U.S. HIGHWAY	REDWATER	AB	T0A2W0	SATELLITE	\$ 385,693	Owned	MIDFIELD SUPPLY ULC
ELKHART, KS	56	ELKHART	KS	67950	FF	\$ 870,833	Owned	MCJUNKIN RED MAN CORPORATION
HOUMA, LA	110 VENTURE BOULEVARD	HOUMA	LA	70360	FF	\$ 1,371,630	Owned	MCJUNKIN RED MAN CORPORATION
BATON ROUGE, LA	1100 LEBLANC ROAD	PORT ALLEN	LA	70767	FF	\$ 2,594,071	Owned	MCJUNKIN RED MAN CORPORATION
MT PLEASANT, MI	1302 SOUTH MISSION ROAD	MT PLEASANT	MI	48858	FF	\$ 779,114	Owned	MCJUNKIN RED MAN CORPORATION
WOOSTER OH YARD- WOOSTER, OH	291 BRANSTETTER STREET	WOOSTER	OH	44691	SATELLITE	\$ 6,983,420	Owned	MCJUNKIN RED MAN CORPORATION
WOOSTER, OH	291 BRANSTETTER STREET	WOOSTER	OH	44691	FF	\$ 1,123,581	Owned	MCJUNKIN RED MAN CORPORATION
MRC LABARGE- WAGONER, OK	1300 NORTH LABARGE AVE	WAGONER	OK	74467	FF	\$ 1,787,859	Owned	MCJUNKIN RED MAN CORPORATION
BORGER, TX	1108 WEST WILSON	BORGER	TX	79007	FF	\$ 1,175,514	Owned	MCJUNKIN RED MAN CORPORATION
CARTHAGE, TX	1740 N.E. LOOP	CARTHAGE	TX	75633	FF	\$ 1,656,158	Owned	MCJUNKIN RED MAN CORPORATION
HOUSTON, TX	4732 DARIEN	HOUSTON	TX	77028	FF	\$36,722,655	Owned	MCJUNKIN RED MAN CORPORATION
PURCHASING SERVICES WAREHOUSE- HOUSTON, TX	4732 DARIEN	HOUSTON	TX	77028	FF	\$ 241,361	Owned	MCJUNKIN RED MAN CORPORATION

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JOURDANTON, TX AUTOMATION	1012 HWY 97 WEST	JOURDANTON	TX	78026	FF	\$ 2,564,144	Owned	MCJUNKIN RED MAN CORPORATION
SHOP-NORTH SALT LAKE CITY, UT	485 NORTH 400 WEST	NORTH SALT LAKE CITY	UT	84054	FF	\$ 1,210,257	Owned	MCJUNKIN RED MAN CORPORATION
NORTH SALT LAKE CITY, UT	485 NORTH 400 WEST	NORTH SALT LAKE CITY	UT	84054	FF	\$ 4,411,730	Owned	MCJUNKIN RED MAN CORPORATION
APACHE-ALIX, AB	06-24-039-23 W4, 2 MILES SOUTH OF ALIX	ALIX	AB	TOC0B0	CUSTOMER BAILMENT	\$ 1,531		MIDFIELD SUPPLY ULC
APACHE-ALIX, AB	12-07-041-22 W4, 8 MILES NORTH OF ALIX	ALIX	AB	TOC0B0	CUSTOMER BAILMENT	\$ 20,113		MIDFIELD SUPPLY ULC
CONOCOPHILLIPS- ANZAC, AB	SITE 914, MOD 4 COMP 9 RR2	ANZAC	AB	TOP1J0	CUSTOMER BAILMENT	\$ 1,470		MIDFIELD SUPPLY ULC
CNRL-ATHABASCA, AB	12-09-81-23W4	ATHABASCA	AB	T9S1A7	CUSTOMER BAILMENT	\$ 405,215		MIDFIELD SUPPLY ULC
APACHE-BASHAW, AB	07-03-041-22 W4, 6 MILES NORTH OF BASHAW	BASHAW	AB	TOB0H0	CUSTOMER BAILMENT	\$ 1,526		MIDFIELD SUPPLY ULC
TMS TRUCKING- BLACKFALDS, AB	BOX 2350	BLACKFALDS	AB	T0M0J0	THIRD PARTY - OCTG	\$ 64,145		MIDFIELD SUPPLY ULC
CNRL-BONNYVILLE, AB	14-08-68-04W4	BONNYVILLE	AB	T9N2M6	CUSTOMER BAILMENT	\$ 23,887		MIDFIELD SUPPLY ULC
CNRL-BONNYVILLE, AB	14-08-68-04W4	BONNYVILLE	AB	T9N2M6	CUSTOMER BAILMENT	\$ 224,343		MIDFIELD SUPPLY ULC

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HUSKY ENERGY- BONNYVILLE, AB	12-28-64-4W4	BONNYVILLE	AB	T9M1P2	CUSTOMER BAILMENT	\$ 7,271		MIDFIELD SUPPLY ULC
ENVIROEX - BROOKS- BROOKS, AB	BOX 2020	BROOKS	AB	T1R1C7	THIRD PARTY - OCTG	\$ 303,926		MIDFIELD SUPPLY ULC
ENVIROEX-BROOKS, AB	JOANNE TRUCKING RD	BROOKS	AB	T1R1C7	THIRD PARTY - PBB	\$ 53,169		MIDFIELD SUPPLY ULC
PEBEN - BROOKS- BROOKS, AB	150 INDUSTRIAL ROAD	BROOKS	AB	T1R1C7	THIRD PARTY - PBB	\$ 389,296		MIDFIELD SUPPLY ULC
GARNEAU - CAMROSE- CAMROSE, AB	5233 39TH STREET	CAMROSE	AB	T4V4RS	THIRD PARTY - LINE PIPE	\$ 15,244		MIDFIELD SUPPLY ULC
SHAW CAMROSE, AB- CAMROSE, AB	5117 39TH STREET	CAMROSE	AB	T4V4P4	THIRD PARTY - LINE PIPE	\$ 129,602		MIDFIELD SUPPLY ULC
CENOVUS ENERGY- CONKLIN, AB	SE-17-76-6W4	CONKLIN	AB	T0A2C0	CUSTOMER BAILMENT	\$ 123,453		MIDFIELD SUPPLY ULC
CNRL CONKLIN- CONKLIN, AB	LOT 100 POPLAR DRIVE	CONKLIN	AB	T0P1H0	CUSTOMER BAILMENT	\$ 1,333		MIDFIELD SUPPLY ULC
CONOCOPHILLIPS- ECKVILLE, AB	BOX 339	ECKVILLE	AB	T0M0X0	CUSTOMER BAILMENT	\$ 28,126		MIDFIELD SUPPLY ULC
PEBEN - EDMONTON- EDMONTON, AB	4510 17TH STREET NW	EDMONTON	AB	T6P1X5	THIRD PARTY - OCTG	\$ 2		MIDFIELD SUPPLY ULC
R&M - EDMONTON- EDMONTON, AB	9830 45TH AVENUE	EDMONTON	AB	T6E5C5	THIRD PARTY - PBB	\$ 84,679		MIDFIELD SUPPLY ULC

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SHAW - EDMONTON 21ST-EDMONTON, AB	10275 - 21ST STREET	EDMONTON	AB	T6P1P3	THIRD PARTY - LINE PIPE	\$ 491,964		MIDFIELD SUPPLY ULC
SHAW - EDMONTON 34TH ST-EDMONTON, AB	6010 30TH STREET	EDMONTON	AB	T6P1J9	THIRD PARTY - LINE PIPE	\$ 9,518,529		MIDFIELD SUPPLY ULC
CONOCOPHILLIPS- GRAND PRAIRIE, AB	01-08-070-11 W6M	GRANDE PRAIRIE	AB	T8V6H6	CUSTOMER BAILMENT	\$ 5,173		MIDFIELD SUPPLY ULC
CONOCOPHILLIPS- GRAND PRAIRIE, AB	9701 116 STREET	GRANDE PRAIRIE	AB	T8V6H6	CUSTOMER BAILMENT	\$ 5,842		MIDFIELD SUPPLY ULC
PEBEN - DIMSDALE- (DIMSDALE) GRANDE PRAIRIE, AB	R.R. #2	GRANDE PRAIRIE	AB	T8V2Z9	THIRD PARTY - OCTG	\$ 50,612		MIDFIELD SUPPLY ULC
WITHERS - GRANDE PRAIRIE-GRANDE PRAIRIE, AB	BOX 1480	GRANDE PRAIRIE	AB	T8V4Z2	THIRD PARTY - OCTG	\$ 1		MIDFIELD SUPPLY ULC
G&L SLOTCO - NISKU- LEDUC, AB	3911 77TH AVENUE	LEDUC	AB	T9E0B7	THIRD PARTY - OCTG	\$ 485,421		MIDFIELD SUPPLY ULC
HUSKY ENERGY- LLOYDMINSTER, AB	5650 52ND STREET	LLOYDMINSTER	AB	T9V0R7	CUSTOMER BAILMENT	\$ 15,488		MIDFIELD SUPPLY ULC
HUSKY OIL- LLOYDMINSTER, AB	HWY 16 EAST, 2 MILE OUT OF LLOYDMINSTER	LLOYDMINSTER	AB	T9V3A9	THIRD PARTY - PBB	\$ 368,541		MIDFIELD SUPPLY ULC
MRC MIDFIELD PUMP SHOP- LLOYDMINSTER, AB	6206 44TH STREET	LLOYDMINSTER	AB	T9V1V9	SATELLITE CUSTOMER	\$ 1,157,430		MIDFIELD SUPPLY ULC
CONOCOPHILLIPS- MAJORVILLE, AB	14-32-18-19W4	MAJORVILLE	AB	T0L2B0	CUSTOMER BAILMENT	\$ 3,715		MIDFIELD SUPPLY ULC

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TOTAL OILFIELD - MANNING-MANNING, AB	P O BOX 1269	MANNING	AB	T0H2M0	THIRD PARTY - OCTG	\$ 44,906		MIDFIELD SUPPLY ULC
FLINT OILFIELD HAULING - MEDICINE HAT-MEDICINE HAT, AB	617 18TH STREET SW	MEDICINE HAT	AB	T1A7Y1	THIRD PARTY - OCTG	\$ 16,765		MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-RICHMOUND, SK HUSKY ENERGY- MORINVILLE, AB	1702 10TH AVE SW	MEDICINE HAT	AB	T1A7T9	FF CUSTOMER	\$ 177,825		MIDFIELD SUPPLY ULC
	10-23-78-25 W4M	MORINVILLE	AB	T8R1A1	BAILMENT CUSTOMER	\$ 9,292		MIDFIELD SUPPLY ULC
CENOVUS-NISKU, AB	1107 11 STREET	NISKU	AB	T9E0C6	BAILMENT THIRD PARTY -	\$ 24,320		MIDFIELD SUPPLY ULC
MILLER OILFIELD - NISKU-NISKU, AB	2201 9TH STREET	NISKU	AB	T9E7Z7	OCTG	\$ 52,557		MIDFIELD SUPPLY ULC
PEBEN - NISKU-NISKU, AB	607 17TH AVENUE	NISKU	AB	T9E7T2	THIRD PARTY - OCTG	\$ 576,330		MIDFIELD SUPPLY ULC
SANDY'S OILFIELD - EDMONTON-NISKU, AB	2306B 8TH STREET	NISKU	AB	T9E7Z2	THIRD PARTY - OCTG	\$ 3,986,757		MIDFIELD SUPPLY ULC
TUBOSCOPE - NISKU- NISKU, AB	2304 8TH STREET	NISKU	AB	T9E7Z2	THIRD PARTY - OCTG	\$ 200,225		MIDFIELD SUPPLY ULC
TUBOSCOPE - NISKU- NISKU, AB	2304A 8ST	NISKU	AB	T9E7Z2	THIRD PARTY - PBB	\$ 28,791		MIDFIELD SUPPLY ULC
WITHERS - PROVOST- PROVOST, AB	5903 LAGOOD DRIVE	PROVOST	AB	T0B3S0	THIRD PARTY - OCTG	\$ 409,783		MIDFIELD SUPPLY ULC
WITHERS - PROVOST- PROVOST, AB	5903 LAGOON DRIVE	PROVOST	AB	T0B3S0	THIRD PARTY - PBB	\$ 594,465		MIDFIELD SUPPLY ULC

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FLINT OILFIELD HAULING - RAINBOW LAKE-RAINBOW LAKE, AB	14 DEL RIO STREET	RAINBOW LAKE	AB	T0H2Y0	THIRD PARTY - PBB	\$ 37,194		MIDFIELD SUPPLY ULC
VDM - RED DEER-RED DEER, AB	37428 RANGE ROAD 273, UNIT 117	RED DEER	AB	T6P1J5	THIRD PARTY - OCTG	\$ 672,512		MIDFIELD SUPPLY ULC
APACHE-ROCKY MTN HOUSE, AB	12-30-35-08 W5M, 45KM SOUTHWEST ROCKY MT HS	ROCKY MTN HOUSE	AB	T4T1A9	CUSTOMER BAILMENT	\$ 5,871		MIDFIELD SUPPLY ULC
APACHE-ROCKY MTN HOUSE, AB	03-20-34-04 W5M, 50KM SW OF ROCKY MTN	ROCKY MTN HOUSE	AB	T4T1A9	CUSTOMER BAILMENT	\$ 6,563		MIDFIELD SUPPLY ULC
HUSKY OIL OPERATIONS LTD- ROCKY MTN HOUSE, AB	LSD S 1/2 02-37-10 W5	ROCKY MTN HOUSE	AB	T4T1A7	CUSTOMER BAILMENT	\$ 109,308		MIDFIELD SUPPLY ULC
KEYERA ROCKY MTN HOUSE-ROCKY MTN HOUSE, AB	BOX 2000	ROCKY MTN HOUSE	AB	T4T1B5	CUSTOMER BAILMENT	\$ 9,030		MIDFIELD SUPPLY ULC
VDM—EDMONTON- SHERWOOD PARK, AB	PO BOX 3078 STN MAIN	SHERWOOD PARK	AB	T8A2A6	THIRD PARTY - OCTG	\$ 255,064		MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-STRATHMORE, AB	132 ORCHARD WAY	STRATHMORE	AB	T1P1R8	FF	\$ 932		MIDFIELD SUPPLY ULC
CONOCOPHILLIPS- ANZAC, AB	SITE 914 MOD 4 COMP 9 RR2	SURMONT	AB	T0P1J0	CUSTOMER BAILMENT	\$ 45,130		MIDFIELD SUPPLY ULC
CLASSIC HOT SHOT- TABER, AB	SW 12-10-16W4	TABER	AB	T1G2C6	THIRD PARTY - PBB	\$ 116,640		MIDFIELD SUPPLY ULC
HUSKY-THREE HILLS, AB	5-19-35-22W4	THREE HILLS	AB	T0M2A0	CUSTOMER BAILMENT	\$ 0		MIDFIELD SUPPLY ULC

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MIDFIELD SUPPLY, ULC-VALLEYVIEW, AB	4808 - 37 AVE	VALLEYVIEW	AB	T0H3N0	FF	\$ 147,195		MIDFIELD SUPPLY ULC
MARATHON OIL CO-KENAI, AK	304090 K- BEACH ROAD	KENAI	AK	99611	CUSTOMER BAILMENT	\$ 30,397		MCJUNKIN RED MAN CORPORATION
ARKEMA-AXIS, AL	13755 HWY 43 NORTH	AXIS	AL	36505	CUSTOMER BAILMENT	\$ 6,568		MCJUNKIN RED MAN CORPORATION
DUPONT-AXIS, AL INTERNATIONAL	NORTH	AXIS	AL	36505	CUSTOMER BAILMENT	\$ 31,422		MCJUNKIN RED MAN CORPORATION
PAPER CO- COURTLAND, AL	16504 COUNTY ROAD 150	COURTLAND	AL	35618	CUSTOMER BAILMENT	\$ 47,420		MCJUNKIN RED MAN CORPORATION
WESTERN PIPE SERVICES- HUEYTOWN, AL	3360 DAVEY ALLISON BLVD	HUEYTOWN	AL	35023	THIRD PARTY - OCTG	\$ 3,804,375		MCJUNKIN RED MAN CORPORATION
WESTERN PIPE SRV- HUEYTOWN, AL	3360 DAVEY ALLISON BLVD	HUEYTOWN	AL	35023	THIRD PARTY - LINE PIPE	\$ 1,378,646		MCJUNKIN RED MAN CORPORATION
ALBEMARLE- MAGNOLIA, AR	2270 HIGHWAY 79 SOUTH	MAGNOLIA	AR	71753	CUSTOMER BAILMENT	\$ 285,118		MCJUNKIN RED MAN CORPORATION
GREEN BAY PACKAGING- MORRILTON, AR	HIGHWAY 113	MORRILTON	AR	72110	CUSTOMER BAILMENT	\$ 14,705		MCJUNKIN RED MAN CORPORATION
APACHE-DAWSON CREEK, BC	5 COLLINS ROAD	DAWSON CREEK	BC	V1G4T9	CUSTOMER BAILMENT	\$ 23,070		MIDFIELD SUPPLY ULC
APACHE-DAWSON CREEK, BC	103KM SW OF TUMBLER RIDGE	DAWSON CREEK	BC	V1G1W3	CUSTOMER BAILMENT	\$ 15,925		MIDFIELD SUPPLY ULC

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HUSKY-FORT NELSON, BC CONOCO	KM 109.5 OFF THE SIERRA RD, LSD C-91- D/94-I-14	FORT NELSON	BC	V0C1R0	CUSTOMER BAILMENT	\$ 12,146		MIDFIELD SUPPLY ULC
PHILLIPS-ARROYO GRANDE, CA	2555 WILLOW ROAD	ARROYO GRANDE	CA	93420	CUSTOMER BAILMENT	\$ 19,036		MCJUNKIN RED MAN CORPORATION
CHEVRON USA- AVENAL, CA	11P CAMP SKYLINE BLVD	AVENAL	CA	93204	CUSTOMER BAILMENT	\$ 18,729		MCJUNKIN RED MAN CORPORATION
B & B PIPE & TOOL- BAKERSFIELD, CA	2301 PARKER LANE	BAKERSFIELD	CA	93308	THIRD PARTY - PBB	\$ 197,414		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- BAKERSFIELD, CA	3300 MONTE CRISTO ROAD	BAKERSFIELD	CA	93308	CUSTOMER BAILMENT	\$ 16,072		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- BAKERSFIELD, CA	1978 CHINA GRADE LOOP RD	BAKERSFIELD	CA	93308	TRAILER	\$ 12,095		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- BAKERSFIELD, CA	1978 CHINA GRADE LOOP	BAKERSFIELD	CA	93308	TRUCK STOCK	\$ 9,201		MCJUNKIN RED MAN CORPORATION
CHEVRON OCTG- BAKERSFIELD, CA	1135 ENOS LANE	BAKERSFIELD	CA	93314	FF	\$ 9,535,751		MCJUNKIN RED MAN CORPORATION
HYDRIL- BAKERSFIELD, CA	3237 PATTON WAY	BAKERSFIELD	CA	93308	THIRD PARTY - PBB	\$ 241,473		MCJUNKIN RED MAN CORPORATION
KERN RIVER, CA VALLEY	1978 CHINA GRADE LOOP RD	BAKERSFIELD	CA	93308	FF	\$ 1,280,191		MCJUNKIN RED MAN CORPORATION
PERFORATING- BAKERSFIELD, CA	3201 GULF STREET	BAKERSFIELD	CA	93308	THIRD PARTY - PBB	\$ 692,842		MCJUNKIN RED MAN CORPORATION

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AERA ENERGY- COALINGA, CA	9 MILE NE OF COALINGA OFF HWY 198 & HWY 33	COALINGA	CA	93210	CUSTOMER BAILMENT	\$ 2,298		MCJUNKIN RED MAN CORPORATION
COALINGA, CA	HWY 198 & 33, 9 MILE NE OF COALINGA	COALINGA	CA	93210	FF	\$ 100,619		MCJUNKIN RED MAN CORPORATION
COALINGA, CA	39405 DERRICK SECTION 25D	COALINGA	CA	93210	FF	\$ 201,169		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- FELLOWS, CA	25401 HWY 33	FELLOWS	CA	93224	CUSTOMER BAILMENT	\$ 1,970		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- FELLOWS, CA	25401 HWY 33	FELLOWS	CA	93224	CUSTOMER BAILMENT	\$ 10,199		MCJUNKIN RED MAN CORPORATION
AERA-FELLOWS, CA	26407 HIGHWAY 33	FELLOWS	CA	93224	CUSTOMER BAILMENT	\$ 76,391		MCJUNKIN RED MAN CORPORATION
PACIFIC PERFORATING- BAKERSFIELD, CA	25090 HWY 33	FELLOWS	CA	93224	THIRD PARTY - PBB	\$ 468,219		MCJUNKIN RED MAN CORPORATION
VINTAGE PRODUCTION- FILLMORE, CA	858 GUIBERSON RD	FILLMORE	CA	93015	CUSTOMER BAILMENT	\$ 12,799		MCJUNKIN RED MAN CORPORATION
SHAWCOR PIPE PROTECTION- FONTANA, CA	14000 SAN BERNARDINO AVE	FONTANA	CA	92335	THIRD PARTY - LINE PIPE	\$ 229,030		MCJUNKIN RED MAN CORPORATION
HUNTINGTON BEACH, CA	20101 GOLDEN WEST STREET	HUNTINGTON BEACH	CA	92648	FF	\$ 85,654		MCJUNKIN RED MAN CORPORATION
OXY- HUNTINGTON BEACH, CA	20101 GOLDENWEST STREET	HUNTINGTON BEACH	CA	92648	CUSTOMER BAILMENT	\$ 0		MCJUNKIN RED MAN CORPORATION

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OXY- HUNTINGTON BEACH, CA	20101 GOLDENWEST STREET	HUNTINGTON BEACH	CA	92648	CUSTOMER BAILMENT	\$ 2,293		MCJUNKIN RED MAN CORPORATION
OXY- HUNTINGTON BEACH, CA	20101 GOLDENWEST STREET	HUNTINGTON BEACH	CA	92648	CUSTOMER BAILMENT	\$ 892		MCJUNKIN RED MAN CORPORATION
OXY- HUNTINGTON BEACH, CA	20101 GOLDENWEST STREET	HUNTINGTON BEACH	CA	92648	CUSTOMER BAILMENT	\$ 813		MCJUNKIN RED MAN CORPORATION
OXY- HUNTINGTON BEACH, CA	20101 GOLDENWEST STREET	HUNTINGTON BEACH	CA	92648	CUSTOMER BAILMENT	\$ 2,187		MCJUNKIN RED MAN CORPORATION
OXY- HUNTINGTON BEACH, CA	20101 GOLDEN WEST STREET	HUNTINGTON BEACH	CA	92648	CUSTOMER BAILMENT	\$ 4,336		MCJUNKIN RED MAN CORPORATION
CHEVRON LOST HILLS-LOST HILLS, CA	15255 LOST HILLS ROAD	LOST HILLS	CA	93249	THIRD PARTY - PBB	\$ 367,256		MCJUNKIN RED MAN CORPORATION
LOST HILLS, CA	15255 LOST HILLS ROAD	LOST HILLS	CA	93249	FF	\$ 560,847		MCJUNKIN RED MAN CORPORATION
VINTAGE PRODUCTION CALIFORNIA- LOST HILLS, CA	12888 HOLLOWAY DR	LOST HILLS	CA	93249	CUSTOMER BAILMENT	\$ 212,511		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MARICOPA, CA	29235 HWY 33	MARICOPA	CA	93252	TRUCK STOCK	\$ 916		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MARICOPA, CA	29235 HWY 33	MARICOPA	CA	93252	TRUCK STOCK	\$ 3,746		MCJUNKIN RED MAN CORPORATION

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AERA ENERGY- MARICOPA, CA	29235 HWY 33	MARICOPA	CA	93252	TRUCK STOCK	\$ 902		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MARICOPA, CA	29235 HWY 33	MARICOPA	CA	93252	TRUCK STOCK	\$ 5,104		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MARICOPA, CA	29235 HWY 33	MARICOPA	CA	93252	TRUCK STOCK	\$ 6,969		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MARICOPA, CA	29235 HWY 33	MARICOPA	CA	93252	CUSTOMER BAILMENT	\$ 4,130		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MARICOPA, CA	29235 HWY 33	MARICOPA	CA	93252	CUSTOMER BAILMENT	\$ 8,443		MCJUNKIN RED MAN CORPORATION
HOLMS WESTERN- MARICOPA, CA	111 SHORT ROAD	MARICOPA	CA	93252	THIRD PARTY - PBB	\$ 75,627		MCJUNKIN RED MAN CORPORATION
SHELL- MARTINEZ, CA	3485 PACHECO BLVD, P-2 GATE WHSE	MARTINEZ	CA	94553	CUSTOMER BAILMENT	\$ 15,637		MCJUNKIN RED MAN CORPORATION
SHELL- MARTINEZ, CA	3485 PACHECO BLVD, P-2 GATE WHSE	MARTINEZ	CA	94553	CUSTOMER BAILMENT	\$ 11,381		MCJUNKIN RED MAN CORPORATION
SHELL- MARTINEZ, CA	3485 PACHECO BLVD, P-2 GATE WHSE	MARTINEZ	CA	94553	CUSTOMER BAILMENT	\$ 20,834		MCJUNKIN RED MAN CORPORATION
SHELL- MARTINEZ, CA	3485 PACHECO BLVD, P-2 GATE WHSE	MARTINEZ	CA	94553	CUSTOMER BAILMENT	\$ 21,527		MCJUNKIN RED MAN CORPORATION
SHELL- MARTINEZ, CA	3485 PACHECO BLVD, P-2 GATE WHSE	MARTINEZ	CA	94553	CUSTOMER BAILMENT	\$ 15,832		MCJUNKIN RED MAN CORPORATION

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SHELL-MARTINEZ, CA	3485 PACHECO BLVD, P-2 GATE WHSE	MARTINEZ	CA	94553	CUSTOMER BAILMENT	\$ 4,419		MCJUNKIN RED MAN CORPORATION
AERA ENERGY BELRIDGE YARD- MCKITTRICK, CA	20372 7TH STANDARD ROAD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 12,756		MCJUNKIN RED MAN CORPORATION
AERA ENERGY LLC-MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 25,349		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD ROAD	MCKITTRICK	CA	93251	TRUCK STOCK	\$ 616		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 4,865		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 1,714		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 3,464		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 857		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 1,267		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 115		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 170		MCJUNKIN RED MAN CORPORATION

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AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 504		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 493		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 4,219		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 462		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 1,619		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 237		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93252	TRUCK STOCK	\$ 431		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 3,284		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 74,982		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 1,848		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 1,668		MCJUNKIN RED MAN CORPORATION

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AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 1,668		MCJUNKIN RED MAN CORPORATION
AERA ENERGY- MCKITTRICK, CA	19590 7TH STANDARD RD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 1,848		MCJUNKIN RED MAN CORPORATION
AERA- MCKITTRICK, CA	20372 SEVENTH STANDARD RD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 24,170		MCJUNKIN RED MAN CORPORATION
AERA- MCKITTRICK, CA	123 CONTRACTOR ROAD	MCKITTRICK	CA	93251	CUSTOMER BAILMENT	\$ 3,092		MCJUNKIN RED MAN CORPORATION
MCKITTRICK, CA	3646 WEST REWARD RD	MCKITTRICK	CA	93251	FF	\$ 585,339		MCJUNKIN RED MAN CORPORATION
MCKITTRICK, CA	HWY 33, 20372 7TH STANDARD RD	MCKITTRICK	CA	93251	FF	\$ 1,836,423		MCJUNKIN RED MAN CORPORATION
VINTAGE PRODUCTION- NEWHALL, CA	26835 PICO CANYON RD	NEWHALL	CA	91381	CUSTOMER BAILMENT	\$ 9,307		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,150		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,150		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,083		MCJUNKIN RED MAN CORPORATION

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CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,257		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,249		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,266		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,410		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,425		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,512		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,175		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,200		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- RICHMOND, CA	RICHMOND REFINERY	RICHMOND	CA	94802	CUSTOMER BAILMENT	\$ 5,240		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS-RODEO, CA	1290 SAN PABLE AVENUE	RODEO	CA	94572	CUSTOMER BAILMENT	\$ 13,260		MCJUNKIN RED MAN CORPORATION

Annex 2: Locations of Collateral

<u>NAME</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>POSTCODE</u>	<u>RBTYPE</u>	<u>INVENTORY VALUE</u>	<u>LEASED/ OWNED</u>	<u>PERFECTION ENTITY</u>
CONOCO PHILLIPS-RODEO, CA	1290 SAN PABLE AVENUE	RODEO	CA	94572	CUSTOMER BAILMENT	\$ 4,434		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS-RODEO, CA	1290 SAN PABLE AVENUE	RODEO	CA	94572	CUSTOMER BAILMENT	\$ 16,331		MCJUNKIN RED MAN CORPORATION
AERA ENERGY-SAN ARDO, CA	288 SARGENT CANYON ROAD	SAN ARDO	CA	93450	CUSTOMER BAILMENT	\$ 1,006		MCJUNKIN RED MAN CORPORATION
AERA ENERGY-SAN ARDO, CA	288 SARGENT CANYON ROAD	SAN ARDO	CA	93450	CUSTOMER BAILMENT	\$ 431		MCJUNKIN RED MAN CORPORATION
CHEVRON EXPLORATION & PRODUCTION-SAN ARDO, CA	66575 SARGENTS CANYON RD	SAN ARDO	CA	93450	FF	\$ 269,238		MCJUNKIN RED MAN CORPORATION
SAN ARDO, CA	66893 SARGENT KENYON ROAD	SAN ARDO	CA	93450	FF	\$ 81,741		MCJUNKIN RED MAN CORPORATION
VINTAGE PRODUCTION-SANTA PAULA, CA	17699 S MOUNTAIN LEMON RD	SANTA PAULA	CA	93060	CUSTOMER BAILMENT	\$ 17,211		MCJUNKIN RED MAN CORPORATION
VINTAGE PRODUCTION-SHAFTER, CA	5900 E LERDO HWY	SHAFTER	CA	93263	CUSTOMER BAILMENT	\$ 59,511		MCJUNKIN RED MAN CORPORATION
HOLMES WESTERN OIL-TAFT, CA	4300 MIDWAY ROAD	TAFT	CA	93268	CUSTOMER BAILMENT	\$ 11,906		MCJUNKIN RED MAN CORPORATION
HOLMES WESTERN OIL-TAFT, CA	4300 MIDWAY ROAD	TAFT	CA	93268	CUSTOMER BAILMENT	\$ 69,509		MCJUNKIN RED MAN CORPORATION

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AERA ENERGY- VENTURA, CA	3382 N. VENTURA AVENUE	VENTURA	CA	93001	CUSTOMER BAILMENT	\$ 4,206		MCJUNKIN RED MAN CORPORATION
VENTURA SUB BRANCH- VENTURA, CA	3504 NORTH VENTURA AVENUE	VENTURA	CA	93001	SATELLITE	\$ 376,077		MCJUNKIN RED MAN CORPORATION
VENTURA, CA ¹	3382 N. VENTURA AVENUE	VENTURA	CA	93001	FF	\$ 531,185		MCJUNKIN RED MAN CORPORATION
VINTAGE PRODUCTION- VENTURA, CA	3055 W PACIFIC COAST HWY	VENTURA	CA	93001	CUSTOMER BAILMENT	\$ 20,687		MCJUNKIN RED MAN CORPORATION
CONOCOPHILLIPS- WILMINGTON, CA	1660 W ANAHEIM STREET	WILMINGTON	CA	90744	CUSTOMER BAILMENT	\$ 16,855		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY-CANON CITY, CO	1901 EAST MAIN STREET	CANON CITY	CO	81212	CUSTOMER BAILMENT	\$ 16,398		MCJUNKIN RED MAN CORPORATION
REBAR COATINGS/COMMERCIAL RESINS-COMMERCE CITY, CO	8100 EAST 96TH AVENUE	COMMERCE CITY	CO	80022	THIRD PARTY - LINE PIPE	\$ 1,620,200		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY-CORTEZ, CO	1002 EAST MAIN STREET	CORTEZ	CO	81321	CUSTOMER BAILMENT	\$ 5,020		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY-CRAIG, CO	65 SOUTH RANNEY STREET	CRAIG	CO	81625	CUSTOMER BAILMENT	\$ 7,192		MCJUNKIN RED MAN CORPORATION

¹ McJunkin Red Man Corporation leases a facility from Area Energy in Ventura, CA at 608 Ventura Highway

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CHEVRON-DE BEQUE, CO	2700 CLEAR CREEK ROAD	DE BEQUE	CO	81630	CUSTOMER BAILMENT	\$ 3,306		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- DURANGO, CO	107 JAMESON STREET	DURANGO	CO	81302	CUSTOMER BAILMENT	\$ 16,366		MCJUNKIN RED MAN CORPORATION
WILLIAMS FIELD SERVICE- DURANGO, CO	3746 COUNTY ROAD 307	DURANGO	CO	81301	CUSTOMER BAILMENT	\$ 7,950		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- GREELEY, CO	810 22ND AVENUE	GREELEY	CO	80631	CUSTOMER BAILMENT	\$ 45,326		MCJUNKIN RED MAN CORPORATION
LUNDVALL TRUCKING- GREELEY, CO	1907 1ST AVE	GREELEY	CO	80631	THIRD PARTY - LINE PIPE	\$ 1,995,067		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- GUNNISON, CO	417 BIDWELL ST	GUNNISON	CO	81230	CUSTOMER BAILMENT	\$ 17,042		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- LAMAR, CO	209 EAST SAGE	LAMAR	CO	81052	CUSTOMER BAILMENT	\$ 16,088		MCJUNKIN RED MAN CORPORATION
CHEVRON USA- MEEKER, CO	7265 RIO BLANCO CO RD #9	MEEKER	CO	81641	CUSTOMER BAILMENT	\$ 20,092		MCJUNKIN RED MAN CORPORATION
CHEVRON- TEXACO CONSIGNED YARD-RANGELY, CO	14800 STATE HWY 64	RANGELY	CO	81648	THIRD PARTY - OCTG	\$ 983,307		MCJUNKIN RED MAN CORPORATION
RANGELY, CO	14800 STATE HIGHWAY 64	RANGELY	CO	81648	FF	\$ 2,525,621		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- SALIDA, CO	1448 F STREET	SALIDA	CO	81201	CUSTOMER BAILMENT	\$ 21,506		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- STEAMBOAT SPRINGS, CO	2770 DOWNHILL DRIVE	STEAMBOAT SPRINGS	CO	80487	CUSTOMER BAILMENT	\$ 7,932		MCJUNKIN RED MAN CORPORATION
DUPONT- EDGEMOOR, NJ	105 HAY ROAD	EDGEMOOR	DE	19809	CUSTOMER BAILMENT	\$ 114,477		MCJUNKIN RED MAN CORPORATION
SIVANCE LLC- GAINESVILLE, FL	5002 NE 54TH PLACE	GAINESVILLE	FL	32609	CUSTOMER BAILMENT	\$ 6,753		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-HIALEAH, FL	955 EAST 25TH STREET	HIALEAH	FL	33013	CUSTOMER BAILMENT	\$ 39,174		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-HIALEAH, FL	955 EAST 25TH STREET	HIALEAH	FL	33013	CUSTOMER BAILMENT	\$ 2,323		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- JACKSONVILLE, FL	5440 HIGHWAY AVENUERK	JACKSONVILLE	FL	32254	CUSTOMER BAILMENT	\$ 1,902		MCJUNKIN RED MAN CORPORATION
PNEUMATIC PRODUCTS- OCALA, FL	4647 SW 40TH AVENUE	OCALA	FL	34474	CUSTOMER BAILMENT	\$ 65,602		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- ROCKLEDGE, FL	4180 S US HIGHWAY 1	ROCKLEDGE	FL	32955	CUSTOMER BAILMENT	\$ 22,797		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- ROCKLEDGE, FL	4180 SOUTH US HWY #1	ROCKLEDGE	FL	32955	CUSTOMER BAILMENT	\$ 1,451		MCJUNKIN RED MAN CORPORATION

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DENEMOURS & CO INC-STARKE, FL	OFF STATE ROAD 230	STARKE	FL	32091	CUSTOMER BAILMENT	\$ 3,093		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-ATHENS, GA	170 PARADISE BLVD	ATHENS	GA	30607	CUSTOMER BAILMENT	\$ 9,282		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-ATHENS, GA	170 PARADISE BLVD	ATHENS	GA	30607	CUSTOMER BAILMENT	\$ 3,057		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-ATLANTA, GA	660 RALPH MCGILL BLVD	ATLANTA	GA	30312	CUSTOMER BAILMENT	\$ 87,977		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-ATLANTA, GA	5105 TULANE DR SW	ATLANTA	GA	30336	CUSTOMER BAILMENT	\$ 19,211		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-ATLANTA, GA	660 RALPH MCGILL BLVD	ATLANTA	GA	30312	CUSTOMER BAILMENT	\$ 21,418		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-AUGUSTA, GA	1840 WYLD S ROAD	AUGUSTA	GA	30909	CUSTOMER BAILMENT	\$ 8,775		MCJUNKIN RED MAN CORPORATION
AUGUSTA NEWSPRINT- AUGUSTA, GA	2434 DOUG BERNARD PARKWAY	AUGUSTA	GA	30906	CUSTOMER BAILMENT	\$ 14,026		MCJUNKIN RED MAN CORPORATION
NUTRASWEET- AUGUSTA, GA	1750 LOVERS LANE	AUGUSTA	GA	30901	CUSTOMER BAILMENT	\$ 31,547		MCJUNKIN RED MAN CORPORATION

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SOLVAY ADVANCED POLYMERS- AUGUSTA, GA	1870 TOBACCO ROAD	AUGUSTA	GA	30906	CUSTOMER BAILMENT	\$ 8,276		MCJUNKIN RED MAN CORPORATION
SOLVAY ADVANCED POLYMERS- AUGUSTA, GA	1870 TOBACCO ROAD	AUGUSTA	GA	30906	CUSTOMER BAILMENT	\$ 38,479		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-BALL GROUND, GA	357 WILBANKS DRIVE	BALL GROUND	GA	30107	CUSTOMER BAILMENT	\$ 3,354		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- BRUNSWICK, GA	133 OWENS LANE	BRUNSWICK	GA	31525	CUSTOMER BAILMENT	\$ 8,971		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- BRUNSWICK, GA	133 OWENS LANE	BRUNSWICK	GA	31525	CUSTOMER BAILMENT	\$ 1,571		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- CARROLLTON, GA	OLD BREMEN ROAD	CARROLLTON	GA	30117	CUSTOMER BAILMENT	\$ 12,442		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- CARROLLTON, GA	OLD BREMEN ROAD	CARROLLTON	GA	30117	CUSTOMER BAILMENT	\$ 4,327		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- CARTERSVILLE, GA	130 ALLATOONA DAM ROAD	CARTERSVILLE	GA	30120	INTERNAL	\$ 235,595		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- CHAMBLEE, GA	4959 NEW PEACHTREE ROAD	CHAMBLEE	GA	30341	CUSTOMER BAILMENT	\$ 38,046		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- CHAMBLEE, GA	4959 NEW PEACHTREE ROAD	CHAMBLEE	GA	30341	CUSTOMER BAILMENT	\$ 3,162		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- COLUMBUS, GA ATLANTA GAS	2300 VICTORY DRIVE	COLUMBUS	GA	31901	CUSTOMER BAILMENT	\$ 82,967		MCJUNKIN RED MAN CORPORATION
LIGHT-CONYERS, GA ATLANTA GAS	350 GEES MILL BUSINESS PKY	CONYERS	GA	30013	CUSTOMER BAILMENT	\$ 25,650		MCJUNKIN RED MAN CORPORATION
LIGHT-CONYERS, GA ATLANTA GAS	350 GEES MILL BUSINESS	CONYERS	GA	30013	CUSTOMER BAILMENT	\$ 5,180		MCJUNKIN RED MAN CORPORATION
LIGHT-CUMMING, GA ATLANTA GAS	1480 OAK INDUSTRIAL LANE	CUMMING	GA	30041	CUSTOMER BAILMENT	\$ 48,068		MCJUNKIN RED MAN CORPORATION
LIGHT-CUMMING, GA ATLANTA GAS	1480 OAK INDUSTRIAL LANE	CUMMING	GA	30041	CUSTOMER BAILMENT	\$ 5,123		MCJUNKIN RED MAN CORPORATION
LIGHT-DULUTH, GA ATLANTA GAS	2695 OLD PEACHTREE ROAD	DULUTH	GA	30097	CUSTOMER BAILMENT	\$ 96,946		MCJUNKIN RED MAN CORPORATION
LIGHT-DULUTH, GA ATLANTA GAS	2695 OLD PEACHTREE ROAD	DULUTH	GA	30097	CUSTOMER BAILMENT	\$ 7,859		MCJUNKIN RED MAN CORPORATION
LIGHT- GAINESVILLE, GA ATLANTA GAS	2100 ATLANTA HIGHWAY	GAINESVILLE	GA	30504	CUSTOMER BAILMENT	\$ 6,748		MCJUNKIN RED MAN CORPORATION
LIGHT- GAINESVILLE, GA	2100 ATLANTA HWY	GAINESVILLE	GA	30504	CUSTOMER BAILMENT	\$ 909		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- GAINESVILLE, GA	175 JOHN W MORROW WAY	GAINESVILLE	GA	30503	CUSTOMER BAILMENT	\$ 43,031		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-GRIFFIN, GA	314 W COLLEGE STREET	GRIFFIN	GA	30223	CUSTOMER BAILMENT	\$ 8,588		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-GRIFFIN, GA	314 W COLLEGE STREET	GRIFFIN	GA	30223	CUSTOMER BAILMENT	\$ 2,368		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-JESUP, GA	630 WEST CHERRY STREET	JESUP	GA	31545	CUSTOMER BAILMENT	\$ 7,231		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-JESUP, GA	630 WEST CHERRY STREET	JESUP	GA	31545	CUSTOMER BAILMENT	\$ 1,551		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-MACON, GA	1691 BASS ROAD	MACON	GA	31210	CUSTOMER BAILMENT	\$ 13,827		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-MACON, GA	1691 BASS ROAD	MACON	GA	31210	CUSTOMER BAILMENT	\$ 5,596		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-MARIETTA, GA	1356 COBB INDUSTRIAL DRIVE	MARIETTA	GA	30066	CUSTOMER BAILMENT	\$ 59,363		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-MARIETTA, GA	1356 COBB INDUSTRIAL DRIVE	MARIETTA	GA	30066	CUSTOMER BAILMENT	\$ 4,843		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- MILLEDGEVILLE, GA	550 HAMMOND ROAD NW	MILLEDGEVILLE	GA	31061	CUSTOMER BAILMENT	\$ 3,131		MCJUNKIN RED MAN CORPORATION

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ATLANTA GAS LIGHT- MILLEDGEVILLE, GA	550 HAMMOND ROAD NW	MILLEDGEVILLE	GA	31060	CUSTOMER BAILMENT	\$ 1,059		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-NEWNAN, GA	242 BULLSBORO DRIVE	NEWNAN	GA	30263	CUSTOMER BAILMENT	\$ 23,662		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-NEWNAN, GA	242 BULLSBORO DRIVE	NEWNAN	GA	30263	CUSTOMER BAILMENT	\$ 3,124		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- RIVERDALE, GA	508 HWY 138 SW	RIVERDALE	GA	30274	CUSTOMER BAILMENT	\$ 57,193		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- RIVERDALE, GA	508 HWY 138 SW	RIVERDALE	GA	30274	CUSTOMER BAILMENT	\$ 13,011		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-ROME, GA	1515 VETERANS MEMORIAL HWY	ROME	GA	30161	CUSTOMER BAILMENT	\$ 16,677		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-ROME, GA	1515 VETERANS MEMORIAL HWY	ROME	GA	30161	CUSTOMER BAILMENT	\$ 2,294		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-SAVANNAH, GA	1647 CHATHAM PARKWAY	SAVANNAH	GA	31405	CUSTOMER BAILMENT	\$ 20,573		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-SAVANNAH, GA	1674 CHATHAM PARKWAY	SAVANNAH	GA	31405	CUSTOMER BAILMENT	\$ 1,340		MCJUNKIN RED MAN CORPORATION

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ATLANTA GAS LIGHT-TUCKER, GA	4411 BIBB BLVD	TUCKER	GA	30084	CUSTOMER BAILMENT	\$ 39,558		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-TUCKER, GA	4411 BIBB BLVD	TUCKER	GA	30084	INTERNAL	\$ 97,787		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-VIDALIA, GA	103 BRANTLEY ROAD	VADALIA	GA	30474	CUSTOMER BAILMENT	\$ 1,071		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-VALDOSTA, GA	1559 COMMERCE DRIVE	VALDOSTA	GA	31601	CUSTOMER BAILMENT	\$ 7,433		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-VALDOSTA, GA	1559 COMMERCE DRIVE	VALDOSTA	GA	31601	CUSTOMER BAILMENT	\$ 1,035		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-VIDALIA, GA	103 BRANTLEY ROAD	VIDALIA	GA	30474	CUSTOMER BAILMENT	\$ 7,541		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- WAYCROSS, GA	18 MEMORIAL DRIVE	WAYCROSS	GA	31501	CUSTOMER BAILMENT	\$ 7,173		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- WAYCROSS, GA	18 MEMORIAL DRIVE	WAYCROSS	GA	31501	CUSTOMER BAILMENT	\$ 960		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- WOODSTOCK, GA	451 TOONIGH ROAD	WOODSTOCK	GA	30188	CUSTOMER BAILMENT	\$ 23,481		MCJUNKIN RED MAN CORPORATION
EQUISTAR- CLINTON, IA	MAIN ZONE STORE (CONSIGNED	CLINTON	IA	52732	CUSTOMER BAILMENT	\$ 3,176		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- KEOKUK, IA	24 SOUTH 10TH STREET	KEOKUK	IA	52632	CUSTOMER BAILMENT	\$ 17,376		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- HARRISBURG, IL CELANESE	611 NORTH MAIN STREET	HARRISBURG	IL	62946	CUSTOMER BAILMENT	\$ 15,666		MCJUNKIN RED MAN CORPORATION
EMULSIONS- MEREDOSIA, IL	1989 OLD NAPLES ROAD	MEREDOSIA	IL	62665	CUSTOMER BAILMENT	\$ 3,391		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- METROPOLIS, IL	700 MARKET STREET	METROPOLIS	IL	62960	CUSTOMER BAILMENT	\$ 10,782		MCJUNKIN RED MAN CORPORATION
EQUISTAR- MORRIS, IL	ROUTE 6 & TABLER ROAD	MORRIS	IL	60450	CUSTOMER BAILMENT	\$ 342		MCJUNKIN RED MAN CORPORATION
EQUISTAR- MORRIS, IL	ROUTE 6 & TABLER ROAD	MORRIS	IL	60450	CUSTOMER BAILMENT	\$ 4,926		MCJUNKIN RED MAN CORPORATION
EQUISTAR- MORRIS, IL	ROUTE 6 & TABLER ROAD	MORRIS	IL	60450	CUSTOMER BAILMENT	\$ 14,106		MCJUNKIN RED MAN CORPORATION
WRB REFINING LLC-ROXANA,IL	HWY 111	ROXANA	IL	62084	CUSTOMER BAILMENT	\$ 121,928		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- VANDALIA, IL	224 SOUTH 6TH STREET	VANDALIA	IL	62471	CUSTOMER BAILMENT	\$ 15,055		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- VIRDEN, IL	136 EAST DEAN STREET	VIRDEN	IL	62690	CUSTOMER BAILMENT	\$ 9,778		MCJUNKIN RED MAN CORPORATION

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AKER KVAERNER SONGER- MUNSTER, IN	101 45TH AVENUE, UNIT #1	MUNSTER	IN	46321	INTERNAL	\$ 0		MCJUNKIN RED MAN CORPORATION
MIDWEST PIPE COATERS- SCHERERVILLE, IN	925 KENNEDY AVE	SCHERERVILLE	IN	46375	THIRD PARTY - LINE PIPE	\$ 33,433		MCJUNKIN RED MAN CORPORATION
MIDWEST PIPE COATING LLC- SCHERERVILLE, IN	925 KENNEDY AVE	SCHERERVILLE	IN	46375	THIRD PARTY - LINE PIPE	\$ 1,024,308		MCJUNKIN RED MAN CORPORATION
MIDWEST PIPE COATING- SCHERERVILLE, IN	925 KENNEDY AVENUE	SCHERERVILLE	IN	46375	THIRD PARTY - LINE PIPE	\$ 9,446,110		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- ANTHONY, KS	224 NORTH MASSACHUSETTS	ANTHONY	KS	67003	CUSTOMER BAILMENT	\$ 9,003		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- BONNER SPRINGS, KS	132 NORTH ARMOUR	BONNER SPRINGS	KS	66012	CUSTOMER BAILMENT	\$ 10,821		MCJUNKIN RED MAN CORPORATION
ONEOK FIELD SERVICES- BUSHTON, KS	777 AVENUE Y	BUSHTON	KS	67427	CUSTOMER BAILMENT	\$ 96,590		MCJUNKIN RED MAN CORPORATION
WEST WICHITA GAS GATHERING, LLC-CHENEY, KS	13521 NE 10TH ST	CHENEY	KS	67025	CUSTOMER BAILMENT	\$ 16,696		MCJUNKIN RED MAN CORPORATION
ANADARKO PETROLEUM- ELKHART, KS	1105 SHERMAN AVE	ELKHART	KS	67950	CUSTOMER BAILMENT	\$ 2,297		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- HERINGTON, KS	601 WEST MAIN STREET	HERINGTON	KS	67449	CUSTOMER BAILMENT	\$ 12,123		MCJUNKIN RED MAN CORPORATION

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ONEOK FIELD SERVICES- HUGOTON, KS	114 WEST 2ND ST	HUGOTON	KS	67951	CUSTOMER BAILMENT	\$ 4,219		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- INDEPENDENCE, KS	21ST & MAPLE STREET	INDEPENDENCE	KS	67301	CUSTOMER BAILMENT	\$ 22,838		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- JOHNSON, KS	201 SOUTH MAIN STREET	JOHNSON	KS	67855	CUSTOMER BAILMENT	\$ 17,016		MCJUNKIN RED MAN CORPORATION
ONEOK FIELD SERVICES- MEDICINE LODGE, KS	1990 SE HWY 160	MEDICINE LODGE	KS	67104	CUSTOMER BAILMENT	\$ 10,364		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- OLATHE, KS	730 NORTH RIDGEVIEW DRIVE	OLATHE	KS	66061	CUSTOMER BAILMENT	\$ 66,674		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- PLEASANTON, KS	903 DEPOT STREET	PLEASANTON	KS	66075	CUSTOMER BAILMENT	\$ 4,658		MCJUNKIN RED MAN CORPORATION
DOUBLE T INDUSTRIES- ROLLA, KS	JCT 56 & 51	ROLLA	KS	67954	THIRD PARTY - OCTG	\$ 5,603		MCJUNKIN RED MAN CORPORATION
ONEOK FIELD SERVICES-SUN CITY, KS	1/2 N & 5 W	SUN CITY	KS	67143	CUSTOMER BAILMENT	\$ 4,665		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- YATES CENTER, KS	111 EAST BUTLER STREET	YATES CENTER	KS	66783	CUSTOMER BAILMENT	\$ 12,529		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF KY-ASHLAND, KY	121 NINTH ST	ASHLAND	KY	41101	CUSTOMER BAILMENT	\$ 30,893		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY-BOWLING GREEN, KY	2850 RUSSELLVILLE ROAD	BOWLING GREEN	KY	42101	CUSTOMER BAILMENT	\$ 66,438		MCJUNKIN RED MAN CORPORATION
WESTLAKE CORP-CALVERT CITY, KY	INDUSTRIAL PARKWAY	CALVERT CITY	KY	42029	CUSTOMER BAILMENT	\$ 24,372		MCJUNKIN RED MAN CORPORATION
WESTLAKE GROUP-CALVERT CITY, KY	INDUSTRIAL PARKWAY	CALVERT CITY	KY	42029	CUSTOMER BAILMENT	\$ 477		MCJUNKIN RED MAN CORPORATION
WESTLAKE GROUP-CALVERT CITY, KY	INDUSTRIAL PARKWAY	CALVERT CITY	KY	42029	CUSTOMER BAILMENT	\$ 16,757		MCJUNKIN RED MAN CORPORATION
WESTLAKE GROUP-CLAVERT CITY, KY	INDUSTRIAL PARKWAY	CALVERT CITY	KY	42029	CUSTOMER BAILMENT	\$ 251		MCJUNKIN RED MAN CORPORATION
WESTLAKE-CALVERT CITY, KY	INDUSTRIAL PARKWAY	CALVERT CITY	KY	42029	CUSTOMER BAILMENT	\$ 254		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY-CAMPBELLSVILLE, KY	410 E MAIN ST	CAMPBELLSVILLE	KY	42718	CUSTOMER BAILMENT	\$ 25,568		MCJUNKIN RED MAN CORPORATION
MARATHON ASHLAND PETROLEUM-CATLETTSBURG, KY	US RT 23 NORTH	CATLETTSBURG	KY	41129	TRAILER	\$ 18,934		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY-CENTRAL CITY, KY	140 CESSNA RD	CENTRAL CITY	KY	42330	CUSTOMER BAILMENT	\$ 4,844		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY-DANVILLE, KY	WHIRLAWAY DR	DANVILLE	KY	40422	CUSTOMER BAILMENT	\$ 29,774		MCJUNKIN RED MAN CORPORATION

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COLUMBIA GAS OF KY- FRANKFORT, KY	120-B COMMERCE BLVD	FRANKFORT	KY	40601	CUSTOMER BAILMENT	\$ 25,796		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- GLASGOW, KY	200 N BROADWAY	GLASGOW	KY	42141	CUSTOMER BAILMENT	\$ 22,446		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- HOPKINSVILLE, KY	1833 EAST 9TH STREET	HOPKINSVILLE	KY	42240	CUSTOMER BAILMENT	\$ 23,808		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF KY- LEXINGTON, KY	641 BLUE SKY PARKWAY	LEXINGTON	KY	40512	CUSTOMER BAILMENT	\$ 27,309		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF KY- LEXINGTON, KY	2001 MERCER RD	LEXINGTON	KY	40512	CUSTOMER BAILMENT	\$ 36,525		MCJUNKIN RED MAN CORPORATION
EVANSVILLE SERVICE AREA- LOUISVILLE, KY	3405 KRAMERS LANE	LOUISVILLE	KY	40216	INTERNAL	\$ 2,931		MCJUNKIN RED MAN CORPORATION
ROHM & HAAS- LOUISVILLE, KY	4300 CAMP GROUND ROAD	LOUISVILLE	KY	40216	CUSTOMER BAILMENT	\$ 7,839		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MADISONVILLE, KY	638 W BROADWAY 900	MADISONVILLE	KY	42431	CUSTOMER BAILMENT	\$ 40,285		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MAYFIELD, KY	COMMONWEALTH DRIVE	MAYFIELD	KY	42066	CUSTOMER BAILMENT	\$ 17,666		MCJUNKIN RED MAN CORPORATION

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COLUMBIA GAS OF KY- MAYSVILLE, KY	325 MOODY DR	MAYSVILLE	KY	41056	CUSTOMER BAILMENT	\$ 21,103		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- OWENSBORO, KY	3425 NEW HARTFORD RD	OWENSBORO	KY	42303	CUSTOMER BAILMENT	\$ 67,910		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-OWENTON, KY	970 HIGHWAY 127 N	OWENTON	KY	40359	INTERNAL	\$ 14,006		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- PADUCAH, KY	3034 PARKER ST	PADUCAH	KY	42003	CUSTOMER BAILMENT	\$ 44,280		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- PRINCETON, KY	307 MARION ROAD	PRINCETON	KY	42445	CUSTOMER BAILMENT	\$ 20,258		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- SHELBYVILLE, KY	130 STONECREST RD, SUITE 105	SHELBYVILLE	KY	40065	CUSTOMER BAILMENT	\$ 24,222		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF KY- WINCHESTER, KY	281 SHOPPERS DR	WINCHESTER	KY	40391	CUSTOMER BAILMENT	\$ 30,056		MCJUNKIN RED MAN CORPORATION
TUBO AMELIA SOUTH-AMELIA, LA	2112 HWY 662 N	AMELIA	LA	70340	THIRD PARTY - OCTG	\$ 936,982		MCJUNKIN RED MAN CORPORATION
BAYOU COATING, LLC-BATON ROUGE, LA	12710 LEISURE ROAD	BATON ROUGE	LA	70807	THIRD PARTY - LINE PIPE	\$ 559,226		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHEMICAL PLASTICS-BATON ROUGE, LA	11676 HWY 19	BATON ROUGE	LA	70821	CUSTOMER BAILMENT	\$ 8,309		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHEMICAL- BATON ROUGE, LA	75 SOUTH AVE B & 37TH ST	BATON ROUGE	LA	70821	CUSTOMER BAILMENT	\$ 8,285		MCJUNKIN RED MAN CORPORATION

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EXXONMOBIL CHEMICAL-BATON ROUGE, LA	4999 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 1,758		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHEMICAL-BATON ROUGE, LA	4999 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 5,979		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHEMICAL-BATON ROUGE, LA	4999 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 9,581		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHEMICAL-BATON ROUGE, LA	4999 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 2,361		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHEMICAL-BATON ROUGE, LA	4999 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 1,362		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHEMICAL-BATON ROUGE, LA	4999 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 1,089		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHEMICAL-BATON ROUGE, LA	4999 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 832		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HWY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 1,311		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 1,318		MCJUNKIN RED MAN CORPORATION

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EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 2,683		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 2,370		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 8,092		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 1,362		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 4,877		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 8,312		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 1,933		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 2,370		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 2,318		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL REFINERY-BATON ROUGE, LA	4999 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 716		MCJUNKIN RED MAN CORPORATION

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EXXONMOBIL REFINERY-BATON ROUGE, LA	3545 SCENIC HIGHWAY	BATON ROUGE	LA	70805	CUSTOMER BAILMENT	\$ 5,981		MCJUNKIN RED MAN CORPORATION
STUPP CORPORATION- BATON ROUGE, LA	12555 RONALDSON ROAD	BATON ROUGE	LA	70807	THIRD PARTY - LINE PIPE	\$ 3,567,667		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS-BELLE CHASSE, LA	15551 HIGHWAY 23	BELLE CHASSE	LA	70037	CUSTOMER BAILMENT	\$ 19,750		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS-BELLE CHASSE, LA	15551 HIGHWAY 23	BELLE CHASSE	LA	70037	CUSTOMER BAILMENT	\$ 12,077		MCJUNKIN RED MAN CORPORATION
INTERNATIONAL PAPER-CAMPTI, LA	4537 HWY 480	CAMPTI	LA	71411	CUSTOMER BAILMENT	\$ 22,048		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL CHALMETTE- CHALMETTE, LA	1790 PARIS ROAD	CHALMETTE	LA	70043	CUSTOMER BAILMENT	\$ 16,029		MCJUNKIN RED MAN CORPORATION
OCCIDENTAL CHEMICAL- CONVENT, LA	7377 HIGHWAY 3214	CONVENT	LA	70723	CUSTOMER BAILMENT	\$ 42,840		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS- DUBBERLY, LA	820 HARVEY BARBERSHOP RD	DUBBERLY	LA	71024	TRAILER	\$ 24,757		MCJUNKIN RED MAN CORPORATION
OXY-GEISMAR, LA	8318 ASHLAND DR	GEISMAR	LA	70734	CUSTOMER BAILMENT	\$ 12,846		MCJUNKIN RED MAN CORPORATION
ATMOS- HAMMOND, LA	720 SOUTH MORRISON BLVD	HAMMOND	LA	70401	CUSTOMER BAILMENT	\$ 57,370		MCJUNKIN RED MAN CORPORATION

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MARATHON OIL CO- HAYNESVILLE, LA	176 MARATHON RD	HAYNESVILLE	LA	71038	CUSTOMER BAILMENT	\$ 31,276		MCJUNKIN RED MAN CORPORATION
TUBOSCOPE COATING-HOUMA, LA	209 EAST WOODLAWN RANCH RD	HOUMA	LA	70363	THIRD PARTY - OCTG	\$ 3,083		MCJUNKIN RED MAN CORPORATION
ATMOS- JONESBORO, LA	318 CEDAR ST	JONESBORO	LA	71251	CUSTOMER BAILMENT	\$ 3,669		MCJUNKIN RED MAN CORPORATION
ATMOS- LAFAYETTE, LA	1818 ERASTE LANDRY RD	LAFAYETTE	LA	70506	CUSTOMER BAILMENT	\$ 68,778		MCJUNKIN RED MAN CORPORATION
CITGO PETROLEUM- LAKE CHARLES, LA	HWY 108	LAKE CHARLES	LA	70602	CUSTOMER BAILMENT	\$ 57,234		MCJUNKIN RED MAN CORPORATION
CITGO REFINERY- LAKE CHARLES, LA	HWY 108	LAKE CHARLES	LA	70602	CUSTOMER BAILMENT	\$ 50,389		MCJUNKIN RED MAN CORPORATION
ATMOS- MANDEVILLE, LA	68388 COMPASS WAY EAST	MANDEVILLE	LA	70471	CUSTOMER BAILMENT	\$ 101,785		MCJUNKIN RED MAN CORPORATION
ATMOS- MARRERO, LA	5241 TARAVELLA ROAD	MARRERO	LA	70072	CUSTOMER BAILMENT	\$ 45,341		MCJUNKIN RED MAN CORPORATION
ATMOS-MERAUX, LA	4105 E JUDGE PEREZ DRIVE	MERAUX	LA	70075	CUSTOMER BAILMENT	\$ 24,515		MCJUNKIN RED MAN CORPORATION

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ATMOS-METAIRIE, LA	2000 ARNOULT ROAD D	METAIRIE	LA	70004	CUSTOMER BAILMENT	\$ 90,084		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MONROE, LA	800 DELTA DRIVE	MONROE	LA	71203	SATELLITE CUSTOMER	\$ 153,428		MCJUNKIN RED MAN CORPORATION
ATMOS-MONROE, LA	800 DELTA DRIVE	MONROE	LA	71203	BAILMENT	\$ 27,705		MCJUNKIN RED MAN CORPORATION
ATMOS- NATCHITOCHE, LA	300 INDUSTRIAL ROAD	NATCHITOCHE	LA	71457	CUSTOMER BAILMENT	\$ 17,486		MCJUNKIN RED MAN CORPORATION
BAYOU PIPE COATING-NEW IBERIA, LA	5200 CURTIS LANE	NEW IBERIA	LA	70562	THIRD PARTY - LINE PIPE	\$ 5,361		MCJUNKIN RED MAN CORPORATION
ATMOS-NORCO, LA	101 APPLE STREET	NORCO	LA	70079	CUSTOMER BAILMENT	\$ 52,899		MCJUNKIN RED MAN CORPORATION
ATMOS- PINEVILLE, LA	1903 MILITARY ROAD	PINEVILLE	LA	71360	CUSTOMER BAILMENT	\$ 13,320		MCJUNKIN RED MAN CORPORATION
CRITERION CATALYSTS CO- PORT ALLEN, LA	1699 CATALYSTS DR	PORT ALLEN	LA	70767	CUSTOMER BAILMENT	\$ 14,461		MCJUNKIN RED MAN CORPORATION
ATMOS- PRAIRIEVILLE, LA	38144 POST OFFICE ROAD	PRAIRIEVILLE	LA	70769	CUSTOMER BAILMENT	\$ 40,261		MCJUNKIN RED MAN CORPORATION
COLUMBIA GULF TRANSMISSION- RAYNE, LA	5799 CHURCH POINT HIGHWAY	RAYNE	LA	70578	CUSTOMER BAILMENT	\$ 2,229		MCJUNKIN RED MAN CORPORATION

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AMERICAS STYRENICS LLC-ST JAMES, LA	9901 HWY 18 RIVER ROAD	ST JAMES	LA	70086	CUSTOMER BAILMENT	\$ 8,475		MCJUNKIN RED MAN CORPORATION
CII CARBON- SULPHUR, LA	1920 PAK TANK ROAD	SULPHUR	LA	70665	CUSTOMER BAILMENT	\$ 2,322		MCJUNKIN RED MAN CORPORATION
CITGO PETROLEUM- SULPHUR, LA	4401 HWY 108	SULPHUR	LA	70665	CUSTOMER BAILMENT	\$ 52,624		MCJUNKIN RED MAN CORPORATION
CITGO-SULPHUR, LA	HWY 108 14 PLANT	SULPHUR	LA	70665	CUSTOMER BAILMENT	\$ 1,620		MCJUNKIN RED MAN CORPORATION
OCCIDENTAL CHEMICAL-TAFT, LA	TAFT-226 HWY 3142	TAFT	LA	70057	CUSTOMER BAILMENT	\$ 22,862		MCJUNKIN RED MAN CORPORATION
CITGO-WESTLAKE, LA	4401 HWY 108	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 55,561		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS - WESTLAKE, LA	2200 OLD SPANISH TRAIL	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 14,479		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS - WESTLAKE, LA	2200 OLD SPANISH TRAIL	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 6,134		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS- WESTLAKE, LA	2200 OLD SPANISH TRAIL	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 38,213		MCJUNKIN RED MAN CORPORATION
CONOCOPHILLIPS- WESTLAKE, LA	2200 OLD SPANISH TRAIL	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 21,698		MCJUNKIN RED MAN CORPORATION

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CONOCOPHILLIPS- WESTLAKE, LA	2200 OLD SPANISH TRAIL	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 14,898		MCJUNKIN RED MAN CORPORATION
CONOCOPHILLIPS- WESTLAKE, LA	2200 OLD SPANISH TRAIL	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 21,612		MCJUNKIN RED MAN CORPORATION
EQUISTAR- WESTLAKE, LA	HWY 108	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 8,421		MCJUNKIN RED MAN CORPORATION
EQUISTAR- WESTLAKE, LA	HWY 108	WESTLAKE	LA	70669	CUSTOMER BAILMENT	\$ 4,873		MCJUNKIN RED MAN CORPORATION
HYDRIL- WESTWEGO- WESTWEGO, LA	201 WEST KLEIN	WESTWEGO	LA	70094	THIRD PARTY - OCTG	\$ 218,971		MCJUNKIN RED MAN CORPORATION
GEORGIA PACIFIC CONSUMER OPERATIONS- ZACHARY, LA	1000 WEST MT PLEASANT RD	ZACHARY	LA	70791	CUSTOMER BAILMENT	\$ 4,953		MCJUNKIN RED MAN CORPORATION
GEORGIA PACIFIC CONSUMER OPERATIONS- ZACHARY, LA	1000 WEST MT PLEASANT RD	ZACHARY	LA	70791	CUSTOMER BAILMENT	\$ 3,922		MCJUNKIN RED MAN CORPORATION
GEORGIA PACIFIC CONSUMER OPERATIONS- ZACHARY, LA	1000 WEST MT PLEASANT RD	ZACHARY	LA	70791	CUSTOMER BAILMENT	\$ 3,816		MCJUNKIN RED MAN CORPORATION
FONTANA'S VERDIN, MB-VIRDEN, MB	BOX 2067	VIRDEN	MB	R0M2C0	THIRD PARTY - OCTG	\$ 64,455		MIDFIELD SUPPLY ULC
1ST CHOICE- KALKASKA, MI	1256 THOMAS ROAD	KALKASKA	MI	49646	THIRD PARTY - PBB	\$ 206,757		MCJUNKIN RED MAN CORPORATION

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SUPERIOR INSPECTION SERVICE, INC- KALKASKA, MI	1864 PROUGH ROAD SW	KALKASKA	MI	49646	THIRD PARTY - PBB	\$ 551,497		MCJUNKIN RED MAN CORPORATION
DUPONT-MT. CLEMENS, MI	400 GROESBECK HIGHWAY	MT CLEMENS	MI	48043	CUSTOMER BAILMENT	\$ 3,105		MCJUNKIN RED MAN CORPORATION
VERSO PAPER- QUINNESEC, MI	US HIGHWAY 2	QUINNESEC	MI	49876	CUSTOMER BAILMENT	\$ 29,423		MCJUNKIN RED MAN CORPORATION
INDUSTRIAL RUBBER- HIBBING, MN	3804 EAST 13TH AVENUE	HIBBING MN	MN	55746	THIRD PARTY - PBB	\$ 4,397		MCJUNKIN RED MAN CORPORATION
SAINT PAUL PARK REFINING CO LLC-SAIN	459 3RD STREET	SAINT PAUL PARK	MN	55071	CUSTOMER BAILMENT	\$ 927		MCJUNKIN RED MAN CORPORATION
VERS	100 EAST SARTELL STREET	SARTELL	MN	56377	CUSTOMER BAILMENT	\$ 25,438		MCJUNKIN RED MAN CORPORATION
SAINT PAUL PARK REFINING CO LLC-SAIN	459 3RD STREET	ST. PAUL	MN	50071	CUSTOMER BAILMENT	\$ 2,891		MCJUNKIN RED MAN CORPORATION
SAINT PAUL PARK REFINING CO LLC-SAIN	459 3RD STREET	ST. PAUL	MN	50071	CUSTOMER BAILMENT	\$ 1,276		MCJUNKIN RED MAN CORPORATION
SAINT PAUL PARK REFINING CO LLC-SAIN	459 3RD STREET	ST. PAUL	MN	50071	CUSTOMER BAILMENT	\$ 6,207		MCJUNKIN RED MAN CORPORATION
SAINT PAUL PARK REFINING CO LLC-SAIN	459 3RD STREET	ST. PAUL	MN	50071	CUSTOMER BAILMENT	\$ 3,976		MCJUNKIN RED MAN CORPORATION

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SAINT PAUL PARK REFINING CO LLC- SAINT PAUL PARK, MN	459 3RD STREET	ST. PAUL	MN	50071	CUSTOMER BAILMENT	\$ 1,868		MCJUNKIN RED MAN CORPORATION
SAINT PAUL PARK REFINING CO LLC- SAINT PAUL PARK, MN	459 3RD STREET	ST. PAUL	MN	50071	CUSTOMER BAILMENT	\$ 1,275		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- BUTLER, MO	100 SOUTH MAIN STREET	BUTLER	MO	64730	CUSTOMER BAILMENT	\$ 10,474		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- CARUTHERSVILLE, MO	900 TRUMAN BLVD 2	CARUTHERSVILLE	MO	63830	CUSTOMER BAILMENT	\$ 28,106		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- HANNIBAL, MO	INDUSTRIAL LOOP ROAD	HANNIBAL	MO	63401	CUSTOMER BAILMENT	\$ 17,252		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- JACKSON, MO	720 LEE AVENUE	JACKSON	MO	63755	CUSTOMER BAILMENT	\$ 36,902		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- KIRKSVILLE, MO	916 NORTH GREEN STREET	KIRKSVILLE	MO	63501	CUSTOMER BAILMENT	\$ 18,315		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MALDEN, MO	216 WEST MAIN STREET	MALDEN	MO	63863	CUSTOMER BAILMENT	\$ 21,329		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- SIKESTON, MO	142 NORTH RANNEY STREET	SIKESTON	MO	63801	CUSTOMER BAILMENT	\$ 42,241		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- CLARKSDALE, MS	121 DELTA STREET	CLARKSDALE	MS	38614	CUSTOMER BAILMENT	\$ 1,958		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- CLEVELAND, MS	107 W SUNFLOWER ROAD	CLEVELAND	MS	38732	CUSTOMER BAILMENT	\$ 2,262		MCJUNKIN RED MAN CORPORATION
AKZO NOBEL- COLUMBUS, MS	4374 NASHVILLE FERRY RD E	COLUMBUS	MS	39702	CUSTOMER BAILMENT	\$ 30,892		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- COLUMBUS, MS	1423 MAIN STREET	COLUMBUS	MS	39701	CUSTOMER BAILMENT	\$ 9,544		MCJUNKIN RED MAN CORPORATION
DUPONT-DELISLE, MS	7685 KILN & DELISLE ROAD	DELISLE	MS	39571	CUSTOMER BAILMENT	\$ 81,399		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- FLOWOOD, MS	790 LIBERTY ROAD	FLOWOOD	MS	39232	CUSTOMER BAILMENT	\$ 7,948		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- GREENVILLE, MS	332 MAIN STREET	GREENVILLE	MS	38701	CUSTOMER BAILMENT	\$ 6,391		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- GREENWOOD, MS	120 EAST CHURCH STREET	GREENWOOD	MS	38930	CUSTOMER BAILMENT	\$ 2,090		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- GRENADA, MS	1456 COMMERCE STREET	GRENADA	MS	38901	CUSTOMER BAILMENT	\$ 4,234		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- INDIANOLA, MS	100 B FRONT STREET	INDIANOLA	MS	38751	CUSTOMER BAILMENT	\$ 4,286		MCJUNKIN RED MAN CORPORATION

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COLUMBIA GULF TRANSMISSION- INVERNESS, MS	4161 FOUR MILE ROAD	INVERNESS	MS	38753	CUSTOMER BAILMENT	\$ 1,579		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- JACKSON, MS	4155 INDUSTRIAL DRIVE	JACKSON	MS	39209	CUSTOMER BAILMENT	\$ 48,903		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- JACKSON, MS	4155 INDUSTRIAL DRIVE	JACKSON	MS	39209	SATELLITE	\$ 604,825		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- JACKSON, MS	INDUSTRIAL DRIVE	JACKSON	MS	39209	CUSTOMER BAILMENT	\$ 65,246		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- KOSKIUSKO, MS	510 VETERANS MEMORIAL DR	KOSKIUSKO	MS	39090	CUSTOMER BAILMENT	\$ 9,236		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MERIDIAN, MS	1701 6TH STREET	MERIDIAN	MS	39301	CUSTOMER BAILMENT	\$ 7,198		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- NATCHEZ, MS	54 E FRANKLIN STREET	NATCHEZ	MS	39120	CUSTOMER BAILMENT	\$ 3,871		MCJUNKIN RED MAN CORPORATION
FIRST CHEMICAL- PASCAGOULA, MS	1001 INDUSTRIAL ROAD	PASCAGOULA	MS	39568	CUSTOMER BAILMENT	\$ 4,019		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- SOUTHAVEN, MS	5249 PEPPERCHASE DRIVE	SOUTHAVEN	MS	38671	CUSTOMER BAILMENT	\$ 26,830		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- STARKVILLE, MS	402 UNIVERSITY DRIVE	STARKVILLE	MS	39759	CUSTOMER BAILMENT	\$ 3,637		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- TUPELO, MS	1308 WEST MAIN STREET	TUPELO	MS	38801	CUSTOMER BAILMENT	\$ 7,302		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- WEST POINT, MS	120 S DIVISION STREET	WEST POINT	MS	39773	CUSTOMER BAILMENT	\$ 2,054		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- YAZOO CITY, MS	941 CALHOUN AVE	YAZOO CITY	MS	39194	CUSTOMER BAILMENT	\$ 5,365		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS- BAKER, MT	HWY 7	BAKER	MT	59313	CUSTOMER BAILMENT	\$ 30,059		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS- BILLINGS, MT	401 S 23RD STREET	BILLINGS	MT	59103	CUSTOMER BAILMENT	\$ 47,276		MCJUNKIN RED MAN CORPORATION
EXXON CO USA MO1511-BILLINGS, MT	700 EXXON ROAD	BILLINGS	MT	59103	CUSTOMER BAILMENT	\$ 22,959		MCJUNKIN RED MAN CORPORATION
HAVRE PIPELINE- HAVRE, MT	CLEAR CREEK ROAD	HAVRE	MT	59501	CUSTOMER BAILMENT	\$ 33,921		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- BURLINGTON, NC	1116 RAINEY STREET	BURLINGTON	NC	27215	CUSTOMER BAILMENT	\$ 20,383		MCJUNKIN RED MAN CORPORATION
ELEMENTIS CHROMIUM- CASTLE HAYNE, NC	5408 HOLLY SHELTER ROAD	CASTLE HAYNE	NC	28429	CUSTOMER BAILMENT	\$ 2,522		MCJUNKIN RED MAN CORPORATION

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PIEDMONT NATURAL GAS- CHARLOTTE, NC	8700 MONROE ROAD	CHARLOTTE	NC	28212	CUSTOMER BAILMENT	\$ 11,785		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- CHARLOTTE, NC	11110 MT HOLLY- HUNTERS VILE	CHARLOTTE	NC	28214	CUSTOMER BAILMENT	\$ 12,131		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- ELIZABETH CITY, NC	105-B IMPACT BLVD	ELIZABETH CITY	NC	27919	CUSTOMER BAILMENT	\$ 16,115		MCJUNKIN RED MAN CORPORATION
DUPONT TEIJIN FILMS U S L P- FAYETTEVILLE, NC	3220 CEDAR CREEK RD	FAYETTEVILLE	NC	28302	CUSTOMER BAILMENT	\$ 8,502		MCJUNKIN RED MAN CORPORATION
DUPONT- FAYETTEVILLE, NC	22828 HWY 87 WEST	FAYETTEVILLE	NC	28306	CUSTOMER BAILMENT	\$ 30,827		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- FAYETTEVILLE, NC	1069 WILKES ROAD	FAYETTEVILLE	NC	28306	CUSTOMER BAILMENT	\$ 15,880		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- GREENSBORO, NC	2011 GREENGATE DRIVE	GREENSBORO	NC	27406	CUSTOMER BAILMENT	\$ 20,697		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- HICKORY, NC	1921 8TH AVENUE NW	HICKORY	NC	28601	CUSTOMER BAILMENT	\$ 20,576		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- HIGH POINT, NC	2623 UWHARRIE ROAD	HIGH POINT	NC	27263	CUSTOMER BAILMENT	\$ 20,620		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- MONROE, NC	5601 CANNON DRIVE	MONROE	NC	28110	CUSTOMER BAILMENT	\$ 20,109		MCJUNKIN RED MAN CORPORATION

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CLARIANT CORP- MOUNT HOLLY, NC	EAST CATAWBA AVENUE	MOUNT HOLLY	NC	28120	CUSTOMER BAILMENT	\$ 4,836		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- NEW BERN, NC	111 CORPORATE LANE	NEW BERN	NC	28560	CUSTOMER BAILMENT	\$ 16,093		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- REIDSVILLE, NC	825 WAY STREET	REIDSVILLE	NC	27323	CUSTOMER BAILMENT	\$ 20,448		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- ROCKINGHAM, NC	325 OLD CHARLOTTE HIGHWAY	ROCKINGHAM	NC	28379	CUSTOMER BAILMENT	\$ 19,565		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- SALISBURY, NC	324 EAST LIBERTY STREET	SALISBURY	NC	28144	CUSTOMER BAILMENT	\$ 20,630		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- SPRUCE PINE, NC	6781 US 19E HIGHWAY	SPRUCE PINE	NC	28777	CUSTOMER BAILMENT	\$ 20,234		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- TARBORO, NC	410 DOWD STREET	TARBORO	NC	27886	CUSTOMER BAILMENT	\$ 15,924		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- WILMINGTON, NC	1310 SOUTH 10TH STREET	WILMINGTON	NC	28401	CUSTOMER BAILMENT	\$ 16,237		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- WINSTON-SALEM, NC	2300 LOWERY STREET	WINSTON SALEM	NC	27101	CUSTOMER BAILMENT	\$ 20,749		MCJUNKIN RED MAN CORPORATION

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HESS CORP- CHARLSON, ND	10391 43RD ST NW	CHARLSON	ND	58763	SATELLITE	\$ 762,128		MCJUNKIN RED MAN CORPORATION
TIOGA, ND	10356 68TH ST NORTHWEST	TIOGA	ND	58852	FF	\$ 3,044,851		MCJUNKIN RED MAN CORPORATION
BLACK HILLS TRUCKING- WILLISTON, ND	1008 58TH ST W	WILLISTON	ND	58801	THIRD PARTY - OCTG	\$ 266,197		MCJUNKIN RED MAN CORPORATION
STALLION OILFIELD SERVICE- WILLISTON, ND	14070 49TH STREET NW	WILLISTON	ND	58801	THIRD PARTY - OCTG	\$ 4,232,559		MCJUNKIN RED MAN CORPORATION
TUBOSCOPE- WILLISTON, ND	N COUNTY ROAD 7	WILLISTON	ND	58801	THIRD PARTY - OCTG	\$ 2,365,784		MCJUNKIN RED MAN CORPORATION
CASTRONICS- KIMBALL, NE	EAST HIGHWAY 30	KIMBALL	NE	69145	THIRD PARTY - OCTG	\$ 402,378		MCJUNKIN RED MAN CORPORATION
CASTRONICS- KIMBALL, NE	E HWY 30	KIMBALL	NE	69145	THIRD PARTY - OCTG	\$ 274,346		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- PLATTSMOUTH, NE	203 WILES ROAD	PLATTSMOUTH	NE	68048	INTERNAL	\$ 104,303		MCJUNKIN RED MAN CORPORATION
NEW MEXICO GAS COMPANY- PLATTSMOUTH, NE	203 WILES ROAD	PLATTSMOUTH	NE	68048	INTERNAL	\$ 93,075		MCJUNKIN RED MAN CORPORATION
CHESAPEAKE- SIDNEY, NE	2321 INDUSTRIAL AVE	SIDNEY	NE	69162	THIRD PARTY - CS	\$ 733,084		MCJUNKIN RED MAN CORPORATION
COMMERCIAL RESINS-SIDNEY, NE	3232 RD 101 EAST BLDG 232	SIDNEY	NE	69162	THIRD PARTY - LINE PIPE	\$17,925,075		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- FLEMINGTON, NJ	60 EAST MAIN STREET	FLEMINGTON	NJ	08822	CUSTOMER BAILMENT	\$ 10,957		MCJUNKIN RED MAN CORPORATION
ELIZABETHTOWN GAS-FLEMINGTON, NJ	60 EAST MAIN STREET	FLEMINGTON	NJ	08822	CUSTOMER BAILMENT	\$ 938		MCJUNKIN RED MAN CORPORATION

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SOUTH JERSEY GAS- FRANKLINVILLE, NJ	3345 DELSEA DRIVE	FRANKLINVILLE	NJ	08332	CUSTOMER BAILMENT	\$ 12,193		MCJUNKIN RED MAN CORPORATION
	142 SOUTH MAIN				CUSTOMER			
SOUTH JERSEY GAS- GLASSBORO, NJ	STREET	GLASSBORO	NJ	08028	BAILMENT	\$ 48,960		MCJUNKIN RED MAN CORPORATION
SOUTH JERSEY GAS- MILLVILLE, NJ	1211 NORTH 2ND STREET	MILLVILLE	NJ	08332	CUSTOMER BAILMENT	\$ 55,589		MCJUNKIN RED MAN CORPORATION
	111 NORTH FRANKLIN				CUSTOMER			
SOUTH JERSEY GAS- PLEASANTVILLE, NJ	AVENUE	PLEASANTVILLE	NJ	08232	BAILMENT	\$ 57,444		MCJUNKIN RED MAN CORPORATION
	230 NEW NORTH				CUSTOMER			
SOUTH JERSEY GAS- PLEASANTVILLE, NJ	ROAD	PLEASANTVILLE	NJ	08232	BAILMENT	\$ 9,917		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- STEWARTSVILLE, NJ	148 EDISON ROAD	STEWARTSVILLE	NJ	08886	CUSTOMER BAILMENT	\$ 20,427		MCJUNKIN RED MAN CORPORATION
ELIZABETHTOWN GAS- STEWARTSVILLE, NJ	148 EDISON ROAD	STEWARTSVILLE	NJ	08886	CUSTOMER BAILMENT	\$ 2,511		MCJUNKIN RED MAN CORPORATION
SOUTH JERSEY GAS- SWAINTON, NJ	1708 RT 9 NORTH	SWAINTON	NJ	08210	CUSTOMER BAILMENT	\$ 66,042		MCJUNKIN RED MAN CORPORATION
SOUTH JERSEY GAS- SWAINTON, NJ	916 RT 9 NORTH	SWAINTON	NJ	08210	CUSTOMER BAILMENT	\$ 8,999		MCJUNKIN RED MAN CORPORATION

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ATLANTA GAS LIGHT-UNION, NJ	UTILITIES ROAD	UNION	NJ	07083	CUSTOMER BAILMENT	\$ 65,862		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-UNION, NJ	UTILITIES ROAD	UNION	NJ	07083	CUSTOMER BAILMENT	\$ 1,877		MCJUNKIN RED MAN CORPORATION
SOUTH JERSEY GAS-VINELAND, NJ	805 SHERIDAN AVE	VINELAND	NJ	08361	CUSTOMER BAILMENT	\$ 13,088		MCJUNKIN RED MAN CORPORATION
SOUTH JERSEY GAS-WATERFORD WORKS, NJ	305 CENTER AVENUE	WATERFORD WORKS	NJ	08089	CUSTOMER BAILMENT	\$ 2,357		MCJUNKIN RED MAN CORPORATION
AGAVE ENERGY- ARTESIA, NM	288 KINCAID RD	ARTESIA	NM	88210	CUSTOMER BAILMENT	\$ 7,391		MCJUNKIN RED MAN CORPORATION
CHEVRON-AZTEC, NM	332 RD 3100	AZTEC	NM	87410	CUSTOMER BAILMENT	\$ 13,608		MCJUNKIN RED MAN CORPORATION
ENERGEN RESOURCES CORP- AZTEC, NM	811 SOUTH MAIN ST	AZTEC	NM	87410	CUSTOMER BAILMENT	\$ 14,579		MCJUNKIN RED MAN CORPORATION
TUBO-INSP- FARMINGTON- AZTEC, NM	#30 ROAD 3351	AZTEC	NM	87410	THIRD PARTY - OCTG	\$ 224,155		MCJUNKIN RED MAN CORPORATION
WPX ENERGY- AZTEC, NM	721 S MAIN STREET	AZTEC	NM	87410	TRAILER CUSTOMER	\$ 19,250		MCJUNKIN RED MAN CORPORATION
WPX ENERGY- AZTEC, NM	721 S MAIN STREET	AZTEC	NM	87410	BAILMENT	\$ 3,964		MCJUNKIN RED MAN CORPORATION

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WPX ENERGY- AZTEC, NM	721 S MAIN STREET	AZTEC	NM	87410	TRAILER	\$ 27,694		MCJUNKIN RED MAN CORPORATION
WILLIAMS FIELD SERVICE- BLANCO, NM	MILE MARKER 100.5 HWY 64	BLANCO	NM	87412	CUSTOMER BAILMENT	\$ 0		MCJUNKIN RED MAN CORPORATION
WILLIAMS FIELD SERVICE- BLOOMFIELD, NM	#190 COUNTY ROAD 4980	BLOOMFIELD	NM	87413	CUSTOMER BAILMENT	\$ 40,614		MCJUNKIN RED MAN CORPORATION
WILLIAMS FIELD SERVICE- BLOOMFIELD, NM	#190 COUNTY ROAD 4980	BLOOMFIELD	NM	87413	CUSTOMER BAILMENT	\$ 6,219		MCJUNKIN RED MAN CORPORATION
EUNICE - MIDDLE PLANT-EUNICE, NM	STATE ROAD 176	EUNICE	NM	88231	CUSTOMER BAILMENT	\$ 14,725		MCJUNKIN RED MAN CORPORATION
TARGA RESOURCES- EUNICE, NM	3/4 MILE S OF TEXAS AVE & FOURTH ST	EUNICE	NM	88231	CUSTOMER BAILMENT	\$ 2,979		MCJUNKIN RED MAN CORPORATION
CHESAPEAKE OPERATING INC- HOBBS, NM	1616 WEST BENDER BLVD	HOBBS	NM	88240	CUSTOMER BAILMENT	\$ 49,152		MCJUNKIN RED MAN CORPORATION
MRM SATELLITE STORE-HOBBS, NM	1611 WEST MARLAND ST	HOBBS	NM	88240	SATELLITE	\$ 1,089,290		MCJUNKIN RED MAN CORPORATION
NAVAJO REFINING- LOVINGTON, NM	LOVINGTON HIGHWAY	LOVINGTON	NM	88260	CUSTOMER BAILMENT	\$ 6,122		MCJUNKIN RED MAN CORPORATION
TARGA RESOURCES- LOVINGTON, NM	LOVINGTON HIGHWAY	LOVINGTON	NM	88260	CUSTOMER BAILMENT	\$ 7,321		MCJUNKIN RED MAN CORPORATION

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TARGA RESOURCES- LOVINGTON, NM	LOVINGTON HIGHWAY	LOVINGTON	NM	88260	CUSTOMER BAILMENT	\$ 0		MCJUNKIN RED MAN CORPORATION
TARGA RESOURCES- MONUMENT, NM	MONUMENT HIGHWAY	MONUMENT	NM	88265	CUSTOMER BAILMENT	\$ 11,803		MCJUNKIN RED MAN CORPORATION
TALISMAN ENERGY-BIG FLATS, NY	60 HAMMOND STREET We no longer lease this property	BIG FLATS	NY	14814	TRAILER	\$ 31,162		MCJUNKIN RED MAN CORPORATION
MOMENTIVE PERFORMANCE- WATERFORD, NY	260 HUDSON RIVER ROAD	WATERFORD	NY	12188	CUSTOMER BAILMENT	\$ 70,635		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-ALLIANCE, OH	2225-1/2 UNION AVE	ALLIANCE	OH	44601	CUSTOMER BAILMENT	\$ 10,718		MCJUNKIN RED MAN CORPORATION
MILLENNIUM CHEMICALS- ASHTABULA, OH	2900 MIDDLE ROAD	ASHTABULA	OH	44004	CUSTOMER BAILMENT	\$ 51,365		MCJUNKIN RED MAN CORPORATION
MILLENNIUM- ASHTABULA, OH	2900 MIDDLE ROAD	ASHTABULA	OH	44004	FF	\$ 241,096		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-ATHENS, OH	19 BLUELINE DR	ATHENS	OH	45701	CUSTOMER BAILMENT	\$ 28,270		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-BELLAIRE, OH	5303 N GUEMSEY ST	BELLAIRE	OH	43906	CUSTOMER BAILMENT	\$ 31,923		MCJUNKIN RED MAN CORPORATION
KRATON POLYMERS- BELPRE, OH	RT. 50 WEST	BELPRE	OH	45714	CUSTOMER BAILMENT	\$ 14,035		MCJUNKIN RED MAN CORPORATION

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WESTERMAN CO- BREMEN, OH	245 N BROAD ST	BREMEN	OH	43107	THIRD PARTY - PBB	\$ 80,580		MCJUNKIN RED MAN CORPORATION
TMK IPSCO- BROOKFIELD, OH	6880 PARKWAY DRIVE	BROOKFIELD	OH	44403	THIRD PARTY - OCTG	\$ 4,130		MCJUNKIN RED MAN CORPORATION
VECTREN UTILITIES- BROOKVILLE, OH	354 CARR DR	BROOKVILLE	OH	45309	TRAILER	\$ 27,351		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-CAMBRIDGE, OH	98 STEUBENVILLE AVE	CAMBRIDGE	OH	43725	CUSTOMER BAILMENT	\$ 33,661		MCJUNKIN RED MAN CORPORATION
DANSCO MANUFACTURING- CANTON, OH	2149 MOORE AVENUE SE	CANTON	OH	44707	THIRD PARTY - OCTG	\$ 12,032		MCJUNKIN RED MAN CORPORATION
MARATHON PETROLEUM CO- CANTON, OH	3500 21ST STREET SW	CANTON	OH	44706	TRAILER	\$ 727		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-CHILLICOTHE, OH	843 PIATT AVE	CHILLICOTHE	OH	45601	CUSTOMER BAILMENT	\$ 20,272		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-CIRCLEVILLE, OH	150 EDISON AVE	CIRCLEVILLE	OH	43113	CUSTOMER BAILMENT	\$ 18,664		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-COLUMBUS, OH	3550 JOHNNY APPLESEED	COLUMBUS	OH	43231	CUSTOMER BAILMENT	\$ 71,772		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-COLUMBUS, OH	1440 MCNAUGHTEN RD	COLUMBUS	OH	43016	CUSTOMER BAILMENT	\$ 59,249		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-COSHOCTON, OH	515 N 3RD ST	COSHOCTON	OH	43812	CUSTOMER BAILMENT	\$ 34,961		MCJUNKIN RED MAN CORPORATION

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BENMIT DIVISION- DALTON, OH	14852 WEST LINCOLN ST	DALTON	OH	44618	THIRD PARTY - OCTG	\$ 5,657,898		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-EAST LIVERPOOL, OH	16181 ANNESLEY RD	EAST LIVERPOOL	OH	43920	CUSTOMER BAILMENT	\$ 22,880		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-FINDLAY, OH	1800 BROAD AVE	FINDLAY	OH	45840	CUSTOMER BAILMENT	\$ 36,376		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-FREMONT, OH	1525 PORT CLINTON RD	FREMONT	OH	43420	CUSTOMER BAILMENT	\$ 37,297		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH- GALLIPOLIS, OH	3628 JACKSON PK	GALLIPOLIS	OH	45631	CUSTOMER BAILMENT	\$ 16,339		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-GROVE CITY, OH	2650 LEWIS CENTER WAY	GROVE CITY	OH	43123	CUSTOMER BAILMENT	\$ 63,873		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-IRONTON, OH	215 N 7TH ST	IRONTON	OH	45638	CUSTOMER BAILMENT	\$ 24,747		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-JACKSON, OH	10581 CHILLICOTHE PARK	JACKSON	OH	45640	CUSTOMER BAILMENT	\$ 15,913		MCJUNKIN RED MAN CORPORATION
INEOS-LIMA, OH	FT AMANDA & ADGATE ROADS	LIMA	OH	45802	CUSTOMER BAILMENT	\$ 21,912		MCJUNKIN RED MAN CORPORATION

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INEOS-LIMA, OH	FT AMANDA & ADGATE ROADS	LIMA	OH	45802	CUSTOMER BAILMENT	\$ 5,276		MCJUNKIN RED MAN CORPORATION
PROCTOR&GAMBLE C/O HJ RUSSELL/FDI- CINCINNATI, OH	3875 RESERVOIR ROAD	LIMA	OH	45801	CUSTOMER BAILMENT	\$ 9,626		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-LORAIN, OH	3101 N RIDGE ROAD	LORAIN	OH	44055	CUSTOMER BAILMENT	\$ 86,735		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-MANSFIELD, OH	1021 N MAIN ST	MANSFIELD	OH	44906	CUSTOMER BAILMENT	\$ 47,424		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-MARION, OH	126 LEADER ST	MARION	OH	43302	CUSTOMER BAILMENT	\$ 43,630		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-MEDINA, OH	589 N STATE ROAD	MEDINA	OH	44256	CUSTOMER BAILMENT	\$ 14,101		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-MIDDLEBURG HEIGHTS, OH	7080 FRY ROAD	MIDDLEBURG HEIGHTS	OH	44130	CUSTOMER BAILMENT	\$ 86,428		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-MINERVA, OH	207 S MARKET STREET	MINERVA	OH	44657	CUSTOMER BAILMENT	\$ 43,919		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-MOUNT VERNON, OH	8484 COLUMBUS RD	MOUNT VERNON	OH	43050	CUSTOMER BAILMENT	\$ 38,696		MCJUNKIN RED MAN CORPORATION
CAMPBELL SOUP CO- NAPOLEON, OH	MAUMEE AVENUE	NAPOLEON	OH	43545	CUSTOMER BAILMENT	\$ 17,051		MCJUNKIN RED MAN CORPORATION

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COLUMBIA GAS OF OH-NEW LEXINGTON, OH	258 S MAPLE HEIGHTS	NEW LEXINGTON	OH	43764	CUSTOMER BAILMENT	\$ 17,240		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-NEWARK, OH	935 BUCKEYE AVE	NEWARK	OH	43055	CUSTOMER BAILMENT	\$ 37,294		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-NORTHWOOD, OH	6952 MCNEMEY RD	NORTHWOOD	OH	43619	CUSTOMER BAILMENT	\$ 44,271		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-NORWALK, OH	166 MILAN AVE	NORWALK	OH	44857	CUSTOMER BAILMENT	\$ 32,317		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-PLAIN CITY, OH	8101 CORPORATE BV #C	PLAIN CITY	OH	43064	CUSTOMER BAILMENT	\$ 59,298		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-PORTSMOUTH, OH	2313 17TH ST	PORTSMOUTH	OH	45662	CUSTOMER BAILMENT	\$ 24,401		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-SALEM, OH	273 BENTON ROAD	SALEM	OH	44460	CUSTOMER BAILMENT	\$ 41,974		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-SPRINGFIELD, OH	2101 W MAIN ST	SPRINGFIELD	OH	45504	CUSTOMER BAILMENT	\$ 44,512		MCJUNKIN RED MAN CORPORATION
AMKO SERVICE CO- STOW, OH	4704 HUDSON DRIVE	STOW	OH	44224	INTERNAL	\$ 297,381	Leased	MCJUNKIN RED MAN CORPORATION
LINCOLN MANUFACTURING OF OHIO- STRASBURG, OH	777 SOUTH WOOSTER AVENUE	STRASBURG	OH	44680	THIRD PARTY - OCTG	\$ 1,280		MCJUNKIN RED MAN CORPORATION

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COLUMBIA GAS TRANSMISSION- SUGAR GROVE, OH	301 MAPLE STREET	SUGAR GROVE	OH	43155	CUSTOMER BAILMENT	\$ 95,818		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS TRANSMISSION- SUGAR GROVE, OH	301 MAPLE STREET	SUGAR GROVE	OH	43155	CUSTOMER BAILMENT	\$ 94,046		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS- SUGAR GROVE, OH	6175 OLD LOGAN RD	SUGAR GROVE	OH	43155	CUSTOMER BAILMENT	\$ 6,954		MCJUNKIN RED MAN CORPORATION
VECTREN UTILITIES-TIPP CITY, OH	11990 PETERS PIKE	TIPP CITY	OH	45371	TRAILER	\$ 66,900		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-TOLEDO, OH	300 RYDER RD	TOLEDO	OH	43607	CUSTOMER BAILMENT	\$ 66,105		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-WINTERSVILLE, OH	300 LURAY DR	WINSTERVILLE	OH	43953	CUSTOMER BAILMENT	\$ 34,279		MCJUNKIN RED MAN CORPORATION
BUCKEYE SUPPLY- WOOSTER, OH	460 WEST HENRY STREET	WOOSTER	OH	44691	THIRD PARTY - OCTG	\$ 2,528,570		MCJUNKIN RED MAN CORPORATION
NORRIS SUCKER RODS-WOOSTER, OH	3745 TRIWAY LAND	WOOSTER	OH	44691	THIRD PARTY - PBB	\$ 72,010		MCJUNKIN RED MAN CORPORATION
PJ OPERATING CORP-WOOSTER, OH	426 SOUTH GRANT STREET	WOOSTER	OH	44691	THIRD PARTY - PBB	\$ 5,785		MCJUNKIN RED MAN CORPORATION
BUCKEYE SUPPLY- ZANESVILLE, OH	999 ZANE STREET	ZANESVILLE	OH	43701	THIRD PARTY - OCTG	\$ 102,214		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF OH-ZANESVILLE, OH	2429 N LINDEN AVE	ZANESVILLE	OH	43702	CUSTOMER BAILMENT	\$ 40,847		MCJUNKIN RED MAN CORPORATION

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GARRETT TRUCKING-AMBER, OK	1338 CR 1270 2300 SOUTH VETERANS	AMBER	OK	73004	THIRD PARTY	\$18,129,744		MCJUNKIN RED MAN CORPORATION
ATLAS ROOFING CORP-ARDMORE, OK	5610 BIRD CREEK AVENUE	ARDMORE	OK	73401	CUSTOMER BAILMENT	\$ 2,580		MCJUNKIN RED MAN CORPORATION
ERLANGER- CATOOSA, OK	5610 BIRD CREEK AVENUE	CATOOSA	OK	74015	THIRD PARTY - OCTG	\$ 1,464,473		MCJUNKIN RED MAN CORPORATION
ERLANGER- CATOOSA, OK	5610 BIRD CREEK AVENUE	CATOOSA	OK	74015	THIRD PARTY - OCTG	\$ 6,501		MCJUNKIN RED MAN CORPORATION
TURNER BROTHERS- EDMOND, OK	4725 NORTH BLVD	EDMOND	OK	73025	THIRD PARTY - OCTG	\$ 288,061		MCJUNKIN RED MAN CORPORATION
CHEVRON-GUYMON, OK	1109 SKELLY AVE	GUYMON	OK	73942	CUSTOMER BAILMENT	\$ 8,349		MCJUNKIN RED MAN CORPORATION
CONOCOPHILLIPS- GUYMON, OK	5221 PATRICIA BLVD	GUYMON	OK	73942	CUSTOMER BAILMENT	\$ 2,212		MCJUNKIN RED MAN CORPORATION
MARATHON OIL CO- MARLOW, OK	2201 S BROADWAY HWY 81	MARLOW	OK	73055	CUSTOMER BAILMENT	\$ 5,640		MCJUNKIN RED MAN CORPORATION
MEDFORD, OK	2500 S HWY 81	MEDFORD	OK	73759	FF	\$ 291,932		MCJUNKIN RED MAN CORPORATION
D C P MIDSTREAM- OKARCHE, OK	8644 EDMOND RD NE	OKARCHE	OK	73762	CUSTOMER BAILMENT	\$ 133,179		MCJUNKIN RED MAN CORPORATION

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TUBO-INSP- OKLAHOMA CITY, OK	1800 SE 44TH STREET	OKLAHOMA CITY	OK	73129	THIRD PARTY - OCTG	\$ 235,783		MCJUNKIN RED MAN CORPORATION
WASHITA VALLEY ENTERPRISES INC-OKLAHOMA CITY, OK	1702 S.E. 59TH STREET	OKLAHOMA CITY	OK	73129	THIRD PARTY - OCTG	\$ 205,826		MCJUNKIN RED MAN CORPORATION
CONOCO-PONCA CITY, OK	1000 S PINE	PONCA CITY	OK	74601	CUSTOMER BAILMENT	\$ 3,570		MCJUNKIN RED MAN CORPORATION
CONOCO-PONCA CITY, OK	1000 S PINE	PONCA CITY	OK	74601	CUSTOMER BAILMENT	\$ 6,302		MCJUNKIN RED MAN CORPORATION
CONOCO-PONCA CITY, OK	1000 S PINE	PONCA CITY	OK	74601	CUSTOMER BAILMENT	\$ 3,606		MCJUNKIN RED MAN CORPORATION
CONOCO-PONCA CITY, OK	1000 S PINE	PONCA CITY	OK	74601	CUSTOMER BAILMENT	\$ 5,365		MCJUNKIN RED MAN CORPORATION
CONOCO-PONCA CITY, OK	1000 S PINE	PONCA CITY	OK	74601	CUSTOMER BAILMENT	\$ 4,342		MCJUNKIN RED MAN CORPORATION
MULTI-CHEM GROUP LLC- QUINTON, OK	1427 WEST MAIN STREET	QUINTON	OK	74561	CUSTOMER BAILMENT	\$ 9,557		MCJUNKIN RED MAN CORPORATION
RANGE RESOURCES CORP-TONKAWA, OK	303 THUNDERBIRD ROAD	TONKAWA	OK	74653	TRAILER	\$ 14,447		MCJUNKIN RED MAN CORPORATION
CHESAPEAKE- WOODWARD, OK	2421 WESTERN AVENUE	WOODWARD	OK	73801	THIRD PARTY - CS	\$ 116,168		MCJUNKIN RED MAN CORPORATION
PETROLEUM SERVICE- WOODWARD, OK	2421 WESTERN AVE	WOODWARD	OK	73801	THIRD PARTY	\$10,862,435		MCJUNKIN RED MAN CORPORATION

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COLUMBIA GAS OF PA-BEAV FALLS, PA	338 CONCORD CHURCH ROAD	BEAVER FALLS	PA	15010	CUSTOMER BAILMENT	\$ 65,076		MCJUNKIN RED MAN CORPORATION
SENECA RESOURCES- BROOKVILLE, PA	51 ZENTS BLVD	BROOKVILLE	PA	15825	CUSTOMER BAILMENT	\$ 54,727		MCJUNKIN RED MAN CORPORATION
TUBOSCOPE- DARLINGTON, PA	128 CANNELTON ROAD	DARLINGTON	PA	16115	THIRD PARTY - OCTG	\$ 233,303		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-DUBOIS, PA	805 LIBERTY BLVD	DUBOIS	PA	15801	CUSTOMER BAILMENT	\$ 9,382		MCJUNKIN RED MAN CORPORATION
FORT WORTH PIPE SERVICES, LP-DUBOIS, PA	650 RAIL TERMINAL DRIVE	DUBOIS	PA	15801	THIRD PARTY - OCTG	\$ 11,562,651		MCJUNKIN RED MAN CORPORATION
DURA-BOND COATING INC- EXPORT, PA	2658 PUCKETY DRIVE	EXPORT	PA	15632	THIRD PARTY - LINE PIPE	\$ 452,044		MCJUNKIN RED MAN CORPORATION
PANHANDLE OILFIELD SERVICES- JERSEY SHORE, PA	70 MARYLAND AVENUE	JERSEY SHORE	PA	17740	THIRD PARTY - PBB	\$ 7,296,539		MCJUNKIN RED MAN CORPORATION
PENNSYLVANIA GENERAL ENERGY- MARIENVILLE, PA	ROUTE 66 NORTH	MARIENVILLE	PA	16239	CUSTOMER BAILMENT	\$ 162,720		MCJUNKIN RED MAN CORPORATION
PENNSYLVANIA GENERAL ENERGY- MARIENVILLE, PA	ROUTE 66 NORTH	MARIENVILLE	PA	16239	CUSTOMER BAILMENT	\$ 44,044		MCJUNKIN RED MAN CORPORATION
DURA BOND- MCKEESPORT, PA	3200 YOUGHIOGHENY RIVER RD	MCKEESPORT	PA	15134	THIRD PARTY - LINE PIPE	\$ 767,360		MCJUNKIN RED MAN CORPORATION
DURA BOND- MCKEESPORT, PA	3200 YOUGHIOGHENY RIVER RD	MCKEESPORT	PA	15134	THIRD PARTY - LINE PIPE	\$ 526,007		MCJUNKIN RED MAN CORPORATION

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DURA-BOND COATING INC- MCKEESPORT, PA	3200 YOUGHIOGHENY RIVER RD	MCKEESPORT	PA	15134	THIRD PARTY - LINE PIPE	\$ 19,158,456		MCJUNKIN RED MAN CORPORATION
K & B MACHINE- MONTTOURSVILLE, PA	146 S LOYALSOCK AVE	MONTTOURSVILLE	PA	17754	THIRD PARTY - OCTG	\$ 170,032		MCJUNKIN RED MAN CORPORATION
CABOT OIL & GAS-MONTROSE, PA	STATE ROUTE 29, RR 6 BOX 6100	MONTROSE	PA	18801	CUSTOMER BAILMENT	\$ 271,658		MCJUNKIN RED MAN CORPORATION
LIBERTY COATING COMPANY- MORRISVILLE, PA	21 S STEEL ROAD	MORRISVILLE	PA	19067	THIRD PARTY - LINE PIPE	\$ 445,199		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF PA- PERRYOPOLIS, PA	3488 PITTSBURGH STREET	PERRYOPOLIS	PA	15473	CUSTOMER BAILMENT	\$ 44,997		MCJUNKIN RED MAN CORPORATION
INDSPEC CHEMICAL CORP- PETROLIA, PA	133 MAIN STREET	PETROLIA	PA	16050	CUSTOMER BAILMENT	\$ 44,929		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF PA- PITTSBURGH, PA	660 HORNING ROAD	PITTSBURGH	PA	15236	CUSTOMER BAILMENT	\$ 47,241		MCJUNKIN RED MAN CORPORATION
PENNSYLVANIA GENERAL ENERGY-PORT ALLEGANY, PA	3448 RT 155N	PORT ALLEGANY	PA	16743	CUSTOMER BAILMENT	\$ 611,948		MCJUNKIN RED MAN CORPORATION
CNX GAS-RICES LANDING, PA	253 RIVER ROAD	RICES LANDING	PA	15357	THIRD PARTY - PBB	\$ 11,112		MCJUNKIN RED MAN CORPORATION
FORT WORTH PIPE SERVICES-SAYRE, PA	60 DOMINIC PACE	SAYRE	PA	18840	THIRD PARTY - OCTG	\$ 15,499,187		MCJUNKIN RED MAN CORPORATION
WILLIAMS FIELD SERVICE- SPRINGVILLE, PA	4685 STATE ROUTE 29	SPRINGVILLE	PA	18844	TRAILER	\$ 31,276		MCJUNKIN RED MAN CORPORATION

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DURA BOND- STEELTON, PA	2716 SOUTH FRONT STREET	STEELTON	PA	17113	THIRD PARTY - LINE PIPE	\$ 110,527		MCJUNKIN RED MAN CORPORATION
ALBEMARLE- TYRONE, PA	2 ADAMS AVE	TYRONE	PA	16686	CUSTOMER BAILMENT	\$ 60,856		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF PA- WASHINGTON, PA	850 WILMINGTON ROAD	WASHINGTON	PA	15301	CUSTOMER BAILMENT	\$ 66,911		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS- WAYNESBURG, PA	ROUTE 21 W	WAYNEBURG	PA	15370	CUSTOMER BAILMENT	\$ 2,349		MCJUNKIN RED MAN CORPORATION
YOURGA TRUCKING INC- WHEATLAND, PA	145 JOHN H YOURGA PLACE	WHEATLAND	PA	16161	THIRD PARTY - OCTG	\$ 200,514		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF PA-YORK, PA	629 LOUCKS MILL ROAD	YORK	PA	17403	CUSTOMER BAILMENT	\$ 68,665		MCJUNKIN RED MAN CORPORATION
COLUMBIA GAS OF PA-YORK, PA	701 N SHERMAN STREET	YORK	PA	17402	CUSTOMER BAILMENT	\$ 69,383		MCJUNKIN RED MAN CORPORATION
CHESAPEAKE- MCKEESPORT, PA	3200 YOUGHIOGHENY RIVER RD	MCKEESPORT	PS	15134	THIRD PARTY - CS	\$ 3,498,932		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- ANDERSON, SC	1325 GEORGE ALBERT LAKE RD	ANDERSON	SC	29624	CUSTOMER BAILMENT	\$ 20,652		MCJUNKIN RED MAN CORPORATION
CELANESE EMULSIONS- ENOREE, SC	14355 HWY 221	ENOREE	SC	29335	CUSTOMER BAILMENT	\$ 7,604		MCJUNKIN RED MAN CORPORATION

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PIEDMONT NATURAL GAS- GREENVILLE, SC	100 WOODRUFF INDUSTRIAL LN	GREENVILLE	SC	29601	CUSTOMER BAILMENT	\$ 20,910		MCJUNKIN RED MAN CORPORATION
SOLUTIA- GREENWOOD, SC	HIGHWAY 246	GREENWOOD	SC	29646	CUSTOMER BAILMENT	\$ 7,280		MCJUNKIN RED MAN CORPORATION
ALBEMARLE- ORANGEBURG, SC	CANNON ROAD	ORANGEBURG	SC	29115	CUSTOMER BAILMENT	\$ 235,878		MCJUNKIN RED MAN CORPORATION
PIEDMONT NATURAL GAS- SPARTANBURG, SC	501 WEST BLACKSTOCK ROAD	SPARTANBURG	SC	29301	CUSTOMER BAILMENT	\$ 20,418		MCJUNKIN RED MAN CORPORATION
BP AMOCO- WANDO, SC	1306 AMOCO DRIVE HWY 98	WANDO	SC	29492	CUSTOMER BAILMENT	\$ 142,930		MCJUNKIN RED MAN CORPORATION
CONOCOPHILLIPS- ALSASK, SK	6-1-28-28W3 BOX 1468, 402 - 9	ALSASK	SK	S0L0A0	CUSTOMER BAILMENT	\$ 0		MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-CARLYLE, SK	SERVICE ROAD	CARLYLE	SK	S0C0R0	FF	\$ 1,284,881		MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC-KINDERSLEY, SK	1301 - 11 AVE	KINDERSLEY	SK	S0L1S0	FF	\$ 764,215		MIDFIELD SUPPLY ULC
B&R ECKLES - LLOYDMINSTER- LLOYDMINSTER, SK	HWY 16 EAST 3KM EAST OF LLOYDMINSTER	LLOYDMINSTER	SK	S9V2B3	THIRD PARTY - PBB	\$ 767,599		MIDFIELD SUPPLY ULC
B&R ECKLES- LLOYDMINSTER, SK	HWY 16 EAST, 3KM EAST OF LLOYDMINSTER	LLOYDMINSTER	SK	S9V2B3	THIRD PARTY - OCTG	\$ 520,574		MIDFIELD SUPPLY ULC
FLINT OILFIELD HAULING - LLOYDMINSTER- LLOYDMINSTER, SK	BOX 1829	LLOYDMINSTER	SK	S9V1N4	THIRD PARTY - OCTG	\$ 983,405		MIDFIELD SUPPLY ULC

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HUSKY ENERGY- LLOYDMINSTER, SK	UPGRADER ROAD	LLOYDMINSTER	SK	S9V1M6	CUSTOMER BAILMENT	\$ 15,110		MIDFIELD SUPPLY ULC
CNRL LLOYDMINSTER- LONE ROCK, SK	13-11-47-27W3	LONE ROCK	SK	S0M1K0	CUSTOMER BAILMENT	\$ 28,326		MIDFIELD SUPPLY ULC
MIDFIELD SUPPLY, ULC- MAIDSTONE, SK	BOX 239	MAIDSTONE	SK	S0M1M0	FF	\$ 685,635	Leased	MIDFIELD SUPPLY ULC
FLINT OILFIELD HAULING - SWIFT CURRENT-SWIFT CURRENT, SK	3297 N SERVICE ROAD WEST	SWIFT CURRENT	SK	S9H4G5	THIRD PARTY - PBB	\$ 489,543		MIDFIELD SUPPLY ULC
APACHE WEYBURN- WEYBURN, SK	BOX 2005	WEYBURN	SK	S4H3M8	CUSTOMER BAILMENT	\$ 65,442		MIDFIELD SUPPLY ULC
BOWATER CALHOUN- CALHOUN, TN	HIGHWAY 11	CALHOUN	TN	37309	CUSTOMER BAILMENT	\$ 30,314		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- CHATTANOOGA, TN	2207 OLAN MILL DRIVE	CHATTANOOGA	TN	37421	CUSTOMER BAILMENT	\$ 27,400		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- CHATTANOOGA, TN	2207 OLAN MILLS DRIVE	CHATTANOOGA	TN	37421	CUSTOMER BAILMENT	\$ 3,019		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- COLUMBIA, TN	127 2ND NASHVILLE HIGHWAY	COLUMBIA	TN	38401	CUSTOMER BAILMENT	\$ 46,064		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- FRANKLIN, TN	AVENUE NORTH	FRANKLIN	TN	37064	CUSTOMER BAILMENT	\$ 48,915		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- FRANKLIN, TN	200 NOAH DRIVE	FRANKLIN	TN	37064	CUSTOMER BAILMENT	\$ 2,357		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- GREENVILLE, TN	1221 SNAPPS FERRY ROAD	GREENVILLE	TN	37744	CUSTOMER BAILMENT	\$ 13,672		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- JOHNSON CITY, TN	2833 WEST MARKET STREET	JOHNSON CITY	TN	37604	CUSTOMER BAILMENT	\$ 48,206		MCJUNKIN RED MAN CORPORATION
B A E ORDNANCE SYSTEMS- KINGSPORT, TN	1037 TIDEWATER COURT	KINGSPORT	TN	37660	INTERNAL	\$ 48,709		MCJUNKIN RED MAN CORPORATION
SPECTRA ENERGY- KINGSPORT, TN	1037 TIDEWATER CT	KINGSPORT	TN	37660	CUSTOMER BAILMENT	\$ 10,086		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MARYVILLE, TN	1639 ROBERT C JACKSON DR	MARYVILLE	TN	37802	CUSTOMER BAILMENT	\$ 43,709		MCJUNKIN RED MAN CORPORATION
VALERO REFINING CO-MEMPHIS, TN	546 W MALLORY AVE	MEMPHIS	TN	38109	CUSTOMER BAILMENT	\$ 29,943		MCJUNKIN RED MAN CORPORATION
VALERO- MEMPHIS, TN	360 WEST MALLORY	MEMPHIS	TN	38103	CUSTOMER BAILMENT	\$ 24,091		MCJUNKIN RED MAN CORPORATION
VALERO- MEMPHIS, TN	360 WEST MALLORY	MEMPHIS	TN	38103	CUSTOMER BAILMENT	\$ 17,699		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MORRISTOWN, TN	1335 W ANDREW JOHNSON WAY	MORRISTOWN	TN	37814	CUSTOMER BAILMENT	\$ 27,381		MCJUNKIN RED MAN CORPORATION

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PRECISION BOILER LLC-MORRISTOWN, TN	5727 SUPERIOR DR	MORRISTOWN	TN	37814	CUSTOMER BAILMENT	\$ 8,618		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MURFREESBORO, TN	334 W LOKEY AVENUE	MURFREESBORO	TN	37130	CUSTOMER BAILMENT	\$ 61,403		MCJUNKIN RED MAN CORPORATION
E I DUPONT DE NEMOURS & CO INC-NEW JOHNSONVILLE, TN	ONE DUPONT ROAD	NEW JOHNSONVILLE	TN	37134	CUSTOMER BAILMENT	\$ 187,708		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- SHELBYVILLE, TN	321 LANE PARKWAY	SHELBYVILLE	TN	37160	CUSTOMER BAILMENT	\$ 17,008		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- UNION CITY, TN	1504 SOUTH FIRST STREET	UNION CITY	TN	38261	CUSTOMER BAILMENT	\$ 17,862		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- ABILENE, TX	1449 SOUTH TREADWAY	ABILENE	TX	79602	CUSTOMER BAILMENT	\$ 95,408		MCJUNKIN RED MAN CORPORATION
INEOS-ALVIN, TX	2 MI S OF FM2917 ON FM2004	ALVIN	TX	77512	CUSTOMER BAILMENT	\$ 42,489		MCJUNKIN RED MAN CORPORATION
INEOS-ALVIN, TX	FM 2004 SOUTH	ALVIN	TX	77511	CUSTOMER BAILMENT	\$ 2,521		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- AMARILLO, TX	306 N GRAND ST	AMARILLO	TX	79107	CUSTOMER BAILMENT	\$ 85,035		MCJUNKIN RED MAN CORPORATION

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CHEVRON- ANDREWS, TX	9830 SW 4400 9830 SW 4400	ANDREWS	TX	79714	CUSTOMER BAILMENT	\$ 56,802		MCJUNKIN RED MAN CORPORATION
CHEVRON- ANDREWS, TX	ANDREWS CNTY	ANDREWS	TX	79714	CUSTOMER BAILMENT	\$ 26,354		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- ARLINGTON, TX	106 STADIUM DR	ARLINGTON	TX	76010	CUSTOMER BAILMENT	\$ 142,649		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION-ATHENS, TX	6466 ST HWY 19 S	ATHENS	TX	75751	CUSTOMER BAILMENT	\$ 29,084		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION-ATHENS, TX	9350 CR 1205	ATHENS	TX	75751	CUSTOMER BAILMENT	\$ 7,951		MCJUNKIN RED MAN CORPORATION
CELANESE-BAY CITY, TX	FM 3057	BAY CITY	TX	77414	CUSTOMER BAILMENT	\$ 3,350		MCJUNKIN RED MAN CORPORATION
CHEVRON- BAYTOWN, TX	9500 I-10 EAST	BAYTOWN	TX	77521	CUSTOMER BAILMENT	\$ 9,756		MCJUNKIN RED MAN CORPORATION
CHEVRON- BAYTOWN, TX	9500 I-10 EAST	BAYTOWN	TX	77521	CUSTOMER BAILMENT	\$ 6,623		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL BAYTOWN CHEMICAL- BAYTOWN, TX	3525 DECKER DRIVE	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 0		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL BAYTOWN OLEFINS PLANT- BAYTOWN, TX	3525 DECKER DRIVE	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 14,397		MCJUNKIN RED MAN CORPORATION

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EXXONMOBIL BAYTOWN OLEFINS PLANT- BAYTOWN, TX	3525 DECKER DRIVE	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 9,635		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL BAYTOWN OLEFINS PLANT- BAYTOWN, TX	3525 DECKER DRIVE	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 5,998		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL BAYTOWN OLEFINS PLANT- BAYTOWN, TX	3525 DECKER DRIVE	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 5,454		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL BAYTOWN OLEFINS PLANT- BAYTOWN, TX	3525 DECKER DRIVE	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 3,657		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL BAYTOWN OLEFINS PLANT- BAYTOWN, TX	3525 DECKER DRIVE	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 3,647		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL- BAYTOWN, TX	SAN JACINTO AND RAILROAD	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 35,865		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL- BAYTOWN, TX	SAN JACINTO AND RAILROAD	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 11,945		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL- BAYTOWN, TX	SAN JACINTO AND RAILROAD	BAYTOWN	TX	77520	CUSTOMER BAILMENT	\$ 44,179		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- BEDFORD, TX	2000 RELIANCE PKWY	BEDFORD	TX	76201	CUSTOMER BAILMENT	\$ 105,582		MCJUNKIN RED MAN CORPORATION

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CHEVRON-BIG LAKE, TX	1505 NORTH STATE HWY 137	BIG LAKE	TX	76932	CUSTOMER BAILMENT	\$ 50,992		MCJUNKIN RED MAN CORPORATION
ALON-BIG SPRINGS, TX	I-20 EAST AT REFINERY ROAD	BIG SPRING	TX	79721	CUSTOMER BAILMENT	\$ 87,195		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- BIG SPRING, TX	2002 E FM 700	BIG SPRING	TX	79720	CUSTOMER BAILMENT	\$ 19,211		MCJUNKIN RED MAN CORPORATION
CELANESE- BISHOP, TX	HWY 77 SOUTH 2 MILES	BISHOP	TX	78343	CUSTOMER BAILMENT	\$ 13,329		MCJUNKIN RED MAN CORPORATION
CHEVRON PHILLIPS CHEMICAL- BORGER, TX	SPUR 119 EAST	BORGER	TX	79007	CUSTOMER BAILMENT	\$ 8,812		MCJUNKIN RED MAN CORPORATION
D C P MIDSTREAM- BORGER, TX	9101 HWY 136	BORGER	TX	79007	CUSTOMER BAILMENT	\$ 33,707		MCJUNKIN RED MAN CORPORATION
WRB REFINING LLC-BORGER, TX	SPUR 119 N & WHITTENBURG	BORGER	TX	79007	CUSTOMER BAILMENT	\$ 1,237		MCJUNKIN RED MAN CORPORATION
WRB REFINING LLC-BORGER, TX	SPRU 19 N AND WHITTENBURG	BORGER	TX	79007	CUSTOMER BAILMENT	\$ 5,131		MCJUNKIN RED MAN CORPORATION
WRB REFINING LLC-BORGER, TX	SPRU 19 N AND WHITTENBURG	BORGER	TX	79007	CUSTOMER BAILMENT	\$ 12,454		MCJUNKIN RED MAN CORPORATION
WRB REFINING LLC-BORGER, TX	SPRU 19 N AND WHITTENBURG	BORGER	TX	79007	CUSTOMER BAILMENT	\$ 4,876		MCJUNKIN RED MAN CORPORATION

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WRB REFINING LLC-BORGER, TX ATMOS ENERGY MID-TEX DIVISION-BOWIE, TX	SPRU 19 N AND WHITTENBURG	BORGER	TX	79007	CUSTOMER BAILMENT	\$ 4,237		MCJUNKIN RED MAN CORPORATION
EOG RESOURCES- BOWIE, TX ATMOS ENERGY MID-TEX DIVISION-BOYD, TX	101 ELBA 252 JERRY WALKER ROAD	BOWIE	TX	76230	CUSTOMER BAILMENT	\$ 4,183		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION-BOYD, TX	142 NORTH FM 730	BOYD	TX	76023	CUSTOMER BAILMENT	\$ 73,651		MCJUNKIN RED MAN CORPORATION
DEVON GAS SERVICES- BRIDGEPORT, TX ATMOS ENERGY- BROWNFIELD, TX	415 CR 3502 217 W HILL	BRIDGEPORT	TX	76426	CUSTOMER BAILMENT	\$ 16,622		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- BROWNWOOD, TX	4304 DANHIL DRIVE	BROWNWOOD	TX	76801	CUSTOMER BAILMENT	\$ 41,312		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- BRYAN, TX ATMOS ENERGY MID-TEX DIVISION- BRYAN, TX	297 N EARL RUDDER FWY 297 N EARL RUDDER FWY	BRYAN	TX	77802	CUSTOMER BAILMENT	\$ 22,649		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- BURNET, TX	3100 S WATER STREET	BURNET	TX	78611	CUSTOMER BAILMENT	\$ 102,200		MCJUNKIN RED MAN CORPORATION
						\$ 20,337		MCJUNKIN RED MAN CORPORATION

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SUPERIOR PIPELINE- CANADIAN, TX	15042 FM 3044	CANADIAN	TX	79014	CUSTOMER BAILMENT	\$ 15,464		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID- TEX DIVISION- CARROLLTON, TX	1400 EAST PATTON PLACE	CARROLLTON	TX	75007	CUSTOMER BAILMENT	\$ 119,865		MCJUNKIN RED MAN CORPORATION
CHESAPEAKE- CHANNELVIEW, TX	400 S SHELDON RD	CHANNELVIEW	TX	77530	THIRD PARTY - CS	\$12,274,164		MCJUNKIN RED MAN CORPORATION
LABARGE COATING- CHANNELVIEW, TX	400 SOUTH SHELDON ROAD	CHANNELVIEW	TX	77530	THIRD PARTY - LINE PIPE	\$42,134,818		MCJUNKIN RED MAN CORPORATION
LYONDELL CHEMICAL- CHANNELVIEW, TX	2502 SHELDON ROAD	CHANNELVIEW	TX	77530	CUSTOMER BAILMENT	\$ 2,293		MCJUNKIN RED MAN CORPORATION
PATTERSON TRUCKING- CHANNELVIEW, TX	539 S SHELDON RD	CHANNELVIEW	TX	77530	THIRD PARTY - OCTG	\$ 0		MCJUNKIN RED MAN CORPORATION
PATTERSON- CHANNELVIEW, TX	539 SHELDON ROAD	CHANNELVIEW	TX	77530	THIRD PARTY - OCTG	\$ 0		MCJUNKIN RED MAN CORPORATION
MEASUREMENTATION INC-COLDSRING, TX	PETROLEUM ROAD	COLDSRING	TX	77331	CUSTOMER BAILMENT	\$ 6,801		MCJUNKIN RED MAN CORPORATION
CITGO REFINING- CORPUS CHRISTI, TX	6743 UP RIVER ROAD	CORPUS CHRISTI	TX	78409	CUSTOMER BAILMENT	\$ 3,530		MCJUNKIN RED MAN CORPORATION
CITGO REFINING- CORPUS CHRISTI, TX	6743 UP RIVER ROAD	CORPUS CHRISTI	TX	78409	CUSTOMER BAILMENT	\$ 3,294		MCJUNKIN RED MAN CORPORATION

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CITGO REFINING- CORPUS CHRISTI, TX	3500 BUDDY LAWRENCE	CORPUS CHRISTI	TX	78469	CUSTOMER BAILMENT	\$ 4,772		MCJUNKIN RED MAN CORPORATION
CITGO REFINING- CORPUS CHRISTI, TX	3500 BUDDY LAWRENCE	CORPUS CHRISTI	TX	78469	CUSTOMER BAILMENT	\$ 5,916		MCJUNKIN RED MAN CORPORATION
CITGO REFINING- CORPUS CHRISTI, TX	3500 BUDDY LAWRENCE	CORPUS CHRISTI	TX	78469	CUSTOMER BAILMENT	\$ 4,904		MCJUNKIN RED MAN CORPORATION
CITGO REFINING- CORPUS CHRISTI, TX	3500 BUDDY LAWRENCE	CORPUS CHRISTI	TX	78469	CUSTOMER BAILMENT	\$ 6,239		MCJUNKIN RED MAN CORPORATION
EQUISTAR- CORPUS CHRISTI, TX	1501 MCKENZIE RD AT HWY 44	CORPUS CHRISTI	TX	78410	CUSTOMER BAILMENT	\$ 1,152		MCJUNKIN RED MAN CORPORATION
HIGH YIELD— CORPUS CHRISTI- CORPUS CHRISTI, TX	1901 N CLARKWOOD BLDG 216	CORPUS CHRISTI	TX	78409	SATELLITE	\$ 85,508	Leased	MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- CORNICANA, TX	2340 S BUSINESS 45	CORSICANA	TX	75110	CUSTOMER BAILMENT	\$ 49,164		MCJUNKIN RED MAN CORPORATION
FORT WORTH PIPE SERVICES LP-CRESSON, TX	2250 N CRESSON HWY	CRESSON	TX	76035	THIRD PARTY - OCTG	\$ 85,232		MCJUNKIN RED MAN CORPORATION
BHM PIPE & SUPPLY CO- CROSBY, TX	11615 FM ROAD 2100	CROSBY	TX	77532	THIRD PARTY	\$ 401,646		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- DALLAS, TX	2601 LOGAN ST	DALLAS	TX	75215	CUSTOMER BAILMENT	\$ 296,099		MCJUNKIN RED MAN CORPORATION

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ROHM & HAAS- DEER PARK, TX	1900 TIDAL ROAD	DEER PARK	TX	77536	CUSTOMER BAILMENT	\$ 9,118		MCJUNKIN RED MAN CORPORATION
ROHM & HAAS- DEER PARK, TX	1900 TIDAL ROAD	DEER PARK	TX	77536	CUSTOMER BAILMENT	\$ 8,547		MCJUNKIN RED MAN CORPORATION
ROHM & HAAS- DEER PARK, TX	1900 TIDAL ROAD	DEER PARK	TX	77536	CUSTOMER BAILMENT	\$ 6,304		MCJUNKIN RED MAN CORPORATION
ROHM & HAAS- DEER PARK, TX	1900 TIDAL ROAD	DEER PARK	TX	77536	CUSTOMER BAILMENT	\$ 2,402		MCJUNKIN RED MAN CORPORATION
ROHM&HAAS- DEER PARK, TX	1900 TIDAL RD	DEER PARK	TX	77536	CUSTOMER BAILMENT	\$ 0		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- DENTON, TX	106 N BRADSHAW STREET	DENTON	TX	76205	CUSTOMER BAILMENT	\$ 21,007		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- DENTON, TX	106 N BRADSHAW STREET	DENTON	TX	76205	CUSTOMER BAILMENT	\$ 75,065		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- DESOTO, TX	917 E CENTRE PARK BLVD	DESOTO	TX	75115	CUSTOMER BAILMENT	\$ 58,201		MCJUNKIN RED MAN CORPORATION
MOCKINGBIRD MIDSTREAM GAS SERVICES-DILLEY, TX	16640 IH 35 SOUTH	DILLEY	TX	78017	CUSTOMER BAILMENT	\$ 15,182		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- EASTLAND, TX	240 HWY 3101	EASTLAND	TX	76448	CUSTOMER BAILMENT	\$ 26,706		MCJUNKIN RED MAN CORPORATION

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CONOCO PHILLIPS- FORSAN, TX	14 MILE S BIG SPRINGS TX ON HWY 87	FORSAN	TX	79733	CUSTOMER BAILMENT	\$ 13,380		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION-FORT WORTH, TX	100 W MORNINGSIDE DRIVE	FORT WORTH	TX	76102	CUSTOMER BAILMENT	\$ 46,983		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION-FORT WORTH, TX	4580 BLUE MOUND ROAD	FORT WORTH	TX	76106	CUSTOMER BAILMENT	\$ 48,786		MCJUNKIN RED MAN CORPORATION
TREND GATHERING AND TREATING- FRANKLIN, TX	9771 FM 979 EAST (REAR)	FRANKLIN	TX	77856	CUSTOMER BAILMENT	\$ 21,668		MCJUNKIN RED MAN CORPORATION
FREER IRON WORKS-FREER, TX	202 NORTH NORTON	FREER	TX	78357	THIRD PARTY - PBB	\$ 34,460		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION-FORT WORTH, TX	100 W MORNINGSIDE DRIVE	FT WORTH	TX	76102	CUSTOMER BAILMENT	\$ 219,578		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- GAINESVILLE, TX	2601 W HWY 82	GAINESVILLE	TX	76240	CUSTOMER BAILMENT	\$ 29,683		MCJUNKIN RED MAN CORPORATION
TARGA RESOURCES- GALENA PARK, TX	12807 AMERICAN PETROLUM RD	GALENA PARK	TX	77547	CUSTOMER BAILMENT	\$ 4,399		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- GARLAND, TX	1310 HWY 66	GARLAND	TX	75040	CUSTOMER BAILMENT	\$ 20,342		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- GARLAND, TX	1310 HWY 66	GARLAND	TX	75040	CUSTOMER BAILMENT	\$ 127,691		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY MID-TEX DIVISION- GATESVILLE, TX	407 N HWY 36, SUITE 6	GATESVILLE	TX	76528	CUSTOMER BAILMENT	\$ 19,387		MCJUNKIN RED MAN CORPORATION
ENERGY TRANSFER- GIDDINGS, TX	3945 EAST AUSTIN	GIDDINGS	TX	78942	CUSTOMER BAILMENT	\$ 30,214		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS- GOLDSMITH, TX	302 PLANT ROAD	GOLDSMITH	TX	79741	CUSTOMER BAILMENT	\$ 153,479		MCJUNKIN RED MAN CORPORATION
D C P MIDSTREAM- GOLDSMITH, TX	HWY 158	GOLDSMITH	TX	79741	CUSTOMER BAILMENT	\$ 7,117		MCJUNKIN RED MAN CORPORATION
D C P MIDSTREAM- GRANBURY, TX	6610 LIPAN HWY	GRANBURY	TX	76048	CUSTOMER BAILMENT	\$ 6,569		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- GREENVILLE, TX	7909 TRADERS CIRCLE	GREENVILLE	TX	75402	CUSTOMER BAILMENT	\$ 49,623		MCJUNKIN RED MAN CORPORATION
DUPONT- GREGORY, TX	HWY 361	GREGORY	TX	78359	CUSTOMER BAILMENT	\$ 63,821		MCJUNKIN RED MAN CORPORATION
OCCIDENTAL CHEMICAL- GREGORY, TX	87 INGLESIDE PLANT HWY 361	GREGORY	TX	78359	CUSTOMER BAILMENT	\$ 37,925		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- GROESBECK, TX	1774 N HWY 14	GROESBECK	TX	76442	CUSTOMER BAILMENT	\$ 59,257		MCJUNKIN RED MAN CORPORATION

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MARATHON OIL CO-GROESBECK, TX	158 COUNTY ROAD 750	GROESBECK	TX	76642	CUSTOMER BAILMENT	\$ 27,622		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS- GRUVER, TX	7880 FM 2349	GRUVER	TX	79040	CUSTOMER BAILMENT	\$ 6,511		MCJUNKIN RED MAN CORPORATION
D C P MIDSTREAM- GRUVER, TX	15150 COUNTY ROAD 9	GRUVER	TX	79040	CUSTOMER BAILMENT	\$ 16,336		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL- HAWKINS, TX	HWY 14 & FM1795	HAWKINS	TX	75765	TRAILER	\$ 42,649		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- HEREFORD, TX	E HWY 60 & PROGRESSIVE RD	HEREFORD	TX	79045	CUSTOMER BAILMENT	\$ 30,858		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- HILLSBORO, TX	1507 ABBOTT AVENUE	HILLSBORO	TX	76645	CUSTOMER BAILMENT	\$ 31,697		MCJUNKIN RED MAN CORPORATION
ARCTIC PIPE INSPECTION INC- HOUSTON, TX	9500 SHELDON ROAD	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 37,804		MCJUNKIN RED MAN CORPORATION
ARCTIC- HOUSTON, TX	9500 SHELDON ROAD	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 96,314		MCJUNKIN RED MAN CORPORATION
C M SERVICES- HOUSTON, TX	7411 MESA DRIVE	HOUSTON	TX	77028	THIRD PARTY - OCTG	\$ 26,269		MCJUNKIN RED MAN CORPORATION
CM SERVICES- HOUSTON, TX	7411 MESA DRIVE	HOUSTON	TX	77028	THIRD PARTY - OCTG	\$ 12,673		MCJUNKIN RED MAN CORPORATION
CUSTOM PIPE COATERS- HOUSTON, TX	7177 CAVALCADE ST	HOUSTON	TX	77028	THIRD PARTY - LINE PIPE	\$ 5		McJunkin Red Man Corporation

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DELTA TUBULAR INT'L(FRANK'S)- HOUSTON, TX	9518 EAST MT RD	HOUSTON	TX	77050	THIRD PARTY - OCTG	\$ 2,366,612		MCJUNKIN RED MAN CORPORATION
DELTA TUBULAR- HOUSTON, TX	9393 SHELDON RD	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 1,965,646		MCJUNKIN RED MAN CORPORATION
E L FARMER YARD- HOUSTON, TX	15706 BEAUMONT HWY	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 20		MCJUNKIN RED MAN CORPORATION
ENGLOBAL ENGINEERING- HOUSTON, TX	225 PORTWALL SUITE 200	HOUSTON	TX	77029	CUSTOMER BAILEMENT	\$ 5,601		MCJUNKIN RED MAN CORPORATION
HYDRIL-ANADARKO PROGRAM-HOUSTON, TX	302 MCCARTY ST	HOUSTON	TX	77029	THIRD PARTY - OCTG	\$ 38,911		MCJUNKIN RED MAN CORPORATION
HYDRIL-MCCARTY- HOUSTON, TX	302 MCCARTY ST	HOUSTON	TX	77029	THIRD PARTY - OCTG	\$ 138,014		MCJUNKIN RED MAN CORPORATION
ITS THREADING AND MFG.,INC.-HOUSTON, TX	7735 MILLER ROAD #3	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 98,341		MCJUNKIN RED MAN CORPORATION
LINCOLN MANUFACTURING- HOUSTON, TX	5301 POLK STREET, BUILDING #4	HOUSTON	TX	77023	THIRD PARTY - OCTG	\$ 62,074		MCJUNKIN RED MAN CORPORATION
NOBLE/E L FARMER YARD-HOUSTON, TX	15706 BEAUMONT HWY	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 13,569		MCJUNKIN RED MAN CORPORATION
OCTG, LLP-HOUSTON, TX	9200 SHELDON ROAD	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 555,359		MCJUNKIN RED MAN CORPORATION
STEWART TUBULAR PRODUCTS- HOUSTON, TX	1810 AFTON	HOUSTON	TX	77055	THIRD PARTY - OCTG	\$ 19,154		McJunkin Red Man Corporation
T&S UPSET & THREAD-HOUSTON, TX	18702 HARDY ROAD	HOUSTON	TX	77073	THIRD PARTY - OCTG	\$ 0		McJunkin Red Man Corporation

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TEJAS TUBULAR PROCESSING, INC- HOUSTON, TX	8640 N GREEN RIVER DRIVE	HOUSTON	TX	77028	THIRD PARTY - OCTG	\$ 0		MCJUNKIN RED MAN CORPORATION
TUBO-NORTH- INSP-INT'L- HOUSTON, TX	10222 SHELDON ROAD	HOUSTON	TX	77049	THIRD PARTY	\$ 2,117,303		MCJUNKIN RED MAN CORPORATION
TUBO-SOUTH- INSP-HOUSTON, TX	9015 SHELDON ROAD	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 2,829,519		MCJUNKIN RED MAN CORPORATION
TUBULAR SERVICES-JPORT- HOUSTON, TX	2030 JACINTO PORT BLVD	HOUSTON	TX	77015	THIRD PARTY - OCTG	\$ 39,636		MCJUNKIN RED MAN CORPORATION
TUBULAR SERVICES- MCCARTY- HOUSTON, TX	1010 MCCARTY ST 9701	HOUSTON	TX	77029	THIRD PARTY - OCTG	\$ 17,771		MCJUNKIN RED MAN CORPORATION
VALERO- HOUSTON, TX	7814 MILLER MANCHESTER	HOUSTON	TX	77012	CUSTOMER BAILMENT	\$ 8,961		MCJUNKIN RED MAN CORPORATION
VALERO- HOUSTON, TX	7814 MILLER MANCHESTER	HOUSTON	TX	77012	CUSTOMER BAILMENT	\$ 9,807		MCJUNKIN RED MAN CORPORATION
VALERO- HOUSTON, TX	7814 MILLER MANCHESTER	HOUSTON	TX	77012	CUSTOMER BAILMENT	\$ 8,330		MCJUNKIN RED MAN CORPORATION
WOMBLE COMPANY, INC- HOUSTON, TX	5875 KELLEY STREET	HOUSTON	TX	77026	THIRD PARTY - LINE PIPE	\$ 9,643		MCJUNKIN RED MAN CORPORATION
WOMBLE COMPANY, INC- HOUSTON, TX	13605 INDUSTRIAL ROAD	HOUSTON	TX	77015	THIRD PARTY - LINE PIPE	\$ 9,985,368		MCJUNKIN RED MAN CORPORATION
XXTREME PIPE STORAGE, LLC- HOUSTON, TX	7814 MILLER ROAD #3	HOUSTON	TX	77049	THIRD PARTY - OCTG	\$ 169,778		McJunkin Red Man Corporation
VALERO- HOUSTON, TX	7814 MILLER MANCHESTER	HOUTON	TX	77012	CUSTOMER BAILMENT	\$ 10,420		McJunkin Red Man Corporation

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TUBO-INSP- HUGHES SPRINGS, TX	HWY 161 S	HUGHES SPRINGS	TX	75656	THIRD PARTY - OCTG	\$ 36,343		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION-IRVING, TX	1931 E 6TH STREET	IRVING	TX	75060	CUSTOMER BAILMENT	\$ 126,782		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- JOSHUA, TX	360 N GREGORY	JOSHUA	TX	76058	CUSTOMER BAILMENT	\$ 40,427		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- KERRVILLE, TX	2315 E MAIN	KERRVILLE	TX	78028	CUSTOMER BAILMENT	\$ 38,412		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- KILLEEN, TX	317 N 2ND STREET	KILLEEN	TX	76541	CUSTOMER BAILMENT	\$ 54,537		MCJUNKIN RED MAN CORPORATION
DUPONT-LA PORTE, TX	12501 STRANG ROAD	LA PORTE	TX	77571	CUSTOMER BAILMENT	\$ 6,878		MCJUNKIN RED MAN CORPORATION
EQUISTAR CHEMICAL-LA PORTE, TX	1515 MILLER CUT OFF ROAD	LA PORTE	TX	77571	CUSTOMER BAILMENT	\$ 2,559		MCJUNKIN RED MAN CORPORATION
EQUISTAR-LA PORTE, TX	1515 MILLER CUT OFF ROAD	LA PORTE	TX	77571	CUSTOMER BAILMENT	\$ 146		MCJUNKIN RED MAN CORPORATION
EQUISTAR- LAPORTE, TX	1515 MILLER CUT OFF ROAD	LA PORTE	TX	77571	CUSTOMER BAILMENT	\$ 1,019		MCJUNKIN RED MAN CORPORATION
EQUISTAR- LAPORTE, TX	1515 MILLER CUT OFF ROAD	LA PORTE	TX	77571	CUSTOMER BAILMENT	\$ 1,065		MCJUNKIN RED MAN CORPORATION

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ROHM & HAAS-LA PORTE, TX	13300 BAY AREA BLVD	LA PORTE	TX	77572	CUSTOMER BAILMENT	\$ 13,663		MCJUNKIN RED MAN CORPORATION
OXY VINYLs-LA PORTE, TX	2400 MILLER CUT-OFF ROAD	LAPORTE	TX	77521	CUSTOMER BAILMENT	\$ 17,676		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- LITTLEFIELD, TX	500 W 7TH ST	LITTLEFIELD	TX	79339	CUSTOMER BAILMENT	\$ 21,356		MCJUNKIN RED MAN CORPORATION
A & A COATERS- LONE STAR, TX	3679 FM 250	LONE STAR	TX	75668	THIRD PARTY - LINE PIPE	\$12,580,460		MCJUNKIN RED MAN CORPORATION
LONE STAR TUBULAR SVC-LONE STAR, TX	FM 729	LONE STAR	TX	75668	THIRD PARTY - OCTG	\$ 118,105		MCJUNKIN RED MAN CORPORATION
STAR TUBULAR SERVICES-LONE STAR, TX	FM 250 BOX 300	LONE STAR	TX	75668	THIRD PARTY	\$ 820,724		MCJUNKIN RED MAN CORPORATION
XXXTREME PIPE STORAGE-LONE STAR, TX	2694 FM250	LONE STAR	TX	75668	THIRD PARTY - OCTG	\$ 16,290		MCJUNKIN RED MAN CORPORATION
CHESAPEAKE- LONESTAR, TX	3679 FM 250	LONESTAR	TX	75668	THIRD PARTY - CS	\$ 7,801,437		MCJUNKIN RED MAN CORPORATION
US STEEL-LONE STAR, TX	FM 250, 3 MILES EAST OF LONE STAR	LONESTAR	TX	75668	THIRD PARTY - OCTG	\$ 8,201,131		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- LONGVIEW, TX	2009 EAST COTTON	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 48,033		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 9,302		MCJUNKIN RED MAN CORPORATION

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EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 19,273		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 11,058		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 938		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 4,658		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 16,873		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 7,501		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 7,033		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 4,415		MCJUNKIN RED MAN CORPORATION
EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 2,206		MCJUNKIN RED MAN CORPORATION

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EASTMAN CHEMICAL CO- LONGVIEW, TX	CALLAHAN ROAD	LONGVIEW	TX	75602	CUSTOMER BAILMENT	\$ 2,103		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- LUBBOCK, TX	40TH & MARTIN LUTHER KING	LUBBOCK	TX	79408	CUSTOMER BAILMENT	\$ 42,955		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- LUBBOCK, TX	4003 MLK JR. BLVD	LUBBOCK	TX	79404	SATELLITE	\$ 978,668		MCJUNKIN RED MAN CORPORATION
LINCOLN MANUFACTURING- MAGNOLIA, TX	31209 FM 2978 ROAD	MAGNOLIA	TX	77354	THIRD PARTY - OCTG	\$ 63,948		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- MCKINNEY, TX	1681 CORPORATE DRIVE	MCKINNEY	TX	75069	CUSTOMER BAILMENT	\$ 15,491		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- MCKINNEY, TX	1681 CORPORATE DRIVE	MCKINNEY	TX	75069	CUSTOMER BAILMENT	\$ 91,146		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MIDLAND, TX	PERMIAN BASIN UNIT	MIDLAND	TX	79711	CUSTOMER BAILMENT	\$ 89,227		MCJUNKIN RED MAN CORPORATION
CHEVRON CONSIGNMENT - 1788 PIPE YARD- MIDLAND, TX	4200 N FM 1788	MIDLAND	TX	79707	THIRD PARTY - OCTG	\$ 554,983		MCJUNKIN RED MAN CORPORATION
EXXONMOBIL MONT BELVIEU PLASTICS PLANT-MONT BELVIEU, TX	13330 HATCHERVILLE ROAD	MONT BELVIEU	TX	77580	CUSTOMER BAILMENT	\$ 16,224		MCJUNKIN RED MAN CORPORATION
TARGA RESOURCES- MONT BELVIEU, TX	10319 HIGHWAY 146 NORTH	MOUNT BELVIEU	TX	77580	CUSTOMER BAILMENT	\$ 20,143		MCJUNKIN RED MAN CORPORATION

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E.L. FARMER TRUCKING-ODESSA, TX	1002 S COUNTY RD WEST	ODESSA	TX	79763	THIRD PARTY	\$ 1,581,287		MCJUNKIN RED MAN CORPORATION
ODESSA DRILL PIPE RECLAMATION- ODESSA, TX	11816 W I- 20 EAST	ODESSA	TX	79765	THIRD PARTY - OCTG	\$ 97,593		MCJUNKIN RED MAN CORPORATION
PRADON CONSTRUCTION- ODESSA, TX	2100 W 83RD ST	ODESSA	TX	79764	THIRD PARTY	\$ 137,088		MCJUNKIN RED MAN CORPORATION
PRECISION LINING SYSTEMS-ODESSA, TX	9019 N COUNTY RD WEST	ODESSA	TX	79764	THIRD PARTY - OCTG	\$ 323,729		MCJUNKIN RED MAN CORPORATION
S I W PIPE AND SUPPLY- ODESSA, TX	6149 W 10TH ST	ODESSA	TX	79763	THIRD PARTY - OCTG	\$ 94,304		MCJUNKIN RED MAN CORPORATION
TK LINER SHOP- ODESSA, TX	2400 STEVENS ROAD	ODESSA	TX	79764	THIRD PARTY - OCTG	\$ 124,989		MCJUNKIN RED MAN CORPORATION
TUBO-CTG-PERMIAN ODSA-ODESSA, TX	316 SOUTH WILLIAMS	ODESSA	TX	79763	THIRD PARTY - OCTG	\$ 264,524		MCJUNKIN RED MAN CORPORATION
TUBOSCOPE COATING- MIDLAND-ODESSA, TX	11919 COUNTY RD 128 W	ODESSA	TX	79765	THIRD PARTY - OCTG	\$ 907,857		MCJUNKIN RED MAN CORPORATION
ULTRA PREMIUM OILFIELD SERVICE- ODESSA, TX	3333 BRAZOS	ODESSA	TX	79764	THIRD PARTY - OCTG	\$ 949		MCJUNKIN RED MAN CORPORATION
OLD OCEAN, TX	HWY 35 SOUTH & FM 524	OLD OCEAN	TX	77463	FF CUSTOMER	\$ 346,131		MCJUNKIN RED MAN CORPORATION
CHEVRON-OZONA, TX	3081 IH 10E 372 STATE	OZONA	TX	76943	BAILMENT	\$ 10,140		MCJUNKIN RED MAN CORPORATION
DCP-OZONA, TX	HWY 163 SOUTH	OZONA	TX	76943	CUSTOMER BAILMENT	\$ 30,222		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY MID-TEX DIVISION- PALESTINE, TX	200 WILLOW CREEK PARKWAY	PALESTINE	TX	75801	CUSTOMER BAILMENT	\$ 26,332		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- PAMPA, TX	1417 S BARNES	PAMPA	TX	79065	CUSTOMER BAILMENT	\$ 17,431		MCJUNKIN RED MAN CORPORATION
CHEVRON-PAMPA, TX	1503 S BARNES	PAMPA	TX	79065	CUSTOMER BAILMENT	\$ 8,548		MCJUNKIN RED MAN CORPORATION
D C P MIDSTREAM- PAMPA, TX	11703 HIGHWAY 152	PAMPA	TX	79065	CUSTOMER BAILMENT	\$ 3,711		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- PARIS, TX	3005 NW LOOP 286	PARIS	TX	75460	CUSTOMER BAILMENT	\$ 52,646		MCJUNKIN RED MAN CORPORATION
ALBEMARLE- PASADENA, TX	1000 NORTH SOUTH ST.	PASADENA	TX	77501	CUSTOMER BAILMENT	\$ 3,382		MCJUNKIN RED MAN CORPORATION
ALBEMARLE- PASADENA, TX	1000 NORTH SOUTH ST.	PASADENA	TX	77501	CUSTOMER BAILMENT	\$ 2,655		MCJUNKIN RED MAN CORPORATION
ALBEMARLE- PASADENA, TX	1000 NORTH SOUTH ST.	PASADENA	TX	77501	CUSTOMER BAILMENT	\$ 873		MCJUNKIN RED MAN CORPORATION
ALBEMARLE- PASADENA, TX	1000 NORTH SOUTH ST.	PASADENA	TX	77501	CUSTOMER BAILMENT	\$ 2,553		MCJUNKIN RED MAN CORPORATION
ALBEMARLE- PASADENA, TX	13000 BAY PARK ROAD	PASADENA	TX	77507	CUSTOMER BAILMENT	\$ 29,032		MCJUNKIN RED MAN CORPORATION

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CELANESE- PASADENA, TX CHEVRON PHILLIPS CHEMICAL- PASADENA, TX CHEVRON PHILLIPS CHEMICAL- PASADENA, TX CHEVRON PHILLIPS CHEMICAL- PASADENA, TX EQUISTAR- PASADENA, TX LYONDELL BASSELL- PASADENA, TX PASADENA, TX SEKISUI SPECIALTY CHEMICAL- PASADENA, TX HOUSTON TUBULARS INC- PEARLAND, TX SHAWCOR PIPE PROTECTION- PEARLAND, TX	9502 BAYPORT ROAD 1400 JEFFERSON RD 1400 JEFFERSON ROAD 1400 JEFFERSON ROAD 5761 UNDERWOOD 12001 BAY AREA BLVD 1423 HIGHWAY 225 1423 HWY 225 13600 HATFIELD 4501 KNAPP ROAD	PASADENA PASADENA PASADENA PASADENA PASADENA PEARLAND PEARLAND	TX TX TX TX TX TX TX TX TX	77507 77501 77501 77501 77507 77507 77506 77506 77581 77581	CUSTOMER BAILMENT CUSTOMER BAILMENT CUSTOMER BAILMENT CUSTOMER BAILMENT THIRD PARTY THIRD PARTY - LINE PIPE	\$ 6,899 \$ 12,080 \$ 759 \$ 8,277 \$ 1,217 \$ 1,195 \$ 210,062 \$ 4,590 \$ 53,093 \$19,032,890		MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- PLAINVIEW, TX	21 ST & COLUMBIA	PLAINVIEW	TX	79073	CUSTOMER BAILMENT	\$ 26,424		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- PLANO, TX	3697 MAPLE SHADE	PLANO	TX	75075	CUSTOMER BAILMENT	\$ 128,674		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- PLANO, TX	3697 MAPLE SHADE	PLANO	TX	75075	CUSTOMER BAILMENT	\$ 3,612		MCJUNKIN RED MAN CORPORATION
CHEVRON-PORT ARTHUR, TX	GATE 44 CHEVRON STORES, US HWY 87	PORT ARTHUR	TX	77641	CUSTOMER BAILMENT	\$ 10,185		MCJUNKIN RED MAN CORPORATION
SHELL/MOTIVA- PORT ARTHUR, TX	N END OF HOUSTON AVE	PORT ARTHUR	TX	77641	CUSTOMER BAILMENT	\$ 39,680		MCJUNKIN RED MAN CORPORATION
VALERO REFINING CO-PORT ARTHUR, TX	HWY 87 GATE 19	PORT ARTHUR	TX	77641	CUSTOMER BAILMENT	\$ 8,386		MCJUNKIN RED MAN CORPORATION
VALERO-PORT ARTHUR, TX	HWY 87 GATE 19	PORT ARTHUR	TX	77641	CUSTOMER BAILMENT	\$ 65,190		MCJUNKIN RED MAN CORPORATION
ARMOR-COTE- ROBSTOWN, TX	HWY 77 S FM RD 2826	ROBSTOWN	TX	78380	THIRD PARTY - LINE PIPE	\$ 34,314		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- ROUND ROCK, TX	3110 NORTH I-35	ROUND ROCK	TX	78681	CUSTOMER BAILMENT	\$ 104,872		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- SAN ANGELO, TX	1730 NORTH MAIN	SAN ANGELO	TX	76903	CUSTOMER BAILMENT	\$ 73,971		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY- SEMINOLE, TX	305 SE AVE B 3.5 MILES NORTH ON HWY 214	SEMINOLE	TX	79360	CUSTOMER BAILMENT	\$ 11,147		MCJUNKIN RED MAN CORPORATION
MRC-HESS- SEMINOLE, TX		SEMINOLE	TX	79360	SATELLITE	\$ 203,955		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- SHERMAN, TX	5111 BLUE FLAME LANE	SHERMAN	TX	75090	CUSTOMER BAILMENT	\$ 2,060		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- SHERMAN, TX	5111 BLUE FLAME LANE	SHERMAN	TX	75090	CUSTOMER BAILMENT	\$ 69,799		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- STAMFORD, TX	1601 CR 124	STAMFORD	TX	79553	CUSTOMER BAILMENT	\$ 18,411		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- STEPHENVILLE, TX	883 NORTH GRAHAM STREET	STEPHENVILLE	TX	76401	CUSTOMER BAILMENT	\$ 38,387		MCJUNKIN RED MAN CORPORATION
CAPORAL INDUSTRIES LTD- STEPHENVILLE, TX	600 CAPORAL DRIVE	STEPHENVILLE	TX	76401	THIRD PARTY - OCTG	\$ 1,892		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- SULPHUR SPRINGS, TX	1530 W INDUSTRIAL	SULPHUR SPRINGS	TX	75482	CUSTOMER BAILMENT	\$ 37,207		MCJUNKIN RED MAN CORPORATION
CHEVRON- SUNDOWN, TX	910 SOUTH TEXAS	SUNDOWN	TX	79372	CUSTOMER BAILMENT	\$ 27,892		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- SWEETWATER, TX	FM 419 (100 YDS N OF CI)	SWEETWATER	TX	79556	CUSTOMER BAILMENT	\$ 37,082		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY MID-TEX DIVISION- TEMPLE, TX	2138 LUCIUS MCCELVEY DR	TEMPLE	TX	76504	CUSTOMER BAILMENT	\$ 57,026		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- TENNESSEE COLONY, TX	1897 FM 2706	TENNESSEE COLONY	TX	75861	CUSTOMER BAILMENT	\$ 3,810		MCJUNKIN RED MAN CORPORATION
INTERNATIONAL PAPER- TEXARKANA, TX	9978 FARM MARKET ROAD 3129	TEXARKANA	TX	75507	CUSTOMER BAILMENT	\$ 51,838		MCJUNKIN RED MAN CORPORATION
BP AMOCO-TEXAS CITY, TX	2401 5TH AVENUE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 172,229		MCJUNKIN RED MAN CORPORATION
BP-TEXAS CITY, TX	2800 FM 519 EAST	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 22,897		MCJUNKIN RED MAN CORPORATION
MARATHON PETROLEUM LLC- TEXAS CITY, TX	1027 SIXTH AVE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 80,512		MCJUNKIN RED MAN CORPORATION
MARATHON PETROLEUM LLC- TEXAS CITY, TX	1027 SIXTH AVE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 4,192		MCJUNKIN RED MAN CORPORATION
MARATHON PETROLEUM LLC- TEXAS CITY, TX	1027 SIXTH AVE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 2,451		MCJUNKIN RED MAN CORPORATION
MARATHON PETROLEUM- TEXAS CITY, TX	1027 SIXTH AVE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 6,470		MCJUNKIN RED MAN CORPORATION

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MARATHON PETROLEUM-TEXAS CITY, TX	1027 SIXTH AVE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 771		MCJUNKIN RED MAN CORPORATION
MARATHON PETROLEUM-TEXAS CITY, TX	1027 SIXTH AVE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 1,867		MCJUNKIN RED MAN CORPORATION
MARATHON PETROLEUM-TEXAS CITY, TX	1027 SIXTH AVE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 471		MCJUNKIN RED MAN CORPORATION
SCOPE MGT SYSTEMS-TEXAS CITY, TX	2401 5TH ACE SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 71,750		MCJUNKIN RED MAN CORPORATION
VALERO REFINING TEXAS LP-TEXAS CITY, TX	1301 LOOP 197 S	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 46,426		MCJUNKIN RED MAN CORPORATION
VALERO TEXAS CITY-TEXAS CITY, TX	1301 LOOP 197 S	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 9,582		MCJUNKIN RED MAN CORPORATION
VALERO TEXAS CITY-TEXAS CITY, TX	1301 LOOP 197 S	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 2,890		MCJUNKIN RED MAN CORPORATION
VALERO-TEXAS CITY, TX	1301 LOOP 197 SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 1,482		MCJUNKIN RED MAN CORPORATION
VALERO-TEXAS CITY, TX	1301 LOOP 197 SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 2,192		MCJUNKIN RED MAN CORPORATION
VALERO-TEXAS CITY, TX	1301 LOOP 197 SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 2,295		MCJUNKIN RED MAN CORPORATION

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VALERO-TEXAS CITY, TX	1301 LOOP 197 SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 1,067		MCJUNKIN RED MAN CORPORATION
VALERO-TEXAS CITY, TX	1301 LOOP 197 SOUTH	TEXAS CITY	TX	77590	CUSTOMER BAILMENT	\$ 1,136		MCJUNKIN RED MAN CORPORATION
VALERO-THREE RIVERS, TX	301 LEROY STREET	THREE RIVERS	TX	78071	CUSTOMER BAILMENT	\$ 91,870		MCJUNKIN RED MAN CORPORATION
MIDSTREAM- TOLAR, TX	4205 HILL CITY HWY	TOLAR	TX	76476	CUSTOMER BAILMENT	\$ 6,485		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- VERNON, TX	900 OLIVE ACE	VERNON	TX	76384	CUSTOMER BAILMENT	\$ 11,142		MCJUNKIN RED MAN CORPORATION
ENERGY TRANSFER- VICTORIA, TX	248 BURROUGHSVILLE RD	VICTORIA	TX	77905	CUSTOMER BAILMENT	\$ 6,259		MCJUNKIN RED MAN CORPORATION
KINDER MORGAN- VICTORIA, TX	409 HOLT ROAD	VICTORIA	TX	77905	CUSTOMER BAILMENT	\$ 8,431		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- WACO, TX	1500 W LOOP 340	WACO	TX	76710	CUSTOMER BAILMENT	\$ 94,916		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- WAXAHACHIE, TX	901 FERRIS AVENUE	WAXAHACHIE	TX	75165	CUSTOMER BAILMENT	\$ 44,899		MCJUNKIN RED MAN CORPORATION

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ATMOS ENERGY MID-TEX DIVISION- WICHITA FALLS, TX	5808 ASHLEYANN CIRCLE	WICHITA FALLS	TX	76310	CUSTOMER BAILMENT	\$ 688		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY MID-TEX DIVISION- WICHITA FALLS, TX	5808 AHSLEYANN CIRCLE	WICHITA FALLS	TX	76310	CUSTOMER BAILMENT	\$ 87,473		MCJUNKIN RED MAN CORPORATION
BALL WINCH PIPELINE SERVICES-WILLIS, TX	15786 HWY 75 NORTH	WILLIS	TX	77378	THIRD PARTY - LINE PIPE	\$ 279,133		MCJUNKIN RED MAN CORPORATION
BIG WEST OIL CO- NORTH SALT LAKE CITY, UT	333 WEST CENTER STREET	NORTH SALT LAKE CITY	UT	84054	CUSTOMER BAILMENT	\$ 16,338		MCJUNKIN RED MAN CORPORATION
CHEVRON-NORTH SALT LAKE, UT	651 SOUTH REDWOOD ROAD	NORTH SALT LAKE CITY	UT	84054	TRAILER	\$ 18,458		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS-PRICE, UT	6815 SOUTH 5300 WEST	PRICE	UT	84501	CUSTOMER BAILMENT	\$ 347,057		MCJUNKIN RED MAN CORPORATION
ANADARKO- VERNAL, UT	65 MILES SOUTH OF VERNAL	VERNAL	UT	84078	CUSTOMER BAILMENT	\$ 144,246		MCJUNKIN RED MAN CORPORATION
ANADARKO- VERNAL, UT	40 MILES SOUTH OF VERNAL ON FIDDLER RD	VERNAL	UT	84078	CUSTOMER BAILMENT	\$ 16,031		MCJUNKIN RED MAN CORPORATION
CHESAPEAKE- VINEYARD, UT	1750 N PIONEER LANE	VINEYARD	UT	84058	THIRD PARTY - CS	\$ 1,011,247		MCJUNKIN RED MAN CORPORATION
SHAWCOR PIPE PROTECTION- VINEYARD, UT	1750 N PIONEER LANE	VINEYARD	UT	84058	THIRD PARTY - LINE PIPE	\$19,595,987		MCJUNKIN RED MAN CORPORATION
WESTERN PIPE COATERS & ENGRS- VINEYARD, UT	1610 NORTH 250 WEST	VINEYARD	UT	84058	THIRD PARTY - LINE PIPE	\$ 202,461		MCJUNKIN RED MAN CORPORATION

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WESTERN PIPE COATERS- VINEYARD, UT	1610 NORTH 250 WEST	VINEYARD	UT	84058	THIRD PARTY - LINE PIPE	\$ 25,959		MCJUNKIN RED MAN CORPORATION
CNX GAS COMPANY								
VIRGINIA-CEDAR BLUFF, VA	627 CLAYPOOL HILL MALL RD	CEDAR BLUFF	VA	24609	CUSTOMER BAILMENT	\$ 1,488,509		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- CHESAPEAKE, VA	1363 GREAT BRIDGE BLVD	CHESAPEAKE	VA	23322	CUSTOMER BAILMENT	\$ 38,375		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- MARION, VA	555 SOUTH MAIN STREET	MARION	VA	24354	CUSTOMER BAILMENT	\$ 18,579		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-NEWPORT NEWS, VA	746 DILIGENCE DRIVE	NEWPORT NEWS	VA	23606	CUSTOMER BAILMENT	\$ 59,103		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-NEWPORT NEWS, VA	746 DILIGENCE DRIVE	NEWPORT NEWS	VA	23606	CUSTOMER BAILMENT	\$ 3,557		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-NORFOLK, VA	3719 VIRGINIA BEACH BLVD	NORFOLK	VA	23502	CUSTOMER BAILMENT	\$ 10,798		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT-NORFOLK, VA	3719 VIRGINIA BEACH BLVD	NORFOLK	VA	23502	CUSTOMER BAILMENT	\$ 47,767		MCJUNKIN RED MAN CORPORATION
ATMOS ENERGY- RADFORD, VA	1013 FIRST STREET	RADFORD	VA	24141	CUSTOMER BAILMENT	\$ 38,021		MCJUNKIN RED MAN CORPORATION
ATLANTA GAS LIGHT- RICHMOND, VA	2500 BELLWOOD ROAD	RICHMOND	VA	23237	CUSTOMER BAILMENT	\$ 5,099		MCJUNKIN RED MAN CORPORATION

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SHELL REFINING- ANACORTES, WA	600 SOUTH TEXAS ROAD	ANACORTES	WA	98221	CUSTOMER BAILMENT	\$ 17,782		MCJUNKIN RED MAN CORPORATION
BP WEST COAST PRODUCTS-BLAINE, WA	4519 GRANDVIEW ROAD	BLAINE	WA	98231	CUSTOMER BAILMENT	\$ 15,439		MCJUNKIN RED MAN CORPORATION
CONOCOPHILLIPS- FERNDALE, WA	3901 UNICK RD	FERNDALE	WA	98248	CUSTOMER BAILMENT	\$ 1,544		MCJUNKIN RED MAN CORPORATION
THILMANY, LLC-DE PERE, WI	200 MAIN AVENUE 600	DE PERE	WI	54115	CUSTOMER BAILMENT	\$ 1,851		MCJUNKIN RED MAN CORPORATION
THILMANY, LLC- KAUKAUNA, WI	THILMANY ROAD 129 DYE	KAUKAUNA	WI	54130	CUSTOMER BAILMENT	\$ 16,903		MCJUNKIN RED MAN CORPORATION
EQT-BECKLEY, WV EASTERN AMERICAN	STREET	BECKLEY	WV	25801	CUSTOMER BAILMENT	\$ 23,200		MCJUNKIN RED MAN CORPORATION
ENERGY-MANILLA, WV	US ROUTE 119 SOUTH	MANILLA	WV	25508	CUSTOMER BAILMENT	\$ 13,663		MCJUNKIN RED MAN CORPORATION
TKI-MOATSVILLE, WV	ROUTE 1, BOX 256	MOATSVILLE	WV	26405	THIRD PARTY - PBB	\$ 388		MCJUNKIN RED MAN CORPORATION
PANHANDLE OILFIELD SERVICE CO-MORGANTOWN, WV	1300 HEAVY HAUL ROAD	MORGANTOWN	WV	26508	THIRD PARTY - PBB	\$ 1,895,224		MCJUNKIN RED MAN CORPORATION
GASTAR EXPLORATION-NEW MARTINSVILLE, WV	RT 20 GPS 37.61251- 80.82882	NEW MARTINSVILLE	WV	26155	CUSTOMER BAILMENT	\$ 68,104		MCJUNKIN RED MAN CORPORATION

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PROCTOR, WV	RT 2, 16339 ENERGY ROAD	PROCTOR	WV	26055	FF	\$ 2,132,445		MCJUNKIN RED MAN CORPORATION
PENN VA OIL- RAVENCLIFF, WV	OLD RT 5	RAVENCLIFFE	WV	25913	CUSTOMER BAILMENT	\$ 4,606		MCJUNKIN RED MAN CORPORATION
EASTERN AMERICAN- SOUTH CHARLESTON, WV	5 EAGLE DRIVE	SOUTH CHARLESTON	WV	25309	CUSTOMER BAILMENT	\$ 11,037		MCJUNKIN RED MAN CORPORATION
E I DUPONT DE NEMOURS & CO INC- WASHINGTON, WV	RT 892 DUPONT RD	WASHINGTON	WV	26181	CUSTOMER BAILMENT	\$ 5,526		MCJUNKIN RED MAN CORPORATION
HOUSTON TUBULAR INC- WEIRTON, WV	HALF MOON INDUSTRIAL PARK	WEIRTON	WV	26062	THIRD PARTY	\$ 115,285		MCJUNKIN RED MAN CORPORATION
WESTON RM- WESTON, WV	1748 OLD ROUTE 33 EAST	WESTON	WV	26452	SATELLITE	(\$ 7,218)	Leased	MCJUNKIN RED MAN CORPORATION
MARATHON OIL CO-BYRON, WY	341 HWY 14A W	BYRON	WY	82412	CUSTOMER BAILMENT	\$ 56,175		MCJUNKIN RED MAN CORPORATION
C&Y YARD- CASPER, WY	10000 E HWY 20-26	CASPER	WY	82609	THIRD PARTY - OCTG	\$ 71,217		MCJUNKIN RED MAN CORPORATION
GRANTPRIDECO TUBE ALLOY- CASPER, WY	3501 N POPLAR	CASPER	WY	82601	THIRD PARTY - OCTG	\$ 25,039		MCJUNKIN RED MAN CORPORATION
MARATHON OIL CO-CODY, WY	238 RD 3 EM	CODY	WY	82414	CUSTOMER BAILMENT	\$ 62,658		MCJUNKIN RED MAN CORPORATION

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REYNOLDS TRANSPORTATION- GILLETTE, WY	601 LARCH STREET	GILLETTE	WY	82716	THIRD PARTY - PBB	\$ 2		MCJUNKIN RED MAN CORPORATION
W.L. PLASTICS- GILLETTE, WY	1301 E LINCOLN STREET	GILLETTE	WY	82716	THIRD PARTY - PBB	\$ 117,833		MCJUNKIN RED MAN CORPORATION
FMC GRANGER- GRANGER, WY	WESTVACO ROAD	GRANGER	WY	82934	CUSTOMER BAILMENT	\$ 14,722		MCJUNKIN RED MAN CORPORATION
FMC-GRANGER, WY	WESTVACO ROAD	GREEN RIVER	WY	82935	CUSTOMER BAILMENT	\$ 98,305		MCJUNKIN RED MAN CORPORATION
FMC-GREEN RIVER, WY	MINE - 8 SHAFT	GREEN RIVER	WY	82935	CUSTOMER BAILMENT	\$ 7,223		MCJUNKIN RED MAN CORPORATION
SOLVAY MINERALS- GREEN RIVER, WY	WEST OF GREEN RIVER	GREEN RIVER	WY	82935	CUSTOMER BAILMENT	\$ 35,751		MCJUNKIN RED MAN CORPORATION
WILLIAMS ENERGY- GREEN RIVER, WY	4980 HWY 374	GREEN RIVER	WY	82935	CUSTOMER BAILMENT	\$ 1,179		MCJUNKIN RED MAN CORPORATION
GENERAL CHEMICAL GROUP- GREEN RIVER, WY	ALCHEM ROAD	GREENRIVER	WY	82935	CUSTOMER BAILMENT	\$ 16,871		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP-LA BARGE, WY	4.5 MILES WEST HWY 235	LA BARGE	WY	83123	CUSTOMER BAILMENT	\$ 33,126		MCJUNKIN RED MAN CORPORATION
CHEVRON-LA BARGE, WY	LA BARGE/MOXA YARD, BIRCH CREEK UNIT FE	LA BARGE	WY	83123	CUSTOMER BAILMENT	\$ 84,921		MCJUNKIN RED MAN CORPORATION

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WILLIAMS ENERGY- LA BARGE, WY	9 MILES N ROUTE 189	LA BARGE	WY	83123	CUSTOMER BAILMENT	\$ 7,722		MCJUNKIN RED MAN CORPORATION
CONOCOPHILLIPS- LOST CABIN, WY	165 LOST CABIN ROAD	LOST CABIN	WY	82642	CUSTOMER BAILMENT	\$ 35,665		MCJUNKIN RED MAN CORPORATION
CONOCOPHILLIPS- LOST CABIN, WY	165 LOST CABIN ROAD	LOST CABIN	WY	82642	CUSTOMER BAILMENT	\$ 41,043		MCJUNKIN RED MAN CORPORATION
CONOCO PHILLIPS- LYSITE, WY	2700 BAD WATER ROAD	LYSITE	WY	82642	CUSTOMER BAILMENT	\$ 67,386		MCJUNKIN RED MAN CORPORATION
W.L. PLASTICS- MILLS, WY	2075 NORTH PYRITE ROAD	MILLS	WY	82644	THIRD PARTY - PBB	\$ 217,992		MCJUNKIN RED MAN CORPORATION
WILLIAMS ENERGY- OPAL, WY	1 MILE S ROUTE 30	OPAL	WY	83124	CUSTOMER BAILMENT	\$ 7,844		MCJUNKIN RED MAN CORPORATION
ANADARKO E & P CO-ROCK SPRINGS, WY	42 MILES EAST I-80, 2 MILES PATRICK DRAW RD	ROCK SPRINGS	WY	82901	CUSTOMER BAILMENT	\$ 14,636		MCJUNKIN RED MAN CORPORATION
JOHN BUNNING- ROCK SPRINGS, WY	1600 ELK ST	ROCK SPRINGS	WY	82901	THIRD PARTY	\$ 5,166,991		MCJUNKIN RED MAN CORPORATION
CHEVRON CORP- WALTMAN, WY	1850 N ARMINTO RD	WALTMAN	WY	82648	CUSTOMER BAILMENT	\$ 7,747		MCJUNKIN RED MAN CORPORATION
WILLIAMS ENERGY- WAMSUTTER, WY	8 MILES S CONTINENTAL DIVIDE RD ROUTE 80	WAMSUTTER	WY	82336	CUSTOMER BAILMENT	\$ 9,247		MCJUNKIN RED MAN CORPORATION

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MRC TRANSMARK NV	BREDA STRAAT 129- 133	ANTWERPEN		2060		€ 5,340,339.14	Leased	MRC TRANSMARK NV
CWT COMMODITIES	BERENDRECHT COMPLEX, KRUISWEG, KAAI 650	ANTWERPEN		2040	THIRD PARTY WAREHOUSES	€ 83,373.66		MRC TRANSMARK NV
AXIOMA NV	ROLLEBEEKSTRAAT 15	WOMMELGEM		2160	THIRD PARTY WAREHOUSES	€ 15,273.66		MRC TRANSMARK NV
BELGIAN REFINING CORPORATION N.V.	SCHELDELAAAN KAAI 661/665	ANTWERPEN		2040	CONSIGNMENT STOCKS AT CUSTOMER ADDRESS	€ 4,398.53		MRC TRANSMARK NV
BP CHEMBEL NV	AMOCOLAAN 2	GEEL		2440	CONSIGNMENT STOCKS AT CUSTOMER ADDRESS	€ 28,167.21		MRC TRANSMARK NV
HYLINE CLEMESSY N.V.	INDUSTRIEPARK 13	MERELBEKE		9820	CONSIGNMENT STOCKS AT CUSTOMER ADDRESS	€ 6,432.05		MRC TRANSMARK NV
INEOS N.V.	HAVEN 1013, SCHELDEDIJK 50	ZWIJNDRECHT		2070	CONSIGNMENT STOCKS AT CUSTOMER ADDRESS	€ 48,878.82		MRC TRANSMARK NV

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INEOS CHLOR VINYL BELGIUM N.V.	HEILIG HARTLAAN		Tessenderlo	3980	CONSIGNMENT STOCKS AT CUSTOMER ADDRESS	€ 32,196.36		MRC TRANSMARK NV
TOTAL RAFFINADERIJ	HAVEN 447, SCHELDELAAN 16		Antwerpen	2030	CONSIGNMENT STOCKS AT CUSTOMER ADDRESS	€ 6,164.37		MRC TRANSMARK NV
MRC TRANSMARK LIMITED	HEATON HOUSE, RIVERSIDE DRIVE, HUNSWORTH LANE	BRADFORD	West Yorkshire	BD 19 4DH		£ 4,119,375	Leased	MRC TRANSMARK LIMITED
MRC TRANSMARK LIMITED	WEST MAINS IND ESTATE	GRANGEMOUTH	Stirlingshire	FK3 8YE		£ 418,234	Leased	MRC TRANSMARK LIMITED
MRC TRANSMARK LIMITED	UNIT 1, DAWDON BUSINESS PARK BLAIR WAY	SEAHAM	County Durham	SR7 7PP		£ 291,636	Leased	MRC TRANSMARK LIMITED
DOW CORNING LIMITED	CARDIFF ROAD,	BARRY	Vale of Glamorgan	CF63 2YL	Consigned to customer	£ 72,525		MRC TRANSMARK LIMITED
MRC TRANSMARK (DRAGON) LIMITED	UNIT 2, FERRY LANE	PEMBROKE	Pembrokeshire	SA71 4RE	Consigned to customer	£ 120,227		MRC TRANSMARK LIMITED
ESSO PETROLEUM CO LIMITED	EXXON MOBIL HOUSE, MAILPOINT 14 ERMYN WAY	LEATHERHEAD	Surrey	KT22 8UX	Consigned to customer	£ 88,161		MRC TRANSMARK LIMITED

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H & H INDUSTRIAL VALVES LIMITED	UNIT 6, KINSEALY IND. ESTATE	KINSEALY	Co Dublin		Consigned to customer	£ 16,212		MRC TRANSMARK LIMITED
INEOS MANUFACTURING SCOTLAND LIMITED	BO'NESS ROAD	GRAGEMOUTH	Stirlingshire	FK3 9XH	Consigned to customer	£ 106,410		MRC TRANSMARK LIMITED
PETROPLUS REFINING & MARKETING	THE MANORWAY, CORYTON REFINERY, STANLOW MANUFACTURING COMPLEX, P O BOX	STANFORD-LE- HOPE	Essex	SS17 9LL	Consigned to customer	£ 142,994		MRC TRANSMARK LIMITED
ESSAR UK LIMITED	3, ELLESMERE PORT	SOUTH WIRRAL	Merseyside	L65 4HB	Consigned to customer	£ 72,374		MRC TRANSMARK LIMITED
TOTAL UK LIMITED	LINDSEY OIL REFINERY, KILLINGHOLME	GRIMSBY	South Humberside	DN40 3LW	Consigned to customer	£ 55,680		MRC TRANSMARK LIMITED
MRC TRANSMARK (DRAGON) LIMITED	UNIT 2, FERRY LANE	PEMBROKE	Pembrokeshire	SA71 4RE		£ 270,057	Leased	MRC TRANSMARK (DRAGON) LIMITED
MRC SPF SCANFIT LIMITED	BURTON CLOSE	NORWICH	Norfolk	NR6 6AZ		£ 2,167,428	Leased	MRC SPF SCANFIT LIMITED
MRC TRANSMARK B.V.	1332AH ALMERE, THE NETHERLANDS	ALMERE		1332AH		€8,781,942.79	Leased	MRC TRANSMARK B.V.
MRC TRANSMARK B.V.	COENECOOP 19, 2741 PG WADDINXVEEN	WADDINXVEEN		2741PG		€2,435,860.60	Leased	MRC TRANSMARK B.V.
MRC TRANSMARK B.V.	BUSINESS PARK STEIN 124, 6181 MA ELSLOO	ELSLOO		6181MA		€ 52,211.46	Leased	MRC TRANSMARK B.V.

Annex 2: Locations of Collateral

<u>NAME</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>POSTCODE</u>	<u>RBTYP</u>	<u>INVENTORY VALUE</u>	<u>LEASED/ OWNED</u>	<u>PERFECTION ENTITY</u>
Van Straaten Logistics B.V. VAN STRAATEN LOGISTICS B.V.	CANNENBURGERWEG 67D, 1244 RH ANKEVEEN (TRANSIT STORAGE AT VAN STRAATEN LOGISTICS B.V.)	ANKEVEEN		1244RH	Storage in transit		Leased	MRC TRANSMARK B.V.
MRC TRANSMARK INTERNATIONAL B.V.	DRAAIBRUGWEG 6, 1332 AC ALMERE, THE NETHERLANDS	ALMERE		1332 AC		€ 454,589	Leased	MRC TRANSMARK INTERNATIONAL B.V.
MRC TRANSMARK PTY LTD.	3 CORPORATE AVENUE ROWVILLE VIC 3178 AUSTRALIA	ROWVILLE		VIC 3178		AUD1,999,372.45	Leased	MRC TRANSMARK PTY LTD.
JT Holdings (QLD) Pty Ltd as trustee for JT Family Trust PO Box 2270 ASCOT QLD 4007	257 LEITCHS ROAD BRENDALD QLD 4500	BRISBANE		QLD 4007		AUD705,929	Leased	MRC SPF PTY LTD.
BM Webb Holdings Pty Ltd ABN 97 0111 040 814 PO Box 2136 TOWNSVILLE QLD 4810	2/49 WEBB DRIVE BOHLE QLD 4818	TOWNSVILLE		QLD 4810		AUD362,542	Leased	MRC SPF PTY LTD.
MRC SPF PTY LTD.	4-6 MARRIOTT ROAD JANAKOT PERTH WA6164	PERTH		WA6164		AUD25,712,728	Leased	MRC SPF PTY LTD.

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the captions "Summary Consolidated Financial Information", "Selected Historical Consolidated and Other Data", and "Experts" and to the use of our report dated March 5, 2012, included in the Registration Statement (Amendment No. 2 to Form S-1 No. 333-178980) and related Prospectus of MRC Global Inc. for the registration of its common stock.

/s/ Ernst & Young LLP

Charleston, West Virginia
March 26, 2012

Consent of Spears & Associates, Inc.

To Whom it May Concern:

We hereby consent to the use of our information, as properly attributed to us, in the registration statement on Form S-1 of MRC Global Inc. with respect to the following:

1. A statement that Spears & Associates expects global oil and natural gas drilling and completion spending will increase at an approximately 9% compound annual growth rate between 2011 and 2017.
2. Chart depicting actual and projected oil and natural gas drilling and completion spending from 2004 to 2017 in the U.S., Canada and internationally, including a list of year-over-year percentage increases (decreases) for oil and natural gas drilling and completion spending in the U.S., Canada and internationally (derived from Outlook for the Worldwide Upstream Oil and Gas Industry, March 2012).
3. A statement that Spears & Associates expects that the North American rig count will increase by a 3.6% CAGR between 2011 and 2017.
4. Chart depicting forecasted worldwide rig count, broken out for the U.S., Canada and international, and forecasted North American rig count, broken out by oil and gas, from 2004 to 2017, including a list of year-over-year percentage increases for U.S., Canadian and international growth and oil and gas growth for North America (derived from Outlook for the Worldwide Upstream Oil and Gas Industry, March 2012).

[Signature page follows]

Submitted by:

/s/ John R. Spears

John R. Spears

Spears & Associates, Inc.
8908 S. Yale Ave., Suite 440
Tulsa, Oklahoma 74137
Phone: 918-496-3434

March 26, 2012

March 28, 2012

Pamela Long
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

**Re: MRC Global Inc.
Amendment No. 1 to Registration Statement on Form S-1
Filed March 6, 2012
File No. 333-178980**

Dear Ms. Long:

This letter sets forth the response of MRC Global Inc. (the "Company" or "MRC Global") to the comment letter, dated March 26, 2012, of the staff of the Division of Corporation Finance (the "Staff") with respect to Amendment No. 1 to MRC Global's Registration Statement on Form S-1 filed on March 6, 2012 (the "Amended Registration Statement"). In order to facilitate your review, we have repeated each comment in its entirety in the original numbered sequence. We have also sent to your attention via courier courtesy copies of the Amended Registration Statement marked to show changes.

General

1. *If you present Return on Net Assets which you compute based on Adjusted EBITDA, please clearly show the calculations to arrive at these percentages as well as provide the disclosures called for by Item 10(e) of Regulation S-K. Given that this measure does not appear to be computed as commonly defined, please re-title this measure as well.*

Response:

In response to the Staff's comment, the Company has retitled the measure as Adjusted EBITDA RONA and provided the requested disclosure. Please see pages 20-21 and 53-55.

2. *Please ensure that you separately present each of the components of stockholders' equity on the face of your pro forma balance sheet in a similar manner to your capitalization table on page 44.*

Response:

In response to the Staff's comment, the Company has broken out the components as requested. Please see page 57.

Should you have any questions or comments with respect to this filing, please call me at (212) 859-8735.

Sincerely,

/s/ Michael A. Levitt

Michael A. Levitt, Esq.

cc: Andrew R. Lane (MRC Global Inc.)
Daniel J. Churay, Esq. (MRC Global Inc.)
Rufus Decker (Securities & Exchange Commission)
Nudrat Salik (Securities & Exchange Commission)
Craig Slivka (Securities & Exchange Commission)
Jessica Dickerson (Securities & Exchange Commission)
Richard A. Drucker, Esq. (Davis Polk & Wardwell LLP)