

Section 2.11 Collections and Lockbox Account

(a) Borrowers shall, at all times following the Lockbox Post-Closing Period, maintain a lockbox (the “**Lockbox**”) with a United States depository institution designated from time to time by Agent (the “**Lockbox Bank**”), subject to the provisions of this Agreement, and shall execute with the Lockbox Bank a Deposit Account Control Agreement and such other agreements related to such Lockbox as Agent may require. At all times following the Lockbox Post-Closing Period, Borrowers shall have directed each Account Debtor to make payments in respect of the Accounts (and shall use commercially reasonable efforts to ensure that all collections of Accounts are paid directly from such Account Debtors) (i) into the Lockbox for deposit into the Lockbox Account and/or (ii) directly into the Lockbox Account; *provided, however*, upon Borrowers’ actual knowledge of the failure of such collections to be deposited into the Lockbox Account, Borrowers shall promptly notify Agent and immediately deposit such proceeds to the Lockbox Account; *provided, further, however*, Borrowers shall be permitted, upon obtaining Agent’s prior written consent, to cause Account Debtors who are individuals to pay Accounts directly to Borrowers, which Borrowers shall then administer and apply in the manner required below. At all times during the Collections Account Post-Closing Period, Borrowers shall use commercially reasonable efforts to ensure that at the end of each calendar week beginning with October 30, 2016, all proceeds received from any Account Debtor during such calendar week are transferred into the Payment Account. At all times following the Collections Account Post-Closing Period, funds deposited into a Lockbox Account shall be transferred into the Payment Account by the close of each Business Day. At all times during the Lockbox Post-Closing Period, Borrowers shall use commercially reasonable efforts to ensure that all proceeds received from any Account Debtor are deposited into the Lockbox Account within three (3) Business Days of when such proceeds are received.

(b) Reserved.

(c) Notwithstanding anything in any lockbox agreement or Deposit Account Control Agreement to the contrary, Borrowers agree that they shall be liable for any fees and charges in effect from time to time and charged by the Lockbox Bank in connection with the Lockbox, the Lockbox Account, and that Agent shall have no liability therefor. Borrowers hereby indemnify and agree to hold Agent harmless from any and all liabilities, claims, losses and demands whatsoever, including reasonable attorneys’ fees and expenses, arising from or relating to actions of Agent or the Lockbox Bank pursuant to this Section or any lockbox agreement or Deposit Account Control Agreement or similar agreement, except to the extent of such losses arising solely from Agent’s gross negligence or willful misconduct.

(d) Agent shall apply, on a daily basis, all funds transferred into the Payment Account pursuant to this Section 2.11 to reduce the outstanding Revolving Loans in such order of application as Agent shall elect. If as the result of collections of Accounts pursuant to the terms and conditions of this Section, a credit balance exists with respect to the Loan Account, such credit balance shall not accrue interest in favor of Borrowers, but Agent shall transfer such funds into an account designated by Borrower Representative for so long as no Event of Default exists.

(e) To the extent that any collections of Accounts or proceeds of other Collateral are not sent directly to the Lockbox or Lockbox Account but are received by any Borrower, such collections shall be held in trust for the benefit of Agent pursuant to an express trust created hereby and immediately remitted, in the form received, to applicable Lockbox or Lockbox Account. No such funds received by any Borrower shall be commingled with other funds of the Borrowers. If any funds received by any Borrower are commingled with other funds of the Borrowers, or are required to be deposited to a Lockbox or Lockbox Account and are not so deposited within five (5) Business Days, then Borrowers shall pay to Agent, for its own account and not for the account of any other Lenders, a compliance fee equal to \$500 for each day that any such conditions exist.