**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT PURSUANT**
**TO SECTION 13 OR 15(d) OF THE**
**SECURITIES EXCHANGE ACT OF 1934**

| | |
|---|---|
| Date of report (Date of earliest event reported) | November 18, 2008 (November 12, 2008) |

GAMESTOP CORP.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

| | |
|---|---|
| 1-32637 | 20-2733559 |
| (Commission File Number) | (IRS Employer Identification No.) |
| 625 Westport Parkway, Grapevine, Texas | 76051 |
| (Address of Principal Executive Offices) | (Zip Code) |

(817) 424-2000
Registrant's telephone number, including area code

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

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

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

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

On November 12, 2008, GameStop Corp. ("GameStop"), together with certain of GameStop's direct or indirect subsidiaries (the "Borrowers"), entered into a Term Loan Agreement (the "Term Loan Agreement") with Bank of America, N.A., as lender, Bank of America, N.A., as Administrative Agent and Collateral Agent, and Bank of America Securities LLC, as Sole Arranger and Bookrunner.

The Term Loan Agreement provides for term loans in the aggregate of $150,000,000, consisting of a $50,000,000 secured term loan ("Term Loan A") and a $100,000,000 unsecured term loan ("Term Loan B" and together with Term Loan A, the "Term Loans"). The Term Loan Agreement provides that the principal of Term Loan B will be repaid in four equal installments of $25,000,000 a week for four consecutive weeks, commencing on December 3, 2008. Term Loan A matures on March 31, 2009. Amounts borrowed under the Term Loan Agreement may not be reborrowed once repaid. Borrowings made pursuant to the Term Loan Agreement will bear interest, payable quarterly or, if earlier, at the end of any interest period, at either (a) the prime loan rate, described in the Term Loan Agreement as the higher of (i) Bank of America N.A.'s prime rate or (ii) the federal funds rate plus 0.50%, in each case plus 1.75% or (b) the LIBO rate (a publicly published rate) plus 3.75%.

The Term Loan Agreement contains customary affirmative and negative covenants for facilities of this type, including limitations on GameStop and its subsidiaries with respect to indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets, changes of business and transactions with affiliates. The covenants permit GameStop to use proceeds of the Term Loans for working capital, capital expenditures, the payment of transaction costs and a portion of the consideration in connection with the Micromania Acquisition (as defined in item 2.01 below) and for all other lawful corporate purposes.

The Term Loan Agreement provides for customary events of default with corresponding grace periods, including failure to pay any principal or interest when due, failure to comply with covenants, any material representation or warranty made by GameStop or the other Borrowers proving to be false in any material respect, certain bankruptcy, insolvency or receivership events affecting GameStop or its subsidiaries, defaults relating to certain other indebtedness, imposition of certain judgments and a change in control of GameStop (as defined in the Term Loan Agreement).

In the event of a default by GameStop, the Administrative Agent may, and at the request of the requisite number of Lenders shall, declare all obligations under the Term Loan Agreement immediately due and payable, and enforce any and all rights of the Lenders or Administrative Agent under the Term Loan Agreement and related documents. For certain events of default related to bankruptcy, insolvency and receivership, the commitments of Lenders will be automatically terminated and all outstanding obligations of GameStop will become immediately due and payable.

The foregoing description of the Term Loan Agreement and related matters is qualified in its entirety by reference to the Term Loan Agreement, which is filed as Exhibit 10.1 hereto and incorporated herein by reference.

Term Loan A is secured by substantially all of GameStop's and certain of its subsidiaries' assets, including, without limitation, (i) inventory, (ii) accounts receivable (including credit card receivables), (iii) general intangibles (including trade names, trademarks and other intellectual property), (iv) furniture, fixtures and equipment, (v) bank and investment accounts, (vi) investment property (including a pledge of subsidiary stock), (vii) owned real estate, (viii) claims and causes of

action relating to the foregoing accounts receivable, certain intellectual property and the capital stock and other equity interests of certain of GameStop's direct and indirect subsidiaries pursuant to (a) a Security Agreement, dated November 12, 2008 (the "Security Agreement"), which is filed as Exhibit 10.2 hereto and incorporated herein by reference, and (b) a Patent and Trademark Security Agreement, dated as of November 12, 2008 (the "IP Security Agreement"), which is filed as Exhibit 10.3 hereto and incorporated herein by reference. In addition, each of GameStop, Electronics Boutique Holdings Corp., GameStop Holdings Corp., GameStop, Inc., GameStop (LP), LLC, GameStop of Texas (GP), LLC and EB International Holdings, Inc. has entered into the Securities Collateral Pledge Agreement, dated November 12, 2008 (the "Pledge Agreement"), pledging certain interests in certain subsidiaries, which is filed as Exhibit 10.4 hereto and incorporated herein by reference.

The Term Loan Agreement is junior to GameStop's senior credit facility, and the liens created by the Security Agreement, Pledge Agreement and IP Security Agreement in favor of the Term Loan A Lenders are junior to, the liens created under the senior credit facility.

In connection with the Term Loans, GameStop entered into an amendment (the "Amendment") to its senior credit facility amending its senior credit facility to permit the Micromania Acquisition and the Term Loans. In addition, during the term of the Term Loan, the applicable margin under the senior credit facility (i) payable on LIBO Loans is increased to a range of 150 basis points to 200 basis points from the current ranges of 100 basis points to 150 basis points and (ii) payable on Prime Rate Loans is increased to a range of 50 basis points to 75 basis points from the current range of 0 basis points to 25 basis points. The margins applicable prior to the entry into the Amendment shall apply once the Term Loans are no longer outstanding. The foregoing description of the Amendment is qualified in its entirety by reference to the Amendment, which is filed as Exhibit 10.5 hereto and incorporated herein by reference.

Certain of the Lenders party to the Term Loan Agreement, and their respective affiliates, have performed, and may in the future perform for GameStop and its subsidiaries, various commercial banking, investment banking, underwriting and other financial advisory services, for which they have received, and will receive, customary fees and expenses.

**Item 2.01 Completion of Acquisition or Disposition of Assets.**

On November 17, 2008, GameStop France SAS, a wholly owned subsidiary of GameStop, completed the approximately $636 million (EUR 497 million) acquisition of substantially all of the outstanding capital stock of SFMI Micromania ("Micromania") from L Capital, LV Capital, Europe@web and other shareholders of Micromania (the "Micromania Acquisition"). Micromania is a leading retailer of video and computer games in France with 332 locations. In connection with the Micromania Acquisition, the Sale and Purchase Agreement dated September 30, 2008 entered into in connection therewith (included as Exhibit 2.1 to GameStop's Current Report on Form 8-K dated October 1, 2008), was amended in the form attached hereto as Exhibit 10.6 and incorporated herein by reference.

The information set forth in Item 1.01 "Entry into a Material Agreement" of GameStop's current report on Form 8-K dated October 1, 2008 is incorporated in this Item 2.01 by reference.

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

(a) The information under Item 1.01 is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

*(d) Exhibits.*

| Exhibit No. | Description of Exhibit |
|---|---|
| 10.1 | Term Loan Agreement, dated November 12, 2008, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A., as lender, Bank of America, N.A., as Administrative Agent and Collateral Agent, and Bank of America Securities LLC, as Sole Arranger and Bookrunner. |
| 10.2 | Security Agreement, dated November 12, 2008, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A., as lender, and Bank of America, N.A., as Collateral Agent. |
| 10.3 | Patent and Trademark Security Agreement, dated as of November 12, 2008, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A., as lender, and Bank of America, N.A., as Collateral Agent. |
| 10.4 | Securities Collateral Pledge Agreement, dated November 12, 2008, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A., as lender, and Bank of America, N.A., as Collateral Agent. |
| 10.5 | Second Amendment to Credit Agreement, dated as of October 11, 2005, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A. and the other lending institutions listed in the Amendment, Bank of America, N.A. and Citicorp North America, Inc., as Issuing Banks, Bank of America, N.A., as Administrative Agent and Collateral Agent, Citicorp North America, Inc., as Syndication Agent, and GE Business Financial Services Inc., as Documentation Agent. |
| 10.6 | Amendment, dated November 17, 2008, to Sale and Purchase Agreement for Micromania Acquisition. |

**SIGNATURES**

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

GAMESTOP CORP.

Date: November 18, 2008

By: /s/ David W. Carlson
David W. Carlson
Executive Vice-President and
Chief Financial Officer

**EXHIBIT INDEX**

| Exhibit No. | Description of Exhibit |
|---|---|
| 10.1 | Term Loan Agreement, dated November 12, 2008, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A., as lender, Bank of America, N.A., as Administrative Agent and Collateral Agent, and Bank of America Securities LLC, as Sole Arranger and Bookrunner. |
| 10.2 | Security Agreement, dated November 12, 2008, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A., as lender, and Bank of America, N.A., as Collateral Agent. |
| 10.3 | Patent and Trademark Security Agreement, dated as of November 12, 2008, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A., as lender, and Bank of America, N.A., as Collateral Agent. |
| 10.4 | Securities Collateral Pledge Agreement, dated November 12, 2008, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A., as lender, and Bank of America, N.A., as Collateral Agent. |
| 10.5 | Second Amendment to Credit Agreement, dated as of October 11, 2005, by and among GameStop Corp., certain subsidiaries of GameStop Corp., Bank of America, N.A. and the other lending institutions listed in the Amendment, Bank of America, N.A. and Citicorp North America, Inc., as Issuing Banks, Bank of America, N.A., as Administrative Agent and Collateral Agent, Citicorp North America, Inc., as Syndication Agent, and GE Business Financial Services Inc., as Documentation Agent. |
| 10.6 | Amendment, dated November 17, 2008, to Sale and Purchase Agreement for Micromania Acquisition. |

Exhibit 10.1

EXECUTION VERSION

# TERM LOAN AGREEMENT

dated as of
November 12, 2008

among

GAMESTOP CORP.,
as Lead Borrower for:

GAMESTOP CORP.
GAMESTOP HOLDINGS CORP.
GAMESTOP, INC.
SUNRISE PUBLICATIONS, INC.
ELECTRONICS BOUTIQUE HOLDINGS CORP.
ELBO INC.
EB INTERNATIONAL HOLDINGS, Inc.
GAMESTOP BRANDS, INC.
MARKETING CONTROL SERVICES, INC.
GAMESTOP (LP), LLC
GAMESTOP OF TEXAS (GP), LLC
SOCOM LLC
GAMESTOP TEXAS LP

The LENDERS Party Hereto,

BANK OF AMERICA, N.A.
as Administrative Agent and Collateral Agent,

and

BANK OF AMERICA SECURITIES LLC,
as Sole Arranger and Bookrunner

_____

**TABLE OF CONTENTS**

**EXHIBITS**

| | |
|---|---|
| A | Assignment and Acceptance |
| B-1 | Term Loan A Note |
| B-2 | Term Loan B Note |
| C | Compliance Certificate |

**SCHEDULES**

TERM LOAN AGREEMENT dated as of November 12, 2008 (this "Agreement") among

GAMESTOP CORP., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051, as Lead Borrower for the Borrowers, being

said GAMESTOP CORP.,

GAMESTOP HOLDINGS CORP., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

GAMESTOP, INC., a corporation organized under the laws of the State of Minnesota having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

SUNRISE PUBLICATIONS, INC., a corporation organized under the laws of the State of Minnesota having a place of business at 724 1st Street N., 4th Floor, Minneapolis, Minnesota 55401,

MARKETING CONTROL SERVICES, INC., a corporation organized under the laws of the Commonwealth of Virginia having a place of business at 10 S. Jefferson Street, Suite 1400, Roanoke, Virginia, 24011,

GAMESTOP BRANDS, INC., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

GAMESTOP OF TEXAS (GP), LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

GAMESTOP (LP), LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

SOCOM LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

GAMESTOP TEXAS LP, a limited partnership organized under the laws of the State of Texas having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

ELECTRONICS BOUTIQUE HOLDINGS CORP., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

ELBO INC., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

EB INTERNATIONAL HOLDINGS, INC., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051,

the LENDERS party hereto; and

BANK OF AMERICA, N.A., a national banking association having a place of business at 100 Federal Street, Boston, Massachusetts 02110, as Administrative Agent and Collateral Agent for the Lenders and the other Secured Parties,

in consideration of the mutual covenants herein contained and benefits to be derived herefrom.

W I T N E S S E T H:

WHEREAS, EB International Holdings, Inc. has entered into a certain Sale and Purchase Agreement with L Capital, LV Capital, Europ@web, Herbe, Geyser Invesments SA, SPF, Arnaud Fayet, Olivier Granclaude, Bruno Duriez, Laurent Bouchard, Jean Maincent, Joel Sana, The Governor and Company of the Bank of Ireland, FCPR Mezzanis 2, Adagio CLO I B.V., Adagio II CLO PLC., Adagio III CLO PLC., Oryx European CLO B.V. as Sellers, Nicolas Bertrand and Matthias Boudier, pursuant to which EB International Holdings, Inc. will purchase all or substantially all of the equity interests in SFMI Micromania S.A.S., an entity organized under the laws of France; and

WHEREAS, the Borrowers have requested that the Lenders make available to the Borrowers a term loan facility in a maximum amount not to exceed $150,000,000, consisting of a secured term loan in the amount of $50,000,000 and an unsecured term loan in the amount of $100,000,000, the proceeds of which term loan facility shall be used by the Borrowers for purposes permitted under, and otherwise in accordance with and subject to the terms of, this Agreement; and

WHEREAS, the Lenders are willing to make the term loan facility available to the Borrowers, upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, the Lenders, the Administrative Agent, the Collateral Agent and the Borrowers hereby agree as follows:

1. DEFINITIONS.

1 . 1 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"Adjusted LIBO Rate" means, with respect to any LIBO Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period divided by (b) a percentage equal to 100% minus the Statutory Reserve Rate.

"Administrative Agent" means Bank of America, in its capacity as administrative agent for the Lenders and the other Secured Parties hereunder.

"Affiliate" means, with respect to a specified Person, (i) any director or officer of that Person, (ii) any other Person Controlling, Controlled by or under direct or indirect common Control with that Person (and if that Person is an individual, any member of the immediate family (including parents, siblings, spouse, children, stepchildren, nephews, nieces and grandchildren) of such individual and any trust whose principal beneficiary is such individual or one or more members of such immediate family and any Person who is Controlled by any such member or trust), (iii) any other Person directly or indirectly holding 10% or more of any class of the capital stock or other equity interests (including options, warrants, convertible securities and similar rights) of that Person, (iv) any other Person 10% or more of any class of whose capital stock or other equity interests (including options, warrants, convertible securities and similar rights) is held directly or indirectly by that Person, and (v) any other Person that possesses, directly or indirectly, power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise) of that Person.

"Agents" shall mean collectively, the Administrative Agent and the Collateral Agent.

"Agreement" means this Term Loan Agreement, as modified, amended, supplemented or restated, and in effect from time to time.

"Applicable Law" means as to any Person: (i) all statutes, rules, regulations, orders, or other requirements having the force of law and (ii) all court orders and injunctions, and/or similar rulings, in each instance ((i) and (ii)) of or by any Governmental Authority, or court, or tribunal which are applicable to such Person, or any property of such Person.

"Applicable Margin" means with respect to any portion of a Term Loan which is a Prime Rate Loan, 1.75%, and with respect to any portion of a Term Loan which is a LIBO Loan, 3.75%.

"Arranger" means Banc of America Securities LLC.

"Assignment and Acceptance" means an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.5), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

"Bank of America" shall mean Bank of America, N.A., a national banking association.

"Blocked Account Agreements" shall mean agency agreements with the banks maintaining a checking or other demand deposit account of any Borrower into which the proceeds of any other DDA are regularly swept on a daily basis, which agreements shall be in form and substance reasonably satisfactory to the Administrative Agent.

"Blocked Account Banks" shall mean the banks with whom the Borrowers have entered into Blocked Account Agreements.

"Blocked Accounts" shall mean each deposit account of the Borrowers which is the subject of a Blocked Account Agreement.

"Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Borrowers" means, individually and collectively, GameStop Corp., GameStop Holdings Corp., GameStop, Inc., Sunrise Publications, Inc., Marketing Control Services, Inc., GameStop Brands, Inc., GameStop of Texas (GP), LLC, GameStop (LP), LLC, SOCOM LLC, GameStop Texas LP, Electronics Boutique Holdings Corp., ELBO Inc., EB International Holdings, Inc. and any other Person who becomes a Borrower hereunder.

"Borrower Affiliated Group" shall mean, collectively, (i) the Borrowers and (ii) each of the Subsidiaries of the Borrowers in existence from time to time.

"Breakage Costs" shall have the meaning set forth in Section 2.11(b).

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in Charlotte, North Carolina or New York, New York are authorized or required by law to remain closed, provided that, when used in connection with a LIBO Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

"Capital Expenditures" of any Person means, for any period, to the extent capitalized in accordance with GAAP, any expenditure for fixed assets (both tangible and intangible), including assets being constructed (whether or not completed), leasehold improvements, capital leases under GAAP, installment purchases of machinery and equipment, acquisitions of real estate and other similar expenditures including (i) in the case of a purchase, the entire purchase price, whether or not paid during the fiscal period in question, (ii) in the case of any Capitalized Lease Obligation, the capitalized amount thereof (determined in accordance with GAAP) and (iii) without duplication, expenditures in or from any construction-in-progress account of any member of the Borrower Affiliated Group.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq.

"Change in Control" means, at any time, (a) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Lead Borrower by Persons who were neither (i) nominated by the board of directors of the Lead Borrower nor (ii) appointed by directors so nominated; or (b) any person (within the meaning of the Securities and Exchange Act of 1934, as amended), is or becomes the beneficial owner (within the meaning of Rule 13d-3 and 13d-5 of the Securities and Exchange Act of 1934, as amended) directly or indirectly of fifty percent (50%) or more of the total voting power of the Voting Stock of the Lead Borrower on a fully diluted basis, whether as a result of the issuance of securities of the Lead Borrower, any merger, consolidation, sale, or distribution, or otherwise, or (c) except as otherwise permitted pursuant to this Agreement, the failure of the Lead Borrower to own, directly or indirectly, 100% (or such other percentage as may be owned directly or indirectly but in no event less than that percentage so owned as of the date of acquisition or creation thereof) of the capital stock or ownership interest, as applicable, of all members of the Borrower Affiliated Group.

"Change in Law" means (a) the adoption of any law, rule or regulation after the date of this Agreement (or, in the case of any Person which becomes a Lender or Participant thereafter, the date on which such Person becomes a Lender or Participant), (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement (or, in the case of any Person which becomes a Lender or Participant thereafter, the date on which such Person becomes a Lender or Participant) or (c) compliance by any Lender (or, for purposes of Section 2.15, by any lending office of such Lender or by such Lender's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement (or, in the case of any Person which becomes a Lender or Participant thereafter, the date on which such Person becomes a Lender or Participant).

"Charges" has the meaning provided therefor in Section 9.13.

"Closing Date" means the date on which the conditions specified in Article IV are satisfied (or waived by the Agents).

"Closing Date Acquisition" means the acquisition by EB International Holdings, Inc. or an Affiliate thereof, of all or substantially all of the equity interests of Micromania, pursuant to the Closing Date Acquisition Documents.

"Closing Date Acquisition Documents" means collectively, the Sale and Purchase Agreement and all other agreements, documents, certificates and instruments executed and/or delivered in connection therewith.

"Code" means the Internal Revenue Code of 1986 and the rules and regulations promulgated thereunder, as amended from time to time.

"Collateral" means any and all "Collateral" as defined in any applicable Security Document.

"Collateral Agent" means Bank of America, in its capacity as collateral agent under the Security Documents.

"Commitment" means, collectively, the Term Loan A Commitments and the Term Loan B Commitments.

"Commitment Percentage" of any Lender means, collectively, such Lender's Term Loan A Commitment Percentage and Term Loan B Commitment Percentage.

"Consolidated" means, when used to modify a financial term, test, statement, or report of a Person, refers to the application or preparation of such term, test, statement or report (as applicable) based upon the consolidation, in accordance with GAAP, of the financial condition or operating results of such Person and its Subsidiaries.

"Consolidated EBITDA" of any Person means, for any twelve month period, the result for such period of (i) Consolidated Net Income, plus (ii) depreciation, amortization and all other non-cash charges that were deducted in the calculation of Consolidated Net Income for such period plus (iii) provisions for income taxes that were deducted in the calculation of Consolidated Net Income for such period, plus (iv) Consolidated Interest Expense, plus (v) extraordinary non-cash losses to the extent such losses have not been and will not become cash losses in a later fiscal period. Each calculation of Consolidated EBITDA under this Agreement shall be made for the twelve month period ending on the date of such calculation.

"Consolidated EBITDAR" of any Person means, for any period, an amount equal to Consolidated EBITDA for such period, plus Consolidated Rent Expense for such period.

"Consolidated Interest Expense" means, for any period for any Person, total interest and all amortization of debt discount and expense (including that attributable to Capital Lease Obligations in accordance with GAAP) of such Person on a Consolidated basis with respect to all outstanding Indebtedness of such Person, including, without limitation, all commitment fees, fees and charges owed with respect to letters of credit, balance deficiency fees and similar

expenses, and bankers' acceptance financing and net costs under Hedging Agreements, but excluding any non-cash or deferred interest financing costs.

"Consolidated Leverage Ratio" shall mean, as of the last day of any fiscal month, for the twelve-month period then ended, the ratio of (i) Total Indebtedness outstanding on such date, to (ii) Consolidated EBITDA for such period.

"Consolidated Net Income" means, for any period with respect to any Person, the net income (or loss) of such Person on a Consolidated basis for such period taken as a single accounting period determined in conformity with GAAP, provided that there shall be excluded (i) the income (or loss) of any Person in which any other Person (other than the Lead Borrower or any of its Domestic Subsidiaries) has a joint interest, except to the extent of the amount of dividends or other distributions actually paid to the Lead Borrower or any of its Domestic Subsidiaries by such Person during such period, and (ii) the income (or loss) of any Person accrued prior to the date it becomes a Subsidiary of the Lead Borrower or any of its Domestic Subsidiaries or is merged into or consolidated with the Lead Borrower or any of its Domestic Subsidiaries or that Person's assets are acquired by the Lead Borrower or any of its Domestic Subsidiaries.

"Consolidated Net Worth" means, with respect to any Person, the difference between its Consolidated total assets and its Consolidated total liabilities, all as determined in accordance with GAAP.

"Consolidated Rent Expense" of any Person means, for any period, the aggregate rental expenses of such Person on a Consolidated basis for such period (including percentage rent) under any operating lease classified as such under GAAP but not including any amount included in the definition of "Consolidated Interest Expense."

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms "Controlling" and "Controlled" have meanings correlative thereto.

"DDA" means any checking or other demand deposit account maintained by any Borrower.

"Default" means any event or condition that constitutes an Event of Default or that upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Delinquent Lender" has the meaning given that term in Section 8.12.

"Dollars" or "$" refers to lawful money of the United States of America.

"Domestic Subsidiary" means any Subsidiary of any Borrower organized under the laws of any jurisdiction of the United States of America.

"Environmental Laws" means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by or with any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, or handling, treatment, storage, disposal, Release or threatened Release of any Hazardous Material.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, natural resource damage, costs of environmental remediation, administrative oversight costs, fines, penalties or indemnities), of any Person directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with any Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the existence with respect to any Plan of an "accumulated funding deficiency" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by a Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by a Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by a Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by a Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from a Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

"Event of Default" has the meaning assigned to such term in Section 7.1. An "Event of Default" shall be deemed to have occurred and to be continuing unless and until that Event of

Default has been duly waived by the Administrative Agent in writing or cured to the reasonable satisfaction of the Administrative Agent.

"Excluded Taxes" means, with respect to the Agents, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrowers hereunder, (a) income or franchise taxes imposed on (or measured by) its gross or net income by the United States of America, or by the jurisdiction 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, (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which any Borrower is located and (c) in the case of a Foreign Lender (other than an assignee pursuant to a request by a Borrower under Section 2.20(b)), any withholding tax that is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office) or is attributable to such Foreign Lender's failure to comply with Section 2.18, except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrowers with respect to such withholding tax pursuant to Section 2.18.

"Extraordinary Receipt" means any cash received by or paid to or for the account of any Person not in the ordinary course of business, including tax refunds, pension plan reversions, proceeds of insurance (other than proceeds of business interruption insurance to the extent such proceeds constitute compensation for lost earnings), condemnation awards (and payments in lieu thereof), indemnity payments and any purchase price adjustments.

"Federal Funds Effective Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Fee Letter" means the fee letter by and among GameStop Corp., the Administrative Agent and the Arranger dated as of July 18, 2008, as such letter may from time to time be amended.

"Financial Officer" means, with respect to any Borrower, the chief financial officer, controller, assistant controller, treasurer, or assistant treasurer of such Borrower.

"Fixed Charge Coverage Ratio" means, as of the last day of any month, for the twelve-month period then ended, the ratio of (a) an amount equal to Consolidated EBITDAR less Capital Expenditures for such period, to (b) the sum of Consolidated Interest Expense plus Consolidated Rent Expense for such period. Consolidated EBITDAR, Capital Expenditures and

Consolidated Rent Expense shall be calculated without regard to (i) those items attributable to any Person prior to the date it becomes a Domestic Subsidiary of the Lead Borrower or any of its other Domestic Subsidiaries or is merged into or consolidated with the Lead Borrower or any of its Domestic Subsidiaries or that Person's assets are acquired by the Lead Borrower or any of its Domestic Subsidiaries and (ii) any Subsidiaries other than Domestic Subsidiaries Controlled by the Borrowers.

"Foreign Lender" means any Lender that is organized under the laws of a jurisdiction other than the United States of America or any State thereof or the District of Columbia.

"Foreign Subsidiary" means any Subsidiary that is organized under the laws of a jurisdiction other than the United States of America or any State thereof or the District of Columbia.

"GAAP" means accounting principles which are (a) consistent with those promulgated or adopted by the Financial Accounting Standards Board and its predecessors (or successors) in effect and applicable to that accounting period in respect of which reference to GAAP is being made, and (b) consistently applied with past financial statements of the Borrower Affiliated Group adopting the same principles.

"GameStop Europe Loan" means that certain $20,000,000 unsecured credit facility by and among Bank of America, N.A. and GameStop Europe Holdings Sarl.

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the primary purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation, provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business.

Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes, mold and other fungi, bacteria, and all other substances or wastes of any nature regulated pursuant to any Environmental Law, including any material listed as a hazardous substance under Section 101(14) of CERCLA.

"Hedging Agreement" means any interest rate protection agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, foreign currency exchange agreement, commodity price protection agreement, or other interest or currency exchange rate or commodity price hedging arrangement designed to hedge against fluctuations in interest rates or foreign exchange rates.

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for borrowed money (including any obligations which are without recourse to the credit of such Person), (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid under conditional sale or other title retention agreements relating to property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (f) all Guarantees by such Person of Indebtedness of others, (g) all Capital Lease Obligations of such Person, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (i) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances, (j) to the extent not otherwise included, all net obligations of such Person under Hedging Agreements, and (k) the principal and interest portions of all rental obligations of such Person under any Synthetic Lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing where such transaction is considered borrowed money indebtedness for tax purposes but is classified as an operating lease in accordance with GAAP. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Indemnitee" has the meaning provided therefor in Section 9.3(b).

"Intellectual Property Security Agreement" shall mean the Patent and Trademark Security Agreement dated as of the date hereof and executed and delivered by the Borrowers to the Collateral Agent for the ratable benefit of the Secured Parties.

"Intercreditor Agreement" means that certain Intercreditor Agreement dated as of even date herewith by and between the Agents and the Revolving Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Interest Payment Date" means (a) with respect to any portion of a Term Loan which bears interest at the Prime Rate, the first day of each calendar month, and (b) with respect to any portion of a Term Loan which bears interest at the LIBO Rate, on the last day of the applicable Interest Period, and, in addition, if such Interest Period is greater than 90 days, on the last day of the third month of such Interest Period.

"Interest Period" means, with respect to any portion of a Term Loan which bears interest at the LIBO Rate, the period commencing on the date such portion was made as or converted into a LIBO Loan and ending on the numerically corresponding day in the calendar month that is one, three, or six months thereafter, or if all Lenders agree, seven (7) days thereafter, as the Lead Borrower may elect by notice to the Administrative Agent in accordance with the provisions of this Agreement, provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, and (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month during which such Interest Period ends) shall end on the last Business Day of the calendar month of such Interest Period, (c) any Interest Period which would otherwise end after the Termination Date shall end on the Termination Date, and (d) notwithstanding the provisions of clause (c), no Interest Period shall have a duration of less than one month, or, if all Lenders agree, seven (7) days, and if any applicable Interest Period would be for a shorter period, such Interest Period shall not be available hereunder.

"Inventory" has the meaning assigned to such term in the Security Agreement.

"Investment" has the meaning provided therefore in Section 6.4.

"Lead Borrower" means GameStop Corp.

"Lenders" shall mean collectively, the Term Loan A Lenders and the Term Loan B Lenders.

"LIBO Loan" shall mean any portion of a Term Loan bearing interest at a rate determined by reference to the Adjusted LIBO Rate in accordance with the provisions of Section 2.2.

"LIBO Rate" means, for any Interest Period with respect to a LIBO Loan, the rate per annum equal to the British Bankers Association LIBOR Rate ("BBA LIBOR"), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If such rate is not available at such time for any reason, then the "LIBO Rate" for such Interest Period shall be the rate per annum determined by the Administrative Agent to be the rate at which deposits in Dollars for delivery on the first day of such Interest Period in same day funds in the approximate amount of the LIBO Loan being made, continued or converted by Bank of America and with a term equivalent to such Interest Period would be offered by Bank of America's London Branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m. (London time) two Business Days prior to the commencement of such Interest Period.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"Loan Account" has the meaning assigned to such term in Section 2.12(a).

"Loan Documents" means this Agreement, the Notes, the Fee Letter, the Blocked Account Agreements, the Security Documents, the Intercreditor Agreement and any other instrument or agreement now or hereafter executed and delivered in connection herewith or therewith.

"Margin Stock" has the meaning assigned to such term in Regulation U.

"Material Adverse Effect" means a material adverse effect on (a) the business, operations, property, assets, condition, financial or otherwise, of the Borrower Affiliated Group, taken as a whole, (b) the ability of the Borrower Affiliated Group, taken as a whole, to perform any material obligation or to pay any Obligations under this Agreement or any of the other Loan Documents, or (c) the validity or enforceability of this Agreement or any of the other Loan Documents or any of the material rights or remedies of the Administrative Agent, the Collateral Agent or the Lenders hereunder or thereunder.

"Material Indebtedness" means Indebtedness (other than the Term Loans) of any one or more of the Borrowers in an aggregate principal amount exceeding $20,000,000. In all events, the Senior Notes and the Indebtedness under the Revolving Loan Documents shall be deemed Material Indebtedness.

"Material Foreign Subsidiary" means each Foreign Subsidiary which is a direct Subsidiary of a Borrower which, as of the last day of any fiscal quarter, satisfied any one or more of the following tests:

(a) such Foreign Subsidiary's total tangible assets (after intercompany eliminations), as determined in accordance with GAAP, exceeds 10% of consolidated total tangible assets of the Borrower Affiliated Group); or

(b) such Foreign Subsidiary's Consolidated Net Income for the previous twelve months ending as of the last day of such fiscal quarter exceeds 10% of the Consolidated Net Income for the previous twelve months ending as of the last day of such fiscal quarter of the Borrower Affiliated Group; or

(c) such Foreign Subsidiary's Consolidated Net Worth exceeds 10% of the Consolidated Net Worth of the Borrower Affiliated Group.

"Maturity Date" means March 31, 2009.

"Maximum Rate" has the meaning provided therefor in Section 9.13.

"Micromania" means SFMI Micromania S.A.S., a French *société par actions simplifiée*.

"Minority Lenders" has the meaning provided therefor in Section 9.2(c).

"Moody's" means Moody's Investors Service, Inc.

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

"Net Proceeds" means (a) with respect to any disposition by any Borrower or any of its Subsidiaries, or any Extraordinary Receipt received or paid to the account of any Borrower or any of its Subsidiaries, the excess, if any, of (i) the sum of cash and cash equivalents received in connection with such transaction (including any cash or cash equivalents received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) over (ii) the sum of (A) the principal amount of any Indebtedness that is secured by the applicable asset by a Lien permitted hereunder which is senior to the Collateral Agent's Lien on such asset and that is required to be repaid (or to establish an escrow for the future repayment thereof) in connection with such transaction (other than Indebtedness under the Loan Documents), (B) the reasonable and customary out-of-pocket expenses incurred by such Borrower or such Subsidiary in connection with such transaction (including, without limitation, appraisals, and brokerage, legal, title and recording or transfer tax expenses and commissions) paid by any Borrower to third parties (other than Affiliates)); and

(b) with respect to the sale or issuance of any equity interest by any Borrower or any of its Subsidiaries, or the incurrence or issuance of any Indebtedness by any Borrower or any of its Subsidiaries, the excess of (i) the sum of the cash and cash equivalents received in connection with such transaction over (ii) the underwriting discounts and commissions, and other reasonable and customary out-of-pocket expenses, incurred by such Borrower or such Subsidiary in connection therewith.

"Obligations" means (a) the due and punctual payment by the Borrowers of (i) the principal of, and interest (including all interest that accrues after the commencement of any case or proceeding by or against any Borrower under any federal or state bankruptcy, insolvency, receivership or similar law, whether or not allowed in such case or proceeding) on the Term Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (ii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise, of the Borrowers to the Agents and the Lenders under this Agreement and the other Loan Documents and (b) the due and punctual payment and performance of all covenants, agreements, obligations and liabilities of the Borrowers under or pursuant to this Agreement and the other Loan Documents.

"Other Taxes" means any and all current 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.

"Participant" has the meaning provided therefore in Section 9.5(e).

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"Perfection Certificate" means a certificate in the form approved by the Collateral Agent.

"Permitted Encumbrances" means:

(i) Liens imposed by law for taxes that are not yet due or are being contested in compliance with Section 5.5;

(ii) carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 60 days or are being contested in compliance with Section 5.5;

(iii) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance, old-age pension and other social security laws or regulations;

(iv) deposits to secure the performance of bids, trade contracts, leases, contracts (other than for the repayment of borrowed money), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(v) judgment liens in respect of judgments that do not constitute an Event of Default under Section 7.1(m);

(vi) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Borrowers or any other member of the Borrower Affiliated Group;

(vii) Possessory liens in favor of brokers and dealers arising in connection with the acquisition or disposition of Investments owned as of the date hereof and Permitted Investments, provided that such liens (a) attach only to such Investments and (b) secure only obligations incurred in the ordinary course and arising in connection with the acquisition or disposition of such Investments and not any obligation in connection with margin financing;

(viii) Liens in favor of a financial institution encumbering deposits (including the right of setoff) held by such financial institution in the ordinary course of its business and which are within the general parameters customary in the banking industry; and

(ix) Landlords' and lessors' liens in respect of rent that is not overdue by more than thirty (30) days or which is being contested in compliance with Section 5.5;

provided that, except as provided in any one or more of clauses (i) through (vi) above, the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness.

"Permitted Investments" means each of the following:

(i) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(ii) Investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, a credit rating of at least A-1 or P-1 from S&P or from Moody's;

(iii) Investments in certificates of deposit, banker's acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and demand deposit and money market deposit accounts issued or offered by, any domestic

office of any commercial bank organized under the laws of the United States of America or any State thereof that has a combined capital and surplus and undivided profits of not less than $100,000,000;

(iv) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (i) above (without regard to the limitation on maturity contained in such clause) and entered into with a financial institution satisfying the criteria described in clause (iii) above or with any primary dealer and having a market value at the time that such repurchase agreement is entered into of not less than 100% of the repurchase obligation of such counterparty entity with whom such repurchase agreement has been entered into;

(v) money market mutual funds, 90% of the investments of which are in cash or investments contemplated by clauses (i) through (iv) of this definition; and

(vi) Investments by the Lead Borrower consistent with the Lead Borrower's current investment policy, which Investments are approved by the Administrative Agent from time to time;

*provided that*, notwithstanding the foregoing, after the occurrence and during the continuance of an Event of Default, (i) no such new Investments shall be permitted by a Borrower unless the Investment is a temporary Investment pending expiration of an Interest Period for a LIBO Loan, the proceeds of which Investment will be applied to the Obligations after the expiration of such Interest Period, and (ii) all such Investments are pledged by the applicable Borrower to the Administrative Agent as additional collateral for the Obligations pursuant to such agreements as may be reasonably required by the Administrative Agent.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which a Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pledge Agreements" means the Securities Collateral Pledge Agreements dated as of the date hereof and executed and delivered by one or more of the Borrowers to the Collateral Agent, for the benefit of the Secured Parties, as the same may be amended and in effect from time to time, pursuant to which, without limitation, (i) all of the issued and outstanding capital stock of all Domestic Subsidiaries owned by a Borrower and (ii) sixty-five percent (or such lesser amount owned by such Borrower) of all of the issued and outstanding capital stock of all Foreign Subsidiaries is pledged to the Collateral Agent (in each case, other than Subsidiaries that are not directly or indirectly wholly owned by such Borrower).

"Prepayment Event" means:

(a) Any sale or disposition (including pursuant to a sale and leaseback transaction) of any property or asset of a Borrower in an amount greater than $1,000,000;

(b) Any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of a Borrower in an amount greater than $1,000,000, unless the proceeds therefrom are required to be paid to the holder of a Lien on such property or asset having priority over the Lien of the Collateral Agent;

(c) The issuance by a Borrower of any equity interests, other than any such issuance of equity interests (i) to a Borrower or (ii) as a compensatory issuance to any employee, director, or consultant (including under any option plan);

(d) The incurrence by a Borrower of any Indebtedness for borrowed money other than as permitted pursuant to Section 6.1; or

(e) The receipt by any Borrower of any Extraordinary Receipts in an amount greater than $1,000,000.

"Prime Rate" shall mean, for any day, the higher of (a) the annual rate of interest then most recently announced by Bank of America at its head office in Charlotte, North Carolina as its "Prime Rate" and (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1% (0.50%) per annum. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate being charged to any customer. If for any reason the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations thereof in accordance with the terms hereof, the Prime Rate shall be determined without regard to clause (b) of the first sentence of this definition, until the circumstances giving rise to such inability no longer exist. Any change in the Prime Rate due to a change in Bank of America's Prime Rate or the Federal Funds Effective Rate shall be effective on the effective date of such change in Bank of America's Prime Rate or the Federal Funds Effective Rate, respectively.

"Prime Rate Loan" shall mean any portion of a Term Loan bearing interest at a rate determined by reference to the Prime Rate in accordance with the provisions of Section 2.2.

"Real Estate" means all land, together with the buildings, structures, parking areas, and other improvements thereon, now or hereafter owned or leased by any Borrower, including all easements, rights-of-way, and similar rights relating thereto and all leases, tenancies, and occupancies thereof.

"Register" has the meaning set forth in Section 9.5(c).

"Regulation U" means Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Regulation X" means Regulation X of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person's Affiliates.

"Release" has the meaning set forth in Section 101(22) of CERCLA.

"Required Lenders" shall mean, at any time, Lenders whose percentage of the outstanding amount of the Term Loans aggregate greater than 50% of the aggregate amount of the outstanding Term Loans.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any shares of any class of capital stock of Borrower, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such shares of capital stock of any Borrower or any option, warrant or other right to acquire any such shares of capital stock of any Borrower.

"Revolving Agent" means Bank of America, N.A., in its capacity as administrative agent and collateral agent for the lenders under the Revolving Credit Agreement.

"Revolving Credit Agreement" means that certain Credit Agreement dated as of October 11, 2005 by and among the Borrowers, the Revolving Lenders, and Bank of America, N.A., as administrative agent and collateral agent for the Revolving Lenders, as amended and in effect from time to time as permitted pursuant to the terms of the Intercreditor Agreement.

"Revolving Loan Documents" means the Revolving Credit Agreement and all documents, instruments and agreements entered into in connection therewith.

"Revolving Lenders" means the lenders from time to time party to the Revolving Credit Agreement.

"Revolving Obligations" means "Obligations", as defined in the Revolving Credit Agreement.

"Sale and Purchase Agreement" means that certain Sale and Purchase Agreement by and among L Capital, LV Capital, Europ@web, Herbe, Geyser Invesments SA, SPF, Arnaud Fayet, Olivier Granclaude, Bruno Duriez, Laurent Bouchard, Jean Maincent, Joel Sana, The Governor and Company of the Bank of Ireland, FCPR Mezzanis 2, Adagio CLO I B.V., Adagio II CLO

PLC., Adagio III CLO PLC., Oryx European CLO B.V. as Sellers, Nicolas Bertrand and Matthias Boudier, and EB International Holdings, Inc., as Purchaser, pursuant to which EB International Holdings, Inc. or an Affiliate thereof will purchase all or substantially all of the equity interests in the Micromania.

"S&P" means Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc.

"Secured Parties" has the meaning assigned to such term in the Security Agreement.

"Security Agreement" means the Security Agreement dated as of the date hereof and executed and delivered by the Borrowers to the Collateral Agent for the benefit of the Secured Parties, as amended and in effect from time to time.

"Security Documents" means the Security Agreement, the Intellectual Property Security Agreement, the Pledge Agreements and each other security agreement, guaranty or other instrument or document executed and delivered pursuant to Section 5.14 or any other provision hereof or any other Loan Document, to secure any of the Obligations relating to the Term Loan A.

"Senior Notes" means the Senior Floating Rate Notes Due 2011 and 8% senior Notes Due 2012 issued by GSC Holdings Corp. and Gamestop, Inc. under an Indenture dated as of September 28, 2005 with Citibank, N.A., as Trustee and any securities issued in lieu or in replacement thereof.

"Senior Note Documents" means the documents, instruments and other agreements now or hereafter executed and delivered in connection with the Senior Notes.

"Solvent" means, with respect to any Person on a particular date, that on such date (a) at fair valuations, all of the properties and assets of such Person are greater than the sum of the debts, including contingent liabilities, of such Person, (b) the present fair saleable value of the properties and assets of such Person is not less than the amount that would be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person is able to realize upon its properties and assets and pay its debts and other liabilities, contingent obligations and other commitments as they mature in the normal course of business, (d) such Person does not intend to, and does not believe that it will, incur debts beyond such Person's ability to pay as such debts mature, and (e) such Person is not engaged in a business or a transaction, and is not about to engage in a business or transaction, for which such Person's properties and assets would constitute unreasonably small capital after giving due consideration to the prevailing practices in the industry in which such Person is engaged.

"Statutory Reserve Rate" means, for any Interest Period, the rate (expressed as a decimal) applicable to the Administrative Agent during such Interest Period under regulations issued from

time to time by the Board of Governors of the Federal Reserve System for determining the maximum reserve requirement (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. LIBO Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent and/or one or more subsidiaries of the parent.

"Synthetic Lease" means any lease or other agreement for the use or possession of property creating obligations which does not appear as Indebtedness on the balance sheet of the lessee thereunder but which, upon the insolvency or bankruptcy of such Person, would be characterized as Indebtedness of such lessee without regard to the accounting treatment.

"Taxes" means any and all current or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

"Termination Date" shall mean the earliest to occur of (i) the Maturity Date, (ii) the date on which the maturity of the Term Loans is accelerated in accordance with Section 7.1, (iii) the termination of the Revolving Credit Agreement, or (iv) the date of the occurrence of any Event of Default pursuant to Section 7.1(j) or 7.1(k).

"Term Loan(s)" means, individually and collectively, the Term Loan A and the Term Loan B.

"Term Loan A" has the meaning provided in Section 2.1.

"Term Loan B" has the meaning provided in Section 2.1.

"Term Loan A Commitment" shall mean, with respect to each Lender, the commitment of such Lender hereunder with respect to its portion of the Term Loan A in the amount set forth opposite its name on Schedule 1.1 hereto.

"Term Loan A Commitment Percentage" shall mean, with respect to each Lender, that percentage which its Term Loan A Commitment bears to the percentage of the Term Loan A Commitments of all Lenders hereunder with respect to the Term Loan A in the amount set forth opposite its name on Schedule 1.1 hereto.

"Term Loan A Lender" shall mean the Persons identified on Schedule 1.1 as holding the Term Loan A Commitments and each assignee thereof that becomes a party to this Agreement as set forth in Section 9.5(b).

"Term Loan A Notes" shall mean the promissory note of the Borrowers substantially in the form of Exhibit B-1, each payable to the order of a Term Loan A Lender, evidencing the Term Loan A.

"Term Loan B Commitment" shall mean, with respect to each Lender, the commitment of such Lender hereunder with respect to its portion of the Term Loan B in the amount set forth opposite its name on Schedule 1.1 hereto.

"Term Loan B Commitment Percentage" shall mean, with respect to each Lender, that percentage which its Term Loan B Commitment bears to the percentage of the percentage of the Term Loan B Commitments of all Lenders hereunder with respect to the Term Loan B in the amount set forth opposite its name on Schedule 1.1 hereto.

"Term Loan B Lender" shall mean the Persons identified on Schedule 1.1 as holding the Term Loan B Commitments and each assignee thereof that becomes a party to this Agreement as set forth in Section 9.5(b).

"Term Loan B Notes" shall mean the promissory note of the Borrowers substantially in the form of Exhibit B-2, payable to the order of a Term Loan B Lender, evidencing the Term Loan B.

"Term Notes" shall mean the Term Loan A Notes and the Term Loan B Notes.

"Total Indebtedness" shall mean at any date of determination, the total Indebtedness of the Borrowers on a Consolidated basis determined in accordance with GAAP, including, without limitation, all Indebtedness under the Loan Documents, the Revolving Loan Documents, the Senior Notes, and all Capital Lease Obligations.

"Type", when used in reference to any portion of an outstanding Term Loan, refers to whether the rate of interest on such portion of such Term Loan is determined by reference to the Adjusted LIBO Rate or the Prime Rate.

"UCC" shall mean the Uniform Commercial Code as in effect from time to time in the State of New York.

"Voting Stock" means, with respect to any corporation, the outstanding stock of all classes (or equivalent interests) which ordinarily, in the absence of contingencies, entitles holders thereof to vote for the election of directors (or Persons performing similar functions) of such corporation, even though the right so to vote has been suspended by the happening of such contingency.

"Withdrawal Liability" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

1.2 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns or, for natural persons, such Person's successors, heirs, executors, administrators and other legal representatives, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections, Exhibits and Schedules shall be construed to refer to Sections of, and Exhibits and Schedules to, this Agreement, (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (f) all financial statements and other financial information provided by the Borrowers and each other member of the Borrower Affiliated Group to the Administrative Agent or any Lender shall be provided with reference to Dollars, and (g) this Agreement and the other Loan Documents are the result of negotiation among, and have been reviewed by counsel to, among others, the Borrower Affiliated Group and the Administrative Agent and are the product of discussions and negotiations among all parties. Accordingly, this Agreement and the other Loan Documents are not intended to be construed against the Administrative Agent or any of the Lenders merely on account of the Administrative Agent's or any Lender's involvement in the preparation of such documents.

1.3 Accounting Terms. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect on the Closing Date, on a basis consistent with the financial statements referred to in Section 3.4 of

this Agreement, provided that, if the Borrowers request an amendment to any provision hereof to reflect the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrowers that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such provision shall have been amended in accordance herewith.

2. AMOUNT AND TERMS OF CREDIT

2.1 Commitment of the Lenders.

(a) Each Term Loan A Lender, severally and not jointly with any other Lender, agrees, upon the terms and subject to the conditions herein set forth, to make a term loan in the aggregate amount of up to $50,000,000 (collectively, the "Term Loan A") to the Borrowers in a single drawing on the Closing Date in an amount equal to such Term Loan A Lender's Term Loan A Commitment. The aggregate outstanding principal amount of the Term Loan A shall not at any time exceed the aggregate amount of the Term Loan A Commitments. The Term Loan A Commitments shall be terminated upon the funding on the Term Loan A on the Closing Date. Any portion of the Term Loan A that is repaid may not be reborrowed. Except as set forth in Section 2.8 and Section 2.16, any outstanding portion of the Term Loan A may be either a Prime Rate Loan or a LIBO Loan.

(b) Each Term Loan B Lender, severally and not jointly with any other Lender, agrees, upon the terms and subject to the conditions herein set forth, to make a term loan in the aggregate amount of up to $100,000,000 (collectively, the "Term Loan B") to the Borrowers in a single drawing on the Closing Date in an amount equal to such Term Loan B Lender's Term Loan B Commitment. The aggregate outstanding principal amount of the Term Loan B shall not at any time exceed the aggregate amount of the Term Loan B Commitments. The Term Loan B Commitments shall be terminated upon the funding on the Term Loan B on the Closing Date. Any portion of the Term Loan B that is repaid may not be reborrowed. Except as set forth in Section 2.8 and Section 2.16, any outstanding portion of the Term Loan B may be either a Prime Rate Loan or a LIBO Loan.

(c) The failure of any Lender to make its portion of the Term Loan A or the Term Loan B, as applicable, shall neither relieve any other Lender of its obligation to fund its portion of the Term Loan A or the Term Loan B, as applicable, in accordance with the provisions of this Agreement nor increase the obligation of any such other Lender.

2.2 Interest Elections.

(a) Except as set forth in Sections 2.8 and 2.16, the Term Loans made by the Lenders shall be either Prime Rate Loans or LIBO Loans as the Lead Borrower on behalf of the Borrowers may request subject to and in accordance with this Section 2.2. Each Lender may fulfill its Commitment with respect to any Term Loan by causing any lending office of such Lender to make such Term Loan; but any such use of a lending office shall not affect the obligation of the Borrowers to repay such Term Loan in accordance with the terms of the applicable Term Note. Each Lender shall, subject to its overall policy considerations, use reasonable efforts (but shall not be obligated) to select a lending office which will not result in the payment of increased costs by the Borrowers pursuant to Section 2.15.

(b) The Lead Borrower shall give the Administrative Agent three (3) Business Days' prior telephonic notice (thereafter confirmed in writing) of each borrowing of LIBO Loans and one (1) Business Day's prior notice of each borrowing of Prime Rate Loans. Any such notice, to be effective, must be received by the Administrative Agent not later than 11:00 a.m., New York time, on the third Business Day in the case of LIBO Loans prior to, and on the first Business Day in the case of Prime Rate Loans prior to, the date on which such borrowing is to be made. Such notice shall be irrevocable and shall specify the amount of the proposed borrowing (which shall be in an integral multiple of $100,000, but not less than $1,000,000 in the case of LIBO Loans) and the date thereof (which shall be a Business Day) and shall contain disbursement instructions. Such notice shall specify whether the interest rate then being requested with respect to such portion of the Term Loans is to be the Prime Rate or the LIBO Rate and, with respect to LIBO Loans, the Interest Period with respect thereto. If no election of Interest Period is specified in any such notice for LIBO Loans, such notice shall be deemed a request for an Interest Period of one month. If no election is made as to whether the outstanding portion of the applicable Term Loan shall be a Prime Rate Loan or a LIBO Loan, such notice shall be deemed a request for a Prime Rate Loan. The Administrative Agent shall promptly notify each Lender of its proportionate share of such Term Loan, the date of such Term Loan, the Type of such Term Loan being requested and the Interest Period or Interest Periods applicable thereto, as appropriate. On the Closing Date, each Lender shall make its share of the Term Loans available at the office of the Administrative Agent at 100 Federal Street, Boston, Massachusetts 02110, no later than 12:00 noon, New York time, in immediately available funds. Unless the Administrative Agent shall have received notice from a Lender prior to the Closing Date that such Lender will not make available to the Administrative Agent such Lender's share of such Term Loans on the Closing Date, the Administrative Agent may assume that such Lender has made such share available in accordance with this Section and may, in reliance upon such assumption, make available to the Borrowers a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Term Loan available to the Administrative Agent, then the applicable Lender and the Borrowers severally agree to

pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrowers to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the Federal Funds Effective Rate or (ii) in the case of the Borrowers, the interest rate applicable to Prime Rate Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's portion of the applicable Term Loan. Upon receipt of the funds made available by the Lenders to fund the Term Loans hereunder, the Administrative Agent shall disburse such funds in the manner specified in the notice of borrowing delivered by the Lead Borrower and shall use reasonable efforts to make the funds so received from the Lenders available to the Borrowers no later than 3:00 p.m., New York time.

(c) The Administrative Agent, without the request of the Lead Borrower, may request the Revolving Agent to (and the Revolving Agent is hereby authorized and directed to) advance any interest, fee, service charge, or other payment to which any Agent or their Affiliates or any Lender is entitled from any Borrower pursuant hereto or any other Loan Document. The Administrative Agent shall notify the Lead Borrower of any such request promptly after the making thereof.

2.3 Term Notes.

(a) The Term Loans made by each Lender shall be evidenced by the Term Notes duly executed on behalf of the Borrowers, dated the Closing Date, in substantially the form attached hereto as Exhibit B-1 or Exhibit B-2, as applicable, payable to the order of each such Lender in an aggregate principal amount equal to such Lender's Term Loan A Commitment or Term Loan B Commitment, as applicable.

(b) Each Lender is hereby authorized by the Borrower to endorse on a schedule attached to each Term Note delivered to such Lender (or on a continuation of such schedule attached to such Term Note and made a part thereof), or otherwise to record in such Lender's internal records, an appropriate notation evidencing the date and amount of each Term Loan from such Lender, each payment and prepayment of principal of any such Term Loan, each payment of interest on any such Term Loan and the other information provided for on such schedule; provided, however, that the failure of any Lender to make such a notation or any error therein shall not affect the obligation of the Borrowers to repay the Term Loans made by such Lender in accordance with the terms of this Agreement and the applicable Term Notes.

(c) Upon receipt of an affidavit of a Lender as to the loss, theft, destruction or mutilation of such Lender's Term Note and an indemnity in form and substance reasonably satisfactory to the Lead Borrower, and upon cancellation of such Term Note, the Borrowers will issue, in lieu thereof, a replacement Term Note in favor of such Lender, in the same principal amount thereof and otherwise of like tenor.

2.4 Interest on Term Loans.

(a) Subject to Section 2.5, each portion of any Term Loan which is a Prime Rate Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 or 366 days, as applicable) at a rate per annum that shall be equal to the then Prime Rate, plus the Applicable Margin for Prime Rate Loans.

(b) Subject to Section 2.5, each portion of any Term Loan which is a LIBO Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 360 days) at a rate per annum equal, during each Interest Period applicable thereto, to the Adjusted LIBO Rate for such Interest Period, plus the Applicable Margin for LIBO Loans.

(c) Accrued interest on the Term Loans shall be payable in arrears on each Interest Payment Date applicable thereto, on the Termination Date, after the Termination Date on demand and (with respect to LIBO Loans) upon any repayment or prepayment thereof (on the amount prepaid).

2.5 Default Interest. Effective upon the occurrence of any Event of Default and at all times thereafter while such Event of Default is continuing, at the option of the Administrative Agent or upon the direction of the Required Lenders, interest shall accrue on the outstanding Term Loans (after as well as before judgment, as and to the extent permitted by law), at a rate per annum (computed on the basis of the actual number of days elapsed over a year of 360 days) equal to the rate (including the Applicable Margin) in effect from time to time plus 2.00% per annum, and such interest shall be payable on demand.

2.6 Certain Fees. The Borrowers shall pay to the Administrative Agent, for the account of the Administrative Agent, the fees set forth in the Fee Letter as and when payment of such fees is due as therein set forth.

2.7 Nature of Fees. All fees shall be paid on the dates due, in immediately available funds, to the Administrative Agent, for the respective accounts of the Administrative Agent and the Lenders, as provided herein. All fees shall be fully earned on the date when due and shall not be refundable under any circumstances.

2.8 Alternate Rate of Interest. If prior to the commencement of any Interest Period for any portion of a Term Loan which is a LIBO Loan:

(a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Interest Period; or

(b) the Administrative Agent is advised by the Required Lenders that the Adjusted LIBO Rate for such Interest Period will not adequately and fairly reflect the

cost to such Lenders of making or maintaining their portion of the LIBO Loans for such Interest Period;

then the Administrative Agent shall give notice thereof to the Lead Borrower and the Lenders by telephone or telecopy as promptly as practicable thereafter (but in any event, within two (2) Business Days) and, until the Administrative Agent notifies the Lead Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any request of the Lead Borrower to convert any portion of a Term Loan to, or to continue any portion of a Term Loan as, a LIBO Loan shall be ineffective and (ii) any such portion of such Term Loan shall be converted to or continued as a Prime Rate Loan.

2.9 Conversion and Continuation of Loans. The Lead Borrower on behalf of the Borrowers shall have the right at any time,

(a) on three (3) Business Days' prior irrevocable notice to the Administrative Agent (which notice, to be effective, must be received by the Administrative Agent not later than 11:00 a.m., New York time, on the third Business Day preceding the date of any conversion), (x) to convert any outstanding portion of a Term Loan which is a Prime Rate Loan to a LIBO Loan, or (y) to continue any outstanding portion of a Term Loan which is a LIBO Loan as a LIBO Loan for an additional Interest Period,

(b) on one Business Day's irrevocable notice to the Administrative Agent (which notice, to be effective, must be received by the Administrative Agent not later than 11:00 a.m., New York time, on the date of any conversion), to convert any outstanding portion of the a Term Loan which is a LIBO Loan to a Prime Rate Loan,

subject to the following:

(i) no portion of the Term Loans may be converted into, or continued as, LIBO Loans at any time when an Event of Default has occurred and is continuing;

(ii) the aggregate principal amount of any Term Loan being converted into or continued as LIBO Loans shall be in an integral of $100,000 and at least $1,000,000;

(iii) each Lender shall effect each conversion by applying the proceeds of its new LIBO Loan or Prime Rate Loan, as the case may be, to its portion of the applicable Term Loan being so converted;

(iv) the Interest Period with respect to LIBO Loans effected by a conversion or in respect to the LIBO Loans being continued as LIBO Loans shall commence on the date of conversion or the expiration of the current applicable Interest Period, as the case may be;

(v) LIBO Loans may be converted only on the last day of an Interest Period applicable thereto;

(vi) each request for a conversion or continuation of LIBO Loans which fails to state an applicable Interest Period shall be deemed to be a request for an Interest Period of one month; and

(vii) no more than three (3) LIBO Loans may be outstanding at any time.

If the Lead Borrower does not give notice to convert any Prime Rate Loans, or does not give notice to continue, or does not have the right to continue, any LIBO Loans, in each case as provided above, such portion of the applicable Term Loan shall automatically be converted to, or continued as, as applicable, a Prime Rate Loan at the expiration of the then current Interest Period. The Administrative Agent shall, after it receives notice from the Borrower, promptly give each Lender notice of any conversion, in whole or part, of any portion of the applicable Term Loan made by such Lender.

2.10 Repayment of Term Loan B; Mandatory Prepayments; Cash Collateral.

(a) The Borrowers shall repay the Term Loan B in four equal installments of $25,000,000 each on each of December 3, 2008, December 10, 2008, December 17, 2008 and December 24, 2008. Once repaid, no portion of the Term Loan B may be reborrowed.

(b) The outstanding Obligations shall be subject to mandatory prepayment as follows:

(i) The Borrowers shall prepay the Term Loans in an amount equal to the Net Proceeds received by any Borrower on account of a Prepayment Event. The proceeds from any such prepayment shall be applied as set forth in Section 2.11(b) hereof.

(ii) Subject to the foregoing, outstanding Prime Rate Loans shall be prepaid before outstanding LIBO Loans are prepaid. Each partial prepayment of LIBO Loans shall be in an integral multiple of $1,000,000. No prepayment of LIBO Loans shall be permitted pursuant to this Section 2.10 other than on the last day of an Interest Period applicable thereto, unless the Borrowers simultaneously reimburse the Lenders for all "Breakage Costs" (as defined below) associated therewith. In order to avoid such Breakage Costs, as long as no Event of Default has occurred and is continuing, at the request of the Lead Borrower, the Administrative Agent shall hold all amounts required to be applied to LIBO Loans in a cash collateral account and will apply such funds to the applicable

LIBO Loans at the end of the then pending Interest Period therefor and such LIBO Loans shall continue to bear interest at the rate set forth in Section 2.4 until the amounts in such cash collateral account have been so applied (provided that the foregoing shall in no way limit or restrict the Agents' rights upon the subsequent occurrence of an Event of Default). No partial prepayment of a Borrowing of LIBO Loans shall result in the aggregate principal amount of the LIBO Loans remaining outstanding pursuant to such Borrowing being less than $1,000,000 (unless all such outstanding LIBO Loans are being prepaid in full).

(c) All amounts required to be applied to the Term Loans hereunder shall be applied ratably in accordance with each Lender's Commitment Percentage.

2.11 Optional Prepayment of Term Loans; Reimbursement of Lenders.

(a) The Borrowers shall have the right at any time and from time to time to prepay outstanding amounts under the Term Loans in whole or in part, (x) with respect to LIBO Loans, upon at least two Business Days' prior written, telex or facsimile notice to the Administrative Agent prior to 11:00 a.m., New York time, and (y) with respect to Prime Rate Loans, upon at least one Business Day prior written, telex or facsimile notice to the Administrative Agent prior to 11:00 p.m., New York time, subject to the following limitations:

(i) All prepayments under Section 2.10(b) above and under this Section 2.11 shall be paid to the Administrative Agent for application, first, to the prepayment of outstanding amounts under the Term Loan B ratably in accordance with each Term Loan B Lender's Term Loan B Commitment Percentage, and second, to the prepayment of outstanding amounts under the Term Loan A ratably in accordance with each Term Loan A Lender's Term Loan A Commitment Percentage.

(ii) Subject to the foregoing, outstanding Prime Rate Loans shall be prepaid before outstanding LIBO Loans are prepaid. Each partial prepayment of LIBO Loans shall be in an integral multiple of $1,000,000. No prepayment of LIBO Loans shall be permitted pursuant to this Section 2.11 other than on the last day of an Interest Period applicable thereto, unless the Borrowers simultaneously reimburse the Lenders for all "Breakage Costs" (as defined below) associated therewith. No partial prepayment of LIBO Loans shall result in the aggregate principal amount of the LIBO Loans remaining outstanding being less than $1,000,000 (unless all such outstanding LIBO Loans are being prepaid in full).

(iii) Each notice of prepayment shall specify the prepayment date, the principal amount and Type of the Term Loans to be prepaid. Each notice of prepayment shall be irrevocable and shall commit the Borrowers to prepay such

portion of the Term Loan by the amount and on the date stated therein. The Administrative Agent shall, promptly after receiving notice from the Lead Borrower hereunder, notify each Lender of the principal amount and Type of the Term Loans held by such Lender which are to be prepaid, the prepayment date and the manner of application of the prepayment.

(b) The Borrowers shall reimburse each Lender on demand for any loss incurred or to be incurred by it in the reemployment of the funds released (i) resulting from any prepayment (for any reason whatsoever, including, without limitation, conversion to Prime Rate Loans or acceleration by virtue of, and after, the occurrence of an Event of Default) of any LIBO Loan required or permitted under this Agreement, if such LIBO Loan is prepaid other than on the last day of the Interest Period for such LIBO Loan or (ii) in the event that after the Lead Borrower delivers a notice of borrowing under Section 2.2 in respect of LIBO Loans, such LIBO Loans are not borrowed on the first day of the Interest Period specified in such notice of borrowing for any reason. Such loss shall be the amount as reasonably determined by such Lender as the excess, if any, of (A) the amount of interest which would have accrued to such Lender on the amount so paid or not borrowed at a rate of interest equal to the Adjusted LIBO Rate for such LIBO Loan, for the period from the date of such payment or failure to borrow to the last day (x) in the case of a payment or refinancing of a LIBO Loan other than on the last day of the Interest Period for such LIBO Loan, of the then current Interest Period for such Loan or (y) in the case of such failure to borrow, of the Interest Period for such LIBO Loan which would have commenced on the date of such failure to borrow, over (B) the amount of interest which would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the London interbank market (collectively, "Breakage Costs"). Any Lender demanding reimbursement for such loss shall deliver to the Lead Borrower from time to time one or more certificates setting forth the amount of such loss as determined by such Lender and setting forth in reasonable detail the manner in which such amount was determined.

(c) In the event the Borrowers fail to prepay any portion of any Term Loan on the date specified in any prepayment notice delivered pursuant to Section 2.11(a), the Borrowers on demand by any Lender shall pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any actual loss incurred by such Lender as a result of such failure to prepay, including, without limitation, any loss, cost or expenses incurred by reason of the acquisition of deposits or other funds by such Lender to fulfill deposit obligations incurred in anticipation of such prepayment. Any Lender demanding such payment shall deliver to the Lead Borrower from time to time one or more certificates setting forth the amount of such loss as determined by such Lender and setting forth in reasonable detail the manner in which such amount was determined.

(d) Whenever any partial prepayment of the outstanding portion of the Term Loans are to be applied to LIBO Loans, such LIBO Loans shall be prepaid in the chronological order of their Interest Payment Dates.

2.12 Maintenance of Loan Account; Statements of Account.

(a) The Administrative Agent shall maintain an account on its books in the name of the Borrowers (the "Loan Account") which will reflect (i) the outstanding amount of the Term Loans made by the Lenders to the Borrowers or for the Borrowers' account, (ii) all fees and interest that have become payable as herein set forth, and (iii) any and all other monetary Obligations that have become payable.

(b) The Loan Account will be credited with all amounts received by the Administrative Agent from the Borrowers or otherwise for the Borrowers' account, and the amounts so credited shall be applied as set forth in Sections 2.14(a) and (b). After the end of each month, the Administrative Agent shall send to the Lead Borrower a statement accounting for the charges, loans, [and other transactions] occurring among and between the Administrative Agent, the Lenders and the Borrowers during that month. The monthly statements shall, absent manifest error, be an account stated, which is final, conclusive and binding on the Borrowers.

2.13 Cash Management.

(a) On or prior to the Closing Date, the Borrowers shall have entered into Blocked Account Agreements with the Blocked Account Banks in form and substance reasonably satisfactory to the Administrative Agent. After the occurrence and during the continuance of an Event of Default, subject to the terms of the Intercreditor Agreement, the Collateral Agent shall have the exclusive right to exercise control over the Blocked Accounts and to cause all proceeds received in the Blocked Accounts to pay the Obligations as set forth in Section 7.4 hereof.

(b) The Borrowers may close DDAs or Blocked Accounts and/or open new DDAs or Blocked Accounts, subject to the execution and delivery to the Administrative Agent of appropriate Blocked Account Agreements consistent with the provisions of this Section 2.13. Unless consented to in writing by the Administrative Agent, the Borrowers may not enter into any agreements with additional credit card processors unless contemporaneously therewith, a notification to such processor instructing such processor to transfer the proceeds of such credit card charges in accordance with the provisions of this Section is executed and delivered to the Administrative Agent.

(c) So long as no Event of Default has occurred and is continuing, the Borrowers may direct, and shall have sole control over, the manner of disposition of its funds in the DDA Accounts and the Blocked Accounts.

(d) In the event that, notwithstanding the provisions of this Section 2.13, after the occurrence of an Event of Default, the Borrowers receive or otherwise have dominion and control of any such proceeds or collections, such proceeds and collections shall be held in trust by the Borrowers for the Administrative Agent and shall not be commingled with any of the Borrowers' other funds or deposited in any account of Borrower other than as instructed by the Administrative Agent.

2.14 Application of Payments.

(a) As long as the time for payment of the Obligations has not been accelerated, all amounts received by the Administrative Agent, shall be applied, on the day of receipt, in the following order: first, to pay any fees and expense reimbursements and indemnification then due and payable to the Administrative Agent and the Collateral Agent; second, to pay interest then due and payable on the Term Loans; third, to repay the outstanding portions of the Term Loan B that are Prime Rate Loans; fourth, to repay the outstanding portions of the Term Loan B that are LIBO Loans and all Breakage Costs due in respect of such repayment pursuant to Section 2.11(b) or, at the Lead Borrower's option, to fund a cash collateral deposit to a cash collateral account sufficient to pay, and with direction to pay, all such outstanding LIBO Loans on the last day of the then-pending Interest Period therefor from such cash collateral account; fifth, to repay the outstanding portions of the Term Loan A that are Prime Rate Loans; sixth, to repay the outstanding portions of the Term Loan A that are LIBO Loans and all Breakage Costs due in respect of such repayment pursuant to Section 2.11(b) or, at the Lead Borrower's option, to fund a cash collateral deposit to a cash collateral account sufficient to pay, and with direction to pay, all such outstanding LIBO Loans on the last day of the then-pending Interest Period therefor from such cash collateral account; seventh, to pay all other Obligations that are then outstanding and then due and payable. If all amounts set forth in clauses first through and including seventh above are paid, any excess amounts shall be deposited in a separate cash collateral account, and shall be released to the Lead Borrower on the day of receipt. So long as no Event of Default has occurred and is continuing, the Administrative Agent shall release the funds held in the cash collateral account pursuant to clause fifth above to the Borrowers upon the Lead Borrower's request.

(b) All credits against the Obligations shall be effective on the day of receipt thereof, and shall be conditioned upon final payment to the Administrative Agent of the items giving rise to such credits. If any item credited to the Loan Account is dishonored or returned unpaid for any reason, whether or not such return is rightful or timely, the Administrative Agent shall have the right to reverse such credit and charge the amount of such item to the Loan Account and the Borrowers shall indemnify the Administrative Agent, the Collateral Agent and the Lenders against all claims and losses resulting from such dishonor or return.

2.15 Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender or any holding company of any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate); or

(ii) impose on any Lender or the London interbank market any other condition affecting this Agreement or LIBO Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any LIBO Loan (or of maintaining its obligation to make any such LIBO Loan) or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or otherwise) other than Taxes, which shall be governed by Section 2.18 hereof, then the Borrowers will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) If any Lender determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Term Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrowers will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and setting forth in reasonable detail the manner in which such amount or amounts were determined shall be delivered to the Lead Borrower and shall be conclusive absent manifest error. The Borrowers shall pay such Lender the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section within ninety (90) days of the effective date of the relevant Change in Law shall constitute a waiver of such Lender's right to demand such compensation.

2.16 Change in Legality.

(a) Notwithstanding anything to the contrary contained elsewhere in this Agreement, if (x) any Change in Law shall make it unlawful for a Lender to make or maintain a LIBO Loan or to give effect to its obligations as contemplated hereby with respect to a LIBO Loan or (y) at any time any Lender determines that the making or continuance of any of its LIBO Loans has become impracticable as a result of a contingency occurring after the date hereof which adversely affects the London interbank market or the position of such Lender in the London interbank market, then, by written notice to the Lead Borrower, such Lender may (i) declare that LIBO Loans will not thereafter be made by such Lender hereunder, whereupon any request by the Borrowers for a LIBO Loan shall, as to such Lender only, be deemed a request for a Prime Rate Loan unless such declaration shall be subsequently withdrawn; and (ii) require that all outstanding LIBO Loans made by it be converted to Prime Rate Loans, in which event all such LIBO Loans shall be automatically converted to Prime Rate Loans as of the effective date of such notice as provided in paragraph (b) below. In the event any Lender shall exercise its rights under clause (i) or (ii) of this paragraph (a), all payments and prepayments of principal which would otherwise have been applied to repay the LIBO Loans that would have been made by such Lender or the converted LIBO Loans of such Lender shall instead be applied to repay the Prime Rate Loans made by such Lender in lieu of, or resulting from the conversion of, such LIBO Loans.

(b) For purposes of this Section 2.16, a notice to the Lead Borrower by any Lender pursuant to paragraph (a) above shall be effective, and if any LIBO Loans shall then be outstanding, on the last day of the then-current Interest Period; and otherwise such notice shall be effective on the date of receipt by the Lead Borrower.

2.17 Payments; Sharing of Setoff.

(a) The Borrowers shall make each payment required to be made by them hereunder or under any other Loan Document (whether of principal, interest, fees, or of amounts payable under Sections 2.11(b), 2.15 or 2.18, or otherwise) prior to 2:00 p.m., New York time, on the date when due, in immediately available funds, without setoff or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 100 Federal Street, Boston, Massachusetts, except that payments pursuant to Sections 2.11(b), 2.15, 2.18 or 9.3 shall be made directly to the Persons entitled thereto and payments pursuant to other Loan Documents shall be made to the Persons specified therein. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment under any Loan Document (other than payments with respect to LIBO Loans) shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, if any payment due with respect to LIBO Loans shall be due on a day

that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, unless that succeeding Business Day is in the next calendar month, in which event, the date of such payment shall be on the last Business Day of subject calendar month, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments under each Loan Document shall be made in dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied ratably among the parties entitled thereto in accordance with the provisions of Section 2.14(a) or Section 7.4 hereof, as applicable.

(c) If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its portion of the outstanding Term Loans resulting in such Lender's receiving payment of a greater proportion of the aggregate amount of its portion of the outstanding Term Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the portions of the outstanding Term Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective portions of the outstanding Term Loans, provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in its portion of the outstanding Term Loans to any assignee or participant, other than to the Borrowers or any Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrowers consent to the foregoing and agree, to the extent they may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrowers rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrowers in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Lead Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent

forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Federal Funds Effective Rate.

(e) If any Lender shall fail to make any payment required to be made by it pursuant to this Agreement, then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under this Agreement until all such unsatisfied obligations are fully paid.

2.18 Taxes.

(a) Any and all payments by or on account of any obligation of the Borrowers hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes, provided that if the Borrowers shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Agents or any Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrowers shall make such deductions, and (iii) the Borrowers shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.

(b) In addition, the Borrowers shall pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) The Borrowers shall indemnify the Agents and each Lender within ten (10) Business Days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by such Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrowers hereunder or under any other Loan Document (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrowers by a Lender or by any Agent on its own behalf or on behalf of a Lender setting forth in reasonable detail the manner in which such amount was determined, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrowers to a Governmental Authority, the Borrowers shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such

payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Any Foreign Lender that is entitled to an exemption from or reduction in withholding tax shall deliver to the Lead Borrower and the Administrative Agent two copies of either United States Internal Revenue Service Form W-8BEN or Form W-8ECI, or any subsequent versions thereof or successors thereto, or, in the case of a Foreign Lender's claiming exemption from or reduction in U.S. Federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a Form W-8BEN, or any subsequent versions thereof or successors thereto (and, if such Foreign Lender delivers a Form W-8BEN, a certificate representing that such Foreign Lender is not a bank for purposes of Section 881(c) of the Code, is not a 10-percent shareholder (within the meaning of Section 871(h)(3)(B) of the Code) of the Borrowers and is not a controlled foreign corporation related to the Borrowers (within the meaning of Section 864(d)(4) of the Code)), properly completed and duly executed by such Foreign Lender claiming complete exemption from or reduced rate of, United States federal withholding tax on payments by the Borrowers under this Agreement and the other Loan Documents, or in the case of a Foreign Lender claiming exemption for "portfolio interest" certifying that it is not a foreign corporation, partnership, estate or trust. Such forms shall be delivered by each Foreign Lender on or before the date it becomes a party to this Agreement (or, in the case of a transferee that is a participation holder, on or before the date such participation holder becomes a transferee hereunder) and on or before the date, if any, such Foreign Lender changes its applicable lending office by designating a different lending office (a "New Lending Office"). In addition, each Foreign Lender shall deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Foreign Lender. Notwithstanding any other provision of this Section 2.18(e), a Foreign Lender shall not be required to deliver any form pursuant to this 2.18(e) that such Foreign Lender is not legally able to deliver.

(f) The Borrowers shall not be required to indemnify any Foreign Lender or to pay any additional amounts to any Foreign Lender in respect of United States federal withholding tax pursuant to paragraph (a) or (c) above to the extent that the obligation to pay such additional amounts would not have arisen but for a failure by such Foreign Lender to comply with the provisions of paragraph (e) above. Should a Lender become subject to Taxes because of its failure to deliver a form required hereunder, the Borrowers shall, at such Lender's expense, take such steps as such Lender shall reasonably request to assist such Lender to recover such Taxes.

2.19 Security Interests in Collateral. To secure the Obligations relating to the Term Loan A under this Agreement and the other Loan Documents, the Borrowers shall grant to the Collateral Agent, for its benefit and the ratable benefit of the other Secured Parties, a security interest in all of the Collateral pursuant hereto and to the Security Documents, which security

interest shall be subject in priority only to the security interest granted to the Revolving Agent under the Revolving Loan Documents.

2.20 Mitigation Obligations; Replacement of Lenders.

(a) If any Lender requests compensation under Section 2.15, or if the Borrowers are required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.18, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Term Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Sections 2.15 or 2.18, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrowers hereby agree to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment; provided, however, that the Borrowers shall not be liable for such costs and expenses of a Lender requesting compensation if (i) such Lender becomes a party to this Agreement on a date after the Closing Date and (ii) the relevant Change in Law occurs on a date prior to the date such Lender becomes a party hereto.

(b) If any Lender requests compensation under Section 2.15, or if the Borrowers are required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.18, or if any Lender defaults in its obligation to fund the Term Loans hereunder, then the Borrowers may, at their sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.5), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that (i) except in the case of an assignment to another Lender, the Borrowers shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Term Loans accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.18, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrowers to require such assignment and delegation cease to apply.

3. REPRESENTATIONS AND WARRANTIES. Each Borrower, for itself and on behalf of each other member of the Borrower Affiliated Group, represents and warrants to the Agents and the Lenders that, after giving effect to the Closing Date Acquisition:

3.1 Organization; Powers. Each member of the Borrower Affiliated Group is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and each such Person has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.

3.2 Authorization; Enforceability. The transactions contemplated hereby and by the other Loan Documents to be entered into by each Borrower are within such Borrower's corporate powers and have been duly authorized by all necessary corporate, and, if required, stockholder action. This Agreement has been duly executed and delivered by each Borrower and constitutes, and each other Loan Document to which any Borrower is a party, when executed and delivered by such Borrower will constitute, a legal, valid and binding obligation of such Borrower (as the case may be), enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

3.3 Governmental Approvals; No Conflicts. The transactions to be entered into contemplated by the Loan Documents (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) for such as have been obtained or made and are in full force and effect, (ii) for those which could not be reasonably be expected to have a Material Adverse Effect, and (iii) for filings and recordings necessary to perfect Liens created under the Loan Documents, (b) will not violate any Applicable Law or regulation or the charter, by-laws or other organizational documents of any Borrower or any other member of the Borrower Affiliated Group or any order of any Governmental Authority, except for such violation which could not reasonably be expected to have a Material Adverse Effect, (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon any Borrower or any other member of the Borrower Affiliated Group or their respective assets, except for such violation or default which could not reasonably be expected to have a Material Adverse Effect, or give rise to a right thereunder to require any material payment to be made by any Borrower or any other member of the Borrower Affiliated Group, and (d) will not result in the creation or imposition of any Lien on any material asset of any Borrower or any other member of the Borrower Affiliated Group, except Liens created under the Loan Documents or otherwise permitted hereby or thereby.

3.4 Financial Condition. The Lead Borrower has heretofore furnished to the Lenders the consolidated balance sheet, and statements of income, stockholders' equity, and cash flows for the Borrower Affiliated Group as of and for the fiscal years ending on or about February 2, 2008.

Such financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Borrower Affiliated Group, in each case, as of such dates and for such periods in accordance with GAAP.

3.5 Properties.

(a) Each member of the Borrower Affiliated Group has good title to, or valid leasehold interests in, all of such Person's real and personal property material to its business, except for defects which could not reasonably be expected to have a Material Adverse Effect.

(b) Schedule 3.5(b)(i) sets forth the address (including county) of all Real Estate that is owned by each member of the Borrower Affiliated Group as of the Closing Date, after giving effect to the Closing Date Acquisition, together with a list of the holders of any mortgage or other Lien thereon. Schedule 3.5(b)(ii) sets forth the address of all Real Estate that is leased by each member of the Borrower Affiliated Group as of the Closing Date, after giving effect to the Closing Date Acquisition. Each of such leases is in full force and effect and no Borrower is in default of the terms thereof, except for such defaults which would not reasonably be expected to have a Material Adverse Effect.

3.6 Litigation and Environmental Matters.

(a) There are no actions, suits, investigations, or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any member of the Borrower Affiliated Group, threatened against or affecting any such Person (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than those set forth on Schedule 3.6) or (ii) that involve any of the Loan Documents.

(b) Except for the matters set forth on Schedule 3.6, and except as could not reasonably be expected to have a Material Adverse Effect, no member of the Borrower Affiliated Group (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

(c) Since the date of this Agreement, there has been no change in the status of the matters set forth on Schedule 3.6 that, individually or in the aggregate, has resulted in, or could reasonably be expected to result in, a Material Adverse Effect.

3.7 Compliance with Laws and Agreements. Each member of the Borrower Affiliated Group is in compliance with all laws, regulations and orders of any Governmental Authority applicable to such Person or its property and all indentures, material agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. No Default has occurred and is continuing.

3.8 Investment Company Status. No member of the Borrower Affiliated Group is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

3.9 Taxes. Each member of the Borrower Affiliated Group has timely filed or caused to be filed all tax returns and reports required to have been filed and has paid or caused to be paid all taxes required to have been paid by it, except (a) taxes that are being contested in good faith by appropriate proceedings, for which such Person has set aside on its books adequate reserves, and as to which no Lien has arisen, or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

3.10 ERISA. Except as set forth in Schedule 3.10, no member of the Borrower Affiliated Group is party to a Plan. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. The present value of all accumulated benefit obligations under each Plan (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of such Plan, and the present value of all accumulated benefit obligations of all underfunded Plans (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of all such underfunded Plans.

3.11 Interdependence of Borrower Affiliated Group.(a) The business of each member of the Borrower Affiliated Group shall benefit from the successful performance of the business of each other member of the Borrower Affiliated Group, and the Borrower Affiliated Group as a whole.

(b) Each member of the Borrower Affiliated Group has cooperated to the extent necessary and shall continue to cooperate with each other member of the Borrower Affiliated Group to the extent necessary in the development and conduct of each other member of the Borrower Affiliated Group's business, and shall to the extent necessary share and participate in the formulation of methods of operation, distribution, leasing, inventory control, and other similar business matters essential to each member of the Borrower Affiliated Group's business.

(c) The failure of any member of the Borrower Affiliated Group to cooperate with all other members of the Borrower Affiliated Group in the conduct of their

respective businesses shall have an adverse impact on the business of each other member of the Borrower Affiliated Group, and the failure of any member of the Borrower Affiliated Group to associate or cooperate with all other members of the Borrower Affiliated Group is reasonably likely to impair the goodwill of such other members of Borrower Affiliated Group and the Borrower Affiliated Group as a whole.

(d) Each member of the Borrower Affiliated Group is accepting joint and several liability for the Obligations on the terms and conditions set forth herein and in the other Loan Documents and represents and warrants that the financial accommodations being provided hereby are for the mutual benefit, directly and indirectly, of each member of the Borrower Affiliated Group.

3.12 Disclosure. The Borrowers have disclosed to the Lenders all agreements, instruments and corporate or other restrictions to which any member of the Borrower Affiliated Group is subject, and all other matters known to any such Person, that, individually or in the aggregate, in each case, could reasonably be expected to result in a Material Adverse Effect. None of the reports, financial statements, certificates or other information furnished by or on behalf of any member of the Borrower Affiliated Group to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or any other Loan Document or delivered hereunder or thereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

3.13 Subsidiaries. On and as of the Closing Date, and after giving effect to the Closing Date Acquisition, the authorized capital stock or other equity, and the number of issued and outstanding shares of capital stock or other equity, of the Borrowers and each other member of the Borrower Affiliated Group is as described in Schedule 3.13. All such outstanding shares of capital stock or other equity of the Borrowers and each other member of the Borrower Affiliated Group have been duly and validly issued, in compliance with all legal requirements relating to the authorization and issuance of shares of capital stock or other equity, and are fully paid and non-assessable. There is no other capital stock or ownership interest of any class outstanding. Except as set forth on Schedule 3.13, no member of the Borrower Affiliated Group is party to any joint venture, general or limited partnership, or limited liability company, agreements or any other business ventures or entities.

3.14 Insurance. Schedule 3.14 sets forth a description of all insurance maintained by or on behalf of the Borrower Affiliated Group as of the Closing Date, after giving effect to the Closing Date Acquisition. Each of such policies is in full force and effect. As of the Closing Date, after giving effect to the Closing Date Acquisition, all premiums in respect of such insurance that are due and payable have been paid.

3.15 Labor Matters. There are no strikes, lockouts or slowdowns against any member of the Borrower Affiliated Group pending or, to the knowledge of the Borrowers, threatened. The hours worked by and payments made to employees of the members of the Borrower Affiliated Group have not been in violation of the Fair Labor Standards Act or any other applicable federal, state, local or foreign law dealing with such matters to the extent that any such violation could reasonably be expected to have a Material Adverse Effect. All payments due from any member of the Borrower Affiliated Group, or for which any claim may be made against any such Person, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of such member. The consummation of the transactions contemplated by the Loan Documents will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which any member of the Borrower Affiliated Group is bound.

3.16 Certain Transactions. Except as set forth on Schedule 3.16, none of the officers, partners, or directors of any member of the Borrower Affiliated Group is presently a party to any transaction, and, to the knowledge of the executive officers of the Borrowers, none of the employees of any member of the Borrower Affiliated Group is presently a party to any material transaction, with any other member of the Borrower Affiliated Group or any Affiliate (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, partner, director or such employee or, to the knowledge of the executive officers of the Borrowers, any corporation, partnership, trust or other entity in which any officer, partner, director, or any such employee or natural person related to such officer, partner, director or employee or other Person in which such officer, partner, director or employee has a direct or indirect beneficial interest, has a substantial direct or indirect beneficial interest or is an officer, director, trustee or partner.3.17 Restrictions on the Borrower Affiliated Group. No member of the Borrower Affiliated Group is a party to or bound by any contract, agreement or instrument, or subject to any charter or other corporate restriction, that has or could reasonably be expected to have a Material Adverse Effect.3.18 Security Documents. The Security Documents create in favor of the Collateral Agent, for the ratable benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral, and the Security Documents constitute, or will upon the filing of financing statements and the obtaining of "control", in each case with respect to the relevant Collateral as required under the applicable Uniform Commercial Code, the creation of a fully perfected Lien subject in priority only to the Lien granted to the Revolving Agent under the Revolving Loan Documents on, and security interest in, all right, title and interest of the Borrowers in such Collateral, in each case prior and superior in right to any other Person (other than Permitted Encumbrances having priority under Applicable Law and the Revolving Agent pursuant to the Revolving Loan Documents), except as permitted hereunder or under any other Loan Document.3.19 Federal Reserve Regulations.

(a) No member of the Borrower Affiliated Group is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of buying or carrying Margin Stock.

(b) No part of the proceeds of any Term Loan will be used, whether directly or indirectly, and whether immediately, incidentally or ultimately, (i) to buy or carry Margin Stock or to extend credit to others for the purpose of buying or carrying Margin Stock or to refund indebtedness originally incurred for such purpose or (ii) for any purpose that entails a violation of, or that is inconsistent with, the provisions of the Regulations of the Board, including Regulation U or X.

3.20 Solvency. The Borrower Affiliated Group, taken as a whole, is Solvent. No transfer of property is being made by any Borrower and no obligation is being incurred by any Borrower in connection with the transactions contemplated by this Agreement or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of any Borrower.

3.21 Franchises, Patents, Copyrights, Etc. Except as otherwise set forth on Schedule 3.21 hereto, each member of the Borrower Affiliated Group owns, or is licensed to use, all franchises, patents, copyrights, trademarks, tradenames, service marks, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business as substantially now conducted without known conflict with any rights of any other Person and, in each case, free of any Lien that is not a Permitted Encumbrance.

3.22 Closing Date Acquisition Documents. The Borrowers have delivered to the Agents a complete and correct copy of the Closing Date Acquisition Documents. Each of the Closing Date Acquisition Documents to which each Borrower is a party constitutes the legal, valid and binding obligation of such Borrower, enforceable against such Borrower in accordance with its terms. No Borrower and, to the Borrowers' knowledge, no other Person party thereto is in default in the performance or compliance with any material provisions of the Closing Date Acquisition Documents. The Closing Date Acquisition Documents comply with, and the Closing Date Acquisition has been consummated in accordance with, all Applicable Laws in effect as of the Closing Date.

4. CONDITIONS.

The obligation of the Lenders to make the Term Loans on the Closing Date is subject to the following conditions precedent:

(a) The Agents (or their counsel) shall have received from each party hereto either (i) a counterpart of this Agreement and all other Loan Documents (including, without limitation, the Security Documents) signed on behalf of such party or (ii) written evidence satisfactory to the Agents and the Arranger (which may include telecopy transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement and all other Loan Documents.

(b) The Agents shall have received a favorable written opinion (addressed to each Agent and the Lenders on the Closing Date and dated the Closing Date) of Bryan Cave LLP, counsel for the Borrowers covering such matters relating to the Borrowers, the Loan Documents or the transactions contemplated thereby as the Required Lenders shall reasonably request. The Borrowers hereby request such counsel to deliver such opinion.

(c) The Agents shall have received such documents and certificates as the Agents or their counsel may reasonably request relating to the organization, existence and good standing of each member of the Borrower Affiliated Group, the authorization of the transactions contemplated by the Loan Documents and any other legal matters relating to the Borrower Affiliated Group, the Loan Documents or the transactions contemplated thereby, all in form and substance reasonably satisfactory to the Agents and their counsel.

(d) The Agents shall have received a certificate from the chief financial officer, chief accounting officer or treasurer of the Lead Borrower, together with such other evidence reasonably requested by the Agents, in each case reasonably satisfactory in form and substance to the Agents, (i) with respect to the solvency of the Borrower Affiliated Group on a consolidated basis, as of the Closing Date after giving effect to the Closing Date Acquisition, and (ii) certifying that, as of the Closing Date and after giving effect to the Closing Date Acquisition, the representations and warranties made by the Borrowers in the Loan Documents are true and complete in all material respects and that no event has occurred (or failed to occur) which is or which, solely with the giving of notice or passage of time(or both) would be a Default or an Event of Default.

(e) All necessary consents and approvals to the transactions contemplated hereby shall have been obtained and shall be reasonably satisfactory to the Agents, including, without limitation, consents from all requisite material Governmental Authorities and, except as would not reasonably be expected to have or result in a Material Adverse Effect, all third parties shall have approved or consented to the transactions contemplated hereby and by the Closing Date Acquisition Documents, including, without limitation, the Closing Date Acquisition, to the extent required, all applicable waiting periods shall have expired and there shall be no material governmental or judicial action, actual or threatened, that could reasonably be expected to materially restrain, prevent or impose burdensome conditions on the Closing Date Acquisition.

(f) The Administrative Agent shall have received and be satisfied with (a) a budget for the period from the Closing Date until March 31, 2009 setting forth a schedule of new stores to be opened by the Borrowers during such period, and (b) such other information (financial or otherwise) reasonably requested by the Administrative Agent in form and substance reasonably satisfactory to the Administrative Agent. The Agents shall be reasonably satisfied that any financial statements delivered to them fairly present the business and financial condition of the Borrower Affiliated Group and that there has been no material adverse change in the assets, business, financial condition or income of the Borrower Affiliated Group, taken as a whole, since the date of such financial statements.

(g) Except as set forth on Schedule 3.6, there shall not be pending any litigation or other proceeding, the result of which could reasonably be expected to have a Material Adverse Effect on the Borrower Affiliated Group, taken as a whole.

(h) There shall not have occurred any default, nor shall any event exist which is, or solely with the passage of time, the giving of notice or both, would be a default under any Material Indebtedness of any member of the Borrower Affiliated Group.

(i) The Collateral Agent shall have received results of searches from such jurisdictions as may be reasonably required by the Collateral Agent or other evidence reasonably satisfactory to the Collateral Agent (in each case dated as of a date reasonably satisfactory to the Collateral Agent) indicating the absence of Liens on the Collateral, except for Permitted Encumbrances and Liens for which termination statements and releases reasonably satisfactory to the Collateral Agent are being tendered concurrently with such extension of credit.

(j) The Collateral Agent shall have received all documents and instruments, including Uniform Commercial Code financing statements, required by law or reasonably requested by the Collateral Agent to be filed, registered or recorded to create or perfect the second priority Liens, subject only to the Lien of the Revolving Agent under the Revolving Loan Documents intended to be created under the Loan Documents and all such documents and instruments shall have been so filed, registered or recorded to the satisfaction of the Collateral Agent.

(k) The Collateral Agent shall have received the Blocked Account Agreements required to be delivered hereunder on or before the Closing Date.

(l) The Agents shall have received the results of a commercial financial examination and inventory appraisal, which results shall be reasonably satisfactory to the Agents.

(m) The Administrative Agent shall have entered into the Intercreditor Agreement with the Revolving Agent, in form and substance satisfactory to the Administrative Agent.

(n) The Revolving Credit Agreement shall have been amended to permit the transactions set forth herein, including, without limitation, the making of the Term Loans by the Lenders and the granting of Liens by the Borrowers to the Collateral Agent as contemplated hereunder and under the other Loan Documents.

(o) All fees due at or immediately after the Closing Date and all reasonable costs and expenses incurred by the Agents in connection with the establishment of the credit facility contemplated hereby (including the reasonable fees and expenses of counsel to the Agents) shall have been paid in full.

(p) The consummation of the transactions contemplated hereby shall not (a) violate any Applicable Law, or (b) conflict with, or result in a default or event of

default under, any material agreement of Borrowers or any other member of the Borrower Affiliated Group, taken as a whole (and the Agents and the Lenders shall receive a satisfactory opinion of Borrowers' counsel to that effect). No event shall exist which is, or solely with the passage of time, the giving of notice or both, would be a default under any material agreement of any member of the Borrower Affiliated Group.

(q) No material changes in governmental regulations or policies affecting the Borrowers, the Agents, or any Lender involved in this transaction shall have occurred prior to the Closing Date which could, individually or in the aggregate, materially adversely effect the transaction contemplated by this Agreement.

(r) There shall be no Default or Event of Default on the Closing Date.

(s) The Collateral Agent shall have received, and be satisfied with, evidence of the Borrowers' insurance, together with such endorsements as are required by the Loan Documents.

(t) There shall not have occurred any disruption or material adverse change in the financial or capital markets in general that would, in the reasonable opinion of the Agents, have a material adverse effect on the market for loan syndications or adversely affecting the syndication of the Loans.

(u) There shall not have occurred any change, effect, event, occurrence or state of facts that is materially adverse to the business, financial condition, or results of operations of Micromania or its Subsidiaries.

(v) The Closing Date Acquisition shall have been or shall concurrently be consummated on the terms set forth in the Closing Date Acquisition Documents, with such modifications as the parties thereto may agree (other than amendments, modifications or waivers which are materially adverse to the Lenders, which modifications, amendments or waivers shall be reasonably acceptable to the Agents and the Arranger).

(w) There shall have been delivered to the Administrative Agent such additional instruments and documents as the Agents or counsel to the Agents reasonably may require or request.

The Administrative Agent shall notify the Lead Borrower and the Lenders of the Closing Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make the Term Loans hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 9.2) at or prior to 5:00 p.m., New York time, on November 12, 2008 (and, in the event such conditions are not so satisfied or waived, this Agreement shall terminate at such time).

5. AFFIRMATIVE COVENANTS. Until the principal of and interest on each Term Loan and all fees payable hereunder shall have been paid in full, each Borrower covenants and agrees with the Agents and the Lenders that:5.1 Financial Statements and Other Information. The Borrowers will furnish to the Agents:(a) within ninety (90) days after the end of each fiscal year of the Borrower Affiliated Group, a consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all audited and reported on by BDO Seidman or another independent public accountant of recognized national standing (without a "going concern" or like qualification or exception and without a qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower Affiliated Group on a consolidated basis in accordance with GAAP consistently applied;

(b) within forty-five (45) days after the end of each fiscal quarter of the Borrower Affiliated Group, a consolidated balance sheet and related statements of operations, stockholders' equity and cash flows, as of the end of and for such fiscal quarter and the elapsed portion of the fiscal year, with comparative results to the same fiscal periods of the prior fiscal year, all certified by a Financial Officer of the Lead Borrower as presenting in all material respects the financial condition and results of operations of the Borrower Affiliated Group on a consolidated basis in accordance with GAAP consistently applied, subject to normal year end audit adjustments and the absence of footnotes,

(c) concurrently with any delivery of financial statements under clause (a) or (b) above, a certificate of a Financial Officer of the Lead Borrower in the form of Exhibit C hereto (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations with respect to the Fixed Charge Coverage Ratio for such period, and (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the Borrowers' audited financial statements referred to in Section 3.4 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate;

(d) within thirty (30) days after the commencement of each fiscal year of the Borrower Affiliated Group, a detailed consolidated budget by quarter for such fiscal year (including a projected consolidated balance sheet and related statements of projected operations and cash flow as of the end of and for such fiscal year);

(e) concurrently with delivery to the Revolving Agent under the Revolving Credit Agreement, a copy of each Borrowing Base Certificate delivered to the Revolving Agent and the reports set forth on Schedule 5.1(h) to the Revolving Credit Agreement;

(f) within thirty (30) days after the commencement of each fiscal year, projected sales and inventory levels for the Borrowers' stores for each month of the following fiscal year;

(g) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by the Lead Borrower or any other member of the Borrower Affiliated Group with the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all of the functions of said Commission, or with any national securities exchange, as the case may be;

(h) notice of any sale or other disposition of assets of any Borrower permitted under Section 6.5(d) hereof promptly following the date of consummation such sale or disposition;

(i) promptly upon receipt thereof, copies of all reports submitted to the Lead Borrower or any other member of the Borrower Affiliated Group by independent certified public accountants in connection with each annual, interim or special audit of the books of the Borrower Affiliated Group made by such accountants, including any management letter commenting on the Borrowers' internal controls submitted by such accountants to management in connection with their annual audit; and

(j) promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Lead Borrower or any other member of the Borrower Affiliated Group, or compliance with the terms of any Loan Document, as the Agents or any Lender may reasonably request.

5.2 Notices of Material Events. The Borrowers will, and will cause each other member of the Borrower Affiliated Group to furnish to the Administrative Agent and the Collateral Agent prompt written notice of the following:

(a) the occurrence of any Default or Event of Default;

(b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting any member of the Borrower Affiliated Group that, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(d) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect;

(e) any change in any Borrower's chief executive officer or chief financial officer;

(f) any collective bargaining agreement or other labor contract to which any member of the Borrower Affiliated Group becomes a party, or the application for the certification of a collective bargaining agent;

(g) the filing of any Lien for unpaid taxes in an aggregate amount in excess of $2,500,000 against any member of the Borrower Affiliated Group;

(h) the discharge by any Borrower of its present independent accountants or any withdrawal or resignation by such independent accountants; and

(i) any material adverse change in the business, operations, or financial affairs of any member of the Borrower Affiliated Group taken as a whole.

Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer or other executive officer of the Lead Borrower setting forth the details of the event or development requiring such notice and, if applicable, any action taken or proposed to be taken with respect thereto.

5.3 Information Regarding Collateral. The Lead Borrower will furnish to the Agents thirty (30) days' prior written notice of any change (i) in any member of the Borrower Affiliated Group's corporate or legal name or in any trade name used to identify it in the conduct of its business or in the ownership of its properties, (ii) in the location of any member of the Borrower Affiliated Group's chief executive office, its principal place of business, any office in which it maintains books or records relating to Collateral owned by it or any office or facility at which Collateral owned by it is located (including the establishment of any such new office or facility), (iii) in any member of the Borrower Affiliated Group's organizational structure or (iv) in any member of the Borrower Affiliated Group's jurisdiction of incorporation or formation, Federal Taxpayer Identification Number or organizational identification number assigned to it by its state of organization.

5.4 Existence; Conduct of Business. Each Borrower will, and will cause each other member of the Borrower Affiliated Group to, do or cause to be done all things necessary to comply with its respective charter, certificate of incorporation, articles of organization, and/or other organizational documents, as applicable; and by-laws and/or other instruments which deal with corporate governance, and to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges, franchises, patents, copyrights, trademarks and trade names material to the conduct of its business, provided that the foregoing shall not

prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.3 or any sale, lease, transfer or other disposition permitted by Section 6.5.

5.5 Payment of Obligations. Each Borrower will, and will cause each other member of the Borrower Affiliated Group to, pay its Indebtedness and other obligations, including tax liabilities, before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) such Borrower or such other member of the Borrower Affiliated Group has set aside on its books adequate reserves with respect thereto in accordance with GAAP, (c) such contest effectively suspends collection of the contested obligation, (d) no Lien secures such obligation and (e) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

5 . 6 Maintenance of Properties. Each Borrower will, and will cause each other member of the Borrower Affiliated Group to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted and with the exception of asset dispositions permitted hereunder.

5.7 Insurance.

(a) Each Borrower will, and will cause each other member of the Borrower Affiliated Group to, (i) maintain insurance with financially sound and reputable insurers reasonably acceptable to the Administrative Agent (or, to the extent consistent with prudent business practice, a program of self-insurance consistent with current practices) on such of its property and in at least such amounts and against at least such risks as is customary with companies in the same or similar businesses operating in the same or similar locations, including public liability insurance against claims for personal injury or death occurring upon, in or about or in connection with the use of any properties owned, occupied or controlled by it (including the insurance required pursuant to the Security Documents); (ii) maintain such other insurance as may be required by law; and (iii) furnish to the Administrative Agent, upon written request, full information as to the insurance carried. The Administrative Agent shall not, by the fact of approving, disapproving, accepting, obtaining or failing to obtain any such insurance, incur liability for the form or legal sufficiency of insurance contracts, solvency of insurance companies or payment of lawsuits, and each Borrower and each other member of the Borrower Affiliated Group hereby expressly assumes full responsibility therefor and liability, if any, thereunder. The Borrowers shall, and shall cause each other member of the Borrower Affiliated Group to, furnish to the Administrative Agent certificates or other evidence satisfactory to the Administrative Agent of compliance with the foregoing insurance provisions.

(b) Fire and extended coverage policies maintained with respect to any Collateral shall be endorsed or otherwise amended to include (i) a lenders' loss payable

clause, in form and substance reasonably satisfactory to the Collateral Agent, which endorsements or amendments shall provide that the insurer shall pay all proceeds otherwise payable to the Borrowers under the policies directly to the Collateral Agent (subject to the terms of the Intercreditor Agreement), (ii) a provision to the effect that none of the Borrowers, the Administrative Agent, the Collateral Agent, or any other party shall be a coinsurer and (iii) such other provisions as the Collateral Agent may reasonably require from time to time to protect the interests of the Lenders. Commercial general liability policies shall be endorsed to name the Collateral Agent as an additional insured. Business interruption policies shall name the Collateral Agent as a loss payee and shall be endorsed or amended to include (i) a provision that, from and after the Closing Date, the insurer shall pay all proceeds in excess of $5,000,000 otherwise payable to the Borrowers under the policies directly to the Administrative Agent or the Collateral Agent (subject to the terms of the Intercreditor Agreement), provided, however, that the Agents hereby agree that prior to the occurrence of an Event of Default, the Agents shall remit all proceeds received by Agents under the policies to Borrowers, provided further that after the occurrence of an Event of Default, the Agents shall apply any proceeds received in accordance with Section 2.14 or Section 7.4 hereof as applicable, (ii) a provision to the effect that none of the Borrowers, the Administrative Agent, the Collateral Agent or any other party shall be a co-insurer and (iii) such other provisions as the Collateral Agent may reasonably require from time to time to protect the interests of the Lenders. Each such policy referred to in this paragraph also shall provide that it shall not be canceled, modified or not renewed except upon not less than 30 days' prior written notice thereof by the insurer to the Collateral Agent (giving the Collateral Agent the right to cure defaults in the payment of premiums). The Borrowers shall deliver to the Collateral Agent, prior to the cancellation, modification or nonrenewal of any such policy of insurance, a copy of a renewal or replacement policy (or other evidence of renewal of a policy previously delivered to the Collateral Agent) together with evidence satisfactory to the Collateral Agent of payment of the premium therefor.

5.8 Casualty and Condemnation. Each Borrower will furnish to the Agents and the Lenders prompt written notice of any casualty or other insured damage to any material portion of the Collateral or the commencement of any action or proceeding for the taking of any material portion of the Collateral or any part thereof or interest therein under power of eminent domain or by condemnation or similar proceeding.

5.9 Books and Records; Inspection and Audit Rights.

(a) Each Borrower will, and will cause each other member of the Borrower Affiliated Group to, keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. Each Borrower will permit any representatives designated by any Agent on its own behalf, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and

condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested.

(b) The Borrowers shall, at all times, retain BDO Seidman, LLP or other independent certified public accountants who are reasonably satisfactory to the Administrative Agent and instruct such accountants to cooperate with, and be available to, the Administrative Agent or its representatives to discuss the Borrowers' financial performance, financial condition, operating results, controls, and such other matters, within the scope of the retention of such accountants, as may be raised by the Administrative Agent.

5.10 Fiscal Year. Each of the Borrowers and each other member of the Borrower Affiliated Group shall have a fiscal year ending on the Saturday closest to January 31 of each year and shall notify the Administrative Agent of any change in such fiscal year.

5.11 Compliance with Laws. Each Borrower will, and will cause each other member of the Borrower Affiliated Group to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

5.12 Use of Proceeds. The proceeds of the Term Loans made hereunder will be used only (a) to pay a portion of the consideration, as well as transaction costs and expenses, in connection with the Closing Date Acquisition, and (b) for general corporate purposes, all to the extent permitted herein. No part of the proceeds of any Term Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations U and X or to make payments of principal or fees on the Senior Notes, except as provided in Section 6.1(b) hereof.

5.13 Additional Subsidiaries.

(a) If any additional Domestic Subsidiary of any Borrower is formed or acquired after the Closing Date, the Lead Borrower will promptly notify the Agents and the Lenders thereof and (i) if a wholly owned Domestic Subsidiary, the Borrowers will cause each such Domestic Subsidiary, to become a Borrower hereunder, as the Administrative Agent or the Lead Borrower may request, and under each applicable Security Document in the manner provided therein within thirty (30) days after such Domestic Subsidiary is formed or acquired and promptly take such actions to create and perfect Liens on such Domestic Subsidiary's assets to secure the Obligations relating to the Term Loan A as any Agent shall reasonably request and (ii) any shares of capital stock owned, and if any Indebtedness of such Domestic Subsidiary (whether or not wholly owned) are owned, by or on behalf of any Borrower, the Borrowers will cause

such shares and promissory notes evidencing such Indebtedness to be pledged within thirty (30) Days after such Domestic Subsidiary is formed or acquired.

(b) If any additional Material Foreign Subsidiary of any Borrower is formed or acquired after the Closing Date or if a Foreign Subsidiary becomes a Material Foreign Subsidiary, the Lead Borrower will notify the Agents and the Lenders thereof and the Borrowers shall cause 65% of the outstanding shares of Voting Stock of such Material Foreign Subsidiary (or such lesser percentage as is owned by any such Borrower) to be pledged within sixty (60) days after such Material Foreign Subsidiary is formed or acquired or such Subsidiary becomes a Material Foreign Subsidiary.

5.14 Further Assurances. Each member of the Borrower Affiliated Group will execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements and other documents), that may be required under any Applicable Law, or which any Agent or the Required Lenders may reasonably request, to effectuate the transactions contemplated by the Loan Documents or to grant, preserve, protect or perfect the Liens created or intended to be created by the Security Documents or the validity or priority of any such Lien, all at the expense of the Borrowers. The Borrowers also agree to provide to the Agents, from time to time upon request, evidence reasonably satisfactory to the Agents as to the perfection and priority of the Liens created or intended to be created by the Security Documents.

6. NEGATIVE COVENANTS. Until the principal of and interest on each Term Loan and all fees payable hereunder have been paid in full, each Borrower covenants and agrees with the Agents and the Lenders that:

6.1 Indebtedness and Other Obligations. The Borrowers will not, and will not permit any other member of the Borrower Affiliated Group to, create, incur, assume or permit to exist any Indebtedness, except:

(a) Indebtedness created under the Loan Documents;

(b) Indebtedness created under the Revolving Loan Documents;

(c) Indebtedness created under the Senior Note Documents, provided that, the principal of the Senior Notes shall not be repaid or prepaid during the term hereof;

(d) Indebtedness set forth in Schedule 6.1 and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof or result in an earlier maturity date or decreased weighted average life thereof;

(e) Indebtedness of any Borrower or Subsidiary to any other Borrower or Subsidiary, provided, however, that the aggregate amount of Indebtedness due to any

Borrower by Foreign Subsidiaries, when combined with the amount of Investments in Foreign Subsidiaries set forth in Section 6.4(e), shall not at any time exceed $125,000,000 per annum, and further provided that no Default or Event of Default has occurred and is continuing or would result from the incurrence of such Indebtedness;

(f) Indebtedness of the Borrower Affiliated Group to finance the acquisition of any fixed or capital assets, including Capital Lease Obligations and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof or result in an earlier maturity date or decreased weighted average life thereof, provided that the aggregate principal amount of Indebtedness permitted by this clause (e) shall not exceed $10,000,000 at any time outstanding

(g) Indebtedness under Hedging Agreements, other than for speculative purposes, entered into in the ordinary course of business;

(h) Contingent liabilities under surety bonds or similar instruments incurred in the ordinary course of business in connection with the construction or improvement of stores;

(i) Indebtedness of any Domestic Subsidiary to any Borrower or to other Domestic Subsidiaries of any Borrower or of any Foreign Subsidiary to any other Foreign Subsidiary;

(j) Unsecured Indebtedness pursuant to the GameStop Europe Loan in an amount not to exceed $20,000,000; and

(k) Guarantees by any member of the Borrower Affiliated Group of Indebtedness of any other member of the Borrower Affiliated Group, provided that such Indebtedness is otherwise permitted by this Section 6.1.

6.2 Liens. The Borrowers will not, and will not permit any other member of the Borrower Affiliated Group to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it, or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except:

(a) Liens created under the Loan Documents;

(b) Liens created under the Revolving Loan Documents;

(c) Liens to secure Indebtedness permitted pursuant to Section 6.01(f);

(d) Permitted Encumbrances; and

(e) any Lien on any property or asset of any Borrower or other member of the Borrower Affiliated Group set forth in Schedule 6.2, provided that (i) such Lien shall not apply to any other property or asset of such Person and (ii) such Lien shall secure only those obligations that it secures as of the Closing Date, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof.

6.3 Fundamental Changes. (a) The Borrowers shall not, and shall not permit any other member of the Borrower Affiliated Group to, liquidate, merge or consolidate into or with any other Person or enter into or undertake any plan or agreement of liquidation, merger or consolidation with any other Person, provided that (i) any wholly-owned Subsidiary of any Borrower may merge or consolidate into or with such Borrower or any other wholly-owned Subsidiary of such Borrower if no Default or Event of Default has occurred and is continuing or would result from such merger and if such Borrower or such Subsidiary is the surviving company, (ii) any Domestic Subsidiary may merge into any other Domestic Subsidiary, (iii) any Foreign Subsidiary may merge into any other Foreign Subsidiary and (iv) any Subsidiary (other than a Borrower) may liquidate or dissolve if the Lead Borrower determines in good faith that such liquidation is in the best interests of the Borrowers and would not have a Material Adverse Effect.

(b) The Borrowers shall not, and shall not permit any other member of the Borrower Affiliated Group to, engage to any material extent in any business other than businesses of the type conducted by the Borrower Affiliated Group on the date of execution of this Agreement and businesses reasonably related or complementary thereto, except that the Borrowers or any other member of the Borrower Affiliated Group may withdraw from any business activity which such Person's board of directors reasonably deems unprofitable or unsound, provided that promptly after such withdrawal, the Lead Borrower shall provide the Administrative Agent with written notice thereof.

6.4 Investments, Loans, Advances, Guarantees and Acquisitions. The Borrowers shall not, and shall not permit any other member of the Borrower Affiliated Group to, purchase, hold or acquire (including pursuant to any merger with any Person that was not a wholly owned Subsidiary prior to such merger) any capital stock, evidences of indebtedness or other securities (including any option, warrant or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, guarantee any obligations of, or make or permit to exist any investment or any other interest in, any other Person, or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other Person constituting a business unit (each of the foregoing, an "Investment"), except for:

(a) Permitted Investments;

(b) The Closing Date Acquisition;

(c) Investments existing on the Closing Date, and set forth on Schedule 6.4, to the extent such investments would not be permitted under any other clause of this Section;

(d) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;

(e) Investments by a Borrower in such Borrower's Subsidiaries, provided, however, that the aggregate amount of Investments in Foreign Subsidiaries, when combined with the amount of Indebtedness due from Foreign Subsidiaries set forth in Section 6.1(e), may not at any time exceed $125,000,000 per annum, and further provided that no Default or Event of Default has occurred and is continuing or would result from such Investment, and further provided that any Investment in Domestic Subsidiaries which are not wholly-owned and which are not Borrowers hereunder shall not exceed $25,000,000 for any Subsidiary and $100,000,000 in the aggregate; and

(f) loans or advances to employees for the purpose of travel, entertainment or relocation in the ordinary course of business and consistent with past practices, not exceeding $1,000,000 in the aggregate at any time outstanding; provided, that no such advances to any single employee shall exceed $250,000 in the aggregate.

6.5 Asset Sales. The Borrowers will not, and will not permit any other member of the Borrower Affiliated Group to, sell, transfer, lease or otherwise dispose of any asset, including any capital stock, nor will any Borrower issue any additional shares of its capital stock or other ownership interest in such Borrower, except:

(a) (i) sales of Inventory in the ordinary course of business, or (ii) used or surplus equipment, or (iii) Permitted Investments, in each case in the ordinary course of business;

(b) sales, transfers and dispositions among the Borrower Affiliated Group (excluding, however, any sales, transfers and dispositions of Inventory or proceeds thereof, from any Borrower except to another Borrower), provided that any such sales, transfers or dispositions involving a Subsidiary that is not a Borrower shall be made in compliance with Section 6.8;

(c) sales or other transfers of assets pursuant to store closures *provided that* in any fiscal year, Borrowers shall not close more than ten percent (10%) of Borrowers' stores open at the beginning of such fiscal year;

(d) other sales, transfers, or dispositions of assets not in the ordinary course of business and not pursuant to store closures *provided that* (x) no Default or Event of

Default then exists or would arise therefrom and (y) the aggregate amount of such sales, transfers or dispositions shall not exceed $75,000,000;

(e) sales or issuances by the Lead Borrower of any of its capital stock that does not result in a Change of Control; and

(f) sales or issuances of capital stock to any Borrower;

provided that all sales, transfers, leases and other dispositions shall be made for cash consideration, and further provided that that all sales, transfers, leases and other dispositions permitted hereby (other than sales, transfers and other dispositions permitted under clauses (a)(ii), (b) (subject to the proviso therein), (e) and (f)) shall be made at arm's length and for fair value; and further provided that the authority granted hereunder may be terminated in whole or in part by the Agents upon the occurrence and during the continuance of any Event of Default.

6.6 Restrictive Agreements. The Borrowers will not, and will not permit any other member of the Borrower Affiliated Group to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of any member of the Borrower Affiliated Group to create, incur or permit to exist any Lien upon any of its property or assets or (b) the ability of any member of the Borrower Affiliated Group to pay dividends or other distributions with respect to any shares of its capital stock or to make or repay loans or advances to the Borrowers or any other member of the Borrower Affiliated Group or to guarantee Indebtedness of the Borrowers or any other member of the Borrower Affiliated Group, provided that (i) the foregoing shall not apply to restrictions and conditions imposed by law or by any Loan Document, (ii) the foregoing restrictions shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, provided that such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (iii) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness and (iv) clause (a) of the foregoing shall not apply to customary provisions in leases restricting the assignment or subleasing thereof.

6.7 Restricted Payments; Certain Payments of Indebtedness.

(a) The Borrowers will not, and will not permit any other member of the Borrower Affiliated Group to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except as long as no Default or Event of Default exists or would arise therefrom, and after giving effect thereto, the Borrowers are Solvent (i) any Borrower may declare and pay dividends with respect to its capital stock payable solely in additional shares of their common stock and (ii) the Subsidiaries of the Lead Borrower may declare and pay cash dividends with respect to their capital stock.

(b) The Borrowers will not at any time, and will not permit any other member of the Borrower Affiliated Group to make or agree to pay or make, directly or indirectly, any payment or other distribution (whether in cash securities or other property) of or in respect of principal of or interest on any Indebtedness, or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Indebtedness, except:

(i) payment of regularly scheduled interest and principal payments as and when due in respect of any Indebtedness permitted under Section 6.1 (other than in connection with Indebtedness the principal of which is prohibited from payment in accordance with Section 6.1(c)); and

(ii) refinancings of Indebtedness described in clause (ii), above, to the extent permitted by Section 6.1, including without limitation, any refinancing as a result of any rollover loans, publicly issued or privately placed notes or exchange notes issued in exchange for such Indebtedness.

6.8 Transactions with Affiliates. The Borrowers will not at any time sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) transactions in the ordinary course of business that are at prices and on terms and conditions not less favorable to the Borrowers than could be obtained on an arm's-length basis from unrelated third parties, and (b) transactions between or among the Borrowers not involving any other Affiliate, which would not otherwise violate the provisions of the Loan Documents.

6.9 Additional Subsidiaries. The Borrowers will not, and will not permit any other member of the Borrower Affiliated Group to, create any additional Subsidiary unless no Default or Event of Default would arise therefrom and the requirements of Section 5.13 are satisfied.

6.10 Amendment of Material Documents. The Borrowers will not, and will not permit any other member of the Borrower Affiliate Group to, amend, modify or waive any of its rights under (a) its certificate of incorporation, by-laws or other organizational documents, (b) the Revolving Credit Agreement or any Revolving Loan Document except as permitted pursuant to the Intercreditor Agreement or (c) any other instruments, documents or agreements, in each case to the extent that such amendment, modification or waiver would be adverse to the interests of the Lenders.

6.11 Fixed Charge Coverage Ratio. The Borrowers shall not permit the Fixed Charge Coverage Ratio at any time to be less than 1.5:1.0.

6.12 Environmental Laws. The Borrowers shall not (a) fail to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval

required under any Environmental Law, or (b) become subject to any Environmental Liability, in each case which is reasonably likely to have a Material Adverse Effect.

6.13 Fiscal Year. The Borrowers shall not change their fiscal year without the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld.

6.14 New Store Locations. The Borrowers shall not open any new store locations other than those set forth in the budget delivered pursuant to clause (f) of Article IV hereof.

7 . EVENTS OF DEFAULT .7.1 Events of Default. If any of the following events ("Events of Default") shall occur:

(a) the Borrowers shall fail to pay any principal of any Term Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrowers shall fail to pay any interest on any Term Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Section) payable under this Agreement or any other Loan Document, within three (3) Business Days when the same shall become due and payable;

(c) any representation or warranty made or deemed made by or on behalf of any Borrower or any other member of the Borrower Affiliated Group in or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed made;

(d) the Borrowers shall fail to observe or perform any covenant, condition or agreement contained in Sections 2.13, 5.4, 5.7, 5.12, or in Section 6;

(e) the Borrowers shall fail to observe or perform any covenant, condition or agreement contained in Sections 5.1(a), 5.1(b), 5.1(c), 5.1(d), 5.2, 5.9, or 5.13 within three (3) Business Days after notice from the Administrative Agent to the Lead Borrower that the Borrowers have failed to observe or perform such covenant, condition or agreement;

(f) any Borrower or any other member of the Borrower Affiliated Group shall fail to observe or perform any covenant, condition or agreement contained in any Loan Document (other than those specified in clause (a), (b), (c), (d) or (e) of this Section), and such failure shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent to the Lead Borrower;

(g) any Borrower shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness when and as the same shall become due and payable (after giving effect to the expiration of any grace or cure period set forth therein);

(h) (i) any Borrower or any other member of the Borrower Affiliated Group shall fail to perform any material covenant or condition contained in any material contract or agreement to which it is party as and when such performance is required (after giving effect to the expiration of any grace or cure period set forth therein); or (ii) any Borrower or any other member of the Borrower Affiliated Group shall fail to perform any material covenant or condition contained in any contract or other agreement between any member of the Borrower Affiliated Group, which failure has a Material Adverse Effect;

(i) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits the holder or holders of any such Material Indebtedness or any trustee or agent on its or their behalf to cause any such Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity, including, without limitation, any Event of Default under the Revolving Credit Agreement;

(j) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any Borrower or any other member of the Borrower Affiliated Group or its debts, or of a substantial part of its assets, under any federal or state bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any other member of the Borrower Affiliated Group or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect for 60 days;

(k) any Borrower or any other member of the Borrower Affiliated Group shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any federal or state bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (j) of this Section, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any other member of the Borrower Affiliated Group or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(l) any Borrower or any other member of the Borrower Affiliated Group shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(m) one or more uninsured judgments for the payment of money in an aggregate amount in excess of $25,000,000 shall be rendered against any Borrower or any other member of the Borrower Affiliated Group or any combination thereof and the same shall remain undischarged for a period of 45 consecutive days during which execution shall not be effectively stayed, or any action shall be successfully legally taken by a judgment creditor to attach or levy upon any material assets of any Borrower or any other member of the Borrower Affiliated Group to enforce any such judgment;

(n) any challenge by or on behalf of any Borrower to the validity of any Loan Document or the applicability or enforceability of any Loan Document strictly in accordance with the subject Loan Document's terms or which seeks to void, avoid, limit, or otherwise adversely affect any security interest created by or in any Loan Document or any payment made pursuant thereto;

(o) any challenge by or on behalf of any other Person to the validity of any Loan Document or the applicability or enforceability of any Loan Document strictly in accordance with the subject Loan Document's terms or which seeks to void, avoid, limit, or otherwise adversely affect any security interest created by or in any Loan Document or any payment made pursuant thereto, in each case, as to which an order or judgment has been entered adverse to the Agents and the Lenders.

(p) any Lien purported to be created under any Security Document shall be asserted by any Borrower or any other member of the Borrower Affiliated Group not to be a valid and perfected Lien on any Collateral, with the priority required by the applicable Security Document, except as a result of the sale or other disposition of the applicable Collateral in a transaction permitted under the Loan Documents;

(q) a Change in Control shall occur;

(r) an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrowers in an aggregate amount exceeding $25,000,000;

(s) the occurrence of any uninsured loss to any material portion of the Collateral;

(t) the indictment of any Borrower or any other member of the Borrower Affiliated Group, under any federal, state, municipal, and other civil or criminal statute,

rule, regulation, order, or other requirement having the force of law where the relief, penalties, or remedies sought or available include the forfeiture of any assets of any Borrower or any other member of the Borrower Affiliated Group having a fair market value in excess of $25,000,000;

(u) the imposition of any stay or other order against any Borrower or any other member of the Borrower Affiliated Group, the effect of which (i) is to restrain in any material way the conduct by the Borrower Affiliated Group, taken as a whole, of their business in the ordinary course and (ii) would have a Material Adverse Effect; or

(v) except as otherwise permitted hereunder, the determination by any Borrower or any other member of the Borrower Affiliated Group, whether by vote of such Person's board of directors or otherwise to: suspend the operation of such Person's business in the ordinary course, liquidate all or a material portion of such Person's assets or store locations, or employ an agent or other third party to conduct any so-called store closing, store liquidation or "Going-Out-Of-Business" sales.

then, and in every such event (other than an event with respect to each Borrower or any other member of the Borrower Affiliated Group described in clause (j) or (k) of this Section), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Lead Borrower, declare the Term Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Term Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers, and in case of any event with respect to any Borrower described in clause (j) or (k) of this Section, the principal of the Term Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers.

7.2 When Continuing. For all purposes under this Agreement, each Default and Event of Default that has occurred shall be deemed to be continuing at all times thereafter unless it either (a) is cured or corrected to the reasonable written satisfaction of the Lenders in accordance with Section 9.2, or (b) is waived in writing by the Lenders in accordance with Section 9.2.

7.3 Remedies on Default. In case any one or more of the Events of Default shall have occurred and be continuing, and whether or not the maturity of the Term Loans shall have been accelerated pursuant hereto, the Administrative Agent may proceed to protect and enforce its rights and remedies under this Agreement, the Term Notes or any of the other Loan Documents

by suit in equity, action at law or other appropriate proceeding, whether for the specific performance of any covenant or agreement contained in this Agreement and the other Loan Documents or any instrument pursuant to which the Obligations are evidenced, and, if such amount shall have become due, by declaration or otherwise, proceed to enforce the payment thereof or any other legal or equitable right of the Agents or the Lenders. No remedy herein is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or any other provision of law.

7.4 Application of Proceeds.

(a) After the occurrence of an Event of Default and acceleration of the Obligations, all proceeds realized on account of any Collateral shall be applied in the following manner:

FIRST, to the payment of all reasonable costs and expenses incurred by the Agents in connection with such collection or sale or otherwise in connection with this Agreement or any of the Obligations, including all court costs and the reasonable fees and expenses of its agents and legal counsel, and any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Loan Document;

SECOND, to the payment of accrued and unpaid interest and principal on the Term Loan A;

THIRD, to the payment of accrued and unpaid interest on the Term Loan B;

FOURTH, to the payment of outstanding principal on the Term Loan B;

FIFTH, to the payment of all fees due to the Administrative Agent and the Lenders under the Loan Documents;

SIXTH, to the payment of all other Obligations of the Borrowers; and

SEVENTH, to the Borrowers, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

(b) After the occurrence of an Event of Default and acceleration of the Obligations, all proceeds realized from any Borrower other than on account of any Collateral shall be applied in the following manner:

FIRST, to the payment of all reasonable costs and expenses incurred by the Agents in connection with this Agreement or any of the Obligations, including all court costs and the reasonable fees and expenses of its agents and legal counsel, and any other

reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Loan Document;

SECOND, to the payment of accrued and unpaid interest and principal on the Term Loan B;

THIRD, to the payment of accrued and unpaid interest on the Term Loan A;

FOURTH, to the payment of outstanding principal on the Term Loan A;

FIFTH, to the payment of all fees due to the Administrative Agent and the Lenders under the Loan Documents;

SIXTH, to the payment of all other Obligations of the Borrowers; and

SEVENTH, to the Borrowers, their successors or assigns, or as a court of competent jurisdiction may otherwise direct.

(c) All amounts required to be applied to the Term Loans hereunder pursuant to clauses (a) or (b) above shall be applied ratably in accordance with each Lender's Term Loan A Commitment Percentage or Term Loan B Commitment Percentage, as applicable. Upon any sale or other disposition of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the purchase money by the Collateral Agent or of the officer making the sale or other disposition shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold or otherwise disposed of and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

8. THE AGENTS.

8.1 Administration by Administrative Agent. Each Lender and the Collateral Agent hereby irrevocably designate Bank of America as Administrative Agent under this Agreement and the other Loan Documents. The general administration of the Loan Documents shall be by the Administrative Agent. The Lenders and the Collateral Agent each hereby irrevocably authorizes the Administrative Agent (i) to enter into the Loan Documents to which it is a party and (ii) at its discretion, to take or refrain from taking such actions as agent on its behalf and to exercise or refrain from exercising such powers under the Loan Documents and the Notes as are delegated by the terms hereof or thereof, as appropriate, together with all powers reasonably incidental thereto. The Administrative Agent shall have no duties or responsibilities except as set forth in this Agreement and the remaining Loan Documents, nor shall it have any fiduciary relationship with any Lender, and no implied covenants, responsibilities, duties, obligations, or

liabilities shall be read into the Loan Documents or otherwise exist against the Administrative Agent.

8 . 2 The Collateral Agent. Each Lender and the Administrative Agent hereby irrevocably (i) designate Bank of America as Collateral Agent under this Agreement and the other Loan Documents, (ii) authorize the Collateral Agent to enter into the Security Documents and the other Loan Documents (including the Intercreditor Agreement) to which it is a party and to perform its duties and obligations thereunder, together with all powers reasonably incidental thereto, and (iii) agree and consent to all of the provisions of the Security Documents. All Collateral shall be held or administered by the Collateral Agent (or its duly-appointed agent) for its benefit and for the ratable benefit of the other Secured Parties. Any proceeds received by the Collateral Agent from the foreclosure, sale, lease or other disposition of any of the Collateral and any other proceeds received pursuant to the terms of the Security Documents or the other Loan Documents shall be paid over to the Administrative Agent for application as provided in Sections 2.10, 2.14, or 7.4, as applicable. The Collateral Agent shall have no duties or responsibilities except as set forth in this Agreement and the remaining Loan Documents, nor shall it have any fiduciary relationship with any Lender, and no implied covenants, responsibilities, duties, obligations, or liabilities shall be read into the Loan Documents or otherwise exist against the Collateral Agent.

8 . 3 Agreement of Required Lenders. Upon any occasion requiring or permitting an approval, consent, waiver, election or other action on the part of only the Required Lenders, action shall be taken by the Agents for and on behalf or for the benefit of all Lenders upon the direction of the Required Lenders, and any such action shall be binding on all Lenders. No amendment, modification, consent, or waiver shall be effective except in accordance with the provisions of Section 9.2.

Upon the occurrence of an Event of Default, the Agents shall (subject to the provisions of Section 9.2) take such action with respect thereto as may be reasonably directed by the Required Lenders; provided that unless and until the Agents shall have received such directions, the Agents may (but shall not be obligated to) take such action as they shall deem advisable in the best interests of the Lenders. In no event shall the Agents be required to comply with any such directions to the extent that the Agents believe that the Agents' compliance with such directions would be unlawful.

8.4 Liability of Agents.

(a) Each of the Agents, when acting on behalf of the Lenders, may execute any of its respective duties under this Agreement by or through any of its respective officers, agents and employees, and none of the Agents nor their respective directors, officers, agents or employees shall be liable to the Lenders or any of them for any action taken or omitted to be taken in good faith, or be responsible to the Lenders or to any of them for the consequences of any oversight or error of judgment, or for any loss, except

to the extent of any liability imposed by law by reason of such Agent's own gross negligence or willful misconduct. The Agents and their respective directors, officers, agents and employees shall in no event be liable to the Lenders or to any of them for any action taken or omitted to be taken by them pursuant to instructions received by them from the Required Lenders or in reliance upon the advice of counsel selected by it. Without limiting the foregoing, none of the Agents, nor any of their respective directors, officers, employees, or agents (A) shall be responsible to any Lender for the due execution, validity, genuineness, effectiveness, sufficiency, or enforceability of, or for any recital, statement, warranty or representation in, this Agreement, any Loan Document or any related agreement, document or order, or (B) shall be required to ascertain or to make any inquiry concerning the performance or observance by any Borrower of any of the terms, conditions, covenants, or agreements of this Agreement or any of the Loan Documents, or (C) shall be responsible to any Lender for the state or condition of any properties of the Borrowers or any other obligor hereunder constituting Collateral for the Obligations of the Borrowers hereunder, or any information contained in the books or records of the Borrowers; or (D) shall be responsible to any Lender for the validity, enforceability, collectibility, effectiveness or genuineness of this Agreement or any other Loan Document or any other certificate, document or instrument furnished in connection therewith; or (E) shall be responsible to any Lender for the validity, priority or perfection of any lien securing or purporting to secure the Obligations or the value or sufficiency of any of the Collateral.

(b) The Agents may execute any of their duties under this Agreement or any other Loan Document by or through their agents or attorneys-in-fact, and shall be entitled to the advice of counsel concerning all matters pertaining to their rights and duties hereunder or under the Loan Documents. The Agents shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by them with reasonable care.

(c) None of the Agents nor any of their respective directors, officers, employees, or agents shall have any responsibility to the Borrowers on account of the failure or delay in performance or breach by any Lender (other than by any Agent in its capacity as a Lender) of any of their respective obligations under this Agreement or the Term Notes or any of the Loan Documents or in connection herewith or therewith.

(d) The Agents shall be entitled to rely, and shall be fully protected in relying, upon any notice, consent, certificate, affidavit, or other document or writing believed by them to be genuine and correct and to have been signed, sent or made by the proper person or persons, and upon the advice and statements of legal counsel (including, without, limitation, counsel to the Borrowers), independent accountants and other experts selected by the Agents. The Agents shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless they shall first receive such advice or concurrence of the Required Lenders as they deem appropriate or

they shall first be indemnified to their satisfaction by the Lenders against any and all liability and expense which may be incurred by them by reason of the taking or failing to take any such action.

8.5 Notice of Default. The Agents shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless the Agents have actual knowledge of the same or has received notice from a Lender or the Lead Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Agents obtain such actual knowledge or receives such a notice, the Agents shall give prompt notice thereof to each of the Lenders. The Agents shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders. Unless and until the Agents shall have received such direction, the Agents may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to any such Default or Event of Default as they shall deem advisable in the best interest of the Lenders.

8.6 Lenders' Credit Decisions. Each Lender acknowledges that it has, independently and without reliance upon the Agents or any other Lender, and based on the financial statements prepared by the Borrowers and such other documents and information as it has deemed appropriate, made its own credit analysis and investigation into the business, assets, operations, property, and financial and other condition of the Borrowers and has made its own decision to enter into this Agreement and the other Loan Documents. Each Lender also acknowledges that it will, independently and without reliance upon the Agents or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in determining whether or not conditions precedent to closing the Term Loans hereunder have been satisfied and in taking or not taking any action under this Agreement and the other Loan Documents.

8.7 Reimbursement and Indemnification. Each Lender agrees (i) to reimburse (x) each Agent for such Lender's Commitment Percentage of any expenses and fees incurred by such Agent for the benefit of the Lenders under this Agreement, the Term Notes and any of the Loan Documents, including, without limitation, counsel fees and compensation of agents and employees paid for services rendered on behalf of the Lenders, and any other expense incurred in connection with the operations or enforcement thereof not reimbursed by the Borrowers and (y) each Agent for such Lender's Commitment Percentage of any expenses of such Agent incurred for the benefit of the Lenders that the Borrowers have agreed to reimburse pursuant to Section 9.3 and has failed to so reimburse and (ii) to indemnify and hold harmless the Agents and any of their directors, officers, employees, or agents, on demand, in the amount of such Lender's Commitment Percentage from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it or any of them in any way relating to or arising out of this Agreement, the Term Notes or any of the Loan Documents or any action taken or omitted by it or any of them under this Agreement, the Term Notes or any of the Loan Documents to the extent not reimbursed by the Borrowers (except such as shall

result from their respective gross negligence or willful misconduct). The provisions of this Section 8.7 shall survive the repayment of the Term Loans and the other Obligations.

8.8 Rights of Agents. It is understood and agreed that Bank of America shall have the same rights and powers hereunder (including the right to give such instructions) as the other Lenders and may exercise such rights and powers, as well as its rights and powers under other agreements and instruments to which it is or may be party, and engage in other transactions with the Borrowers, as though it were not the Administrative Agent or the Collateral Agent, respectively, of the Lenders under this Agreement. Without limiting the foregoing, the Agents and their Affiliates may accept deposits from, lend money to, and generally engage in any kind of commercial or investment banking, trust, advisory or other business with the Borrowers and their Subsidiaries and Affiliates as if it were not the Agent hereunder.

8.9 Notice of Transfer. The Agents may deem and treat a Lender party to this Agreement as the owner of such Lender's portion of the Term Loans for all purposes, unless and until, and except to the extent, an Assignment and Acceptance shall have become effective as set forth in Section 9.5(b).

8.10 Successor Agent. Any Agent may resign at any time by giving five (5) Business Days' written notice thereof to the Lenders, the other Agents and the Lead Borrower. Upon any such resignation of any Agent, the Required Lenders shall have the right to appoint a successor Agent, which so long as there is no Default or Event of Default shall be reasonably satisfactory to the Lead Borrower (whose consent shall not be unreasonably withheld or delayed). If no successor Agent shall have been so appointed by the Required Lenders and shall have accepted such appointment, within 30 days after the retiring Agent's giving of notice of resignation, the retiring Agent may, on behalf of the Lenders and the other Agents, appoint a successor Agent which shall be a commercial bank (or affiliate thereof) organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of a least $500,000,000 which, so long as there is no Default or Event of Default, shall be reasonably satisfactory to the Lead Borrower (whose consent shall not be unreasonably withheld or delayed). Upon the acceptance of any appointment as Agent by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent and the retiring Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Agent's resignation hereunder as such Agent, the provisions of this Section 8 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was such Agent under this Agreement.

8.11 Reports and Financial Statements. Promptly after receipt thereof from the Borrowers, the Administrative Agent shall remit to each Lender and the Collateral Agent copies of all financial statements required to be delivered by the Borrowers hereunder, all commercial finance examinations and appraisals of the Collateral received by the Administrative Agent and all notices received by the Administrative Agent under Section 5.2 hereof, and on request of any Lender, a copy of any Borrowing Base Certificate so received.

8.12 Delinquent Lender. If for any reason any Lender shall fail or refuse to abide by its obligations under this Agreement, including without limitation its obligation to make available to Administrative Agent its Term Loan A Commitment Percentage of the Term Loan A or its Term Loan B Commitment Percentage of the Term Loan B, as applicable, expenses or setoff (a "Delinquent Lender") and such failure is not cured within ten (10) days of receipt from the Administrative Agent of written notice thereof, then, in addition to the rights and remedies that may be available to Agents, other Lenders, the Borrowers or any other party at law or in equity, and not in limitation thereof, (i) such Delinquent Lender's right to participate in the administration of, or decision-making rights related to, the Term Loans, this Agreement or the other Loan Documents shall be suspended during the pendency of such failure or refusal, and (ii) a Delinquent Lender shall be deemed to have assigned any and all payments due to it from the Borrowers, whether on account of outstanding Term Loans, interest, fees or otherwise, to the remaining non-delinquent Lenders for application to, and reduction of, their proportionate shares of all outstanding Term Loans until, as a result of application of such assigned payments the Lenders' respective Term Loan A Commitment Percentages of the outstanding portion of the Term Loan A or Term Loan B Commitment Percentages of the outstanding portion of the Term Loan B, as applicable, shall have returned to those in effect immediately prior to such delinquency and without giving effect to the nonpayment causing such delinquency. The Delinquent Lender's decision-making and participation rights and rights to payments as set forth in clauses (i) and (ii) hereinabove shall be restored only upon the payment by the Delinquent Lender of its Term Loan A Commitment Percentage or Term Loan B Commitment Percentage, as applicable, of any Term Loan, any participation obligation, or expenses as to which it is delinquent, together with interest thereon at the rate set forth in Section 2.5 hereof from the date when originally due until the date upon which any such amounts are actually paid.

9. MISCELLANEOUS.

9.1 Notices. Except in the case of notices and other communications expressly permitted to be given by telephone, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(a) if to any Borrower, to it at GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051, Attention: David Carlson, Chief Financial Officer (Telecopy No. (817) 424-2820), with a copy to Bryan Cave LLP, 1290 Avenue of the Americas, New York, New York 10104, Attention: Jay Dorman, Esquire (Telecopy No. (212) 541-1418;

(b) if to the Administrative Agent or the Collateral Agent, to Bank of America, N.A., 100 Federal Street, Boston, Massachusetts 02110, Attention of Stephen Garvin (Telecopy No. (617) 434-6685), with a copy to Riemer & Braunstein LLP, Three Center Plaza, Boston, Massachusetts 02108, Attention: David S. Berman, Esquire (Telecopy No. (617) 880-3456);

(c) if to any other Lender, to it at its address (or telecopy number) set forth on the signature pages hereto or on any Assignment and Acceptance for such Lender.

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

9.2 Waivers; Amendments.

(a) No failure or delay by the Agents or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Agents and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by a Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

(b) Neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified except, in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by the Borrowers and the Required Lenders or, in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Agents and the Borrowers that are parties thereto, in each case with the consent of the Required Lenders, provided that no such agreement shall (i) reduce the principal amount of any Term Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (ii) postpone the scheduled date of payment of the principal amount of any Term Loan, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, without the written consent of each Lender affected thereby, or postpone the Maturity Date, without the written consent of all of the Lenders; (iii) change Sections 2.10, 2.13, 2.14 or 7.4, without the written consent of each Lender, (iv) change any of the provisions of this Section 9.2 or the definition of the term "Required Lenders" or any other provision of any Loan Document specifying the number or percentage of Lenders required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder, without the written consent of each Lender, (v) release any Borrower from its obligations under any Loan Document, or limit its liability in respect of such Loan Document, without the written consent of each Lender, (vi) except for sales described in Section 6.5 or as permitted in the Security Documents, release any material portion of the

Collateral from the Liens of the Security Documents, without the written consent of each Lender, or (vii) subordinate the Obligations hereunder, or the Liens granted hereunder or under the other Loan Documents, to any other Indebtedness or Lien, as the case may be without the prior written consent of each Lender, and provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Agents without the prior written consent of the Agents.

(c) Notwithstanding anything to the contrary contained in this Section 9.2, in the event that the Borrowers request that this Agreement or any other Loan Document be modified, amended or waived in a manner which would require the consent of the Lenders pursuant to Section 9.2(b) and such amendment is approved by the Required Lenders, but not by the requisite percentage of the Lenders, the Borrowers, and the Required Lenders shall be permitted to amend this Agreement without the consent of the Lender or Lenders which did not agree to the modification or amendment requested by the Borrowers (such Lender or Lenders, collectively the "Minority Lenders") to provide for (x) the making of additional Term Loans by a new or increasing Lender or Lenders, as the case may be, as may be necessary to repay in full the outstanding Term Loans (including principal, interest, and fees) of the Minority Lenders immediately before giving effect to such amendment and (y) such other modifications to this Agreement or the Loan Documents as may be appropriate and incidental to the foregoing.

(d) No notice to or demand on any Borrower shall entitle any Borrower to any other or further notice or demand in the same, similar or other circumstances. Each holder of a Term Note shall be bound by any amendment, modification, waiver or consent authorized as provided herein, whether or not a Term Note shall have been marked to indicate such amendment, modification, waiver or consent and any consent by a Lender, or any holder of a Term Note, shall bind any Person subsequently acquiring a Term Note, whether or not a Term Note is so marked. No amendment to this Agreement shall be effective against the Borrowers unless signed by the Borrowers.

9.3 Expenses; Indemnity; Damage Waiver.

(a) Except as otherwise limited herein, the Borrowers shall jointly and severally pay (i) all reasonable out-of-pocket expenses incurred by the Agents and their Affiliates, including the reasonable fees, charges and disbursements of counsel for the Agents, outside consultants for the Agents, appraisers, and for commercial finance examinations, in connection with the arrangement of the credit facilities provided for herein, the preparation and administration of the Loan Documents or any amendments, modifications or waivers of the provisions thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all reasonable out-of-pocket expenses incurred by the Agents or any Lender, including the reasonable fees, charges and disbursements of any counsel and any outside consultants for the Agents or any Lender, for appraisers, commercial finance examinations, and environmental site

assessments, in connection with the enforcement or protection of its rights in connection with the Loan Documents, including its rights under this Section, or in connection with the Term Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Term Loans; *provided that* the Lenders who are not the Agents shall be entitled to reimbursement for no more than one counsel representing all such Lenders (absent a conflict of interest in which case the Lenders may engage and be reimbursed for additional counsel).

(b) The Borrowers shall jointly and severally indemnify the Agents and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of any Loan Document or any other agreement or instrument contemplated hereby, the performance by the parties to the Loan Documents of their respective obligations thereunder or the consummation of the transactions contemplated by the Loan Documents or any other transactions contemplated hereby, (ii) any Term Loan or the use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property currently or formerly owned or operated by any Borrower or any other member of the Borrower Affiliated Group, or any Environmental Liability related in any way to Borrower or any other member of the Borrower Affiliated Group, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee or any Affiliate of such Indemnitee (or of any officer, director, employee, advisor or agent of such Indemnitee or any such Indemnitee's Affiliates). In connection with any indemnified claim hereunder, the Indemnitee shall be entitled to select its own counsel and the Borrowers shall promptly pay the reasonable fees and expenses of such counsel.

(c) To the extent that any Borrower fails to pay any amount required to be paid by it to the Agents under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Agents such Lender's Commitment Percentage of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Agents.

(d) To the extent permitted by Applicable Law, no party hereto shall assert, and each party hereby waives, any claim against any Borrower or Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to

direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the transactions contemplated by the Loan Documents, any Term Loan or the use of the proceeds thereof.

(e) All amounts due under this Section shall be payable promptly after written demand therefor.

9.4 Designation of Lead Borrower as Borrowers' Agent.

(a) Each Borrower hereby irrevocably designates and appoints the Lead Borrower as that Borrower's agent to obtain the Term Loans hereunder, the proceeds of which shall be available to each Borrower for those uses as those set forth herein. As the disclosed principal for its agent, each Borrower shall be obligated to the Agents and each Lender on account of the Term Loans so made hereunder as if made directly by the Lenders to that Borrower, notwithstanding the manner by which such Term Loans are recorded on the books and records of the Lead Borrower and of any Borrower.

(b) Each Borrower recognizes that credit available to it hereunder is in excess of and on better terms than it otherwise could obtain on and for its own account and that one of the reasons therefor is its joining in the credit facility contemplated herein with all other Borrowers. Consequently, each Borrower hereby assumes, guarantees, and agrees to discharge all Obligations of all other Borrowers as if the Borrower so assuming and guarantying were each other Borrower.

(c) The Lead Borrower shall act as a conduit for each Borrower (including itself, as a "Borrower") on whose behalf the Lead Borrower has requested a Term Loan. The Lead Borrower shall cause the transfer of the proceeds of each Term Loan to the (those) Borrower(s) on whose behalf such Term Loan was obtained. Neither the Agents nor any Lender shall have any obligation to see to the application of such proceeds.

(d) Each of the Borrowers shall remain jointly and severally liable to the Agents and the Lenders for the payment and performance of all Obligations (which payment and performance shall continue to be secured, to the extent applicable, by all Collateral granted by each of the Borrowers).

9.5 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any such attempted assignment or transfer without such consent shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other

than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Related Parties of each of the Agents and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of the Term Loans at the time owing to it), provided that (i) except in the case of an assignment to a Lender or an Affiliate of a Lender, each of the Lead Borrower (but only if no Event of Default then exists) and the Agents must give their prior written consent to such assignment (which consent shall not be unreasonably withheld or delayed), (ii) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Term Loans, the amount of the Term Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 unless the Administrative Agent otherwise consents, (iii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations, (iv) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of $3,500. Subject to acceptance and recording thereof pursuant to paragraph (d) of this Section, from and after the effective date specified in each Assignment and Acceptance the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 9.3). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (e) of this Section.

(c) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at one of its offices in Boston, Massachusetts a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the principal amount of the Term Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error and the Borrowers, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by

the Lead Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(e) Any Lender may, without the consent of the Borrowers or the Agents, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of the Term Loans owing to it), provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation in the Term Loans shall provide that such Lender shall retain the sole right to enforce the Loan Documents and to approve any amendment, modification or waiver of any provision of the Loan Documents, provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.2(b) that affects such Participant. Subject to paragraph (f) of this Section and Section 2.20, the Borrowers agree that each Participant shall be entitled to the benefits (and subject to the obligations) of Sections 2.15, 2.17, and 2.18 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.9 as though it were a Lender, provided such Participant agrees to be subject to Section 2.17(c) as though it were a Lender.

(f) A Participant shall not be entitled to receive any greater payment under Section 2.15 or 2.18 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Lead Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.18 unless (i) the Lead Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrowers, to comply with Section 2.18(e) as though it were a Lender and (ii) such Participant is eligible for exemption from the withholding tax referred to therein, following compliance with Section 2.18(e).

(g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest, provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

9.6 Survival. All covenants, agreements, representations and warranties made by the Borrowers in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of the Term Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Agents or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Term Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid. The provisions of Sections 2.15, 2.18, and 9.3 and Section 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Term Loans, or the termination of this Agreement or any provision hereof.

9.7 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Agents 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. Except as provided in Article IV, this Agreement shall become effective when it shall have been executed by the Agents and the Lenders and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

9.8 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

9.9 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, upon the prior consent of the Administrative Agent, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of the Borrowers against any of and all the obligations of the Borrowers now or hereafter existing under this Agreement held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured and regardless of the adequacy of the Collateral. The rights of each Lender under this

Section are in addition to other rights and remedies (including other rights of setoff) that such Lender may have.

9.10 Governing Law; Jurisdiction; Consent to Service of Process.

(a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF.

(b) The Borrowers agree that any suit for the enforcement of this Agreement or any other Loan Document may be brought in any court of the State of New York sitting in the Borough of Manhattan or any federal court sitting therein as the Administrative Agent may elect in its sole discretion and consent to the non-exclusive jurisdiction of such courts. The Borrowers hereby waive any objection which they may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient forum. The Borrowers agree that any action commenced by any Borrower asserting any claim or counterclaim arising under or in connection with this Agreement or any other Loan Document shall be brought solely in a court of the State of New York sitting in the Borough of Manhattan or any federal court sitting therein as the Administrative Agent may elect in its sole discretion and consent to the exclusive jurisdiction of such courts with respect to any such action.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.1. 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.

9.11 WAIVER OF JURY TRIAL . EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

9.12 Headings. Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

9.13 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Term Loan, together with all fees, charges and other amounts that are treated as interest on such Term Loan under Applicable Law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by the Lender holding such Term Loan in accordance with Applicable Law, the rate of interest payable in respect of such Term Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Term Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Term Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

9.14 Additional Waivers.

(a) The Obligations are joint and several obligations of each Borrower. To the fullest extent permitted by Applicable Law, the obligations of Borrower hereunder shall not be affected by (i) the failure of any Agent or any other Lender or Secured Party to assert any claim or demand or to enforce or exercise any right or remedy against any other Borrower under the provisions of this Agreement, any other Loan Document or otherwise, (ii) any rescission, waiver, amendment or modification of, or any release from any of the terms or provisions of, this Agreement, any other Loan Document, or any other agreement, with respect to any other Borrower of the Obligations under this Agreement, or (iii) the failure to perfect any security interest in, or the release of, any of the security held by or on behalf of the Collateral Agent or any other Secured Party.

(b) The obligations of each Borrower hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason (other than the payment in full in cash of the Obligations), including any claim of waiver, release, surrender, alteration or compromise of any of the Obligations, and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Borrower hereunder shall not be discharged or impaired or otherwise affected by the failure of any Agent or any other Lender or Secured Party to assert any claim or demand or to enforce any remedy under this Agreement, any other Loan Document or any other agreement, by any waiver or modification of any provision of any thereof, by any default, failure or delay, willful or otherwise, in the performance of the Obligations, or by any other act or omission that may or might in any manner or to any extent vary the risk of any Borrower or that would otherwise operate as a discharge of any Borrower as a matter of law or equity (other than the payment in full in cash of all the Obligations).

(c) To the fullest extent permitted by Applicable Law, each Borrower waives any defense based on or arising out of any defense of any other Borrower or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any other Borrower, other than the payment in full in cash of all the Obligations. The Collateral Agent and the other Secured Parties may, at their election, foreclose on any security held by one or more of them by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure, compromise or adjust any part of the Obligations, make any other accommodation with any other Borrower, or exercise any other right or remedy available to them against any other Borrower, without affecting or impairing in any way the liability of any Borrower hereunder except to the extent that all the Obligations have been paid in full in cash. Pursuant to Applicable Law, each Borrower waives any defense arising out of any such election even though such election operates, pursuant to Applicable Law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of such Borrower against any other Borrower, as the case may be, or any security.

(d) Upon payment by any Borrower of any Obligations, all rights of such Borrower against any other Borrower arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subordinate and junior in right of payment to the prior payment in full in cash of all the Obligations. In addition, any indebtedness of any Borrower now or hereafter held by any other Borrower is hereby subordinated in right of payment to the prior payment in full of the Obligations. Until the Obligations are paid in full, none of the Borrowers will demand, sue for, or otherwise attempt to collect any such indebtedness. If any amount shall erroneously be paid to any Borrower on account of (a) such subrogation, contribution, reimbursement, indemnity or similar right or (b) any such indebtedness of any Borrower, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Collateral Agent to be credited against the payment of the Obligations, whether matured or unmatured, in accordance with the terms of the Loan Documents. Subject to the foregoing, to the extent that any Borrower shall, under this Agreement as a joint and several obligor, repay any of the Obligations constituting the Term Loans made to another Borrower hereunder or other Obligations incurred directly and primarily by any other Borrower (an "Accommodation Payment"), then the Borrower making such Accommodation Payment shall be entitled to contribution and indemnification from, and be reimbursed by, each of the other Borrowers in an amount, for each of such other Borrowers, equal to a fraction of such Accommodation Payment, the numerator of which fraction is such other Borrower's Allocable Amount and the denominator of which is the sum of the Allocable Amounts of all of the Borrowers. As

of any date of determination, the "Allocable Amount" of each Borrower shall be equal to the maximum amount of liability for Accommodation Payments which could be asserted against such Borrower hereunder without (a) rendering such Borrower "insolvent" within the meaning of Section 101 (31) of the Bankruptcy Code, Section 2 of the Uniform Fraudulent Transfer Act ("UFTA") or Section 2 of the Uniform Fraudulent Conveyance Act ("UFCA"), (b) leaving such Borrower with unreasonably small capital or assets, within the meaning of Section 548 of the Bankruptcy Code, Section 4 of the UFTA, or Section 5 of the UFCA, or (c) leaving such Borrower unable to pay its debts as they become due within the meaning of Section 548 of the Bankruptcy Code or Section 4 of the UFTA, or Section 5 of the UFCA.

9.15 Patriot Act. Each Lender hereby notifies the Borrowers that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the " Act"), it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of each Borrower and other information that will allow such Lender to identify such Borrower in accordance with the Act. Each Borrower is in compliance, in all material respects, with the Patriot Act. No part of the proceeds of the Term 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.

9.16 Confidentiality. Each of the Lenders agrees that it will use its best efforts not to disclose without the prior consent of the Borrowers (other than to its employees, auditors, counsel or other professional advisors, to Affiliates or to another Lender if the Lender or such Lender's holding or parent company in its sole discretion determines that any such party should have access to such information, which party shall be informed of the confidential nature thereof) any information with respect to any Borrower which is furnished pursuant to this Agreement provided that any Lender may disclose any such information (a) as has become generally available to the public, (b) as may be required or appropriate in any report, statement or testimony submitted to any municipal, state or federal regulatory body having or claiming to have jurisdiction over such Lender or to the Federal Reserve Board or the Federal Deposit Insurance Corporation or similar organizations (whether in the United States or elsewhere) or their successors, (c) as may be required or appropriate in response to any summons or subpoena or in connection with any litigation, provided that if the Lender is able to do so prior to complying with the summons or subpoena, such Lender shall provide the Borrowers with prompt notice of such requested disclosure so that the Borrowers may seek a protective order or other appropriate remedy (nothing contained herein however shall result in such Lender's non-compliance with Applicable Law), (d) in order to comply with any law, order, regulation or ruling applicable to such Lender, (e) in connection with the enforcement of remedies under this Agreement and the other Loan Documents, and (f) to any prospective transferee in connection with any contemplated transfer of any of the Term Loans or Term Notes or any interest therein

by such Lender provided that such prospective transferee agrees to be bound by the provisions of this Section. The Borrowers hereby agree that the failure of a Lender to comply with the provisions of this Section 9.16 shall not relieve the Borrowers of any of their obligations to such Lender under this Agreement and the other Loan Documents.

9.17 Intercreditor Agreement.

Notwithstanding anything herein to the contrary, the exercise of any right or remedy by the Collateral Agent pursuant to this Agreement and the other Loan Documents may be subject to, and restricted by, the provisions of the Intercreditor Agreement. Except as specified herein, nothing contained in the Intercreditor Agreement shall be deemed to modify any of the provisions of this Agreement and the other Loan Documents, which, as among the Borrowers, the Agents, and the Lenders shall remain in full force and effect. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control.

[balance of page left intentionally blank; signature pages follow]

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

GAMESTOP CORP.
GAMESTOP HOLDINGS CORP.
GAMESTOP, INC.
SUNRISE PUBLICATIONS, INC.
ELECTRONICS BOUTIQUE HOLDINGS CORP.
ELBO INC.
EB INTERNATIONAL HOLDINGS, Inc.
GAMESTOP BRANDS, INC.
as Borrowers

By: /s/ David W. Carlson

Name: David W. Carlson

Title: Executive Vice President and Chief Financial Officer

MARKETING CONTROL SERVICES, INC.
GAMESTOP (LP), LLC,
as Borrowers

By: /s/ David W. Carlson

Name: David W. Carlson

Title: Authorized Signatory

GAMESTOP OF TEXAS (GP), LLC
as Borrower

By: GameStop, Inc.

By: /s/ David W. Carlson

Name: David W. Carlson

Title: Executive Vice President and Chief Financial Officer

GAMESTOP TEXAS LP
as Borrower

By: GameStop of Texas (GP), LLC, its general partner

By: GameStop, Inc.

By: /s/ David W. Carlson

Name: David W. Carlson
Title: Executive Vice President and Chief Financial Officer

SOCOM LLC
as Borrower

By: /s/ Marc Summey

Name: Marc Summey
Title: President

BANK OF AMERICA, N.A.,
as Administrative Agent, as Collateral Agent, and as Lender

By: /s/ Stephen Garvin

Stephen J. Garvin

Managing Director

Address: 100 Federal Street, 9th Floor
Boston, Massachusetts 02110

Attn: Mr. Stephen Garvin
Telephone: (617) 434-9399
Telecopy: (617) 434-6685

BANK OF AMERICA, N.A.,
as Administrative Agent, as Collateral Agent, and as Lender

By: /s/ Stephen Garvin
Stephen J. Garvin
Managing Director
Address: 100 Federal Street, 9th Floor
Boston, Massachusetts 02110
Attn: Mr. Stephen Garvin
Telephone: (617) 434-9399
Telecopy: (617) 434-6685

Exhibit 10.2

SECURITY AGREEMENT

SECURITY AGREEMENT (this "Agreement") dated as of November 12, 2008 by and among each of:

GAMESTOP CORP., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP HOLDINGS CORP., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP, INC., a corporation organized under the laws of the State of Minnesota having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

SUNRISE PUBLICATIONS, INC., a corporation organized under the laws of the State of Minnesota having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

ELECTRONICS BOUTIQUE HOLDINGS CORP., a corporation organized under the laws of the State of Delaware, having a place of business 625 Westport Parkway, Grapevine, Texas 76051; and

ELBO INC., a corporation organized under the laws of the State of Delaware, having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

EB INTERNATIONAL HOLDINGS, INC., a corporation organized under the laws of the State of Delaware, having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP BRANDS, INC., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

MARKETING CONTROL SERVICES, INC., a corporation organized under the laws of the Commonwealth of Virginia having a place of business at 10 S. Jefferson Street, Ste. 1400, Roanoke, Virginia 24011; and

GAMESTOP (LP), LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP OF TEXAS (GP), LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

SOCOM LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP TEXAS LP, a limited partnership organized under the laws of the State of Texas having a place of business at 625 Westport Parkway, Grapevine, Texas 76051 (each such Person, individually, a "Grantor" and collectively, the "Grantors"); and

BANK OF AMERICA, N.A., a national banking association, as collateral agent (in such capacity, the "Collateral Agent" for the Secured Parties (as defined herein), in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

WITNESSETH:

WHEREAS, the Grantors have entered into a certain Term Loan Agreement dated as of even date herewith (as such may be amended, modified, supplemented or restated hereafter, the "Loan Agreement") by and between, among others, (i) the Grantors, (ii) the Lenders named therein, and (iii) Bank of America, N.A., as Administrative Agent and Collateral Agent for the Lenders, pursuant to which Loan Agreement the Lenders have agreed to make the Term Loans (consisting of the Term Loan A and the Term Loan B) to the Grantors, upon the terms and subject to the conditions specified in, the Loan Agreement; and

WHEREAS, the obligations of the Lenders to make the Term Loan A are conditioned upon, among other things, the execution and delivery by the Grantors of an agreement in the form hereof to secure the Secured Obligations (as defined herein).

NOW, THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, the Grantors and the Collateral Agent on behalf of itself and each other Secured Party (and each of their respective successors or assigns) hereby agree as follows.

**SECTION 1**

Definitions

1.1 Generally. Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement, and all references to the UCC shall mean the Uniform Commercial Code as in effect from time to time in the State of New York; provided, however, that if a term is defined in Article 9 of the UCC differently that in another Article thereof, the term shall have the meaning set forth in Article 9, and provided further that if by reason of mandatory provisions of law, perfection, or the effect of perfection or non-perfection, of the Security Interest in any Collateral or the availability of any remedy hereunder is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection or availability of such remedy, as the case may be.

1 . 2 Definition of Certain Terms Used Herein. As used herein, the following terms shall have the following meanings:

"Accessions" shall have the meaning given that term in the UCC.

"Account Debtor" shall have the meaning given that term in the UCC.

"Accounts" shall mean "accounts" as defined in the UCC, and also all accounts, accounts receivable, and rights to payment (whether or not earned by performance) for: (i) property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of; (ii) services rendered or to be rendered; (iii) a policy of insurance issued or to be issued; (iv) a secondary obligation incurred or to be incurred; or (v) arising out of the use of a credit or charge card or information contained on or used with that card.

"Blue Sky Laws" shall have the meaning assigned to such term in Section 6.1 of this Agreement.

"Certificated Security" shall have the meaning given that term in the UCC.

"Confirmer" shall have the meaning given that term in the UCC.

"Chattel Paper" shall have the meaning given that term in the UCC.

"Collateral" shall mean all personal and fixture property (other than fixture property pledged pursuant to a mortgage on any owned real property) of each Grantor, including, without limitation: (a) Accounts, (b) Chattel Paper (whether Tangible Chattel Paper or Electronic Chattel Paper), (c) Commercial Tort Claims, (d) Deposit Accounts, (e) Documents, (f) Equipment, (g) Fixtures, (h) General Intangibles (including Payment Intangibles), (i) Goods, (j) Instruments, (k) Inventory, (l) Investment Property, (m) Letter-of-Credit Rights, (n) Software, (o) Supporting Obligations, (p) all books, records, and information relating to any of the foregoing and/or to the operation of any Grantor's business, and all rights of access to such books, records, and information, and all property in which such books, records, and information are stored, recorded and maintained, (q) all insurance proceeds, refunds, and premium rebates, including, without limitation, proceeds of fire and credit insurance, whether any of such proceeds, refunds, and premium rebates arise out of any of the foregoing ((a) through (p)) or otherwise, (r) all liens, guaranties, rights, remedies, and privileges pertaining to any of the foregoing ((a) through (q)), including the right of stoppage in transit, and (s) any of the foregoing whether now owned or now due, or in which any Grantor has an interest, or hereafter acquired, arising, or to become due, or in which any Grantor obtains an interest, and all products, Proceeds, substitutions, and Accessions of or to any of the foregoing. Notwithstanding the foregoing, in no event shall the Collateral include, and no Grantor shall be deemed to have granted a Security Interest in, any General Intangibles, other than Payment Intangibles, if and only to the extent that in the case of any such General Intangible, (x) any contract evidencing such General Intangible contains a valid and effective contractual restriction or limitation which prohibits the grant or creation of a security interest therein, or (y) a valid and effective restriction or limitation imposed by applicable law, regulation, rule, order or other directive of any governmental body, agency or authority, or the order of any court of competent jurisdiction, prohibits the grant or creation of a security interest in such General Intangible, provided that the Proceeds realized from any of the

foregoing shall not be deemed excluded from the definition of Collateral but shall constitute Collateral, and provided further that to the extent such security interest at any time hereafter shall no longer be prohibited by law, and/or immediately upon such contractual restriction or limitation no longer being enforceable, as the case may be, the Collateral shall automatically and without any further action include, and the Grantors shall be deemed to have granted automatically and without any further action a Security Interest in, such right as if such law had never existed or such contractual restriction or limitation had never been enforceable, as the case may be.

"Collateral Agent's Rights and Remedies" shall have the meaning assigned to such term in Section 8.8.

"Commercial Tort Claim" shall have the meaning given that term in the UCC.

"Commodity Intermediary" shall have the meaning given that term in the UCC.

"Deposit Account" shall have the meaning given that term in the UCC and shall also include all demand, time, savings, passbook, or similar accounts maintained with a bank.

"Documents" shall have the meaning given that term in the UCC.

"Electronic Chattel Paper" shall have the meaning given that term in the UCC.

"Entitlement Holder" shall have the meaning given that term in the UCC.

"Entitlement Order" shall have the meaning given that term in the UCC.

"Equipment" shall mean "equipment" as defined in the UCC, and also all furniture, store fixtures, rolling stock, machinery, office equipment, plant equipment, tools, dies, molds, and other goods, property, and assets which are used and/or were purchased for use in the operation or furtherance of a Grantors' business, and any and all Accessions or additions thereto, and substitutions therefor, provided that Equipment shall not include motor vehicles.

"Financial Asset" shall have the meaning given that term in the UCC.

"Financing Statement" shall have the meaning given that term in the UCC.

"Fixture Filing" shall have the meaning given that term in the UCC.

"General Intangibles" shall have the meaning given that term in the UCC, and shall also include, without limitation, all: Payment Intangibles; rights to payment for credit extended; deposits; amounts due to any Grantor; credit memoranda in favor of any Grantor; warranty claims; tax refunds and abatements; insurance refunds and premium rebates; all means and vehicles of investment or hedging, including, without limitation, options, warrants, and futures contracts; records; customer lists; telephone numbers; goodwill; causes of action; judgments; payments under any settlement or other agreement; literary rights; rights to performance; royalties; license and/or franchise fees; rights of admission; licenses; franchises; license agreements, including all rights of any Grantor to enforce same; permits, certificates of

convenience and necessity, and similar rights granted by any governmental authority; internet addresses and domain names; developmental ideas and concepts; proprietary processes; blueprints, drawings, designs, diagrams, plans, reports, and charts; catalogs; technical data; computer software programs (including the source and object codes therefor), computer records, computer software, rights of access to computer record service bureaus, service bureau computer contracts, and computer data; tapes, disks, semi conductors chips and printouts; user, technical reference, and other manuals and materials; patents, patent applications and patents pending; trade secret rights, copyrights, copyright applications, mask work rights and interests, and derivative works and interests; trade names, trademarks, trademark applications, service marks, and service mark applications, together with all goodwill connected with and symbolized by any of the foregoing; all other general intangible property of any Grantor in the nature of intellectual property; proposals; cost estimates, and reproductions on paper, or otherwise, of any and all concepts or ideas, and any matter related to, or connected with, the design, development, manufacture, sale, marketing, leasing, or use of any or all property produced, sold, or leased, by or credit extended or services performed, by any Grantor, whether intended for an individual customer or the general business of any Grantor, or used or useful in connection with research by any Grantor.

"Goods" shall have the meaning given that term in the UCC.

"Indemnitee" shall have the meaning assigned to such term in Section 8.6 of this Agreement.

"Instruments" shall have the meaning given that term in the UCC.

"Inventory" shall have the meaning given that term in the UCC, and shall also include, without limitation, all Goods which (a) are leased by a Person as lessor, (b) are held by a Person for sale or lease or to be furnished under a contract of service, (c) are furnished by a Person under a contract of service, or (d) consist of raw materials, work in process, or materials used or consumed in a business.

"Investment Property" shall have the meaning given that term in the UCC.

"IP Security Agreement" means the Patent and Trademark Security Agreement dated as of the date hereof and executed and delivered by the Grantors to the Collateral Agent for the ratable benefit of the Secured Parties, as the same may be amended, modified, supplemented or restated from time to time.

"Issuer" shall have the meaning given that term in the UCC.

"Letter-of-Credit Right" shall have the meaning given that term in the UCC and shall also mean any 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 or performance.

"Loan Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Payment Intangible" shall have the meaning given that term in the UCC, and shall also refer to any General Intangible under which the Account Debtor's primary obligation is a monetary obligation.

"Perfection Certificate" shall mean a certificate substantially in the form of Annex 1 hereto, completed and supplemented with the schedules and attachments contemplated thereby, and duly executed by a Financial Officer of the Lead Borrower.

"Proceeds" shall have the meaning given that term in the UCC.

"Secured Obligations" shall mean all (a) the due and punctual payment by the Borrowers of (i) the principal of, and interest (including all interest that accrues after the commencement of any case or proceeding by or against any Borrower under any federal or state bankruptcy, insolvency, receivership or similar law, whether or not allowed in such case or proceeding) on the Term Loan A, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, and (ii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise, of the Borrowers to the Secured Parties under this Agreement and the other Loan Documents relating to the Term Loan A, and (b) the due and punctual payment and performance of all covenants, agreements, obligations and liabilities of the Borrowers under or pursuant to this Agreement and the other Loan Documents in connection with the Term Loan A.

"Secured Parties" shall mean (a) the Term Loan A Lenders, (b) the Agents and their Affiliates, each in their capacity as agent or affiliate of the Term Loan A Lenders, (c) the beneficiaries of each indemnification obligation undertaken by any Grantor under any Loan Document with respect to the Secured Obligations, (d) any other Person to whom Secured Obligations under the Loan Agreement and other Loan Documents are owing, and (e) the successors and assigns of each of the foregoing.

"Securities Act" shall have the meaning assigned to such term in Section 6.1 of this Agreement.

"Securities Intermediary" shall have the meaning given that term in the UCC.

"Security" shall have the meaning given that term in the UCC.

"Security Interest" shall have the meaning assigned to such term in Section 2.1 of this Agreement.

"Software" shall have the meaning given that term in the UCC.

"Supporting Obligation" shall have the meaning given that term in the UCC and shall also refer to a Letter-of-Credit Right or secondary obligation that supports the payment or performance of an Account, Chattel Paper, a Document, a General Intangible, an Instrument, or Investment Property.

"Tangible Chattel Paper" shall have the meaning given that term in the UCC.

"Uncertificated Security" shall have the meaning given that term in the UCC.

1.3 Rules of Interpretation. The rules of interpretation specified in Section 1.2 of the Loan Agreement shall be applicable to this Agreement.

**SECTION 2**

Security Interest

2.1 Security Interest. As security for the payment or performance, as the case may be, in full of the Secured Obligations, each Grantor hereby bargains, assigns, mortgages, pledges, hypothecates and transfers to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in, all of such Grantor's right, title and interest in, to and under the Collateral (the "Security Interest"). Without limiting the foregoing, each Grantor hereby designates the Collateral Agent as such Grantor's true and lawful attorney, exercisable by the Collateral Agent whether or not an Event of Default exists, with full power of substitution, at the Collateral Agent's option, to file one or more Financing Statements (including Fixture Filings), continuation statements, or to sign other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the Security Interest granted by each Grantor, without the signature of any Grantor (each Grantor hereby appointing the Collateral Agent as such Person's attorney to sign such Person's name to any such instrument or document, whether or not an Event of Default exists), and naming any Grantor or the Grantors as debtors and the Collateral Agent as secured party. The Collateral Agent acknowledges that the attachment of its Security Interest in any Commercial Tort Claim is subject to the Grantors' compliance with Section 4.12.

2.2 No Assumption of Liability. The Security Interest is granted as security only and shall not subject the Collateral Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Collateral. Except during the existence of an Event of Default, the Grantors shall retain the right to vote any of the Investment Property constituting Collateral in a manner not inconsistent with the terms of this Agreement and the Loan Agreement.

**SECTION 3**

Representations and Warranties

The Grantors jointly and severally represent and warrant to the Collateral Agent and the Secured Parties that:

3.1 Representations and Warranties Incorporated by Reference. Each Grantor hereby restates each of the representations and warranties set forth in Article 3 of the Loan Agreement with respect to such Grantor as a Borrower thereunder. Each such warranty and representation is incorporated herein by reference.

3.2 Title and Authority. Each Grantor has good and valid rights in, or title to, the Collateral with respect to which it has purported to grant a Security Interest hereunder and has

full power and authority to grant to the Collateral Agent the Security Interest in such Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person other than any consent or approval which has been obtained.

3.3 Filings. The Perfection Certificate has been duly prepared, completed and executed, and the information set forth therein is correct and complete in all material respects. UCC Financing Statements (including Fixture Filings, as applicable) or other appropriate filings, recordings or registrations containing a description of the Collateral have been filed in each governmental, municipal or other office as is necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the benefit of the Secured Parties) in respect of all Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, and no further or subsequent filing, refiling, recording, rerecording, registration or re-registration is necessary in any such jurisdiction, except as provided under Applicable Law with respect to the filing of continuation statements or as a result of any change in a Grantor's name or jurisdiction of incorporation or formation or under any other circumstances under which, pursuant to the UCC, filings previously made have become misleading or ineffective in whole or in part.

3.4 Validity and Priority of Security Interest. The Security Interest constitutes (a) a legal and valid security interest in all of the Collateral securing the payment and performance of the Secured Obligations, and (b) subject to the filings described in Section 3.3 above, a perfected security interest in all of the Collateral. The Security Interest is and shall be prior to any other Lien on any of the Collateral, subject only to those Liens expressly permitted pursuant to Section 6.2 of the Loan Agreement and the terms of the Intercreditor Agreement.

3.5 Absence of Other Liens. The Collateral is owned by the Grantors free and clear of any Lien, except for Liens expressly permitted pursuant to Section 6.2 of the Loan Agreement. Except as provided in the Loan Documents, the Grantors have not filed or consented to the filing of (a) any Financing Statement or analogous document under the UCC or any other Applicable Law covering any Collateral, (b) any assignment in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with the United States Patent and Trademark Office or the United States Copyright Office or (c) any assignment in which any Grantor assigns any Collateral or any security agreement or similar instrument covering any Collateral with any foreign governmental, municipal or other office, which Financing Statement or analogous document, assignment, security agreement or similar instrument is still in effect, except, in each case, for Liens expressly permitted pursuant to Section 6.2 of the Loan Agreement.

3.6 Bailees, Warehousemen, Etc. Except as otherwise disclosed in the Perfection Certificate, no Inventory costing in excess of $3,000,000 held on a temporary basis of any Grantor is in the care or custody of any one third party or stored or entrusted with any one bailee or other third party and none shall hereafter be placed under such care, custody, storage or entrustment unless a waiver or other agreement reasonably satisfactory to the Collateral Agent is delivered to the Collateral Agent by such third party or bailee.

3.7 Consignments. Except as otherwise disclosed in the Perfection Certificate, no Grantor has, and none shall have, possession of any property on consignment.

**SECTION 4**

Covenants

4.1 Covenants Incorporated by Reference. Each Grantor hereby covenants and agrees that each Grantor shall perform, observe and otherwise comply with the covenants set forth in Articles 5 and 6 of the Loan Agreement with respect to such Grantor as a Loan Party.

4.2 Change of Name; Location of Collateral; Records; Place of Business.

(a) Each Grantor agrees to furnish to the Collateral Agent thirty (30) days' prior written notice of (i) any change in its legal name, (ii) any change in the location of its chief executive office, its principal place of business, any office in which it maintains books or records relating to Collateral owned by it, or any office or facility at which Collateral owned by it is located, including the establishment of any such new office or facility, (iii) any change in its identity or organizational structure, (iv) any change in its Federal Taxpayer Identification Number or organizational number, if any, assigned to it by its state of organization, or (v) the acquisition by any Grantor of any property for which additional filings or recordings are necessary to perfect and maintain the Collateral Agent's Security Interest therein. Each Grantor agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the UCC or otherwise that are required in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected security interest in all of the Collateral.

(b) Each Grantor agrees to maintain, at its own cost and expense, such complete and accurate records with respect to the Collateral owned by it as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as, or similar to, those in which such Grantor is engaged, and, at such time or times as the Collateral Agent may reasonably request, promptly to prepare and deliver to the Collateral Agent a duly certified schedule or schedules in form and detail reasonably satisfactory to the Collateral Agent showing the identity, amount and location of any and all Collateral.

4.3 Protection of Security. Each Grantor shall, at its own cost and expense, take any and all actions reasonably necessary to defend title to the Collateral against all Persons and to defend the Security Interest of the Collateral Agent in the Collateral and the priority thereof against any Lien not expressly permitted pursuant to Section 6.2 of the Loan Agreement.

4.4 Further Assurances. Each Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Collateral Agent may from time to time reasonably request to better assure, preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the Security Interest and the filing of any Financing Statements (including Fixture Filings) or other documents in connection herewith or

therewith. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any promissory note or other instrument, such note or instrument shall be promptly pledged and delivered to the Collateral Agent, duly endorsed in a manner satisfactory to the Collateral Agent; provided that, until such time as the Revolving Obligations have been paid in full, delivery of such Collateral shall be to the Revolving Agent, as agent for the Collateral Agent.

4.5 Inspection and Verification. Subject to the terms and conditions of Sections 5.9 of the Loan Agreement, the Collateral Agent and such Persons as the Collateral Agent may reasonably designate shall have the right, at the Grantors' own cost and expense, on reasonable prior notice except if an Event of Default then exists, to inspect the Collateral, all records related thereto (and to make extracts and copies from such records) and the premises upon which any of the Collateral is located, to discuss the Grantors' affairs with the officers of the Grantors and their independent accountants and to verify the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the Collateral, including, in the case of Accounts or Collateral in the possession of any third Person, by contacting Account Debtors or the third Person possessing such Collateral for the purpose of making such a verification. The Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any Secured Party.

4.6 Taxes; Encumbrances. At its option, the Collateral Agent may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the Collateral and not permitted pursuant to Section 6.2 of the Loan Agreement, and may take any other action which the Collateral Agent may deem necessary or desirable to repair, maintain or preserve any of the Collateral to the extent any Grantor fails to do so as required by the Loan Agreement or this Agreement, and each Grantor jointly and severally agrees to reimburse the Collateral Agent on demand for any payment made or any expense incurred by the Collateral Agent pursuant to the foregoing authorization; provided, however, that the Collateral Agent shall not have any obligation to undertake any of the foregoing and shall have no liability on account of any action so undertaken except where there is a specific finding in a judicial proceeding (in which the Collateral Agent has had an opportunity to be heard), from which finding no further appeal is available, that the Collateral Agent had acted in actual bad faith or in a grossly negligent manner; and provided further that the making of any such payments by the Collateral Agent shall not be deemed to constitute a waiver of any Default or Event of Default arising from the Grantor's failure to have made such payments. Nothing in this Section 4.6 shall be interpreted as excusing any Grantor from the performance of any covenants or other promises of any Grantor with respect to taxes, assessments, charges, fees, Liens, security interests or other encumbrances and maintenance as set forth herein or in the other Loan Documents.

4.7 Assignment of Security Interest.

(a) If at any time any Grantor shall take a security interest in any property of an Account Debtor or any other Person to secure payment and performance of an Account, such Grantor shall promptly assign such security interest to the Collateral Agent. Such assignment need not be filed of public record unless necessary to continue the perfected status of the security

interest against creditors of, and transferees from, the Account Debtor or other Person granting the security interest.

(b) To the extent that any Grantor is a beneficiary under any written letter of credit now or hereafter issued in favor of such Grantor, such Grantor shall deliver such letter of credit to the Collateral Agent, provided that, until such time as the Revolving Obligations have been paid in full, delivery of such Collateral shall be to the Revolving Agent, as agent for the Collateral Agent. The Collateral Agent shall from time to time, at the request and expense of such Grantor, make such arrangements with such Grantor as are in the Collateral Agent's reasonable judgment necessary and appropriate so that such Grantor may make any drawing to which such Grantor is entitled under such letter of credit, without impairment of the Collateral Agent's perfected security interest in such Grantor's rights to proceeds of such letter of credit or in the actual proceeds of such drawing. At the Collateral Agent's request, such Grantor shall, for any letter of credit, whether or not written, now or hereafter issued in favor of such Grantor as beneficiary, execute and deliver to the issuer and any Confirmer of such letter of credit an assignment of proceeds form, in favor of the Collateral Agent and satisfactory to the Collateral Agent and such issuer or (as the case may be) such Confirmer, requiring the proceeds of any drawing under such letter of credit to be paid directly to the Collateral Agent; provided that, until such time as the Revolving Obligations have been paid in full, delivery of such Collateral shall be to the Revolving Agent, as agent for the Collateral Agent.

4.8 Continuing Obligations of the Grantors. Each Grantor shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it under each contract, agreement or instrument relating to the Collateral, all in accordance with the terms and conditions thereof, and each Grantor jointly and severally agrees to indemnify and hold harmless the Collateral Agent and the Secured Parties from and against any and all liability for such performance.

4.9 Use and Disposition of Collateral. None of the Grantors shall make or permit to be made an assignment, pledge or hypothecation of the Collateral or shall grant any other Lien in respect of the Collateral, except as expressly permitted by Section 6.2 of the Loan Agreement. Except as expressly permitted in the Loan Agreement, none of the Grantors shall make or permit to be made any transfer of the Collateral, and each Grantor shall remain at all times in possession of the Collateral owned by it, except that (a) Inventory may be sold in the ordinary course of business, (b) a Grantor may transfer Collateral to any other Grantor, and (c) unless and until the Collateral Agent shall notify the Grantors that an Event of Default shall have occurred and be continuing and that the Grantors shall not sell, convey, lease, assign, transfer or otherwise dispose of any Collateral (which notice may be given by telephone if promptly confirmed in writing), the Grantors may use and dispose of the Collateral in any lawful manner not inconsistent with the provisions of this Agreement, the Loan Agreement or any other Loan Document.

4.10 Limitation on Modification of Accounts. None of the Grantors will, without the Collateral Agent's prior written consent, grant any extension of the time of payment of any of the Accounts, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Person liable for the payment thereof or allow any credit or discount whatsoever thereon, other than extensions, releases, credits, discounts, compromises or

settlements granted or made in the ordinary course of business and consistent with its current practices.

4.11 Insurance.

(a) The Grantors shall maintain insurance on the Collateral as required by Section 5.7 of the Loan Agreement. All such insurance which covers the Collateral shall include an endorsement in favor of the Collateral Agent, which endorsement shall provide that the insurance, to the extent of the Collateral Agent's interest therein, shall not be impaired or invalidated, in whole or in part, by reason of any act or neglect of any Grantor or by the failure of any Grantor to comply with any warranty or condition of the policy.

(b) Each Grantor hereby irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as such Grantor's true and lawful agent (and attorney-in-fact), for the purpose of making, settling and adjusting claims in respect of Collateral under policies of insurance, endorsing the name of such Grantor on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto. In the event that any Grantor at any time or times shall fail to obtain or maintain any of the policies of insurance required hereby or to pay any premium in whole or part relating thereto, the Collateral Agent may, without waiving or releasing any obligation or liability of the Grantors hereunder or any Default or Event of Default, in its sole discretion, obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Collateral Agent deems advisable. All sums disbursed by the Collateral Agent in connection with this Section 4.11, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be payable, upon demand, by the Grantors to the Collateral Agent and shall be additional Secured Obligations secured hereby.

4.12 Commercial Tort Claims. If any Grantor shall at any time acquire a Commercial Tort Claim in excess of $1,000,000, such Grantor shall promptly notify the Collateral Agent in writing of the details thereof and the Grantors shall take such actions as the Collateral Agent shall reasonably request in order to grant to the Collateral Agent, for the ratable benefit of the Secured Parties, a perfected and security interest therein and in the Proceeds thereof.

4.13 Legend. At the request of the Collateral Agent, each Grantor shall legend, in form and manner reasonably satisfactory to the Collateral Agent, its Accounts and its books, records and documents evidencing or pertaining thereto with an appropriate reference to the fact that such Accounts have been assigned to the Collateral Agent for the benefit of the Secured Parties and that the Collateral Agent has a security interest therein.

4.14 General Intangibles. Each Grantor shall apply for, and diligently pursue applications for, registration of its ownership of the General Intangibles constituting Collateral for which registration is appropriate, and which are material to its business, and will use such other reasonable measures as are appropriate to preserve its rights in its other General Intangibles constituting Collateral, except that such Grantor may abandon such rights as could not reasonably be expected to have a Material Adverse Effect on the value of such General Intangibles. Each Grantor will, at the request of the Collateral Agent, retain current copies of all

materials created by or furnished to such Grantor on which is recorded then current information relating to any computer programs or data bases that such Grantor has developed or otherwise has the right to use from time to time. Such materials shall include, without limitation, magnetic or other computer media on which object, source or other code is recorded and documentation of those computer programs or data bases, in the nature of listing printouts, narrative descriptions, flow diagrams and similar items. Each Grantor will, at the reasonable request of the Collateral Agent, deliver a set of such copies to the Collateral Agent for safekeeping and retention or transfer in the event of the exercise of the Collateral Agent's Rights and Remedies.

4.15 Investment Property.

(a) If any Grantor shall at any time hold or acquire any Certificated Securities (other than treasury stock of such Grantor), such Grantor shall forthwith endorse, assign and deliver the same to the Collateral Agent, accompanied by such instruments of transfer or assignment duly executed in blank as the Collateral Agent may from time to time specify, all of which thereafter shall be held by the Collateral Agent, pursuant to the terms of this Agreement, as part of the Collateral, provided that, until such time as the Revolving Obligations have been paid in full, delivery of such Collateral shall be to the Revolving Agent, as agent for the Collateral Agent. If any Securities now held or hereafter acquired by any Grantor are Uncertificated Securities (other than treasury stock of such Grantor) and are issued to such Grantor or its nominee directly by the Issuer thereof, such Grantor shall promptly notify the Collateral Agent thereof and, at the Collateral Agent's request and option, pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Agent, subject to the Intercreditor Agreement, either (i) cause the Issuer to agree to comply with instructions from the Collateral Agent as to such Securities, without further consent of such Grantor or the nominee, or (ii) arrange for the Collateral Agent to become the registered owner of the Securities. If any Grantor, as registered holder of Investment Property, receives any stock certificate, option or right, or other distribution, whether as an addition to, in substitution of, or in exchange for, such Investment Property, or otherwise, such Grantor agrees to accept the same in trust for the Collateral Agent and the Secured Parties and to forthwith endorse, assign and deliver the same to the Collateral Agent, accompanied by such instruments of transfer or assignment duly executed in blank as the Collateral Agent may from time to time specify, to be held by the Collateral Agent as Collateral, provided that, until such time as the Revolving Obligations have been paid in full, delivery of such Collateral shall be to the Revolving Agent, as agent for the Collateral Agent. If any Securities, whether Certificated Securities or Uncertificated Securities, or other Investment Property now held or hereafter acquired by any Grantor are held by such Grantor or its nominee through a Securities Intermediary or Commodity Intermediary, such Grantor shall promptly notify the Collateral Agent thereof and, at the Collateral Agent's request and option, pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Agent, subject to the Intercreditor Agreement, either (i) cause such Securities Intermediary or Commodity Intermediary, as the case may be, to agree to comply with Entitlement Orders or other instructions from the Collateral Agent to such Securities Intermediary as to such Securities or other Investment Property or, as the case may be, to apply any value distributed on account of any commodity contract as directed by the Collateral Agent to such Commodity Intermediary, in each case without the further consent of such Grantor or such nominee, or (ii) in the case of Financial Assets or other Investment Property held through a Securities Intermediary, arrange for the Collateral Agent to become the Entitlement Holder with respect to such Investment Property.

(b) The Collateral Agent agrees with each Grantor that, pursuant to this Section 4.15, the Collateral Agent shall not give any such Entitlement Orders or instructions or directions to any such Issuer, Securities Intermediary or Commodity Intermediary, and shall not withhold its consent to the exercise of any withdrawal or dealing rights by such Grantor, provided that no Event of Default has occurred and is continuing or, after giving effect thereto, any such investment or withdrawal rights not otherwise permitted by the Loan Agreement would occur. In addition, so long as no Event of Default shall have occurred and be continuing, (i) each Grantor shall have the right to exercise all voting, consensual and other powers of ownership pertaining to the Securities for all purposes not inconsistent with the terms of this Agreement, the Loan Agreement or any other instrument or agreement referred to herein or therein; and the Collateral Agent shall execute and deliver or cause to be executed and delivered to such Grantor all such proxies, powers of attorney, dividend and other orders, and all such instruments, without recourse, as such Grantor may reasonably request for the purpose of enabling such Grantor to exercise the rights and powers which it is entitled to exercise pursuant hereto, and (ii) each Grantor shall be entitled to receive and retain any dividends or other distributions on the Securities.

4.16 Electronic Chattel Paper and Transferable Records. If any Grantor at any time holds or acquires an interest in excess of $1,000,000 in any Electronic Chattel Paper or any "transferable record" as such term is defined in the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §7001, et. seq., or in Section 16 of the Uniform Electronic Transactions Act as in effect in any jurisdiction applicable to such Grantor, such Grantor shall promptly notify the Collateral Agent thereof and, at the request of the Collateral Agent, shall take such action as the Collateral Agent may reasonably request to vest in the Collateral Agent control under the UCC, the Electronic Signatures in Global and National Commerce Act, or the Uniform Electronic Transactions Act, as the case may be, of such transferable record. The Collateral Agent agrees with each Grantor that so long as no Event of Default has occurred and is continuing or would occur after taking into account the following, the Collateral Agent will arrange, pursuant to procedures satisfactory to the Collateral Agent and so long as such procedures will not result in Collateral Agent's loss of control under the UCC, the Electronic Signatures in Global and National Commerce Act, or the Uniform Electronic Transactions Act, as the case may be, for such Grantor to make such necessary alterations to the Electronic Chattel Paper or transferable record as are permitted under the UCC, the Electronic Signatures in Global and National Commerce Act, or the Uniform Electronic Transactions Act, as the case may be.

4.17 Tangible Chattel Paper, Notes and Other Instruments. If at any time any amount payable to any Grantor under or in connection with any of the Collateral is evidenced by any Tangible Chattel Paper, promissory note, trade acceptances or other Instrument, such Grantor shall promptly deliver the same to the Collateral Agent, accompanied by such instruments of transfer or assignment duly executed in blank as the Collateral Agent may from time to time reasonably request; provided that, until such time as the Revolving Obligations have been paid in full, delivery of such Collateral shall be to the Revolving Agent, as agent for the Collateral Agent.

4.18 Bailments, Etc. If any Collateral costing in excess of $3,000,000 is at any time in the possession or control of any one warehouseman for more than a temporary period of time (not to exceed five (5) Business Days), bailee or any Grantor's agents, such Grantor shall

promptly notify the Collateral Agent thereof and, upon the request of the Collateral Agent, (i) notify such warehouseman, bailee or agent to hold all such Collateral for the Collateral Agent's account subject to the Collateral Agent's instructions, (ii) obtain from such warehouseman, bailee or agent a written acknowledgment in form reasonably satisfactory to the Collateral Agent that such Person holds possession of the Collateral for the Collateral Agent's benefit and shall act upon the Collateral Agent's instructions with respect to such Collateral without the further consent of such Grantor, (iii) deliver any negotiable warehouse receipt, bill of lading or other document of title issued with regard to the Collateral to the Collateral Agent appropriately endorsed to the Collateral Agent's order, and/or (iv) arrange for the issuance in the name of the Collateral Agent, in form reasonably satisfactory to the Collateral Agent, any nonnegotiable document of title covering such Collateral; provided that, the endorsements for any such documents described in this Section 4.18 shall be in favor of the Revolving Agent, as agent for the Collateral Agent if the Revolving Obligations remain outstanding at the time of such endorsement. The Collateral Agent agrees with each Grantor that the Collateral Agent shall not give any such instructions unless an Event of Default has occurred and is continuing or would occur after taking into account any action by such Grantor with respect to such warehouseman, bailee or agent.

4.19 Other Perfection, Etc. The Grantors shall at any time and from time to time take such steps as the Collateral Agent may reasonably request for the Collateral Agent (a) to obtain "control" of any Deposit Accounts or Letter-of-Credit Rights, with any agreements establishing control to be in form and substance satisfactory to the Collateral Agent, and (b) otherwise to insure the continued perfection of the Collateral Agent's security interest in any of the Collateral with the priority described in Section 3.4 and of the preservation of its rights therein. The Collateral Agent agrees with each Grantor that the Collateral Agent shall not give notice to any depositary under any control, blocked account or similar agreement in respect of a Deposit Account unless an Event of Default has occurred and is continuing.

4.20 Assignment of Claims Act. If at any time any Accounts of any Grantor arise from contracts with the United States of America or any department, agency or instrumentality thereof, such Grantor will promptly notify the Collateral Agent thereof and shall execute all assignments and take all steps reasonably requested by the Collateral Agent in order that all monies due and to become due thereunder will be assigned and paid to the Collateral Agent and notice thereof given to the federal authorities under the Assignment of Claims Act of 1940, 41 U.S.C. §15.

4.21 Notices and Reports Pertaining to Collateral. In addition to any other notice or reporting requirement imposed on the Grantors under this Agreement and the Loan Agreement, the Grantors will, with respect to the Collateral:

(a) Promptly notify the Collateral Agent when any Grantor obtains knowledge of actual or imminent bankruptcy or other insolvency proceeding of any material Account Debtor or Issuer of Investment Property;

(b) Promptly notify the Collateral Agent of any material return or adjustment, rejection, repossession, or loss or damage of or to merchandise represented by Accounts

or constituting Inventory and of any material credit, adjustment or dispute arising in connection with the goods or services represented by Accounts or constituting Inventory;

(c) Promptly after the application by any Grantor for registration of any General Intangibles, notify the Collateral Agent thereof; and

(d) Promptly notify the Collateral Agent in the event of a material loss or damage to the Collateral, if such loss or damage is not covered by insurance, of any reclamation or repossession of or any action by a creditor to reclaim or repossess any material asset(s) of any Grantor, of any material adverse change in the Collateral, and of any other occurrence that may have a Material Adverse Effect on the Security Interest of the Collateral Agent in the Collateral.

**SECTION 5**

Collections

5.1 Collections.

(a) Each Grantor shall at all times comply with the Cash Management provisions of Section 2.13 of the Loan Agreement.

(b) Without the prior written consent of the Collateral Agent, no Grantor shall modify or amend the instructions pursuant to any of the DDA Notifications, the Credit Card Notifications, or the Blocked Account Agreements. So long as no Event of Default has occurred and is continuing, each Grantor shall, and the Collateral Agent hereby authorizes each Grantor to, enforce and collect all amounts owing on the Inventory and Accounts, for the benefit and on behalf of the Collateral Agent and the other Secured Parties; provided, however, that such privilege may, at the option of the Collateral Agent, be terminated upon the occurrence and during the continuance of any Event of Default.

5 . 2 Power of Attorney. Each Grantor irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as such Grantor's true and lawful agent and attorney-in-fact, and in such capacity the Collateral Agent shall have the right, with power of substitution for each Grantor and in each Grantor's name or otherwise, for the use and benefit of the Collateral Agent and the Secured Parties, (a) at any time, whether or not a Default or Event of Default has occurred, to take actions required to be taken by the Grantors under Section 2.1 of this Agreement, (b) upon the occurrence and during the continuance of an Event of Default or as otherwise permitted under the Loan Agreement, (i) to take actions required to be taken by the Grantors under Section 5.1 of this Agreement, (ii) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Collateral or any part thereof; (iii) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral; (iv) to sign the name of any Grantor on any invoices, schedules of Collateral, freight or express receipts, or bills of lading storage receipts, warehouse receipts or other documents of title relating to any of the Collateral; (v) to sign the name of any Grantor on any notice to such Grantor's Account Debtors; (vi) to sign the name of any Grantor on any proof

of claim in bankruptcy against Account Debtors, and on notices of lien, claims of mechanic's liens, or assignments or releases of mechanic's liens securing the Accounts; (vii) to sign change of address forms to change the address to which each Grantor's mail is to be sent to such address as the Collateral Agent shall designate; (viii) to receive and open each Grantor's mail, remove any Proceeds of Collateral therefrom and turn over the balance of such mail either to the Lead Borrower or to any trustee in bankruptcy or receiver of a Grantor, or other legal representative of a Grantor whom the Collateral Agent determines to be the appropriate person to whom to so turn over such mail; (ix) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Collateral or to enforce any rights in respect of any Collateral; (x) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Collateral; (xi) to take all such action as may be necessary to obtain the payment of any letter of credit and/or banker's acceptance of which any Grantor is a beneficiary; (xii) to repair, manufacture, assemble, complete, package, deliver, alter or supply goods, if any, necessary to fulfill in whole or in part the purchase order of any customer of any Grantor; (xiii) to use, license or transfer any or all General Intangibles of any Grantor; and (xiv) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Collateral, and to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Collateral Agent were the absolute owner of the Collateral for all purposes; provided, however, that nothing herein contained shall be construed as requiring or obligating the Collateral Agent or any other Secured Party to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Collateral Agent or any other Secured Party, or to present or file any claim or notice. It is understood and agreed that the appointment of the Collateral Agent as the agent and attorney-in-fact of the Grantors for the purposes set forth above is coupled with an interest and is irrevocable.

5.3 No Obligation to Act. The Collateral Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 5.2, but if the Collateral Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to any Grantor for any act or omission to act except for any act or omission to act as to which there is a final determination made in a judicial proceeding (in which proceeding the Collateral Agent has had an opportunity to be heard) which determination includes a specific finding that the subject act or omission to act had been grossly negligent, willful misconduct or in actual bad faith. The provisions of Section 5.2 shall in no event relieve any Grantor of any of its obligations hereunder or under any other Loan Document with respect to the Collateral or any part thereof or impose any obligation on the Collateral Agent or any other Secured Party to proceed in any particular manner with respect to the Collateral or any part thereof, or in any way limit the exercise by the Collateral Agent or any other Secured Party of any other or further right which it may have on the date of this Agreement or hereafter, whether hereunder, under any other Loan Document, by law or otherwise.

**SECTION 6**

Remedies

6 . 1 Remedies upon Default. Upon the occurrence of an Event of Default, it is agreed that the Collateral Agent shall have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the UCC or other Applicable Law. The rights and remedies of the Collateral Agent shall include, without limitation, the right to take any of or all the following actions at the same or different times:

(a) With respect to any Collateral consisting of Accounts, General Intangibles (including Payment Intangibles), Letter-of-Credit Rights, Instruments, Chattel Paper, Documents, and Investment Property, the Collateral Agent may collect the Collateral with or without the taking of possession of any of the Collateral.

(b) With respect to any Collateral consisting of Accounts, the Collateral Agent may (i) demand, collect and receive any amounts relating thereto, as the Collateral Agent may determine; (ii) commence and prosecute any actions in any court for the purposes of collecting any such Accounts and enforcing any other rights in respect thereof; (iii) defend, settle or compromise any action brought and, in connection therewith, give such discharges or releases as the Collateral Agent may reasonably deem appropriate; (iv) without limiting the Collateral Agent's rights set forth in Section 5.2 hereof, receive, open and dispose of mail addressed to any Grantor and endorse checks, notes, drafts, acceptances, money orders, bills of lading, warehouse receipts or other instruments or documents evidencing payment, shipment or storage of the goods giving rise to such Accounts or securing or relating to such Accounts, on behalf of and in the name of such Grantor; and (v) sell, assign, transfer, make any agreement in respect of, or otherwise deal with or exercise rights in respect of, any such Accounts or the goods or services which have given rise thereto, as fully and completely as though the Collateral Agent were the absolute owner thereof for all purposes.

(c) With respect to any Collateral consisting of Investment Property, the Collateral Agent may (i) exercise all rights of any Grantor with respect thereto, including without limitation, the right to exercise all voting and corporate rights at any meeting of the shareholders of the Issuer of any Investment Property and to exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any Investment Property as if the Collateral Agent was the absolute owner thereof, including the right to exchange, at its discretion, any and all of any Investment Property upon the merger, consolidation, reorganization, recapitalization or other readjustment of the Issuer thereof, all without liability except to account for property actually received as provided in Section 5.3 hereof; (ii) transfer such Collateral at any time to itself, or to its nominee, and receive the income thereon and hold the same as Collateral hereunder or apply it to the Secured Obligations; and (iii) demand, sue for, collect or make any compromise or settlement it deems desirable. The Grantors recognize that (a) the Collateral Agent may be unable to effect a public sale of all or a part of the Investment Property by reason of certain prohibitions contained in the

Securities Act of 1933, 15 U.S.C. §77, (as amended and in effect, the "Securities Act") or the Securities laws of various states (the "Blue Sky Laws"), but may be compelled to resort to one or more private sales to a restricted group of purchasers who will be obliged to agree, among other things, to acquire the Investment Property for their own account, for investment and not with a view to the distribution or resale thereof, (b) that private sales so made may be at prices and upon other terms less favorable to the seller than if the Investment Property were sold at public sales, (c) that neither the Collateral Agent nor any Secured Party has any obligation to delay sale of any of the Investment Property for the period of time necessary to permit the Investment Property to be registered for public sale under the Securities Act or the Blue Sky Laws, and (d) that private sales made under the foregoing circumstances shall be deemed to have been made in a commercially reasonable manner.

(d) With respect to any Collateral consisting of Inventory, Goods, and Equipment, the Collateral Agent may conduct one or more going out of business sales, in the Collateral Agent's own right or by one or more agents and contractors. Such sale(s) may be conducted upon any premises owned, leased, or occupied by any Grantor. The Collateral Agent and any such agent or contractor, in conjunction with any such sale, may augment the Inventory with other goods (all of which other goods shall remain the sole property of the Collateral Agent or such agent or contractor). Any amounts realized from the sale of such goods which constitute augmentations to the Inventory (net of an allocable share of the costs and expenses incurred in their disposition) shall be the sole property of the Collateral Agent or such agent or contractor and neither any Grantor nor any Person claiming under or in right of any Grantor shall have any interest therein. Each purchaser at any such going out of business sale shall hold the property sold absolutely, free from any claim or right on the part of any Grantor.

(e) With respect to any Collateral consisting of General Intangibles, the Collateral Agent may exercise all of the rights granted to the Collateral Agent under the IP Security Agreement.

(f) With or without legal process and with or without prior notice or demand for performance, the Collateral Agent may enter upon, occupy, and use any premises owned or occupied by each Grantor, and may exclude the Grantors from such premises or portion thereof as may have been so entered upon, occupied, or used by the Collateral Agent to the extent the Collateral Agent deems such exclusion reasonably necessary to preserve and protect the Collateral. The Collateral Agent shall not be required to remove any of the Collateral from any such premises upon the Collateral Agent's taking possession thereof, and may render any Collateral unusable to the Grantors. In no event shall the Collateral Agent be liable to any Grantor for use or occupancy by the Collateral Agent of any premises pursuant to this Section 6.1, nor for any charge (such as wages for the Grantors' employees and utilities) incurred in connection with the Collateral Agent's exercise of the Collateral Agent's Rights and Remedies (as defined herein) hereunder.

(g) The Collateral Agent may require any Grantor to assemble the Collateral and make it available to the Collateral Agent at the Grantor's sole risk and expense at a

place or places which are reasonably convenient to both the Collateral Agent and such Grantor.

(h) Each Grantor agrees that the Collateral Agent shall have the right, subject to Applicable Law, to sell or otherwise dispose of all or any part of the Collateral, at public or private sale, for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate. Each purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of any Grantor.

(i) Unless the Collateral is perishable or threatens to decline speedily in value, or is of a type customarily sold on a recognized market (in which event the Collateral Agent shall provide the Grantors such notice as may be practicable under the circumstances), the Collateral Agent shall give the Grantors at least ten (10) days' prior written notice, by authenticated record, of the date, time and place of any proposed public sale, and of the date after which any private sale or other disposition of the Collateral may be made. Each Grantor agrees that such written notice shall satisfy all requirements for notice to that Grantor which are imposed under the UCC or other Applicable Law with respect to the exercise of the Collateral Agent's rights and remedies upon default. The Collateral Agent shall not be obligated to make any sale or other disposition of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale or other disposition of such Collateral shall have been given. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned.

(j) Any public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix and state in the notice of such sale. At any sale or other disposition, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may (in its sole and absolute discretion) determine. If any of the Collateral is sold, leased, or otherwise disposed of by the Collateral Agent on credit, the Secured Obligations shall not be deemed to have been reduced as a result thereof unless and until payment is finally received thereon by the Collateral Agent.

(k) At any public (or, to the extent permitted by Applicable Law, private) sale made pursuant to this Section 6.1, the Collateral Agent or any other Secured Party may bid for or purchase, free (to the extent permitted by Applicable Law) from any right of redemption, stay, valuation or appraisal on the part of any Grantor, the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to the Collateral Agent or such other Secured Party from any Grantor on account of the Secured Obligations as a credit against the purchase price, and the Collateral Agent or such other Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to any Grantor therefor.

(l) For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof. The Collateral Agent shall be free to carry out such sale pursuant to such agreement and no Grantor shall be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Secured Obligations paid in full.

(m) As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose upon the Collateral and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver.

(n) To the extent permitted by Applicable Law, each Grantor hereby waives all rights of redemption, stay, valuation and appraisal which such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

6.2 Application of Proceeds. After the occurrence of an Event of Default and acceleration of the Obligations pursuant to Section 7.1 of the Loan Agreement, the Collateral Agent shall apply the proceeds of any collection or sale of the Collateral, as well as any Collateral consisting of cash, or any Collateral granted under any other of the Security Documents in the manner set forth in Section 7.4 of the Loan Agreement.

**SECTION 7**

Perfection of Security Interest

7.1 Perfection by Filing. This Agreement constitutes an authenticated record, and each Grantor hereby authorizes the Collateral Agent, pursuant to the provisions of Sections 2.1 and 5.2, to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral, in such filing offices as the Collateral Agent shall reasonably deem appropriate, and the Grantors shall pay the Collateral Agent's reasonable costs and expenses incurred in connection therewith. Each Grantor hereby further agrees that a carbon, photographic, or other reproduction of this Agreement shall be sufficient as a Financing Statement and may be filed as a Financing Statement in any and all jurisdictions.

7.2 Savings Clause. Nothing contained in this Section 7 shall be construed to narrow the scope of the Collateral Agent's Security Interest in any of the Collateral or the perfection or priority thereof or to impair or otherwise limit any of the Collateral Agent's Rights and Remedies hereunder except (and then only to the extent) as mandated by the UCC.

**SECTION 8**

Miscellaneous

8 . 1 Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 9.1 of the Loan Agreement.

8.2 Grant of Non-Exclusive License. Without limiting the rights of the Collateral Agent under the IP Security Agreement, each Grantor hereby grants to the Collateral Agent a royalty free, non-exclusive, irrevocable license, which license shall be exercisable upon the existence and during the continuance of an Event of Default, to use, apply, and affix any trademark, trade name, logo, or the like in which any Grantor now or hereafter has rights, such license being with respect to the Collateral Agent's exercise of the Collateral Agent's Rights and Remedies hereunder including, without limitation, in connection with any completion of the manufacture of Inventory or any sale or other disposition of Inventory.

8 . 3 Security Interest Absolute. All rights of the Collateral Agent hereunder, the Security Interest and all obligations of the Grantors hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Loan Agreement, any other Loan Document, any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Loan Agreement, any other Loan Document, or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the Obligations, or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the Obligations or this Agreement.

8.4 Survival of Agreement. All covenants, agreements, representations and warranties made by the Grantors herein and in any other Loan Document and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Collateral Agent and the other Secured Parties and shall survive the execution and delivery of this Agreement and the other Loan Documents and the making of the Term Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Agents or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended under the Loan Agreement, and shall continue in full force and effect as long as the Secured Obligations are outstanding and unpaid.

8 . 5 Binding Effect; Several Agreement; Assignments. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of the Grantors that are contained in this Agreement shall bind and inure to the benefit of each Grantor and its respective successors and assigns. This Agreement shall be binding upon each Grantor and the Collateral Agent and their respective successors and assigns, and shall inure to the

benefit of each Grantor, the Collateral Agent and the other Secured Parties and their respective successors and assigns, except that no Grantor shall have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Collateral (and any such attempted assignment or transfer shall be void) except as expressly permitted by this Agreement or the Loan Agreement. This Agreement shall be construed as a separate agreement with respect to each Grantor and may be amended, modified, supplemented, waived or released with respect to any Grantor without the approval of any other Grantor and without affecting the obligations of any other Grantor hereunder.

8.6 Collateral Agent's Fees and Expenses; Indemnification.

(a) Without limiting any of their obligations under the Loan Agreement or the other Loan Documents, and without duplication of any fees, expenses or indemnification provided for under the Loan Agreement and the other Loan Documents, the Grantors jointly and severally agree to pay all reasonable out-of-pocket expenses incurred by the Collateral Agent, including the reasonable fees, charges and disbursements of any counsel and any outside consultants for the Collateral Agent, in connection with (i) the administration of this Agreement, (ii) the custody or preservation of, or the sale of, collection from or other realization upon any of the Collateral, (iii) the exercise, enforcement or protection of any of the Collateral Agent's Rights and Remedies hereunder or (iv) the failure of any Grantor to perform or observe any of the provisions hereof.

(b) Without limiting any of their indemnification obligations under the Loan Agreement or the other Loan Documents, and without duplication of any fees, expenses or indemnification provided for under the Loan Agreement and the other Loan Documents, the Grantors shall jointly and severally indemnify each Secured Party and each Related Party of any Secured Party (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of, (i) the execution or delivery or performance of this Agreement or any other Loan Document, the performance by any Grantor of its obligations under this Agreement or any other Loan Document, or the consummation of the transactions contemplated by the Loan Documents or any other transactions contemplated hereby, or (ii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing or to the Collateral, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses resulted from the gross negligence, bad faith or willful misconduct of any Indemnitee or any Affiliate of an Indemnitee (or of any officer, director, employee, advisor or agent of such Indemnitee or any such Indemnitee's Affiliates). In connection with any indemnified claim hereunder, the Indemnitee shall be entitled to select its own counsel and the Grantors shall promptly pay the reasonable fees and expenses of such counsel.

(c) Any such amounts payable as provided hereunder shall be additional Secured Obligations secured hereby and by the other Security Documents. All amounts due under this Section 8.6 shall be payable promptly after written demand therefor.

(d) The provisions of this Section 8.6 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby and by the Loan Agreement, the repayment of the Term Loans, or the termination of this Agreement, the Loan Agreement or any provision hereof or thereof.

8.7 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF.

8.8 Waivers; Amendment.

(a) The rights, remedies, powers, privileges, and discretions of the Collateral Agent hereunder (herein, the "Collateral Agent's Rights and Remedies") shall be cumulative and not exclusive of any rights or remedies which it would otherwise have. No delay or omission by the Collateral Agent in exercising or enforcing any of the Collateral Agent's Rights and Remedies shall operate as, or constitute, a waiver thereof. No waiver by the Collateral Agent of any Event of Default or of any Default under any other agreement shall operate as a waiver of any other Event of Default or other Default hereunder or under any other agreement. No single or partial exercise of any of the Collateral Agent's Rights or Remedies, and no express or implied agreement or transaction of whatever nature entered into between the Collateral Agent and any Person, at any time, shall preclude the other or further exercise of the Collateral Agent's Rights and Remedies. No waiver by the Collateral Agent of any of the Collateral Agent's Rights and Remedies on any one occasion shall be deemed a waiver on any subsequent occasion, nor shall it be deemed a continuing waiver. The Collateral Agent's Rights and Remedies may be exercised at such time or times and in such order of preference as the Collateral Agent may determine. The Collateral Agent's Rights and Remedies may be exercised without resort or regard to any other source of satisfaction of the Secured Obligations. No waiver of any provisions of this Agreement or any other Loan Document or consent to any departure by any Grantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on any Grantor in any case shall entitle such Grantor or any other Grantor to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to a written agreement entered into between the Collateral Agent and the Grantor or Grantors with respect to whom such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 9.2 of the Loan Agreement.

8.9 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE

FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS SET FORTH IN THIS SECTION 8.9.

8.10 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

8.11 Counterparts. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

8.12 Headings. Section headings used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

8.13 Jurisdiction; Consent to Service of Process.

(a) The Grantors agree that any suit for the enforcement of this Agreement or any other Loan Document may be brought in any court of the State of New York sitting in the Borough of Manhattan or any federal court sitting therein as the Collateral Agent may elect in its sole discretion and consent to the non-exclusive jurisdiction of such courts. The Grantors hereby waive any objection which they may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient forum. The Grantors agree that any action commenced by any Grantor asserting any claim or counterclaim arising under or in connection with this Agreement or any other Loan Document shall be brought solely in a court of the State of New York sitting in the Borough of Manhattan or any federal court sitting therein as the Collateral Agent may elect in its sole discretion and consent to the exclusive jurisdiction of such courts with respect to any such action.

(b) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 8.1. 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.

8.14 Termination; Release of Collateral. Except for those provisions which expressly survive the termination thereof, this Agreement and the Security Interest shall terminate when all the Secured Obligations have been paid in full, at which time the Collateral Agent shall execute and deliver to the Grantors, at the Grantors' expense, all UCC termination statements and similar documents that the Grantors shall reasonably request to evidence such termination.

8.15 Intercreditor Agreement. Notwithstanding anything herein to the contrary, the exercise of any right or remedy by the Collateral Agent pursuant to this Agreement and the other

Loan Documents may be subject to, and restricted by, the provisions of the Intercreditor Agreement. Except as specified herein, nothing contained in the Intercreditor Agreement shall be deemed to modify any of the provisions of this Agreement and the other Loan Documents, which, as among the Borrowers, the Agents, and the Lenders shall remain in full force and effect. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal as of the day and year first above written.

**GRANTORS:**

GAMESTOP CORP.

GAMESTOP HOLDINGS CORP.
GAMESTOP, INC.
SUNRISE PUBLICATIONS, INC.
ELECTRONICS BOUTIQUE HOLDINGS CORP.
ELBO INC.
EB INTERNATIONAL HOLDINGS, Inc.
GAMESTOP BRANDS, INC.
as Borrowers

By: /s/ David W. Carlson

Name: David W. Carlson

Title: Executive Vice President and Chief Financial Officer

MARKETING CONTROL SERVICES, INC.
GAMESTOP (LP), LLC
as Borrowers

By: /s/ David W. Carlson

Name: David W. Carlson

Title: Authorized Signatory

GAMESTOP OF TEXAS (GP), LLC
as Borrower

By: GameStop, Inc.

By: /s/ David W. Carlson

Name: David W. Carlson

Title: Executive Vice President and Chief Financial Officer

GAMESTOP TEXAS LP
as Borrower

By: GameStop of Texas (GP), LLC, its general partner

By: GameStop, Inc.

By: /s/ David W. Carlson

Name: David W. Carlson
Title: Executive Vice President and Chief Financial Officer

SOCOM LLC
as Borrower

By: /s/ Marc Summey

Name: Marc Summey
Title: President

**COLLATERAL AGENT:** BANK OF AMERICA, N.A.,

By: /s/ Stephen Garvin
Stephen J. Garvin
Managing Director

Exhibit 10.3

PATENT AND TRADEMARK SECURITY AGREEMENT

PATENT AND TRADEMARK SECURITY AGREEMENT (this " Agreement") dated as of November 12, 2008 by and among each of:

GAMESTOP CORP., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP HOLDINGS CORP., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP, INC., a corporation organized under the laws of the State of Minnesota having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

SUNRISE PUBLICATIONS, INC., a corporation organized under the laws of the State of Minnesota having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

ELECTRONICS BOUTIQUE HOLDINGS CORP., a corporation organized under the laws of the State of Delaware, having a place of business at 625 Westport Parkway, Grapevine, Texas 76051, and

ELBO INC., a corporation organized under the laws of the State of Delaware, having a place of business at 625 Westport Parkway, Grapevine, Texas 76051, and

EB INTERNATIONAL HOLDINGS, INC., a corporation organized under the laws of the State of Delaware, having a place of business at 625 Westport Parkway, Grapevine, Texas 76051 (each such Person, individually, a "Grantor" and collectively, the "Grantors"); and

GAMESTOP BRANDS, INC., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

MARKETING CONTROL SERVICES, INC., a corporation organized under the laws of the Commonwealth of Virginia having a place of business at 10 S. Jefferson Street, Ste. 1400, Roanoke, Virginia 24011; and

GAMESTOP (LP), LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP OF TEXAS (GP), LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

SOCOM LLC, a limited liability company organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

GAMESTOP TEXAS LP, a limited partnership organized under the laws of the State of Texas having a place of business at 625 Westport Parkway, Grapevine, Texas 76051; and

BANK OF AMERICA, N.A., a national banking association, as collateral agent (in such capacity, the "Collateral Agent" for the Secured Parties (as defined herein), in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

WITNESSETH:

WHEREAS, the Grantors have entered into a certain Term Loan Agreement dated as of even date herewith (as such may be amended, modified, supplemented or restated hereafter, the "Loan Agreement") by and among (i) the Grantors, (ii) the Lenders named therein, (iii) Bank of America, N.A., as Administrative Agent and Collateral Agent for the Lenders, and (iv) Banc of America Securities LLC, as Lead Arranger and Lead Bookrunner, pursuant to which Loan Agreement the Lenders have agreed to make the Term Loans to the Grantors upon the terms and subject to the conditions specified in, the Loan Agreement; and

WHEREAS, the Grantors have entered into a certain Security Agreement of even date herewith in favor of the Collateral Agent and the Secured Parties (as such may be amended, modified, supplemented or restated hereafter, the "Security Agreement"), pursuant to which Security Agreement each Grantor grants the Collateral Agent, for the benefit of the Secured Parties, a security interest in the "Collateral" as defined in the Security Agreement; and

WHEREAS, the obligations of the Lenders to make the Term Loan A are conditioned upon, among other things, the execution and delivery by the Grantors of an agreement in the form hereof to secure the Secured Obligations (as defined herein).

NOW, THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, the Grantors and the Collateral Agent hereby agree as follows:

**SECTION 1**

Definitions

1.1 Generally. Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement, and all references to the UCC shall mean the Uniform Commercial Code as in effect from time to time in the State of New York; provided, however, that if a term is defined in Article 9 of the UCC differently than in another Article thereof, the term shall have the meaning set forth in Article 9, and provided further that if by reason of mandatory provisions of law, perfection, or the effect of perfection or non-perfection, of the security interest in any IP Collateral or the availability of any remedy hereunder is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection or availability of such remedy, as the case may be.

1.2 Definition of Certain Terms Used Herein. As used herein, the following terms shall have the following meanings:

(a) "Intellectual Property" shall have the meaning assigned to such term in Section 3 hereof.

(b) "IP Collateral" shall have the meaning assigned to such term in Section 2 hereof.

(c) "Licenses" shall mean, collectively, the Patent Licenses and Trademark Licenses.

(d) "Loan Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

(e) "Patents" shall mean all letters patent and applications for letters patent of each Grantor, and the inventions and improvements therein disclosed, and any and all divisions, reissues and continuations of said letters patent including, without limitation the patents listed on **EXHIBIT A** annexed hereto and made a part hereof.

(f) "Patent Licenses" shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to manufacture, use or sell any invention covered by a Patent, including, without limitation, the agreements listed on **EXHIBIT A** annexed hereto and made a part hereof.

(g) "PTO" shall mean the United States Patent and Trademark Office or any other federal governmental agency which may hereafter perform its functions.

(h) "Secured Obligations" shall have the meaning assigned to such term in the Security Agreement.

(i) "Security Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

(j) "Trademarks" shall mean all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, trade styles, service marks, designs, logos and other source or business identifiers of each Grantor, whether registered or unregistered, including, without limitation, the trademarks listed on **EXHIBIT B** annexed hereto and made a part hereof, together with all registrations and recordings thereof, all applications in connection therewith, and any goodwill of the business connected with, and symbolized by, any of the foregoing.

(k) "Trademark Licenses" shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark, including, without limitation, the agreements listed on **EXHIBIT B** annexed hereto and made a part hereof.

1 . 3 Rules of Interpretation. The rules of interpretation specified in Section 1.2 of the Loan Agreement shall be applicable to this Agreement.

**SECTION 2**

Security Interest

In furtherance and as confirmation of the Security Interest granted by the Grantors to the Collateral Agent (for the ratable benefit of the Secured Parties) under the Security Agreement, and as further security for the payment or performance, as the case may be, in full of the Secured Obligations, each Grantor hereby ratifies such Security Interest and grants to the Collateral Agent (for the ratable benefit of the Secured Parties) a continuing security interest, with a power of sale (which power of sale shall be exercisable only following the occurrence of an Event of Default), in all of the present and future right, title and interest of the Grantors in and to the following property, and each item thereof, whether now owned or existing or hereafter acquired or arising, together with all products, proceeds, substitutions, and accessions of or to any of the following property (collectively, the "IP Collateral"):

(a) All Patents and Patent Licenses.

(b) All Trademarks and Trademark Licenses.

(c) All renewals of any of the foregoing.

(d) All General Intangibles connected with the use of, or related to, any and all Intellectual Property (including, without limitation, all goodwill of the Grantors and their business, products and services appurtenant to, associated with, or symbolized by, any and all Intellectual Property and the use thereof).

(e) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all Licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.

(f) The right to sue for past, present and future infringements and dilutions of any of the foregoing.

(g) All of the Grantors' rights corresponding to any of the foregoing throughout the world.

**SECTION 3**

Protection of Intellectual Property By Grantors

Except as set forth below in this Section 3, the Grantors shall undertake the following with respect to each of the items respectively described in Sections 2(a), (b), (c), and (d) (collectively, the "Intellectual Property"):

3.1 Pay all renewal fees and other fees and costs associated with maintaining the Intellectual Property and with the processing of the Intellectual Property and take all other reasonable and necessary steps to maintain each registration of the Intellectual Property.

3.2 Take all actions reasonably necessary to prevent any of the Intellectual Property from becoming forfeited, abandoned, dedicated to the public, invalidated or impaired in any way.

3.3 At the Grantors' sole cost, expense, and risk, pursue the prompt, diligent processing of each application for registration which is the subject of the security interest created herein and not abandon or delay any such efforts.

3.4 At the Grantors' sole cost, expense, and risk, take any and all action which the Grantors reasonably deem appropriate under the circumstances to protect the Intellectual Property from infringement, misappropriation or dilution, including, without limitation, the prosecution and defense of infringement actions.

Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, and no Material Adverse Effect would result therefrom, no Grantor shall have an obligation to use or to maintain any Intellectual Property (i) that relates solely to any product that has been discontinued, abandoned or terminated, and (ii) that has been replaced with Intellectual Property substantially similar to the Intellectual Property that may be abandoned or otherwise become invalid, so long as the failure to use or maintain such Intellectual Property does not materially adversely affect the validity of such replacement Intellectual Property and so long as such replacement Intellectual Property is subject to the lien created by this Agreement.

**SECTION 4**

Grantors' Representations and Warranties

The Grantors represent and warrant that:

4.1 **EXHIBIT A** is a true, correct and complete list of all Patents and Patent Licenses owned by the Grantors as of the date hereof.

4 . 2 **EXHIBIT B** is a true, correct and complete list of all Trademarks and Trademark Licenses owned by the Grantors as of the date hereof.

4.3 Except as set forth in **EXHIBITS A and B** , none of the Intellectual Property is the subject of any licensing or franchise agreement pursuant to which any Grantor is the licensor or franchisor.

4.4 All IP Collateral is, and shall remain, free and clear of all Liens, encumbrances, or security interests in favor of any Person, other than Liens permitted pursuant to Section 6.02 of the Credit Agreement and Liens in favor of the Collateral Agent.

4.5 Each Grantor owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted. No material claim has been asserted and is pending by any Person challenging or questioning the use by any Grantor of any of the Intellectual Property owned by any Grantor or the validity or effectiveness of any of the Intellectual Property owned by any Grantor, nor does any Grantor know of any valid basis for any such claim, except as otherwise set forth in the Loan Agreement. To the knowledge of the Grantors, the use by the Grantors of the Intellectual Property does not infringe the rights of any Person in any material respect. No holding, decision or judgment has been rendered by any Governmental Authority which would limit, cancel or question the validity of, or any Grantor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect on the business or the property of any Grantor.

4.6 The Grantors shall give the Collateral Agent written notice (with reasonable detail) within ten (10) days following the occurrence of any of the following:

(a) The Grantors' obtaining rights to, and filing applications for registration of, any new Intellectual Property, or otherwise acquiring ownership of any newly registered Intellectual Property (other than the Grantors' right to sell products containing the trademarks of others in the ordinary course of the Grantors' business).

(b) The Grantors' becoming entitled to the benefit of any registered Intellectual Property whether as licensee or licensor (other than the Grantors' right to sell products containing the trademarks of others in the ordinary course of the Grantors' business).

(c) The Grantors' entering into any new Licenses.

(d) The Grantors' knowing or having reason to know, that any application or registration relating to any material Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the PTO or any court or tribunal) regarding the Grantors' ownership of, or the validity of, any material Intellectual Property or the Grantors' right to register the same or to own and maintain the same.

**SECTION 5**

Agreement Applies to Future Intellectual Property

5.1 The provisions of this Agreement shall automatically apply to any such additional property or rights described in subsections (a), (b) and (c) of Section 4.6, above, all of which shall be deemed to be and treated as "Intellectual Property" within the meaning of this Agreement.

5.2 Upon the reasonable request of the Collateral Agent, the Grantors shall execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Agent may request to evidence the Collateral Agent's security interest in any Patent or Trademark and the goodwill and General Intangibles of the Grantors relating thereto or represented thereby (including, without limitation, filings with the PTO or any similar office), and the Grantors hereby constitute the Collateral Agent as their attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; *provided, however*, the Collateral Agent's taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

**SECTION 6**

Grantors' Rights To Enforce Intellectual Property

Prior to the Collateral Agent's giving of notice to the Grantors (i) following the occurrence of an Event of Default or (ii) pursuant to Section 6.1 below, the Grantors shall have the exclusive right to sue for past, present and future infringement of the Intellectual Property including the right to seek injunctions and/or money damages, in an effort by the Grantors to protect the Intellectual Property against encroachment by third parties, *provided, however*:

6.1 The Grantors first provide the Collateral Agent with written notice of the Grantors' intention to so sue for enforcement of any Intellectual Property. If, in the reasonable opinion of the Collateral Agent, the Grantors have failed to take appropriate action within sixty (60) days after such notice is given to Collateral Agent, upon notice to the Grantors, the Collateral Agent may, subject to the terms of the Intercreditor Agreement, (but shall not be required to) take such action in the name of the Grantors, with any damages recovered in such action, net of costs and attorneys' fees reasonably incurred, to be applied as provided in Section 6.2 of the Security Agreement.

6.2 Any money damages awarded or received by the Grantors on account of such suit (or the threat of such suit) shall constitute IP Collateral.

6.3 Following the occurrence of any Event of Default, the Collateral Agent, by notice to the Grantors may terminate or limit the Grantors' rights under this Section 6.

**SECTION 7**

Collateral Agent's Actions To Protect Intellectual Property

In the event of:

(a) the Grantors' failure, within five (5) days of written notice from the Collateral Agent, to cure any failure by the Grantors to observe or perform any of the Grantors' covenants, agreements or other obligations hereunder; and/or

(b) the occurrence and continuance of any other Event of Default,

the Collateral Agent, acting in its own name or in that of the Grantors, may (but shall not be required to) act in the Grantors' place and stead and/or in the Collateral Agent's own right in connection therewith.

**SECTION 8**

Rights Upon Default

Upon the occurrence of any Event of Default, the Collateral Agent may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in the State of New York, with respect to the Intellectual Property, in addition to which the Collateral Agent may sell, license, assign, transfer, or otherwise dispose of the Intellectual Property. Any person may conclusively rely upon an affidavit of an officer of the Collateral Agent that an Event of Default has occurred and that the Collateral Agent is authorized to exercise such rights and remedies.

**SECTION 9**

Collateral Agent As Attorney In Fact

9.1 The Grantors hereby irrevocably constitute and designate the Collateral Agent as and for the Grantors' attorney in fact, effective following the occurrence and during the continuance of an Event of Default:

(a) To supplement and amend from time to time Exhibits A and B of this Agreement to include any new or additional Intellectual Property of the Grantors.

(b) To exercise any of the rights and powers referenced herein.

(c) To execute all such instruments, documents, and papers as the Collateral Agent determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Intellectual Property.

9.2 The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until this Agreement is terminated by a duly authorized officer of the Collateral Agent.

9.3 The Collateral Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 9.1, but if the Collateral Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to any Grantor for any act or omission to act except for any act or omission to act as to which there is a final determination made in a judicial proceeding (in which proceeding the Collateral Agent has had an opportunity to be heard) which determination includes a specific finding that the subject act or omission to act had been grossly negligent or in actual bad faith.

## SECTION 10

Collateral Agent's Rights

Any use by the Collateral Agent of the Intellectual Property, as authorized hereunder in connection with the exercise of the Collateral Agent's rights and remedies under this Agreement and under the Loan Agreement shall be coextensive with the Grantors' rights thereunder and with respect thereto and without any liability for royalties or other related charges.

## SECTION 11

Intent

This Agreement is being executed and delivered by the Grantors for the purpose of registering and confirming the grant of the security interest of the Collateral Agent in the IP Collateral with the PTO. It is intended that the security interest granted pursuant to this Agreement is granted as a supplement to, and not in limitation of, the Security Interest granted to the Collateral Agent, for the ratable benefit of the Secured Parties, under the Security Agreement. All provisions of the Security Agreement shall apply to the IP Collateral. The Collateral Agent shall have the same rights, remedies, powers, privileges and discretions with respect to the security interests created in the IP Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Security Agreement, the terms of this Agreement shall control with respect to the IP Collateral and the Security Agreement with respect to all other Collateral.

**SECTION 12**

Governing Law

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF.

**SECTION 13**

Intercreditor Agreement

Notwithstanding anything herein to the contrary, the exercise of any right or remedy by the Collateral Agent pursuant to this Agreement and the other Loan Documents may be subject to, and restricted by, the provisions of the Intercreditor Agreement. Except as specified herein, nothing contained in the Intercreditor Agreement shall be deemed to modify any of the provisions of this Agreement and the other Loan Documents, which, as among the Borrowers, the Agents, and the Lenders shall remain in full force and effect. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control.

[**SIGNATURE PAGES FOLLOW**]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal as of the day and year first above written.

GAMESTOP CORP.

GAMESTOP HOLDINGS CORP.

GAMESTOP, INC.

SUNRISE PUBLICATIONS, INC.

ELECTRONICS BOUTIQUE HOLDINGS CORP.

ELBO INC.

EB INTERNATIONAL HOLDINGS, Inc.

GAMESTOP BRANDS, INC.

as Borrowers

| | |
|---|---|
| By: | /s/ David W. Carlson |
| Name: | David W. Carlson |
| Title: | Executive Vice President and Chief Financial Officer |

MARKETING CONTROL SERVICES, INC.

GAMESTOP (LP), LLC

as Borrowers

| | |
|---|---|
| By: | /s/ David W. Carlson |
| Name: | David W. Carlson |
| Title: | Authorized Signatory |

GAMESTOP OF TEXAS (GP), LLC

as Borrower

By: GameStop, Inc.

| | |
|---|---|
| By: | /s/ David W. Carlson |
| Name: | David W. Carlson |
| Title: | Executive Vice President and Chief Financial Officer |

GAMESTOP TEXAS LP

as Borrower

By: GameStop of Texas (GP), LLC, its general partner

By: GameStop, Inc.

By: /s/ David W. Carlson

Name: David W. Carlson

Title: Executive Vice President and Chief Financial Officer

SOCOM LLC

as Borrower

By: /s/ Marc Summey

Name: Marc Summey

Title: President

**COLLATERAL AGENT:**

BANK OF AMERICA, N.A.,

By: /s/ Stephen Garvin
Name: Stephen Garvin
Title: Managing Director

PLEDGE AGREEMENT

PLEDGE AGREEMENT (this "Agreement") dated as of November 12, 2008, by and among each of the entities list on Annex A attached hereto (hereinafter, the "Pledgors"); and

BANK OF AMERICA, N.A., a national banking association, as collateral agent (in such capacity, the "Collateral Agent" for the Secured Parties (as defined herein), in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

WITNESSETH:

WHEREAS, the Pledgors, among others, have entered into a certain Term Loan Agreement dated as of even date herewith (as such may be amended, modified, supplemented or restated hereafter, the "Loan Agreement") by and between, among others, (i) the Pledgors, (ii) the Lenders named therein, and (iii) Bank of America, N.A., as Administrative Agent and Collateral Agent for the Lenders, pursuant to which Loan Agreement the Lenders have agreed to make the Term Loans to the Borrowers (consisting of the Term A Loan and the Term B Loan, upon the terms and subject to the conditions specified in, the Loan Agreement; and

WHEREAS, the obligations of the Lenders to make the Term Loan A are conditioned upon, among other things, the execution and delivery by the Pledgors of an agreement in the form hereof to secure the Secured Obligations (as defined herein).

NOW, THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, the Pledgors and the Collateral Agent hereby agree as follows:

**SECTION 1**

Definitions

1.1 Generally. Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement, and all references to the UCC shall mean the Uniform Commercial Code as in effect from time to time in the State of New York; provided, however, that if a term is defined in Article 9 of the UCC differently that in another Article thereof, the term shall have the meaning set forth in Article 9, and provided further that if by reason of mandatory provisions of law, perfection, or the effect of perfection or non-perfection, of the Security Interest in any Collateral or the availability of any remedy hereunder is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection or availability of such remedy, as the case may be.

1.2 Definitions of Certain Terms Used Herein. As used herein, the following terms shall have the following meanings:

"Blue Sky Laws" shall have the meaning assigned to such term in Section 7.7 of this Agreement.

"Investment Property" shall have the meaning given that term in the UCC.

"Loan Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Pledged Collateral" shall have the meaning assigned to such term in Section 2.5 of this Agreement.

"Pledged Securities" shall have the meaning assigned to such term in Section 2.1 of this Agreement.

"Secured Obligations" shall have the meaning assigned to it in the Security Agreement.

"Secured Parties" shall have the meaning assigned to such term in the Security Agreement.

"Securities Act" shall have the meaning assigned to such term in Section 7.7 of this Agreement.

"Security Agreement" shall mean that certain Security Agreement dated as of even date herewith executed and delivered by the Pledgors and the other Grantors named therein to Bank of America, N.A., as Collateral Agent for the benefit of the Secured Parties, as amended and in effect from time to time.

1 . 3 Rules of Interpretation. The rules of interpretation specified in Section 1.2 of the Loan Agreement shall be applicable to this Agreement.

**SECTION 2**

Pledge

As security for the payment and performance, as the case may be, in full of the Secured Obligations, each Pledgor hereby transfers, grants, bargains, sells, conveys, hypothecates, pledges, sets over and delivers unto the Collateral Agent, its successors and assigns, and hereby grants to the Collateral Agent, its successors and assigns, for the ratable benefit of the Secured Parties, a security interest in all of the Pledgor's right, title and interest in, to and under:

2.1 the shares of capital stock and other ownership interests owned by each Pledgor and listed on Schedule I hereto, and any shares of capital stock or other equity interest of any Subsidiary obtained in the future by the Pledgor, and the stock certificates or other securities representing all such shares or equity interests; provided that with respect to each Material Foreign Subsidiary whose capital stock is pledged hereunder by the Pledgor, the Pledgor has pledged stock representing 65% of the outstanding shares of Voting Stock of such Material Foreign Subsidiary (or such lesser percentage as is owned by Pledgor) (the "Pledged Securities");

2.2 all other Investment Property that may be delivered to, and held by, the Collateral Agent pursuant to the terms hereof;

2.3 subject to Section 6, all dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed or distributable, in respect of, or in exchange for, the Pledged Securities referred to in clauses 2.1 and 2.2 above;

2.4 subject to Section 6, all rights and privileges of the Pledgor with respect to the Pledged Securities and other Investment Property referred to in clauses 2.1, 2.2, and 2.3 above; and

2.5 all proceeds of any of the foregoing (the items referred to in clauses 2.1 through 2.5 being collectively referred to as the "Pledged Collateral").

TO HAVE AND TO HOLD the Pledged Collateral, together with all right, title, interest, powers, privileges and preferences pertaining or incidental thereto, unto the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, until the Secured Obligations have been paid in full in cash, the Lenders have no further commitment to lend; subject, however, to the terms, covenants and conditions hereinafter set forth.

Upon delivery to the Collateral Agent (or to the Revolving Agent, as agent for the Collateral Agent under the Intercreditor Agreement) pursuant to SECTION 3 of this Agreement, (a) all stock certificates or other securities now or hereafter included in the Pledged Securities shall be accompanied by stock powers duly executed in blank or other instruments of transfer satisfactory to the Collateral Agent and by such other instruments and documents as the Collateral Agent may reasonably request, and (b) all other Investment Property comprising part of the Pledged Collateral shall be accompanied by proper instruments of assignment duly executed by the Pledgor and such other instruments or documents as the Collateral Agent may reasonably request. Each delivery of Pledged Securities shall be accompanied by a schedule describing the Pledged Securities theretofore and then being pledged hereunder, which schedule shall be attached hereto as Schedule I and made a part hereof. Each schedule so delivered shall supersede any prior schedules so delivered.

**SECTION 3**

Delivery of the Pledged Collateral

3.1 On or before the Closing Date, the Pledgors shall deliver or cause to be delivered to the Collateral Agent (or to the Revolving Agent, as agent for the Collateral Agent under the Intercreditor Agreement) any and all Pledged Securities, any and all Investment Property, and any and all certificates or other instruments or documents representing the Pledged Collateral as set forth in Section 4.15 of the Security Agreement.

3.2 Each Pledgor hereby irrevocably authorizes the Collateral Agent at any time and from time to time to sign (if required) and file in any appropriate filing office, wherever located, any Financing Statement that contains any information required by the UCC of the applicable jurisdiction for the sufficiency or filing office acceptance of any Financing Statement. Each Pledgor also authorizes the Collateral Agent to file a copy of this Agreement in lieu of a Financing Statement, and to take any and all actions required by any earlier versions of the UCC or by any other Applicable Law. The Pledgors shall provide the Collateral Agent with any

information the Collateral Agent shall reasonably request in connection with any of the foregoing.

**SECTION 4**

Representations, Warranties and Covenants

Each Pledgor hereby represents, warrants and covenants, as to itself and the Pledged Collateral pledged by it hereunder, to and with the Collateral Agent that:

4.1 the Pledged Securities represent that percentage of the issued and outstanding shares of each class of the capital stock or other equity interest of the Issuer with respect thereto as set forth on Schedule I, provided that with respect to each Material Foreign Subsidiary whose capital stock is pledged hereunder by such Pledgor, such Pledgor has pledged stock representing 65% of the outstanding shares of Voting Stock of such Material Foreign Subsidiary (or such lesser percentage as is owned by such Pledgor);

4.2 except for the security interest granted hereunder, and except as otherwise permitted in the Loan Agreement and the other Loan Documents, the Pledgor (i) is and will at all times continue to be the direct owner, beneficially and of record, of the Pledged Securities indicated on Schedule I, (ii) holds the Pledged Collateral free and clear of all Liens, other than those Liens permitted under the terms of Section 6.02 of the Loan Agreement and Liens in favor of the Collateral Agent, (iii) will make no assignment, pledge, hypothecation or transfer of, or create or permit to exist any security interest in, or other Lien on, the Pledged Collateral, other than pursuant hereto and other than Permitted Encumbrances or any other Liens permitted under Section 6.02 of the Loan Agreement, and (iv) subject to Section 6, will cause any and all Pledged Collateral to be forthwith deposited with the Collateral Agent and pledged or assigned hereunder;

4.3 except as expressly permitted under the Loan Agreement, no Pledgor will consent to or approve the issuance of (i) any additional shares of any class of capital stock of any Issuer of the Pledged Securities, or the issuance of any membership or other ownership interest in any such Person or (ii) any securities convertible voluntarily by the holder thereof or automatically upon the occurrence or nonoccurrence of any event or condition into, or exchangeable for, any such shares or interests;

4.4 each Pledgor (i) has the power and authority to pledge the Pledged Collateral in the manner hereby done or contemplated and (ii) will defend its title or interest thereto or therein against any and all Liens (other than the Lien created by this Agreement or the other Loan Documents, or any other Lien permitted under Section 6.02 of the Loan Agreement), however arising, of all Persons whomsoever;

4.5 no consent of any other Person (including stockholders or creditors of the Pledgor), and no consent or approval of any Governmental Authority or any securities exchange, was or is necessary to the validity of the pledge effected hereby or to the disposition of the Pledged Collateral upon an Event of Default in accordance with the terms of this Agreement and the Security Agreement;

4.6 by virtue of the execution and delivery by the Pledgors of this Agreement, and the delivery by the Pledgors to the Collateral Agent (or to the Revolving Agent, as agent for the Collateral Agent under the Intercreditor Agreement) of the stock certificates or other certificates or documents representing or evidencing the Pledged Collateral in accordance with the terms of this Agreement, the Collateral Agent will obtain a valid and perfected lien upon, and security interest in, the Pledged Collateral as security for the payment and performance of the Secured Obligations, to the extent such security interest may be perfected by possession;

4.7 the pledge effected hereby is effective to vest in the Collateral Agent, on behalf of the Secured Parties, the rights of the Collateral Agent in the Pledged Collateral as set forth herein;

4.8 all the Pledged Securities have been duly authorized and validly issued and are fully paid and nonassessable;

4.9 all information set forth herein relating to the Pledged Collateral is accurate and complete in all material respects as of the date hereof; and

4.10 none of the Pledged Securities constitutes margin stock, as defined in Regulation U of the Board of Governors of the Federal Reserve System.

**SECTION 5**

Registration in Nominee Name; Copies of Notices

Upon the occurrence and during the continuance of an Event of Default, the Collateral Agent, on behalf of the Secured Parties, shall have the right (in its reasonable discretion) to hold the Pledged Securities in its own names as pledgee, the name of its nominee (as pledgee or as sub-agent) or the name of such Pledgor, endorsed or assigned in blank or in favor of the Collateral Agent. The Pledgors will promptly give to the Collateral Agent copies of any notices or other communications received by it with respect to Pledged Securities registered in the name of such Pledgor.

**SECTION 6**

Voting Rights; Dividends and Interest, Etc.

6.1 Unless and until an Event of Default shall have occurred and be continuing, the Pledgors shall be entitled to exercise any and all voting and/or other consensual rights and powers inuring to an owner of the Pledged Securities or any part thereof to the extent, and only to the extent, that such rights are exercised for any purpose consistent with, and not otherwise in violation of, the terms and conditions of this Agreement, the Loan Agreement, the other Loan Documents and Applicable Law; provided, however, that the Pledgors will not be entitled to exercise any such right if the result thereof could materially and adversely affect the rights inuring to a holder of the Pledged Securities or the rights and remedies of any of the Secured Parties under this Agreement, the Loan Agreement or any other Loan Document or the ability of the Secured Parties to exercise the same.

6.2 Unless and until an Event of Default shall have occurred and be continuing, the Pledgors shall be entitled to receive and retain any and all cash dividends paid on the Pledged Collateral to the extent, and only to the extent, that such cash dividends are permitted by, and otherwise paid in accordance with, the terms and conditions of this Agreement, the Loan Agreement, the other Loan Documents and Applicable Law. All noncash dividends, and all dividends paid or payable in cash or otherwise in connection with a partial or total liquidation or dissolution, return of capital, capital surplus or paid-in surplus, and all other distributions (other than dividends and distributions referred to in the preceding sentence) made on or in respect of the Pledged Collateral, whether paid or payable in cash or otherwise, whether resulting from a subdivision, combination or reclassification of the outstanding capital stock or partnership interests of the issuer of any Pledged Securities or received in exchange for Pledged Securities or any part thereof, or in redemption thereof, or as a result of any merger, amalgamation, arrangement, 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 Pledgor, to the extent required to be paid to the Collateral Agent pursuant to the terms of the Loan Agreement or the other Loan Documents, shall not be commingled by the Pledgors with any of their other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Collateral Agent and shall be forthwith delivered to the Collateral Agent in the same form as so received (with any necessary endorsement).

6.3 Upon the occurrence and during the continuance of an Event of Default, all rights of the Pledgors to dividends that such Pledgor is authorized to receive pursuant to Section 6.2 above shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends. All dividends received by any Pledgor contrary to the provisions of this Section 6.3 shall be held in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of such Pledgor in accordance with the provisions of Section 2.13 of the Loan Agreement in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Collateral Agent pursuant to the provisions of this Section 6.3 shall be applied in accordance with the provisions of Section 8.

6.4 Upon the occurrence and during the continuance of an Event of Default, all rights of the Pledgors to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to Section 6.1 shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers; provided that the Collateral Agent shall have the right from time to time following and during the continuance of an Event of Default to permit any Pledgor to exercise such rights. After all Events of Default have been cured or waived in writing by the Collateral Agent, the Pledgors will have the right to exercise the voting and consensual rights and powers that they would otherwise be entitled to exercise pursuant to the terms of Section 6.1.

**SECTION 7**

Remedies upon Default

Upon the occurrence of an Event of Default, it is agreed that the Collateral Agent shall have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the UCC or other Applicable Law. The rights and remedies of the Collateral Agent shall include, without limitation, the right to take any of or all the following actions at the same or different times:

7.1 The Collateral Agent may sell or otherwise dispose of all or any part of the Pledged Collateral, at public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate. Each purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of any Pledgor.

7.2 The Collateral Agent shall give the Pledgors at least ten (10) days' prior written notice, by authenticated record, of the Collateral Agent's intention to make any sale of the Pledged Collateral. Such notice, (i) in the case of a public sale, shall state the date, time and place for such sale, (ii) in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Pledged Collateral, or portion thereof, will first be offered for sale at such board or exchange, and (iii) in the case of a private sale, shall state the date after which any private sale or other disposition of the Pledged Collateral shall be made. The Pledgors agree that such written notice shall satisfy all requirements for notice to the Pledgors which are imposed under the UCC with respect to the exercise of the Collateral Agent's rights and remedies upon default. The Collateral Agent shall not be obligated to make any sale or other disposition of any Pledged Collateral if it shall determine not to do so, regardless of the fact that notice of sale or other disposition of such Collateral shall have been given. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned.

7.3 Any public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix and state in the notice of such sale.

7.4 At any public (or, to the extent permitted by Applicable Law, private) sale made pursuant to this Section 7, the Collateral Agent or any other Secured Party may bid for or purchase, free (to the extent permitted by Applicable Law) from any right of redemption, stay, valuation or appraisal on the part of the Pledgors, the Pledged Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to the Collateral Agent or such other Secured Party from the Pledgors on account of the Secured Obligations as a credit against the purchase price, and the Collateral Agent or such other Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to such Pledgor therefor.

7.5 For purposes hereof, a written agreement to purchase the Pledged Collateral or any portion thereof shall be treated as a sale thereof. The Collateral Agent shall be free to carry out such sale pursuant to such agreement and the Pledgors shall not be entitled to the return of the Pledged Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Secured Obligations paid in full.

7.6 As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose upon the Pledged Collateral and to sell the Pledged Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver.

7.7 Each Pledgor recognizes that (i) the Collateral Agent may be unable to effect a public sale of all or a part of the Pledged Collateral by reason of certain prohibitions contained in the Securities Act of 1933, 15 U.S.C. §77, (as amended and in effect, the "Securities Act") or the Securities laws of various states (the "Blue Sky Laws"), but may be compelled to resort to one or more private sales to a restricted group of purchasers who will be obliged to agree, among other things, to acquire the Pledged Collateral for their own account, for investment and not with a view to the distribution or resale thereof, (ii) that private sales so made may be at prices and upon other terms less favorable to the seller than if the Pledged Collateral were sold at public sales, (iii) that neither the Collateral Agent nor any Secured Party has any obligation to delay sale of any of the Pledged Collateral for the period of time necessary to permit the Pledged Collateral to be registered for public sale under the Securities Act or the Blue Sky Laws, and (iv) that private sales made under the foregoing circumstances shall be deemed to have been made in a commercially reasonable manner.

7.8 To the extent permitted by Applicable Law, each Pledgor hereby waives all rights of redemption, stay, valuation and appraisal which such Pledgor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

**SECTION 8**

Application of Proceeds of Sale

The proceeds of any sale of Pledged Collateral pursuant to Section 7, as well as any Pledged Collateral consisting of cash, shall be applied by the Collateral Agent as required pursuant to the terms of Section 6.2 of the Security Agreement.

The Collateral Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale or other disposition of the Pledged Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the purchase money by the Collateral Agent or of the officer making the sale or other disposition shall be a sufficient discharge to the purchaser or purchasers of the Pledged Collateral so sold or otherwise disposed of and such purchaser or purchasers shall not be obligated to see to the application of any part of

the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof.

**SECTION 9**

Registration, Etc.

If the Collateral Agent reasonably determines that it is necessary to sell any of the Pledged Securities at a public sale, each Pledgor agrees that, upon the occurrence and during the continuance of an Event of Default hereunder, such Pledgor will, at any time and from time to time, upon the written request of the Collateral Agent, use its best efforts to take or to cause the Issuer of such Pledged Securities to take such action and prepare, distribute and/or file such documents, as are required or advisable in the reasonable opinion of counsel for the Collateral Agent to permit the public sale of such Pledged Securities. Without limiting any of its other indemnification obligations under the Loan Documents, each Pledgor agrees to indemnify, defend and hold harmless the Collateral Agent, each other Secured Party, any underwriter and their respective officers, directors, Affiliates and controlling Persons from and against all loss, liability, expenses, costs of counsel (including the reasonable fees and expenses of legal counsel to the Collateral Agent), and claims (including the reasonable costs of investigation) that any of them may incur insofar as such loss, liability, expense or claim arises out of, or is based upon, any alleged untrue statement of a material fact contained in any prospectus (or any amendment or supplement thereto) or in any notification or offering circular, or arises out of or is based upon any alleged omission to state a material fact required to be stated therein or necessary to make the statements in any thereof not misleading, except insofar as the same may have been caused by any untrue statement or omission based upon information furnished in writing to such Pledgor or the Issuer of such Pledged Securities by the Collateral Agent or any other Secured Party expressly for use therein. Each Pledgor further agrees, upon such written request referred to above, to use its best efforts to qualify, file or register, or cause the Issuer of such Pledged Securities to qualify, file or register, any of the Pledged Securities under the Securities Act, Blue Sky Laws or other securities laws of such states as may be requested by the Collateral Agent and keep effective, or cause to be kept effective, all such qualifications, filings or registrations. The Pledgors will bear all costs and expenses of carrying out their obligations under this Section 9. Each Pledgor acknowledges that there is no adequate remedy at law for failure by them to comply with the provisions of this Section 9 and that such failure would not be adequately compensable in damages, and therefore agree that their agreements contained in this Section 9 may be specifically enforced.

**SECTION 10**

Further Assurances

Each Pledgor agrees to do such further acts and things, and to execute and deliver such additional conveyances, assignments, agreements and instruments, as the Collateral Agent may at any time reasonably request in connection with the administration and enforcement of this Agreement or with respect to the Pledged Collateral or any part thereof or in order better to assure and confirm unto the Collateral Agent its rights and remedies hereunder.

**SECTION 11**

Intent

This Agreement is being executed and delivered by the Pledgors for the purpose of confirming the grant of the security interest of the Collateral Agent in the Pledged Collateral. It is intended that the security interest granted pursuant to this Agreement is granted as a supplement to, and not in limitation of, the Security Interest granted to the Collateral Agent, for the ratable benefit of the Secured Parties, under the Security Agreement. All provisions of the Security Agreement shall apply to the Pledged Collateral. The Collateral Agent shall have the same rights, remedies, powers, privileges and discretions with respect to the security interests created in the Pledged Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Security Agreement, the terms of this Agreement shall control with respect to the Pledged Collateral and the Security Agreement with respect to all other Collateral.

**SECTION 12**

Governing Law

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF.

**SECTION 13**

Intercreditor Agreement

Notwithstanding anything herein to the contrary, the exercise of any right or remedy by the Collateral Agent pursuant to this Agreement and the other Loan Documents may be subject to, and restricted by, the provisions of the Intercreditor Agreement. Except as specified herein, nothing contained in the Intercreditor Agreement shall be deemed to modify any of the provisions of this Agreement and the other Loan Documents, which, as among the Pledgors, the Agents, and the Lenders shall remain in full force and effect. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal as of the day and year first above written.

**PLEDGORS**:

GAMESTOP CORP.
GAMESTOP HOLDINGS CORP.
GAMESTOP, INC.
ELECTRONICS BOUTIQUE HOLDINGS CORP.
EB INTERNATIONAL HOLDINGS, INC.
as Pledgors

By: /s/ David W. Carlson
Name: David W. Carlson
Title: Executive Vice President and Chief Financial Officer

GAMESTOP OF TEXAS (GP), LLC
as Borrower

By: GameStop, Inc.

By: /s/ David W. Carlson
Name: David W. Carlson
Title: Executive Vice President and Chief Financial Officer

GAMESTOP (LP), LLC
as Pledgor

By: /s/ David W. Carlson
Name: David W. Carlson
Title: Authorized Signatory

**COLLATERAL AGENT**: BANK OF AMERICA, N.A., as Collateral Agent

By: /s/ Stephen Garvin
Name: Stephen Garvin
Title: Managing Director

**Annex A**

**Pledgors**

GameStop Corp.

Electronics Boutique Holdings Corp.

GameStop Holdings Corp.

GameStop, Inc.

GameStop (LP), LLC

GameStop of Texas (GP), LLC

EB International Holdings, Inc.

Exhibit 10.5

**EXECUTION VERSION**

**SECOND AMENDMENT TO CREDIT AGREEMENT**

This Second Amendment to Credit Agreement (the "Second Amendment") is made as of the 23rd day of October, 2008, by and among

GAMESTOP CORP., a corporation organized under the laws of the State of Delaware having a place of business at 625 Westport Parkway, Grapevine, Texas 76051, as Lead Borrower for the Borrowers listed on Schedule I annexed hereto;

the BORROWERS party hereto;

the LENDERS party hereto;

BANK OF AMERICA, N.A., a national banking association having a place of business at 100 Federal Street, Boston, Massachusetts 02110, and CITICORP NORTH AMERICA, INC., a Delaware corporation having a place of business at 388 Greenwich Street, 20th Floor, New York, New York 10013, as Issuing Banks; and

BANK OF AMERICA, N.A., a national banking association, having a place of business at 100 Federal Street, Boston, Massachusetts 02110, as Administrative Agent and Collateral Agent for the Secured Parties; and

CITICORP NORTH AMERICA, INC., a Delaware corporation having a place of business at 388 Greenwich Street, 20th Floor, New York, New York 10013, as Syndication Agent; and

GE BUSINESS FINANCIAL SERVICES, INC. (f/k/a Merrill Lynch Capital, a Division of Merrill Lynch Business Financial Services Inc.), having a place of business at 222 North LaSalle Street, 16th Floor, Chicago, Illinois 60601, as Documentation Agent;

in consideration of the mutual covenants herein contained and benefits to be derived herefrom.

**WITNESSETH**

WHEREAS, the parties hereto have entered into a Credit Agreement dated as of October 11, 2005 (as amended, restated, supplemented and otherwise modified from time to time, the "Credit Agreement");

WHEREAS, the Lead Borrower has informed the Agents that it intends to acquire the equity interests of SFMI Micromania S.A.S., an entity organized under the laws of France ("Micromania"), and certain of Micromania's subsidiaries, for a total purchase price of approximately $700,000,000 pursuant to a certain purchase agreement to be entered into with

Micromania (the "Micromania Acquisition") and has requested, among other things, that the Credit Agreement be amended so as to permit (a) the Micromania Acquisition without regard to the Permitted Foreign Acquisition requirements, (b) proceeds from the Loans to be used to pay a portion of the consideration for the Micromania Acquisition, and (c) the Borrower to obtain, and make all payments required under, a junior secured term loan to pay an additional portion of the consideration and to pay transaction costs associated with the Micromania Acquisition; and

WHEREAS, the parties hereto have agreed to amend certain provisions of the Credit Agreement as set forth herein.

NOW THEREFORE, it is hereby agreed as follows:

1. Definitions: All capitalized terms used herein and not otherwise defined shall have the same meaning herein as in the Credit Agreement.

2. Amendments to Article I. The provisions of Article I of the Credit Agreement are hereby amended as follows:

a. The definition of "Applicable Margin" is hereby deleted in its entirety and the following is substituted in its stead:

"Applicable Margin" means:

(i) except as set forth in clause (ii) below, the rates for Prime Rate Loans and LIBO Loans set forth below:

| Level | Consolidated Leverage Ratio | Prime Rate Loans | LIBO Loans |
|---|---|---|---|
| I | Consolidated Leverage Ratio equal to or greater than 3.50 to 1.00 | 0.25% | 1.50% |
| II | Consolidated Leverage Ratio equal to or greater than 1.00 to 1.00 and less than 3.50 to 1.00 | 0% | 1.25% |
| III | Consolidated Leverage Ratio less than 1.00 to 1.00 | 0% | 1.00% |

and

(ii) commencing as of the date which is the Second Amendment Effective Date, and so long as any portion of the Junior Term Loans is outstanding, the rates for Prime Rate Loans and LIBO Loans set forth below:

| Level | Consolidated Leverage Ratio | Prime Rate Loans | LIBO Loans |
|---|---|---|---|
| I | Consolidated Leverage Ratio equal to or greater than 3.50 to 1.00 | 0.75% | 2.00% |
| II | Consolidated Leverage Ratio equal to or greater than 1.00 to 1.00 and less than 3.50 to 1.00 | 0.50% | 1.75% |
| III | Consolidated Leverage Ratio less than 1.00 to 1.00 | 0.50% | 1.50% |

The Applicable Margin shall be adjusted quarterly in accordance with clause (i) or clause (ii) above, as applicable, commencing with the fiscal quarter ending most recently ended after the Second Amendment Effective Date, based on the financial statements and compliance certificate required to be delivered pursuant to Sections 5.1(b) and 5.1(c) below. Any interest rate change shall be effective (i) two (2) Business Days after the date of the Administrative Agent's receipt of the financial statements and compliance certificate required to be delivered pursuant to Sections 5.1(b) and 5.1(c) below or (ii) the first Business Day of the month immediately following the date upon which the Junior Term Loans have been paid in full, as applicable. Upon the occurrence of an Event of Default, at the option of the Administrative Agent or at the direction of the Required Lenders, interest shall be determined in the manner set forth in Section 2.10.

b. The definition of "Loan Documents" is hereby amended by adding "the Intercreditor Agreement," after "the Facility Guaranty," in the third line thereof.

c. The definition of "Permitted Foreign Acquisition" is hereby amended as follows:

i. by deleting the words "an Investment made by a Foreign" in the first line thereof and by substituting "(i) the Micromania Acquisition or (ii) any other Investment made by a Borrower or" in its stead.

ii. By deleting clause (v) thereof in its entirety and substituting the following in its stead:

(v) The total consideration paid or payable in connection with the Acquisition does not exceed (other than the Micromania Acquisition) (A) from the Second Amendment Effective Date through March 31, 2009, $200,000,000, and thereafter, $150,000,000, in each case for any one transaction or a series of related transactions, (B) $300,000,000 for all such transactions in any twelve month period, or (C) $500,000,000 in the aggregate for all such acquisitions from and after the Closing Date.

d. The following new definitions are hereby added to Article I of the Credit Agreement in appropriate alphabetical order:

i. "Intercreditor Agreement" means that certain Intercreditor Agreement to be entered into by and among the Agents and the Term Loan Agent, as amended and in effect from time to time.

ii. "Junior Term Loans" means those certain term loans in the aggregate principal amount of $150,000,000 made to the Borrowers by the Term Loan Lenders pursuant to the Term Loan Agreement.

iii. "Second Amendment Effective Date" means October 23, 2008.

iv. "Micromania" means SFMI Micromania S.A.S., an entity organized under the laws of France.

v. "Micromania Acquisition" means the acquisition by the Lead Borrower or a Subsidiary therof of the issued and outstanding equity interests in Micromania pursuant to the Micromania Acquisition Documents.

vi. "Micromania Acquisition Documents" means a certain purchase agreement by and among the Lead Borrower and Micromania and all documents executed in connection therewith, and all amendments and modifications thereto as may be approved by the Agents in their reasonable discretion.

vii. "Term Loan Agent" means Bank of America, N.A., as administrative agent and collateral agent for the Term Loan Lenders under the Term Loan Agreement.

viii. "Term Loan Agreement" means that certain Term Loan Agreement to be entered into by and among the Borrowers, the Term Loan Agent, and the Term Loan Lenders, as amended and in effect from time to time.

ix. "Term Loan Documents" means the Term Loan Agreement and all documents, agreements and instruments executed in connection therewith, as amended and in effect from time to time.

3. Amendments to Article V. The provisions of Section 5.13 of the Credit Agreement are hereby deleted in their entirety and the following is substituted in their stead:

5.13 Use of Proceeds and Letters of Credit. The proceeds of Loans made hereunder and Letters of Credit issued hereunder will be used only (a) for Restricted Payments and Permitted Acquisitions, (b) to finance the acquisition of working capital assets of the Borrowers, including the purchase of inventory and equipment, in each case in the ordinary course of business, (c) to finance Capital Expenditures of the Borrowers, (d) for refinancing of existing working capital indebtedness of the Borrowers, (e) to pay transaction costs in connection with the Mergers, (f) to pay transaction costs and up to $275,000,000 of the purchase price in connection with the Micromania Acquisition, (g) to repay the Junior Term Loans to the extent permitted pursuant to Section 6.7(b) hereof, and (h) for general corporate purposes, all to the extent permitted herein. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations U and X or to make payments of principal or fees on the Senior Notes, except as provided in Section 6.1(b) hereof.

4. Amendments to Article VI. The provisions of Article VI of the Credit Agreement are hereby amended as follows:

a. The provisions of Section 6.1 of the Credit Agreement are hereby amended as follows:

i. By adding "(other than any Indebtedness of Micromania)" after "set forth in Section 6.4(e))" in the fourth line of Section 6.1(d).

ii. By adding "(other than any Indebtedness of Micromania)" after "permitted by this subsection (k)" in the fifth line of Section 6.1(k).

iii. By deleting "and" at the end of subsection (k), by relettering subsection (l) as subsection (m), and by adding the following new subsection (l) thereto:

(l) Indebtedness created under the Term Loan Documents; and

b. The provisions of Section 6.2 of the Credit Agreement are hereby amended as follows:

i. By deleting "and" at the end of subsection (e), by relettering subsection (f) as subsection (g), and by adding the following new subsection (f) thereto:

(f) Liens created under the Term Loan Documents; and

ii. By adding "(except with respect to any Liens on the property and assets of Micromania)" after "provided that" in the fifth line of subsection (g) thereof.

c. The provisions of Section 6.4 of the Credit Agreement are hereby amended by adding "(other than the Investment by the Lead Borrower or a Subsidiary thereof in Micromania pursuant to the Micromania Acquisition)" after "the aggregate amount of Investments in Foreign Subsidiaries" in the second line of subsection (e) thereof.

d. The provisions of Section 6.7 of the Credit Agreement are hereby amended as follows:

i. By adding "(including, without limitation, the Junior Term Loans)" after "in respect of any Indebtedness" in subsection (b)(ii) thereof.

ii. By deleting "and" at the end of subsection (b)(ii) thereof, by renumbering clause (iii) of subsection (b) as clause (v), and by adding the following new clauses (iii) and (iv) thereto:

(iii) so long as no Event of Default has occurred and is continuing, prepayments of the Junior Term Loans (other than with proceeds of the Loans);

(iv) so long as no Event of Default has occurred and is continuing and Uncapped Availability is equal to or greater than forty (40%) percent of the Borrowing Base on a pro forma basis for the six (6) months following such payment, prepayments of the Junior Term Loans with proceeds of the Loans; and

5. Amendments to Article IX. Section 9.5 of the Credit Agreement is hereby amended by adding the following new clause (h) at the end thereof:

(h) Notwithstanding any provision to the contrary, any Lender (an "Assigning Lender") may assign to one or more special purpose funding vehicles (each, an "SPV") all or any portion of its funded Loans (without the corresponding Commitment), without the consent of any Person or the payment of a fee, by execution of a written assignment agreement in a form agreed to by such Assigning Lender and such SPV, and may grant any such SPV the option, in such SPV's sole discretion, to provide the Borrowers all or any part of any Loans that such Assigning Lender would otherwise be obligated to make pursuant to this Agreement. Such SPVs shall have all the rights which a Lender making or holding such Loans would have under this Agreement, but no obligations. The

Assigning Lender shall remain liable for all its original obligations under this Agreement, including its Commitment (although the unused portion thereof shall be reduced by the principal amount of any Loans held by an SPV). Notwithstanding such assignment, the Agent and Borrower may deliver notices to the Assigning Lender (as agent for the SPV) and not separately to the SPV unless the Agent and Borrower are requested in writing by the SPV (or its agent) to deliver such notices separately to it. The Borrowers shall, at the request of any Assigning Lender, execute and deliver to such Person as such Assigning Lender may designate, a Note in the amount of such Assigning Lender's original Note to evidence the Loans of such Assigning Lender and related SPV.

6. Amendments to Schedules. The Credit Agreement is hereby amended by deleting the Schedules thereto, as applicable, and by substituting therefor new Schedules, after giving effect to the Micromania Acquisition, in the form attached hereto.

7. Conditions to Effectiveness. This Second Amendment shall not be effective until each of the following conditions precedent have been fulfilled to the satisfaction of the Administrative Agent:

a. This Second Amendment shall have been duly executed and delivered by the Borrowers and the Required Lenders. The Administrative Agent shall have received a fully executed copy hereof and of each other document required hereunder.

b. No material misstatements shall have been made in any of the materials furnished to the Administrative Agent or to the Lenders prior to the closing of this Second Amendment. The Administrative Agent shall be satisfied that any financial statements and projections delivered to it fairly present the business and financial condition of the Borrowers and their Subsidiaries, taken as a whole, and that there have been no material adverse change on the assets, business, financial condition or income of the Borrowers and their Subsidiaries, taken as a whole, since the date of the most recent financial information delivered to the Administrative Agent.

c. All action on the part of the Borrowers necessary for the valid execution, delivery and performance by the Borrowers of this Second Amendment shall have been duly and effectively taken. The Administrative Agent shall have received from the Borrowers true copies of their respective certificate of the resolutions authorizing the transactions described herein, each certified by their secretary or other appropriate officer to be true and complete.

d. The Agents shall have reviewed and approved the Micromania Acquisition Documents, financial statements and other diligence with respect to Micromania as may be reasonably requested by the Agents, and shall be reasonably satisfied with the terms and conditions of the Micromania Acquisition.

e. The Agents shall have received the Term Loan Documents and shall have entered into the Intercreditor Agreement with the Term Loan Agent, all of which shall be in form and substance reasonably satisfactory to the Agents.

f. The Borrowers shall have paid the Administrative Agent, for the account of the Lenders entering into this Second Amendment, an amendment fee in an amount equal to 0.125% of the Commitment of each Lender who enters into this Second Amendment.

g. No Default or Event of Default shall have occurred and be continuing.

h. The Borrowers shall have provided such additional instruments and documents to the Administrative Agent as the Administrative Agent and its counsel may have reasonably requested.

8. Miscellaneous.

a. Except as provided herein, all terms and conditions of the Credit Agreement and the other Loan Documents remain in full force and effect. The Borrowers each hereby ratify, confirm, and reaffirm all of the representations, warranties and covenants therein contained. Without limiting the generality of the foregoing, each Borrower hereby acknowledges, confirms and agrees that all Collateral shall continue to secure the Obligations as modified and amended pursuant to this Second Amendment and any future modifications, amendments, substitutions or renewals thereof.

b. Without limiting any of the provisions of the Credit Agreement or other Loan Documents, the Borrowers shall pay all costs and expenses incurred by the Administrative Agent in connection with this Second Amendment, including, without limitation, all reasonable attorneys' fees.

c. This Second Amendment may be executed in several counterparts and by each party on a separate counterpart, each of which when so executed and delivered, each shall be an original, and all of which together shall constitute one instrument. Delivery of an executed counterpart of a signature page hereto by telecopy or by electronic email in .pdf format shall be effective as delivery of a manually executed counterpart hereof.

d. This Second Amendment expresses the entire understanding of the parties with respect to the matters set forth herein and supersedes all prior discussions or negotiations hereon. Any determination that any provision of this Second Amendment or any application hereof is invalid, illegal or unenforceable in any respect and in any instance shall not affect the validity, legality, or enforceability of such provision in any other instance, or the validity, legality or enforceability of any other provisions of this Second Amendment.

e. THIS SECOND AMENDMENT AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PRINCIPLES THEREOF.

[signature pages follow]

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

GAMESTOP CORP.
GAMESTOP HOLDINGS CORP.
GAMESTOP, INC.
SUNRISE PUBLICATIONS, INC.
ELECTRONICS BOUTIQUE HOLDINGS CORP.
ELBO INC.
EB INTERNATIONAL HOLDINGS, Inc.
GAMESTOP BRANDS, INC.,
as Borrowers

By: /s/ David W. Carlson
Name: David W. Carlson
Title: Executive VP & CFO

MARKETING CONTROL SERVICES, INC., as a Borrower

By: /s/ Robert A. Lloyd
Name: Robert A. Lloyd
Title: Director

GAMESTOP (LP), LLC, as a Borrower

By: /s/ David W. Carlson
Name: David W. Carlson
Title: Executive VP & CFO

GAMESTOP OF TEXAS (GP), LLC, as a Borrower

By: GameStop, Inc.

By: /s/ David W. Carlson
Name: David W. Carlson
Title: Executive VP & CFO

GAMESTOP TEXAS LP, as a Borrower

By: GameStop of Texas (GP), LLC, its general partner

By: GameStop, Inc.

By: /s/ David W. Carlson
Name: David W. Carlson
Title: Executive VP & CFO

BANK OF AMERICA, N.A.,
as Administrative Agent, as Collateral Agent, as Issuing Bank, and as a Lender

By: /s/ Stephen Garvin
Stephen Garvin
Managing Director

CITICORP NORTH AMERICA, INC.,
as Issuing Bank, as Syndication Agent and as a Lender

| | |
|---|---|
| By: | /s/ Marcus Wunderlich |
| Name: | Marcus Wunderlich |
| Title: | Vice President |

GE BUSINESS FINANCIAL SERVICES, INC.,
as Documentation Agent and as a Lender

| | |
|---|---|
| By: | /s/ Rebecca A. Ford |
| Name: | Rebecca A. Ford |
| Title: | Duly Authorized Signatory |

JPMORGAN CHASE BANK, N.A., as a Lender

| | |
|---|---|
| By: | /s/ Kevin D. Pagett |
| Name: | Kevin D. Pagett |
| Title: | Vice President |

GMAC COMMERCIAL FINANCE LLC,
as a Lender

| | |
|---|---|
| By: | /s/ Steven J. Brown |
| Name: | Steven J. Brown |
| Title: | Director |

UBS LOAN FINANCE LLC, as a Lender

| | |
|---|---|
| By: | /s/ Richard L. Tavrow |
| Name: | Richard L. Tavrow |
| Title: | Director |

| | |
|---|---|
| By: | /s/ David B. Julie |
| Name: | David B. Julie |
| Title: | Director |

WELLS FARGO RETAIL FINANCE LLC,
as a Lender

| | |
|---|---|
| By: | /s/ Adam B. Davis |
| Name: | Adam B. Davis |
| Title: | Assistant Vice President |

Exhibit 10.6

**AMENDMENT NO. 1**
**TO THE SALE AND PURCHASE AGREEMENT**
**OF SEPTEMBER 30, 2008**

**BETWEEN THE UNDERSIGNED:**

**1. Financom**

A French *société civile,* with a share capital of 15.318.010 euros, having its registered office at 42, rue Edouard Nortier, 92200 Neuilly-sur-Seine, registered under number 502 580 822 RCS Nanterre, represented by Mr. Geoffroy Roux de Bézieux, duly empowered for the purposes hereof ("**Financom**"), solely for the purposes of acceding to the SPA (as amended by this Amendment) as a Seller under Articles 1, 8, 9, 12, 13, 15, 16, 17, 18, 19, 20, 21, Clauses 3.3.2 (i), 14.1 and 14.2 and Amended Schedule 3.3.1 of the SPA (as amended by this Amendment), as a Manager under Clauses 11.3, 11.4 and 19.1 thereof

**2. Mr. Geoffroy Roux de Bézieux**

A French citizen, born on May 31, 1962, residing at 42, rue Edouard Nortier, 92200 Neuilly-sur-Seine acting jointly and severally with Financom for the purposes of the SPA (as amended by this Amendment),

**On the one hand,**

**AND:**

**3. Herbé**

A French *société par actions simplifiée,* with a share capital of 1,037,679 euros, having its registered office at 42, rue Edouard Nortier, 92200 Neuilly-sur-Seine, registered under number 484 824 818 RCS Nanterre, represented by Mr. Geoffroy Roux de Bézieux, duly empowered for the purposes hereof (hereinafter referred to as "**Herbé**"),

**4. EB International Holdings, Inc.**

A company incorporated in Delaware, United States of America, having its principal offices at 625 Westport Parkway, Grapevine, Texas 76051, U.S.A., represented by Mr. R. Richard Fontaine, duly empowered for the purposes hereof (the "**Purchaser**").

**5. L Capital**

*A Fonds Commun de Placements à Risques*
Represented by its manager L Capital Management, *société par actions simplifiée* with a share capital of 2,844,500 euros, having its registered office at 22, avenue Montaigne, 75382 Paris Cedex 08, registered under number 433 485 596 RCS Paris, itself represented by Mr. Philippe Franchet, duly empowered for the purposes hereof ("**L Capital**"),

**6. LV Capital**

A French *société anonyme,* with a share capital of 228,750,000 euros, having its registered office at 22, avenue Montaigne, 75382 Paris Cedex 08, registered under number 400 150 371 RCS Paris, represented by Mr. Philippe Franchet, duly empowered for the purposes hereof ("**LV Capital**"),

**7. Europ@web**

A French *société anonyme,* with a share capital of 73,212,294 euros, having its registered office at 11, rue François 1er, 75008 Paris, registered under number 393 439 948 RCS Paris, represented by Mr. Philippe Franchet, duly empowered for the purposes hereof ("**Europ@web**"),

**8. Geyser Investments SA, SPF**

A company incorporated under the laws of Luxembourg, having its registered office at 17, rue des Jardiniers L-1835 Luxembourg, registered under number B 111603, represented by Mr. Pierre Cuilleret, duly empowered for the purposes hereof ("**Geyser**"),

**9. Arnaud Fayet**

A French citizen, born on January 13, 1942, residing at 36, rue Michel-Ange, 75016 Paris, represented by Mr. Philippe Franchet, duly empowered for the purposes hereof,

**10. Olivier Grandclaude**

A French citizen, born on September 30, 1970, residing at 19, avenue Jehan de Brie, 77120 Coulommiers, represented by Mr. Pierre Cuilleret, duly empowered for the purposes hereof,

**11. Bruno Duriez**

A French citizen, born on February 19, 1955, residing at Villa Lou Pengo, chemin du Figournas – 06480 La Colle-sur-Loup, represented by Mr. Pierre Cuilleret, duly empowered for the purposes hereof,

**12. Laurent Bouchard**

A French citizen, born on January 4, 1968, residing at 14, rue Delaunay, 78000 Versailles, represented by Mr. Pierre Cuilleret, duly empowered for the purposes hereof,

**13. Jean Maincent**

A French citizen, born on December 16, 1960, residing at 37, chemin des Mimosas, le Camp Romain, 06530 Peymeinade, represented by Mr. Pierre Cuilleret, duly empowered for the purposes hereof,

**14. Joël Sana**

A French citizen, born on June 12, 1961, residing at 204, chemin Caroubiers – 06250 Mougins, represented by Mr. Pierre Cuilleret, duly empowered for the purposes hereof,

**15. The Governor And Company Of The Bank Of Ireland**

A company incorporated under the laws of Ireland, having its registered office at Lower Baggot Street, Dublin 2 Ireland, represented by Mr. Philippe Bassouls and Mr. Stéphane Miliotis, duly empowered for the purposes hereof,

**16. FCPR Mezzanis 2**

*A Fonds Commun de Placements à Risques*
Represented by its manager Crédit Agricole Private Equity, *société anonyme à conseil de surveillance et directoire* with a share capital of 8,000,000 euros, having its registered office at 100, boulevard du Montparnasse, 75014 Paris, registered under number 428 711 196 RCS Paris, itself represented by Mr. Marc Benchimol, duly empowered for the purposes hereof,

**17. Adagio CLO I B.V.**

A private company with limited liability incorporated under the laws of The Netherlands with registration number 34192736, having its registered office at Parnassustoren, Locatellikade 1, 1076 AZ Amsterdam, The Netherlands, duly represented for the purposes hereof,

**18. Adagio II CLO PLC.**

A public company with limited liability incorporated under the laws of Ireland with registration number 404053, having its registered office at 19-20 City Quay, Dublin 2, Ireland, duly represented for the purposes hereof,

**19. Adagio III CLO PLC.**

A public company with limited liability incorporated under the laws of Ireland with registration number 417768, having its registered office at 19-20 City Quay, Dublin 2, Ireland, duly represented for the purposes hereof,

**20. Oryx European CLO B.V.**

A private company with limited liability incorporated under the laws of The Netherlands with registration number 34210831, having its registered office at Parnassustoren, Locatellikade 1, 1076 AZ Amsterdam, The Netherlands, duly represented for the purposes hereof,

**21. Nicolas Bertrand**

A French citizen, born on November 20, 1965, residing at Domaine de Peyrebelle, 54, chemin de Peyrebelle, 06560 Valbonne, represented by Mr. Pierre Cuilleret, duly empowered for the purposes hereof,

**22. Matthias Boudier**

A French citizen, born on April 10, 1975, residing at 434, chemin Joseph Durbec, 06410 Biot, by Mr. Pierre Cuilleret, duly empowered for the purposes hereof,

**On the other hand.**

**RECITALS:**

(A) On September 30, 2008, L Capital, LV Capital, Europ@web, Herbé, Geyser Investments SA, SPF, Arnaud Fayet, Olivier Grandclaude, Bruno Duriez, Laurent Bouchard, Jean Maincent, Joël Sana, The Governor and Company of the Bank of Ireland, FCPR Mezzanis 2, Adagio CLO I B.V., Adagio II CLO PLC., Adagio III CLO PLC., Oryx European CLO B.V., Nicolas Bertrand and Matthias Boudier and the Purchaser entered into a Sale and Purchase Agreement (hereafter referred to as the "**SPA**") for the sale to the Purchaser of almost all of their shares in SFMI Micromania, a French *société par actions simplifiée,* with a share capital of 112,642,820 euros, having its registered office at 2980, route des Crêtes, Sophia Antipolis, 06560 Valbonne, registered under number 480 705 946 RCS Grasse (the "**Company**").

(B) On November 17, 2008, Financom signed with the Purchaser a Sale and Purchase Agreement for the sale to the Purchaser of all of the shares held by Financom in Herbé (hereafter referred to as the "**Herbé SPA**"), instead of the sale to the Purchaser of all the shares and warrants held by Herbé in the Company.

(C) Since Herbé is a party to the SPA, it is necessary to amend the provisions of the SPA following the signature of the Herbé SPA.

(D) In particular, the parties listed in Paragraphs 4 to 22 (inclusive) above (hereinafter referred to collectively as the "**Agreeing Parties**") must agree expressly to the addition of Financom and Mr. Geoffroy Roux de Bézieux as Parties to the SPA and, subject to the terms and conditions herein, as Sellers and Managers thereunder.

(E) As permitted under Clause 15.1 of the SPA, the Purchaser has also informed the Sellers of its decision to assign its rights and obligations under the SPA to its Affiliate GameStop France SAS, a French *société par actions simplifiée* with a share capital of 37,000 €, having its registered office at 111, avenue Victor Hugo, 75784 Paris Cedex 16 ("**GameStop France**").

(E) The parties have decided to enter this amendment (the "**Amendment**") in order to amend the SPA accordingly.

Article 1

1.1 Each time it is referred in the SPA and its Schedules to the "Sellers" or each "Seller" or the "Managers" or each "Manager" (as these expressions are defined in the Headings of the SPA), it is understood that Herbé is no longer to be considered as one of the Sellers or the Managers.

1.2 Each time it is referred in the SPA and its Schedules to the "Agreement", it shall be understood "the Agreement as amended by the Amendment".

1.3 All capitalized terms not otherwise defined in this Amendment shall have the meaning ascribed to them in the SPA.

Article 2

2.1 In the Recitals, Paragraph (C) shall be read as follows:

"*The Sellers respectively own:*

*(i) 11,116,948 ordinary shares (the **"Shares"**) (such Shares not including any Free Share nor any Finck Share nor any Herbé Share (as these expressions are defined below)),*

*(ii) 640,000 warrants initially attached to 80,000 shares of the Company issued on October 28, 2005 (the **"Warrants"),** each Warrant giving access to one share of the Company (such Warrants not including any Herbé Warrants (as such term is defined below); and*

*(iii) 250,000 warrants initially attached to mezzanine bonds issued by the Company on August 24, 2005 (the **"Mezzanine Warrants"),** each Warrant giving access to one share of the Company.*

*A list of the securities owned by each Seller is set out in Amended Schedule C – Part A.*"

2.2 An amended Schedule C – Part A is attached hereto as Amended Schedule C – Part A in order to reflect the fact that Herbé will no longer be selling its shares and warrants in the Company pursuant to the SPA. Each time it is referred to "Schedule C - Part A" in the SPA, it shall be understood "Amended Schedule C - Part A".

Article 3

3.1 In Clause 1.1, the following definitions of Herbé Shares and Herbé Warrants shall be added:

| | |
|---|---|
| *"**Herbé Shares**"* | *means the 70,000 shares of the Company owned by Herbé;* |
| *"**Herbé Warrants**"* | *means the 160,000 warrants of the Company that were initially attached to 20,000 shares issued by the Company on October 25, 2005 and that are owned by Herbé ;* |

3.2 In Clause 1.1, the definitions of "Agreement", "Fully Diluted Shares", "Net Proceeds" and "Seller" shall be read as follows:

| | |
|---|---|
| *"**Agreement**"* | *means this agreement and its Schedules, as amended by the amendment agreement dated November 17, 2008;* |
| *"**Fully Diluted Shares**"* | *means the Shares, the Finck Shares, the Herbé Shares, the Allocated Free Shares and the shares resulting from the exercise of the Warrants, the Herbé Warrants and the Mezzanine Warrants and, for the avoidance of doubt, excluding the 6,089 non-allocated Free Shares.* |
| ***"Herbé"*** | *means a French société par actions simplifiée, with a share capital of 1,037,679 euros, having its registered office at 42, rue Edouard Nortier, 92200 Neuilly-sur-Seine, registered under number 484 824 818 RCS Nanterre.* |
| *"**Net Proceeds**"* | *means the addition of (i) the cashflows received by the Sellers from the Purchaser for the Securities on the Completion Date (including, for the avoidance of doubt, cashflows received in available funds or deposited on a blocked, pledged and/or escrow account), (ii) the cashflows that would have been received by the Sellers from the Purchaser for the Non Sold Shares and the Free Shares on the Completion Date had they sold such Shares at the Price per Share, and (iii) the cashflows that would have been received by Herbé from the Purchaser for the Herbé Shares and the Herbé Warrants on the Completion Date had Herbé sold the Herbé Shares at the Price per Share and the Herbé Warrants at the Price per Warrant, in all cases net of the costs they respectively incur, and net of the exercise price of any call option (whether paid or received) or of the subscription price resulting from the exercise of Warrants or Herbé Warrants, paid on the Completion Date, such Net Proceeds to be set forth in Amended Schedule 3.3.1 pursuant to Clause 3.3.1.* |
| *"**Seller**"* | *has the meaning ascribed to it in the heading of the Agreement, provided that (i) for the purpose of Articles 1, 8, 9, 12, 13, 15, 16, 17, 18, 19, 20, 21 and Amended Schedule 3.3.1, Nicolas Bertrand and Matthias Boudier shall be considered as Sellers, and (ii) for the purpose of Articles 1, 8, 9, 12, 13, 15, 16, 17, 18, 19, 20, 21, Clauses 3.3.2(i), 14.1 and 14.2, and Amended Schedule 3.3.1, Financom and, jointly and severally with Financom, Mr. Geoffroy Roux de Bézieux, shall be considered as Sellers .* |

Article 4

4.1 Clause 2.1 shall read as follows:

"***2.1 Purchase and Sale of the Securities***

*Upon the terms and subject to the conditions set forth in this Agreement, the Sellers undertake to sell to the Purchaser the Securities and the Purchaser undertakes to purchase, with effect on the Completion Date, from the Sellers the Securities, free and clear of all Encumbrances, together with all rights and obligations attached thereto, each of the Sellers respectively selling to the Purchaser and the Purchaser respectively buying from each of the Sellers, a number of Sold Shares, Warrants and Mezzanine Warrants in the proportions specified in the notice referred to in Amended Schedule C – Part B.*"

4.2 An amended Schedule C - Part B is attached hereto as Amended Schedule C - Part B in order to reflect the fact that Herbé will no longer be selling its shares and warrants in the Company pursuant to the SPA. Each time it is referred to "Schedule C - Part B" in the SPA, it shall be understood "Amended Schedule C - Part B".

Article 5

5.1 Clause 3.1.1 shall read as follows:

*"3.1.1 The aggregate consideration for the sale and purchase of the Securities (the "Total Purchase Price") is calculated as follows:*

*[PS x number of Fully Diluted Shares] – [PS x number of Fink Shares] – [PS x number of Allocated Free Shares] – [PS x number of Non Sold Shares] – [PS x number of Herbé Shares] – [PS x number of Herbé Warrants] – [10 x number of Warrants] – [10 x number of Mezzanine Warrants]*

*Where "PS" means the price per Company's share on the basis of the number of Fully Diluted Shares, PS being calculated as follows:*

*PS = Diluted Equity Value / number of Fully Diluted Shares."*

5.2 Clause 3.2.2 shall read as follows:

"*3.2.2 The allocation of the Total Purchase Price among the Sold Shares, the Warrants and the Mezzanine Warrants is as follows:*

*(a) for all the Sold Shares, 336,812,343,84 euros or if Completion occurs after December 15, 2008, 347,324,183.40 euros;*

*(b) for all the Warrants, 13,491,200.00 euros or if Completion occurs after December 15, 2008, 14,112,000.00 euros; and*

(c) *for the Mezzanine Warrants, 5,270,000.00 euros or if Completion occurs after December 15, 2008, 5,512,500.00 euros*."

Article 6

6.1 Clause 3.3.1 shall read as follows:

"*3.3.1 On the Completion Date, the Purchaser shall pay the Total Purchase Price to the Sellers, by way of wire transfers in immediately available funds (with value date (*date de valeur*) on the Completion Date) to the bank accounts of the Sellers the reference of which shall be communicated by the Financial Sellers' Representative to the Purchaser at least two (2) Business Days prior to the Completion Date, and in accordance with the allocation to be notified by the Financial Sellers' Representative to the Purchaser at least two (2) Business Days prior to the Completion Date (in the form of Amended Schedule 3.3.1).*"

6.2 An amended Schedule 3.3.1 is attached hereto as Amended Schedule 3.3.1 in order to reflect the fact that Herbé will no longer be selling its shares and warrants in the Company pursuant to the SPA. Each time it is referred to Schedule 3.3.1 in the SPA, it shall be understood "Amended Schedule 3.3.1".

Article 7

7.1 Clause 3.3.2 shall read as follows:

"*3.3.2 On the Completion Date, each of L Capital, LV Capital, Europ@web and Geyser (each a "Guaranteed Party") shall deliver to the Purchaser a first demand guarantee issued by Calyon ("*garantie bancaire à première demande*") (a "First Demand Bank Guarantee") in order to secure the payment of any indemnification that may become due by such Guaranteed Party to the Purchaser pursuant to Article 9 hereof, provided that:*

*(i) the aggregate amount of all the First Demand Bank Guarantees shall be limited to an amount equal to:*

*20,000,000 euros x [sum of the Net Proceeds for L Capital, LV Capital, Europ@web, Geyser] / sum of the Net Proceeds for all the Sellers (the "Total First Demand Guarantee Amount"),*

*(ii) each Guaranteed Party shall deposit its portion of the Total First Demand Guarantee Amount in an interest-bearing blocked and/or pledged account or P.E.A. account opened in the books of Calyon.*

*The Total First Demand Guarantee Amount shall be apportioned among the Guaranteed Parties pro rata based upon the Net Proceeds pursuant to the amounts set forth in Amended Schedule 3.3.1.*

*Each First Demand Bank Guarantee shall expire 270 calendar days following the Completion Date (inclusive), except that with respect to the aggregate amount of unpaid Claims as of the last Business Day before such expiration date, the expiration date of each First Demand Guarantee shall be postponed until ten (10) Business Days following the date when payment of the corresponding Net Loss is to occur pursuant to Clause 9.9 below. All fees and costs of Calyon relating to any First Demand Bank Guarantee shall be borne by the Purchaser, up to a maximum total amount for L Capital, LV Capital, Europ@web and Geyser taken together, of € 63,000 (VAT excluded) for both upfront and annual fees (it being agreed that (a) such maximum total amount shall be distributed among the Guaranteed Parties up to € 48,200 for L Capital, LV Capital and Europ@web taken together and up to € 14,800 for Geyser, and (b) for the avoidance of doubt, such maximum amounts do not include any other fees and/or legal costs that may be incurred by the Guaranteed Parties after the Completion Date as a result of any claim under any of the First Demand Bank Guarantees) and shall be paid by the Purchaser promptly upon (i) written demand of the Financial Sellers' Representative accompanied by Calyon's invoice(s) or (ii) receipt by the Purchaser of such invoice(s) as sent directly by Calyon. The granting of the First Demand Guarantees and their issuance by Calyon shall not affect in any way the Sellers' obligations under Clause 9 hereof."*

7.2 In Clause 3.4.3, the words "*no later than five (5) Business Days prior to the Completion Date*" are replaced as follows: *"no later than two (2) Business Days prior to the Completion Date",* the other terms and conditions of Clause 3.4.3 remaining unchanged.

Article 8

8.1 The heading, the first sentence and paragraph (e) of Clause 6.2.1 shall read as follows, all the other terms and conditions of Clause 6.2.1 remaining unchanged:

"*6.2.1 Actions to be taken by the Sellers and the Guaranteed Parties*

*On the Completion Date, and subject to the provisions of Article 4, the Sellers and each Guaranteed Party shall deliver the following documents:"*

*[...]*

*(e) all the First Demand Bank Guarantees to secure the indemnification obligations of each of the Guaranteed Parties in accordance with Clause 3.3.2*."

Article 9

9.1 In Article 8 ("**Representations and Warranties of the Sellers**") and 9 ("**Indemnification Obligations of the Sellers**") of the SPA and Schedule 9.7 attached to the SPA, each time it is referred to "the Sellers" and "each Seller" it shall cover, respectively, "the Sellers, Financom, and, jointly and severally with Financom, Mr. Geoffroy Roux de Bézieux" and "each Seller, Financom, and, jointly and severally with Financom, Mr. Geoffroy Roux de Bézieux".

Clause 9.1.1 is amended by adding after the words "*individually and not jointly nor severally (individuellement et sans solidarité)"* the following expression: *"(without prejudice to the joint and several liability of Mr. Geoffroy Roux de Bézieux with Financom as provided herein)"*, the other terms and conditions of Clause 9.1.1 remaining unchanged.

Clause 9.6 is amended by adding after the words *"of each of the Sellers for their Warranties set forth in this Agreement"* the following expression: *"(but, for the avoidance of doubt, without prejudice to the joint and several liability of Mr. Geoffroy Roux de Bézieux with Financom as provided herein)*, the other terms and conditions of Clause 9.6 remaining unchanged.

9.2 Clause 8.2.2 shall read as follows:

*"8.2.2 Except for the Securities, the Non Sold Shares, the Herbé Shares, the Herbé Warrants, the Free Shares and the Finck Shares, there are no authorized or outstanding securities, warrants, bonds, options, agreements or commitments of any nature whatsoever obligating any of the Group Company to issue, deliver or sell, or cause to be issued, delivered or sold, any authorized or outstanding shares, or any securities convertible into, exchangeable for or otherwise giving access to shares or other equity interests of the Group Companies or binding any Group Company to effect of grant, extend or enter into any such agreement or commitment."*

9.3 Clause 9.9.3 shall read as follows:

*"9.9.3 Assuming payment has not been made by a Guaranteed Party to Purchaser in accordance with and with the delays set forth in Clause 9.9.1 and Clause 9.9.2, the Purchaser shall be entitled to call under the First Demand Guarantee issued upon the instruction of such Guaranteed Party".*

Article 10

Article 14.2 is amended as follows:

*"14.2 The Sellers agree between each other that the costs incurred by them in connection with the negotiation, preparation, execution and performance of the*

*Agreement shall be allocated among the Sellers pro rata based upon the Net Proceeds pursuant to the percentages set forth in Amended Schedule 3.3.1 provided that for the purpose of this Clause 14.2, the cashflows received by the Managers from Purchaser for the 11,800 Shares held by the Managers and the cashflows that would have been received by the Sellers from the Purchaser for the Free Shares on the Completion Date had they sold such Shares at the Price per Share shall be deemed to be excluded from the Net Proceeds."*

Article 11

The Agreeing Parties expressly agree to the addition of Financom and Mr. Geoffroy Roux de Bézieux as Parties to the SPA and, subject to the terms and conditions of this Amendment, as Sellers and Managers. For convenience and information purposes only, a complete copy of the SPA (with the exclusion of its Schedules) as amended herein is attached as Schedule A hereto. The Parties also acknowledge the assignment by the Purchaser of its rights and obligations under the SPA to GameStop France, it being reminded that, in accordance with Clause 15.1 of the SPA, the Purchaser shall remain jointly and severally liable with GameStop France with respect to all its obligations under the SPA.

Executed in Paris,
On November 17, 2008
In 22 originals.

/s/ Geoffroy Roux de Bézieux

**Financom**

Represented by: Mr. Geoffroy Roux de Bézieux, Financom signing this Amendment as a Seller for the purposes of Articles 1, 8, 9, 12, 13, 15, 16, 17, 18, 19, 20, 21, Clauses 3.3.2(i), 14.1 and 14.2, and Amended Schedule 3.3.1 of the SPA (as amended by this Amendment), as a Manager for the purposes of Clauses 11.3, 11.4 and 19.1 thereof.

/s/ Geoffroy Roux de Bézieux

**Mr. Geoffroy Roux de Bézieux,** Mr. Geoffroy Roux de Bézieux signing this Amendment jointly and severally with Financom.

/s/ Geoffroy Roux de Bézieux

**Herbé**

Represented by: Mr. Geoffroy Roux de Bézieux

/s/ R. Richard Fontaine

**EB International Holdings, Inc.**

Represented by: Mr. R. Richard Fontaine

/s/ Philippe Franchet

**L Capital**

Represented by: Mr. Philippe Franchet

/s/ Philippe Franchet

**L Capital**
Represented by: Mr. Philippe Franchet

/s/ Philippe Franchet

**Europ@web**
Represented by: Mr. Philippe Franchet

/s/ Pierre Cuilleret

**Geyser Investments SA, SPF**
Represented by: Mr. Pierre Cuilleret

/s/ Philippe Franchet

**Mr. Arnaud Fayet**
Represented by: Mr. Philippe Franchet

/s/ Pierre Cuilleret

**Mr. Olivier Grandclaude**
Represented by: Mr. Pierre Cuilleret

/s/ Pierre Cuilleret

**Bruno Duriez**
Represented by: Mr. Pierre Cuilleret

/s/ Pierre Cuilleret

**Mr. Laurent Bouchard**
Represented by: Mr. Pierre Cuilleret

/s/ Pierre Cuilleret

**Mr. Jean Maincent**
Represented by: Mr. Pierre Cuilleret

/s/ Pierre Cuilleret

**Mr. Joël Sana**
Represented by: Mr. Pierre Cuilleret

/s/ Pierre Cuilleret

**Nicolas Bertrand**
Represented by: Mr. Pierre Cuilleret

/s/ Pierre Cuilleret

**Mr. Matthias Boudier**
Represented by: Mr. Pierre Cuilleret

/s/ Philippe Bassouls /s/ Stéphane Miliotis

**The Governor and Company of the Bank of Ireland**
Represented by: Mr. Philippe Bassouls and Mr. Stéphane Miliotis

/s/ Marc Benchimol

**FCPR Mezzanis 2**
Represented by: Mr. Marc Benchimol

/s/ Olivier Testard

**Adagio CLO I B.V.**
Represented by: AXA IM Paris acting as portfolio manager
Mr. Olivier Testard

/s/ Olivier Testard

**Adagio II CLO PLC.**
Represented by: AXA IM Paris acting as portfolio manager
Mr. Olivier Testard

/s/ Olivier Testard

**Adagio III CLO PLC.**
Represented by: AXA IM Paris acting as portfolio manager
Mr. Olivier Testard

/s/ Olivier Testard

**Oryx European CLO B.V.**
Represented by: AXA IM Paris acting as portfolio manager
Mr. Olivier Testard