
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 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): May 18, 2016

GRIFFON CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-06620
(Commission
File Number)

11-1893410
(I.R.S. Employer
Identification Number)

712 Fifth Avenue, 18th Floor
New York, New York
(Address of Principal Executive Offices)

10019
(Zip Code)

(212) 957-5000
(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:

- 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

Notes Offering

On May 18, 2016, Griffon Corporation (the “Company”) completed its previously announced add-on notes offering (the “Notes Offering”) of \$125 million aggregate principal amount of 5.25% senior notes due 2022 (the “New Notes”). The New Notes were issued at a price equal to 98.76% of face value, plus accrued interest from March 1, 2016. The New Notes were issued under the same indenture dated as of February 27, 2014 by and among the Company, the guarantors named therein and Wells Fargo Bank, National Association, as trustee (the “Indenture”), pursuant to which the Company previously issued \$600,000,000 in aggregate principal amount of its 5.25% Senior Notes due 2022 (the “Existing Notes” and together with the New Notes, the “Notes”). The New Notes were sold in a private placement pursuant to a purchase agreement, dated May 13, 2016, among the Company, the guarantors named therein (the “Guarantors”) and Deutsche Bank Securities Inc., as the initial purchaser of the New Notes (the “Initial Purchaser”). The New Notes were resold by the Initial Purchaser to qualified institutional buyers pursuant to Rule 144A of the Securities Act of 1933 (the “Securities Act”) and to non-U.S. persons pursuant to Regulation S of the Securities Act. The New Notes have not been registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements thereunder. The net proceeds to the Company from the Notes Offering were approximately \$121 million.

The New Notes have identical terms to the Existing Notes, other than the issue date, the issue price and the first interest payment date. The New Notes will be treated as a single class of notes with the Existing Notes for all purposes under the Indenture but will not be fungible with or have the same CUSIP and ISIN numbers as the Existing Notes unless and until such time as the New Notes are exchanged for additional Existing Notes pursuant to the terms of a registration rights agreement.

The Company will use the proceeds of the Notes Offering (i) to repay a portion of its outstanding borrowings under its revolving credit facility and (ii) for the payment of related fees and expenses. Subsequently the Company may re-borrow amounts repaid under its revolving credit facility for general corporate purposes, including to fund acquisitions and for share repurchases.

Indenture

Certain terms and conditions of the Notes and the Indenture are as follows:

Maturity. The Notes mature on March 1, 2022.

Interest. The Notes accrue interest at a rate of 5.25% per year. Interest on the Notes is paid semi-annually on each March 1 and September 1.

Ranking. The Notes and guarantees will be senior unsecured obligations of the Company and the Guarantors and will be:

- equal in right of payment to all of the Company’s and the Guarantors’ existing and future unsecured indebtedness and other obligations that are not, by their terms, expressly subordinated in right of payment to the Notes;
 - effectively subordinated to all of the Company’s and the Guarantors’ existing and future secured indebtedness and other obligations to the extent of the value of the collateral securing that indebtedness and other obligations;
 - structurally subordinated to all existing and future indebtedness and other obligations of any of the Company’s or the Guarantors’ subsidiaries that do not guarantee the Notes; and
 - senior in right of payment to any of the Company’s and the Guarantors’ existing and future subordinated indebtedness.
-

Guarantees. The Notes will be unconditionally guaranteed on a joint and several and senior unsecured basis by the Guarantors. If the Company or any of its restricted subsidiaries organize, acquire, transfer assets to or otherwise invest in any newly created or acquired domestic restricted subsidiary (other than a domestic restricted subsidiary if the Net Book Value (as defined in the Indenture) of such domestic restricted subsidiary's assets, when taken together with the aggregate Net Book Value of the assets of all other domestic restricted subsidiaries that are not Guarantors, as of such date, does not exceed in the aggregate \$50.0 million), then such domestic restricted subsidiary shall unconditionally guarantee the Notes.

In addition, to the extent that the collective Net Book Value of the assets of the Company's non-guarantor domestic restricted subsidiaries, as of the date of the organization, acquisition, transfer of assets to or investment in a non-guarantor domestic restricted subsidiary, exceeds \$50.0 million, then one or more of such non-guarantor domestic restricted subsidiaries shall guarantee the Notes, such that the collective Net Book Value of the assets of all remaining non-guarantor domestic restricted subsidiaries does not exceed \$50.0 million.

Optional Redemption. The Company may redeem some or all of the Notes at any time prior to March 1, 2017, for cash at a redemption price equal to 100% of their principal amount plus the Applicable Premium (as defined in the Indenture), plus accrued and unpaid interest to the redemption date. In addition, at any time (which may be more than once) before March 1, 2017, the Company may redeem up to 40% of the outstanding Notes with the proceeds from one or more public equity offerings at a redemption price equal to 105.250% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to the date of redemption, provided that the Notes are redeemed within 90 days of completing the public equity offering and at least 60% of the aggregate principal amount of Notes issued remains outstanding afterwards.

Additionally, the Company may redeem the Notes, in whole or in part, at any time on and after March 1, 2017 at the redemption prices set forth in the Indenture (initially 103.938% of the principal amount of the Notes and declining to 100% of the principal amount of the Notes on or after March 1, 2020), plus accrued and unpaid interest to the redemption date.

Repurchases at the Option of Holders. Upon the occurrence of a Change of Control (as defined in the Indenture) or certain Asset Sales (as defined in the Indenture), the Company must offer to repurchase the Notes at a price equal to 101%, in the case of a Change of Control, or 100%, in the case of an Asset Sale, of the principal amount of the Notes plus accrued and unpaid interest to the date of repurchase.

Covenants. The Indenture contains customary covenants limiting the Company's ability and the ability of the Company's restricted subsidiaries to, among other things:

- incur additional debt, issue preferred stock or enter into sale and leaseback transactions;
 - pay dividends or distributions on its capital stock or repurchase its capital stock or make other restricted payments;
 - issue preferred stock of subsidiaries;
 - make certain investments;
 - create liens on the Company's and its restricted subsidiaries' assets;
 - enter into transactions with affiliates;
 - merge, consolidate or sell substantially all of the Company's assets;
 - transfer and sell assets;
-

- create restrictions on dividends or other payments by the Company's restricted subsidiaries; and
- create guarantees of indebtedness by restricted subsidiaries.

These covenants are subject to a number of important limitations and exceptions, which are set forth in the Indenture. Many of these covenants will cease to apply to the Notes during any period that the Notes have investment grade ratings from both Moody's Investors Service, Inc. and Standard & Poor's, provided no default has occurred and is continuing under the Indenture.

Events of Default. If an event of default, as specified in the Indenture, shall occur and be continuing, either the Trustee or the holders of a specified percentage of the Notes may accelerate the maturity of all the Notes.

A copy of the Indenture, which includes the form of the Notes, is attached as Exhibit 4.1 to the Company's Current Report on Form 8-K filed on February 27, 2014 and is incorporated herein by reference. The description set forth above of certain terms of the Indenture and the Notes does not purport to be complete and is qualified in its entirety by the full text of the Indenture and the Notes.

Registration Rights Agreement

In connection with the Notes Offering, the Company and the Guarantors entered into a Registration Rights Agreement, dated as of May 18, 2016, with Deutsche Bank Securities Inc., as the Initial Purchaser (the "Registration Rights Agreement"). Pursuant to the Registration Rights Agreement, the Company is obligated to file with the Securities and Exchange Commission a registration statement, and use its commercially reasonable efforts to cause such registration statement to become or be declared effective, relating to an offer to exchange the New Notes for new notes issued by the Company that are registered under the Securities Act and otherwise have terms substantially identical to those of the New Notes. If the Company is not able to effect the exchange offer or, in certain circumstances, an exchange offer is not available, the Company will instead and/or in addition be obligated to file a shelf registration statement covering the resale of the New Notes and use its commercially reasonable efforts to cause such registration statement to become or be declared effective. If the Company fails to satisfy its registration obligations by certain dates specified in the Registration Rights Agreement, it will be required to pay additional interest to the holders of the New Notes.

The description of certain terms of the Registration Rights Agreement set forth herein does not purport to be complete and is qualified in its entirety by the full text of the Registration Rights Agreement, which is filed herewith as Exhibit 4.1 and is incorporated herein by reference.

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

The information provided in Item 1.01 of this Report is hereby incorporated by reference into this Item 2.03.

Item 3.03 Material Modifications to Rights of Security Holders

The information provided in Item 1.01 of this Report is hereby incorporated by reference into this Item 3.03.

Item 8.01. Other Events

On May 18, 2016, the Company issued a press release announcing the closing of the Notes Offering. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

- (d) *Exhibits.*
-

4.1 Registration Rights Agreement, dated as of May 18, 2016, by and among Griffon Corporation, the Guarantors party thereto and Deutsche Bank Securities Inc., as the Initial Purchaser.

99.1 Press Release, dated May 18, 2016.

SIGNATURE

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

GRIFFON CORPORATION

Date: May 18, 2016

By: /s/ Seth L. Kaplan
Seth L. Kaplan
Senior Vice President

EXHIBIT INDEX

Exhibit Number

Exhibit Title

4.1	Registration Rights Agreement, dated as of May 18, 2016, by and among Griffon Corporation, the Guarantors party thereto and Deutsche Bank Securities Inc., as the Initial Purchaser.
99.1	Press Release, dated May 18, 2016.

REGISTRATION RIGHTS AGREEMENT

by and among

Griffon Corporation,

and The Guarantors party hereto
and

Deutsche Bank Securities Inc.

Dated as of May 18, 2016

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this “Agreement”) is made and entered into as of May 18, 2016, by and among Griffon Corporation, a Delaware corporation (the “Company”), the Guarantors named on Schedule 1 hereto (the “Guarantors”) and Deutsche Bank Securities Inc., as the initial purchaser (the “Initial Purchaser”) of \$125,000,000 aggregate principal amount of the Company’s 5.25% Senior Notes due 2022 (the “New Notes”) issued and sold pursuant to the Purchase Agreement (as defined below). The Company previously issued and sold \$600,000,000 aggregate principal amount of its 5.25% Senior Notes due 2022 (the “Original Notes”) under the Indenture (as defined below). The New Notes constitute an issuance of Additional Notes (as defined in the Indenture) under the Indenture.

This Agreement is made pursuant to the Purchase Agreement, dated as of May 13, 2016 (the “Purchase Agreement”), among the Company, the Guarantors and the Initial Purchaser (i) for the benefit of the Initial Purchaser and (ii) for the benefit of the holders from time to time of the Registrable Securities, including the Initial Purchaser. The Original Notes were guaranteed (the “Original Guarantees” and, together with the Original Notes, the “Original Securities”) on a senior basis by the guarantors listed in the purchase agreement relating to the Original Notes. The New Notes will be guaranteed (the “Guarantees” and, together with the New Notes, the “New Securities”) on a senior basis by the Guarantors. In order to induce the Initial Purchaser to purchase the New Notes, the Company has agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the obligations of the Initial Purchaser as set forth in Section 7(h) of the Purchase Agreement. The parties hereby agree as follows:

SECTION 1. *Definitions.* As used in this Agreement, the following capitalized terms shall have the following meanings:

Additional Interest: As defined in Section 5 hereof.

Advice: As defined in the last paragraph of Section 7 hereof.

Agreement: As defined in the preamble hereto.

Broker-Dealer: Any broker or dealer registered under the Exchange Act.

Business Day: Any day other than a Saturday, Sunday or U.S. federal holiday or a day on which banking institutions or trust companies located in New York, New York are authorized or obligated to be closed.

Commission: The U.S. Securities and Exchange Commission.

Company: As defined in the preamble hereto.

Consummate: A registered Exchange Offer shall be deemed “Consummated” for purposes of this Agreement upon the occurrence of (i) the filing with the Commission of the Exchange Offer Registration Statement relating to the Exchange Securities to be issued in the Exchange Offer and its becoming or being declared effective under the Securities Act, (ii) the maintenance of the continuous effectiveness of such Registration Statement, and the keeping of the Exchange Offer open, for a period not less than the minimum period required pursuant to Section 3(b) hereof, and (iii) the delivery by the Company to the Registrar under the Indenture of Exchange Securities in the same aggregate principal amount as the ag-

gregate principal amount of New Securities that were tendered by Holders thereof pursuant to the Exchange Offer.

Exchange Act: The Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

Exchange Offer: The registration by the Company under the Securities Act of the Exchange Securities pursuant to a Registration Statement pursuant to which the Company offers the Holders of all outstanding Registrable Securities the opportunity to exchange all such outstanding Registrable Securities held by such Holders for Exchange Securities in an aggregate principal amount equal to the aggregate principal amount of the Registrable Securities tendered in such exchange offer by such Holders.

Exchange Offer Registration Statement: The Registration Statement relating to the Exchange Offer, including the related Prospectus.

Exchange Notes: The 5.25% Senior Notes due 2022 of the same series under the Indenture as the New Notes, to be issued to Holders in exchange for Registrable Securities pursuant to this Agreement.

Exchange Securities: The Exchange Notes and the related Guarantees, if any, attached thereto.

Existing Exchange Notes: The 5.25% Senior Notes due 2022 of the same series under the Indenture as the Original Securities that were issued to Holders of Original Securities in an exchange offer pursuant to the Existing Registration Rights Agreement.

Existing Exchange Securities: The Existing Exchange Notes and the related Guarantees, if any, attached thereto.

Existing Registration Rights Agreement: The Registration Rights Agreement, dated as of February 27, 2014, by and among the Company and Deutsche Bank Securities, Inc. as representative of the several initial purchasers of the Original Securities.

FINRA: Financial Industry Regulatory Authority, Inc.

Guarantees: As defined in the preamble hereto.

Guarantors: As defined in the preamble hereto.

Holder: As defined in Section 2(b) hereof.

Indemnified Holder: As defined in Section 9(a) hereof.

Indenture: The Indenture, dated as of February 27, 2014, by and among the Company, the Guarantors and Wells Fargo Bank, National Association, as trustee (the "Trustee"), pursuant to which the Original Securities were issued and the New Securities are to be issued, as such Indenture may be amended or supplemented from time to time in accordance with the terms thereof.

Initial Placement: The issuance and sale by the Company of the New Securities to the Initial Purchaser pursuant to the Purchase Agreement.

Initial Purchaser: As defined in the preamble hereto.

New Notes: As defined in the preamble hereto.

New Securities: As defined in the preamble hereto.

Interest Payment Date: As defined in the Indenture and the New Notes.

Issue Date: The date of this Agreement, May 18, 2016.

Original Guarantees: As defined in the preamble hereto.

Original Notes: As defined in the preamble hereto.

Original Securities: As defined in the preamble hereto.

Person: Any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

Prospectus: The prospectus included in a Registration Statement, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

Purchase Agreement: As defined in the preamble hereto.

Registrable Securities: Each Security, until the earliest to occur of (a) the date on which such Security is exchanged in the Exchange Offer for an Exchange Security entitled to be resold to the public by the Holder thereof without complying with the prospectus delivery requirements of the Securities Act, (b) the date on which such Security has been effectively registered under the Securities Act and disposed of in accordance with a Shelf Registration Statement, (c) the date on which such Security is distributed by a Broker-Dealer pursuant to the "Plan of Distribution" contemplated by the Exchange Offer Registration Statement (including delivery of the Prospectus contained therein), (d) the date on which such Security does not bear a restricted CUSIP number and is sold pursuant to Rule 144 under the Securities Act under circumstances in which any legend borne by such New Security relating to restrictions on transferability thereof, under the Securities Act or otherwise, is removed by the Company or pursuant to the Indenture and (e) the date on which such New Security ceases to be outstanding.

Registration Default: As defined in Section 5 hereof.

Registration Statement: Any registration statement of the Company relating to (a) an offering of Exchange Securities pursuant to an Exchange Offer or (b) the registration for resale of Registrable Securities pursuant to the Shelf Registration Statement, which is filed pursuant to the provisions of this Agreement, in each case, including the Prospectus included therein, all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

Securities: The New Securities and the Exchange Securities.

Securities Act: The Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

Shelf Filing Deadline: As defined in Section 4(a)(x) hereof.

Shelf Registration Statement: As defined in Section 4(a)(x) hereof.

Suspension Period: As defined in the final paragraph of Section 7 hereof.

Trust Indenture Act: The Trust Indenture Act of 1939, as amended, and the rules and regulations promulgated thereunder.

Underwritten Registration or Underwritten Offering: A registration in which securities of the Company are sold to an underwriter for reoffering to the public.

SECTION 2. *Securities Subject to this Agreement.*

(a) *Registrable Securities.* The securities entitled to the benefits of this Agreement are the Registrable Securities.

(b) *Holders of Registrable Securities.* A Person is deemed to be a holder of Registrable Securities (each, a “Holder”) whenever such Person owns Registrable Securities.

SECTION 3. *Registered Exchange Offer.*

(a) Unless the Exchange Offer shall not be permissible under applicable law or Commission policy (after the procedures set forth in Section 7(a)(i) hereof have been complied with), the Company and the Guarantors shall (i) cause to be filed with the Commission within 180 days after the Issue Date (or if such 180th day is not a Business Day, the next succeeding Business Day) the Exchange Offer Registration Statement, (ii) use their commercially reasonable efforts to cause such Registration Statement to become or be declared effective at the earliest possible time, but in no event later than 270 days after the Issue Date (or if such 270th day is not a Business Day, the next succeeding Business Day), (iii) in connection with the foregoing, (A) file all pre-effective amendments to such Registration Statement as may be necessary in order to cause such Registration Statement to become or be declared effective, (B) if applicable, file a post-effective amendment to such Registration Statement pursuant to Rule 430A under the Securities Act and (C) cause all necessary filings in connection with the registration and qualification of the Exchange Securities to be made under the state securities or blue sky laws of such jurisdictions as are necessary to permit Consummation of the Exchange Offer and (iv) upon the Registration Statement becoming or being declared effective, commence the Exchange Offer. The Exchange Offer Registration Statement shall be on the appropriate form permitting registration of the Exchange Securities to be offered in exchange for the Registrable Securities and to permit resales of Securities held by Broker-Dealers as contemplated by Section 3(c) hereof. The Company shall use its commercially reasonable efforts to cause all Exchange Securities to have the same CUSIP number.

(b) The Company and the Guarantors shall use their commercially reasonable efforts to cause the Exchange Offer Registration Statement to be effective continuously and shall keep the Exchange Offer open for a period of not less than the minimum period required under applicable federal and state securities laws to Consummate the Exchange Offer; *provided, however*, that in no event shall such period be less than 20 Business Days after the commencement of the Exchange Offer. The Company and the Guarantors shall cause the Exchange Offer to comply with all applicable federal and state securities laws. No securities other than the Exchange Securities shall be included in the Exchange Offer Registration Statement. The Company shall use its commercially reasonable efforts to cause the Exchange Offer to be Consummated on the earliest practicable date after the Exchange Offer Registration Statement has become or been declared effective, but in no event later than 330 days after the Issue Date (or if such 330th day is not a Business Day, the next succeeding Business Day).

(c) The Company and the Guarantors shall indicate in a “Plan of Distribution” section contained in the Prospectus forming a part of the Exchange Offer Registration Statement that any Broker-Dealer who holds New Securities that are Registrable Securities and that were acquired for its own account as a result of market-making activities or other trading activities (other than Registrable Securities

acquired directly from the Company) may exchange such New Securities pursuant to the Exchange Offer; however, such Broker-Dealer may be deemed to be an “underwriter” within the meaning of the Securities Act and must, therefore, deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of the Exchange Securities received by such Broker-Dealer in the Exchange Offer, which prospectus delivery requirement may be satisfied by the delivery by such Broker-Dealer of the Prospectus contained in the Exchange Offer Registration Statement. Such “Plan of Distribution” section shall also contain all other information with respect to such resales by Broker-Dealers that the Commission may require in order to permit such resales pursuant thereto, but such “Plan of Distribution” shall not name any such Broker-Dealer or disclose the amount of New Securities held by any such Broker-Dealer except to the extent required by the Commission.

The Company and the Guarantors shall use their commercially reasonable efforts to keep the Exchange Offer Registration Statement continuously effective, supplemented and amended as required by the provisions of Section 7(c) hereof to the extent necessary to ensure that it is available for resales of New Securities acquired by Broker-Dealers for their own accounts as a result of market-making activities or other trading activities, and to ensure that it conforms with the requirements of this Agreement, the Securities Act and the policies, rules and regulations of the Commission as announced from time to time, for a period ending on the earlier of (i) 180 days from the date on which the Exchange Offer Registration Statement becomes or is declared effective and (ii) the date on which a Broker-Dealer is no longer required to deliver a prospectus in connection with market-making or other trading activities.

The Company and the Guarantors shall provide sufficient copies of the latest version of such Prospectus to Broker-Dealers promptly upon request at any time during such 180-day (or shorter as provided in the foregoing paragraph) period in order to facilitate such resales.

SECTION 4. *Shelf Registration.*

(a) *Shelf Registration.* If (i) the Company and the Guarantors are not required to file an Exchange Offer Registration Statement or to consummate the Exchange Offer because the Exchange Offer is not permitted by applicable law or Commission policy (after the procedures set forth in Section 7(a)(i) hereof have been complied with), (ii) for any reason the Exchange Offer is not Consummated within 330 days after the Issue Date (or if such 330th day is not a Business Day, the next succeeding Business Day), or (iii) with respect to any Holder of Registrable Securities (A) such Holder is prohibited by applicable law or Commission policy from participating in the Exchange Offer, (B) such Holder may not resell the Exchange Securities acquired by it in the Exchange Offer to the public without delivering a prospectus and the Prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales by such Holder or (C) such Holder is a Broker-Dealer and holds New Securities acquired directly from the Company or one of its affiliates, then, upon such Holder’s request, the Company shall:

(x) cause to be filed a shelf registration statement pursuant to Rule 415 under the Securities Act, which may be an amendment to the Exchange Offer Registration Statement (in either event, the “Shelf Registration Statement”), as soon as practicable, but in no event later than the earliest to occur of (1) the 60th day after the date on which the Company determines that it is not required to file the Exchange Offer Registration Statement, (2) the 60th day after the date on which the Company receives notice from a Holder of Registrable Securities as contemplated by clause (iii) above and (3) the 330th day after the Issue Date (or if such 330th day is not a Business Day, the next succeeding Business Day) (such earliest date being the “Shelf Filing Deadline”), which Shelf Registration Statement shall provide for resales of all Registrable Securities the Holders of which shall have provided the information required pursuant to Section 4(b) hereof; and

(y) use its commercially reasonable efforts to cause such Shelf Registration Statement to become or be declared effective by the Commission at the earliest possible time, but in no event later than the 120th day after the Shelf Filing Deadline (or if such 120th day is not a Business Day, the next succeeding Business Day).

The Company and the Guarantors shall use their commercially reasonable efforts to keep such Shelf Registration Statement continuously effective, supplemented and amended as required by the provisions of Sections 7(b) and (c) hereof to the extent necessary to ensure that it is available for resales of Registrable Securities entitled to the benefit of this Section 4(a), and to ensure that it conforms with the requirements of this Agreement, the Securities Act and the policies, rules and regulations of the Commission as announced from time to time, for a period of at least one year following the effective date of such Shelf Registration Statement (or shorter period that will terminate when all the Securities covered by such Shelf Registration Statement have been sold pursuant to such Shelf Registration Statement or are otherwise no longer Registrable Securities).

Notwithstanding the foregoing, the Company may suspend the offering and sale under the Shelf Registration Statement (the “*Suspension Period*”) for a period or periods if (i) the board of directors reasonably determines that the continued use of such Shelf Registration Statement would (A) require the Company to make a public disclosure of material non-public information, which disclosure in the good faith judgment of the board of directors of the Company (1) would be required to be made in such Shelf Registration Statement so that such Shelf Registration Statement would not be materially misleading and (2) would not be required to be made at such time but for the continued use of such Shelf Registration Statement or (B) would in the good faith and judgment of the board of directors of the Company be expected to have a material adverse effect on the Company or its business or on the Company’s ability to effect a planned or proposed acquisition, disposition, financing, reorganization, recapitalization or similar transaction and (ii) the Company notifies the underwriters, if any, and the Holders of Registrable Securities within five days after the board of directors makes the relevant determination set forth in clause (i); *provided* that the period or periods of suspension under clause (i) above shall not exceed, in the aggregate, 60 days in any twelve-month period during which the Shelf Registration Statement is required to be effective.

(b) *Provision by Holders of Certain Information in Connection with the Shelf Registration Statement.* No Holder of Registrable Securities may include any of its Registrable Securities in any Shelf Registration Statement pursuant to this Agreement unless and until such Holder furnishes to the Company in writing, within 10 Business Days after receipt of a request therefor, such information as the Company may reasonably request for use in connection with any Shelf Registration Statement or Prospectus or preliminary Prospectus included therein or amendment or supplement thereto. Each Holder as to which any Shelf Registration Statement is being effected agrees to furnish promptly to the Company all information required to be disclosed in order to make the information previously furnished to the Company by such Holder not materially misleading.

SECTION 5. *Additional Interest.* If (i) unless the Exchange Offer shall not be permissible under applicable law or Commission policy, the Exchange Offer Registration Statement has not become or been declared effective by the Commission on or prior to the 270th day after the Issue Date (or if such 270th day is not a Business Day, the next succeeding Business Day), (ii) in the event the Company is required to file a Shelf Registration Statement pursuant to Section 4(a) hereof, (A) the Shelf Registration Statement is not filed by the Shelf Filing Deadline or (B) the Shelf Registration Statement has not become or been declared effective by the Commission on or prior to the 120th day after the Shelf Filing Deadline (or if such 120th day is not a Business Day, the next succeeding Business Day), (iii) unless the Exchange Offer shall not be permissible under applicable law or Commission policy, the Exchange Offer has not been Consummated within 330 days after the Issue Date or (iv) any Registration Statement required by

this Agreement is filed and declared effective but shall thereafter cease to be effective or fail to be usable for its intended purpose without being immediately succeeded by a post-effective amendment to such Registration Statement that cures such failure and that is itself immediately declared effective (each such event referred to in clauses (i) through (iv), a "Registration Default"), the Company and the Guarantors hereby agree that the interest rate borne by the Registrable Securities shall be increased by 0.25% per annum during the 90-day period immediately following the occurrence of any Registration Default and shall increase by 0.25% per annum at the end of each subsequent 90-day period (such increases, "Additional Interest"), but in no event shall such increase exceed 1.00% per annum. Any amounts of Additional Interest due pursuant to this Section 5 will be paid in cash on the relevant Interest Payment Date to Holders of record on the relevant regular record dates. Following the cure of all Registration Defaults relating to any particular Registrable Securities, the interest rate borne by the relevant Registrable Securities will be reduced to the original interest rate borne by such Registrable Securities; *provided, however*, that, if after any such reduction in interest rate, a different Registration Default occurs, the interest rate borne by the relevant Registrable Securities shall again be increased pursuant to the foregoing provisions.

All obligations of the Company and the Guarantors set forth in the preceding paragraph that are outstanding with respect to any Registrable Security at the time such security ceases to be a Registrable Security shall survive until such time as all such obligations with respect to such security shall have been satisfied in full.

Notwithstanding the foregoing, (i) the amount of Additional Interest payable shall not increase because more than one Registration Default has occurred and is pending at any given time and (ii) a Holder of Registrable Securities that has not provided the information required pursuant to Section 4(b) hereof within the time period set forth therein shall not be entitled to Additional Interest with respect to a Registration Default that pertains to the relevant Shelf Registration Statement.

SECTION 6. Reserved.

SECTION 7. *Registration Procedures.*

(a) *Exchange Offer Registration Statement.* In connection with the Exchange Offer, the Company and the Guarantors shall comply with all of the applicable provisions of Section 7(c) hereof, shall use their commercially reasonable efforts to effect such exchange to permit the sale of Registrable Securities being sold in accordance with the intended method or methods of distribution thereof, and shall comply with all of the following provisions:

(i) If in the reasonable opinion of counsel to the Company there is a question as to whether the Exchange Offer is permitted by applicable law, the Company and the Guarantors hereby agree to seek a no-action letter or other favorable decision from the Commission allowing the Company and the Guarantors to consummate an Exchange Offer for such New Securities. The Company and the Guarantors hereby agree to pursue the issuance of such a decision to the Commission staff level but shall not be required to take commercially unreasonable action to effect a change of Commission policy. The Company and the Guarantors hereby agree, however, to (A) participate in telephonic conferences with the Commission, (B) deliver to the Commission staff an analysis prepared by counsel to the Company setting forth the legal bases, if any, upon which such counsel has concluded that such an Exchange Offer should be permitted and (C) diligently pursue a favorable resolution by the Commission staff of such submission.

(ii) As a condition to its participation in the Exchange Offer pursuant to the terms of this Agreement, each Holder of Registrable Securities shall furnish, upon the request of the Company, prior to the consummation thereof, a written representation to the Company (which may be

contained in the letter of transmittal contemplated by the Exchange Offer Registration Statement) to the effect that (A) it is not an affiliate of the Company, (B) it is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any Person to participate in, a distribution of the Exchange Securities to be issued in the Exchange Offer, (C) it is acquiring the Exchange Securities in its ordinary course of business, (D) if it is a Broker-Dealer that holds Securities that were acquired for its own account as a result of market-making activities or other trading activities (other than Securities acquired directly from the Company or any of its affiliates), it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of the Exchange Securities received by it in the Exchange Offer, and (E) if it is a Broker-Dealer, that it did not purchase the Securities to be exchanged in the Exchange Offer from the Company or any of its affiliates. In addition, all such Holders of Registrable Securities shall otherwise cooperate in the Company's preparations for the Exchange Offer. Each Holder hereby acknowledges and agrees that any Broker-Dealer and any such Holder using the Exchange Offer to participate in a distribution of the securities to be acquired in the Exchange Offer (1) could not under Commission policy as in effect on the date of this Agreement rely on the position of the Commission enunciated in Morgan Stanley and Co., Inc. (available June 5, 1991) and Exxon Capital Holdings Corporation (available May 13, 1988), as interpreted in the Commission's letter to Shearman & Sterling dated July 2, 1993, and similar no-action letters (which may include any no-action letter obtained pursuant to clause (i) above), and (2) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction and that such a secondary resale transaction should be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K if the resales are of Exchange Securities obtained by such Holder in exchange for New Securities acquired by such Holder directly from the Company.

(b) *Shelf Registration Statement.* In connection with the Shelf Registration Statement, the Company and the Guarantors shall comply with all the provisions of Section 7(c) hereof and shall use their commercially reasonable efforts to effect such registration to permit the sale of the Registrable Securities being sold in accordance with the intended method or methods of distribution thereof, and pursuant thereto the Company will as expeditiously as is commercially reasonable prepare and file with the Commission a Shelf Registration Statement relating to the registration on any appropriate form under the Securities Act, which form shall be available for the sale of the Registrable Securities in accordance with the intended method or methods of distribution thereof.

(c) *General Provisions.* In connection with any Registration Statement and any Prospectus required by this Agreement to permit the sale or resale of Registrable Securities (including, without limitation, any Registration Statement and the related Prospectus required to permit resales of New Securities by Broker-Dealers), the Company and the Guarantors shall:

(i) use their commercially reasonable efforts to keep such Registration Statement continuously effective during the period required by this Agreement and provide all requisite financial statements;

(ii) upon the occurrence of any event that would cause any such Registration Statement or the Prospectus contained therein (A) to contain a material misstatement or omission or (B) not to be effective and usable for resale of Registrable Securities during the period required by this Agreement, the Company shall file promptly an appropriate amendment to such Registration Statement, in the case of clause (A), correcting any such misstatement or omission, and, in the case of either clause (A) or (B), use their commercially reasonable efforts to cause such amendment to become or be declared effective and such Registration Statement and the related Prospectus to become usable for their intended purpose(s) as soon as practicable thereafter;

(iii) prepare and file with the Commission such amendments and post-effective amendments to the applicable Registration Statement as may be necessary to keep the Registration Statement effective for the applicable period set forth in Section 3 or 4 hereof, as applicable, or such shorter period as will terminate when all Registrable Securities covered by such Registration Statement have been sold; cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Securities Act, and to comply fully with the applicable provisions of Rules 424 and 430A under the Securities Act in a timely manner; and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(iv) advise the underwriter(s), if any, and selling Holders promptly and, if requested by such Persons, to confirm such advice in writing, (A) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to any Registration Statement or any post-effective amendment thereto, when the same has become or been declared effective, (B) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (C) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, (D) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto, or any document incorporated by reference therein untrue, or that requires the making of any additions to or changes in the Registration Statement or the Prospectus in order to make the statements therein not misleading. If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement, or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Registrable Securities under state securities or blue sky laws, the Company shall use its commercially reasonable efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(v) furnish without charge to the Initial Purchaser, each selling Holder named in any Registration Statement that has requested such copies, if any, and each of the underwriter(s), if any, before filing with the Commission, copies of any Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (other than any documents that will be incorporated by reference in such Registration Statement or Prospectus), which documents will be subject to the review and comment of such requesting Holders and underwriter(s) in connection with such sale, if any, for a period of at least five Business Days, and the Company and the Guarantors will not file any such Registration Statement or Prospectus or any amendment or supplement to any such Registration Statement or Prospectus to which the Initial Purchaser of Registrable Securities covered by such Registration Statement or the underwriter(s), if any, shall reasonably object in writing within five Business Days after the receipt thereof (such objection to be deemed timely made upon confirmation of facsimile transmission within such period). The objection of the Initial Purchaser or underwriter, if any, shall be deemed to be reasonable if such Registration Statement, amendment, Prospectus or supplement, as applicable, as proposed to be filed, contains a material misstatement or omission;

(vi) make the Company's representatives reasonably available to the Initial Purchaser for customary due diligence matters;

(vii) make available at reasonable times for inspection by the Initial Purchaser, any Holder, the managing underwriter(s), if any, participating in any disposition pursuant to such Registration Statement and any attorney or accountant retained by the Initial Purchaser, Holder or any of the underwriter(s), in each case subject to confidentiality agreements in form and substance customarily entered into by the Initial Purchaser or underwriters, all financial and other records, pertinent corporate documents and properties of the Company and cause the Company's officers, directors and employees to supply all information reasonably requested by any such Holder, underwriter, attorney or accountant in connection with such Registration Statement or any post-effective amendment thereto subsequent to the filing thereof and prior to its effectiveness and to participate in meetings with investors to the extent reasonably requested by the managing underwriter(s), if any;

(viii) if requested by any selling Holders listed as selling securityholders in any Registration Statement or the underwriter(s), if any, promptly incorporate in any Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such selling Holders and underwriter(s), if any, may reasonably request to have included therein, including, without limitation, information relating to the "Plan of Distribution" of the Registrable Securities, information with respect to the principal amount of Registrable Securities being sold to such underwriter(s), the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering; and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Company is notified of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(ix) cause the Registrable Securities covered by the Registration Statement to be rated with the appropriate rating agencies, if so requested by the Holders of a majority in aggregate principal amount of Registrable Securities covered thereby or the underwriter(s), if any;

(x) furnish to the Initial Purchaser, each selling Holder and each of the underwriter(s), if any, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including financial statements and schedules, if requested, all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference), unless, in each case, publicly available;

(xi) deliver to each selling Holder and each of the underwriter(s), if any, without charge, as many copies of the Prospectus (including each preliminary prospectus) and any amendment or supplement thereto as such Persons reasonably may request; the Company and the Guarantors hereby consent to the use of the Prospectus and any amendment or supplement thereto by each of the selling Holders and each of the underwriter(s), if any, in connection with the offering and the sale of the Registrable Securities covered by the Prospectus or any amendment or supplement thereto;

(xii) in connection with an underwritten offering pursuant to a Shelf Registration Statement, enter into such agreements (including an underwriting agreement), and make such representations and warranties, and take all such other commercially reasonable actions in connection therewith in order to expedite or facilitate the disposition of the Registrable Securities. In furtherance of the foregoing, the Company and the Guarantors shall:

(A) furnish to the Initial Purchaser, each selling Holder and each underwriter in such substance and scope as they may reasonably request and as are customarily made

by issuers to underwriters in primary underwritten offerings, upon the date of the effectiveness of the Shelf Registration Statement:

(1) a certificate, dated the effectiveness of the Shelf Registration Statement, signed by (y) the Chief Executive Officer, the President or any Vice President and (z) a principal financial or accounting officer of the Company, confirming customary matters;

(2) if requested by a majority of selling Holders, an opinion, dated the date of effectiveness of the Shelf Registration Statement, of counsel for the Company, covering the matters customarily covered in opinions requested in underwritten offerings;

(3) a customary comfort letter, dated the date of effectiveness of the Shelf Registration Statement, from the Company's independent accountants, in the customary form and covering matters of the type customarily requested to be covered in comfort letters by underwriters in connection with primary underwritten offerings;

(B) set forth in full or incorporate by reference in the underwriting agreement, if any, the indemnification provisions and procedures of Section 9 hereof with respect to all parties to be indemnified pursuant to said Section; and

(C) deliver such other documents and certificates as may be reasonably requested by such parties to evidence compliance with Section 7(c)(xii)(A) hereof and with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company pursuant to this Section 7(c)(xii), if any.

If at any time the representations and warranties of the Company and the Guarantors contemplated in Section 7(c)(xii)(A)(1) hereof cease to be true and correct, the Company and the Guarantors shall so advise the Initial Purchaser and the underwriter(s), if any, and each selling Holder promptly and, if requested by such Persons, shall confirm such advice in writing;

(xiii) prior to any public offering of Registrable Securities, cooperate with the selling Holders, the underwriter(s), if any, and their respective counsel in connection with the registration and qualification of the Registrable Securities under the state securities or blue sky laws of such jurisdictions as the selling Holders or underwriter(s), if any, may request and do any and all other acts or things necessary or advisable to enable the disposition in such jurisdictions of the Registrable Securities covered by the Shelf Registration Statement; *provided, however*, that the Company and the Guarantors shall not be required to register or qualify as a foreign corporation where it is not then so qualified or to take any action that would subject it to the service of process in suits or to taxation, other than as to matters and transactions relating to the Registration Statement, in any jurisdiction where it is not then so subject;

(xiv) in the case of a Shelf Registration Statement, shall issue, upon the request of any Holder of New Securities covered by the Shelf Registration Statement and only in connection with any valid sale of Securities by such Holder pursuant to such registration statement (and provided that such Holder delivers such certificates or opinions reasonably requested by the Company in connection with such sale), Exchange Securities having an aggregate principal amount equal to the aggregate principal amount of New Securities surrendered to the Company by such Holder in exchange therefor or being sold by such Holder; such Exchange Securities to be regis-

tered in the name of such Holder or in the name of the purchaser(s) of such Exchange Securities, as the case may be; in return, the New Securities held by such Holder shall be surrendered to the Company for cancellation;

(xv) in the case of a Shelf Registration Statement, and subject to the forms of the Indenture, cooperate with the selling Holders and the underwriter(s), if any, to facilitate the timely preparation and delivery of certificates or book-entry receipts, as applicable, representing Registrable Securities to be sold and not bearing any restrictive legends; and enable such Registrable Securities or such book-entry receipts, as applicable, to be in such denominations and registered in such names as the Holders or the underwriter(s), if any, may request at least two Business Days prior to any sale of Registrable Securities made by such Holders or underwriter(s);

(xvi) use their commercially reasonable efforts to cause the Registrable Securities covered by the Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the seller or sellers thereof or the underwriter(s), if any, to consummate the disposition of such Registrable Securities, subject to the proviso contained in Section 7(c)(xiii) hereof;

(xvii) if any fact or event contemplated by Section 7(c)(iv)(D) hereof shall exist or have occurred, prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Registrable Securities, the Prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein not misleading;

(xviii) not later than the effective date of the Registration Statement covering such Exchange Securities, provide that the CUSIP and ISIN numbers for all Exchange Securities shall be the same unrestricted CUSIP and ISIN numbers as borne by the Existing Exchange Securities and provide the Trustee under the Indenture with printed certificates for such Exchange Securities which are in a form eligible for deposit with the Depository Trust Company and take all other action necessary to ensure that all such Exchange Securities are eligible for deposit with the Depository Trust Company;

(xix) cooperate and assist in any filings required to be made with the FINRA and in the performance of any due diligence investigation by any underwriter (including any "qualified independent underwriter") that is required to be retained in accordance with the rules and regulations of the FINRA;

(xx) otherwise use their commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as practicable, a consolidated earnings statement meeting the requirements of Rule 158 under the Securities Act (which need not be audited) for the twelve-month period (A) commencing at the end of any fiscal quarter in which Registrable Securities are sold to underwriters in a firm commitment or commercially reasonable efforts Underwritten Offering or (B) if not sold to underwriters in such an offering, beginning with the first month of the Company's first fiscal quarter commencing after the effective date of the Registration Statement; and

(xxi) cause the Indenture to continue to be qualified under the Trust Indenture Act as of, and not later than the effective date of the first Registration Statement required by this Agreement, and, in connection therewith, cooperate with the Trustee and the Holders of Exchange Securities to effect such changes to the Indenture as may be required for such Indenture to remain so

qualified in accordance with the terms of the Trust Indenture Act; and to execute and use their commercially reasonable efforts to cause the Trustee to execute, all documents that may be required to effect such changes and all other forms and documents required to be filed with the Commission to enable such Indenture to be so qualified in a timely manner.

Each Holder agrees by acquisition of a Registrable Security that, upon receipt of any notice from the Company of the existence of any fact of the kind described in Section 7(c)(iv)(D) hereof or any Suspension Period, such Holder will forthwith discontinue disposition of Registrable Securities pursuant to the applicable Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 7(c)(xvii) hereof, or until it is advised in writing (the "Advice") by the Company that the use of the Prospectus may be resumed, and has received copies of any additional or supplemental filings that are incorporated by reference in the Prospectus. If so directed by the Company, each Holder will deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Registrable Securities that was current at the time of receipt of such notice. In the event the Company shall give any such notice, the time period regarding the effectiveness of such Registration Statement set forth in Section 3 or 4 hereof, as applicable, shall be extended by the number of days during the period from and including the date of the giving of such notice pursuant to Section 7(c)(iv)(D) hereof or notice of any Suspension Period to and including the date when each selling Holder covered by such Registration Statement shall have received the copies of the supplemented or amended Prospectus contemplated by Section 7(c)(xvii) hereof or shall have received the Advice; *provided, however*, that no such extension shall be taken into account in determining whether Additional Interest is due pursuant to Section 5 hereof or the amount of such Additional Interest, it being agreed that the Company's option to suspend use of a Registration Statement pursuant to this paragraph shall be treated as a Registration Default for purposes of Section 5 hereof.

SECTION 8. *Registration Expenses.*

(a) All expenses incident to the Company's and the Guarantors' performance of or compliance with this Agreement will be borne by the Company and the Guarantors regardless of whether a Registration Statement becomes or is declared effective, including, without limitation: (i) all registration and filing fees and expenses (including filings made by the Initial Purchaser or Holder with the FINRA (and, if applicable, the fees and expenses of any "qualified independent underwriter" and its counsel that may be required by the rules and regulations of the FINRA)); (ii) all fees and expenses of compliance with federal securities and state securities or blue sky laws; (iii) all expenses of printing (including printing certificates for the Exchange Securities to be issued in the Exchange Offer and printing of Prospectuses), messenger and delivery services and telephone; (iv) all fees and disbursements of counsel for the Company and, subject to Section 8(b) hereof, the Holders of Registrable Securities; (v) application and filing fees in connection with listing the Securities on a securities exchange or automated quotation system pursuant to the requirements thereof; and (vi) all fees and disbursements of independent certified public accountants of the Company (including the expenses of any special audit and comfort letters required by or incident to such performance).

The Company will, in any event, bear its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expenses of any annual audit and the fees and expenses of any Person, including special experts, retained by the Company.

(b) In connection with any Shelf Registration Statement required by this Agreement, the Company and the Guarantors will reimburse the Initial Purchaser and the Holders of Registrable Securities being registered pursuant to the Shelf Registration Statement for the reasonable fees and disburse-

ments of not more than one counsel, who shall be Cahill Gordon & Reindel LLP or such other counsel as may be chosen by the Holders of a majority in principal amount of the Registrable Securities for whose benefit such Registration Statement is being prepared.

SECTION 9. *Indemnification.*

(a) The Company and the Guarantors agree to indemnify and hold harmless (i) each Holder and (ii) each Person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) any Holder (any of the Persons referred to in this clause (ii) being hereinafter referred to as a "controlling person") and (iii) the respective officers, directors, partners, employees, representatives and agents of any Holder or any controlling person (any Person referred to in clause (i), (ii) or (iii) may hereinafter be referred to as an "Indemnified Holder"), to the fullest extent lawful, from and against any and all losses, claims, damages, liabilities, judgments, actions and expenses (including, without limitation, and as incurred, reimbursement of all reasonable costs of investigating, preparing, pursuing, settling, compromising, paying or defending any claim or action, or any investigation or proceeding by any governmental agency or body, commenced or threatened, including the reasonable and documented fees and expenses of counsel to any Indemnified Holder), joint or several, directly or indirectly caused by, related to, based upon, arising out of or in connection with any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement or Prospectus (or any amendment or supplement thereto), or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, in the light of the circumstances under which they were made), not misleading, except insofar as such losses, claims, damages, liabilities or expenses are caused by an untrue statement or omission or alleged untrue statement or omission that is made in reliance upon and in conformity with information relating to any of the Holders furnished in writing to the Company by or on behalf of any of the Holders expressly for use therein. This indemnity agreement shall be in addition to any liability which the Company or any Guarantor may otherwise have.

In case any action or proceeding (including any governmental or regulatory investigation or proceeding) shall be brought or asserted against any of the Indemnified Holders with respect to which indemnity may be sought against the Company or any Guarantor, such Indemnified Holder (or the Indemnified Holder controlled by such controlling person) shall promptly notify the Company in writing; *provided, however*, that the failure to give such notice shall not relieve any of the Company or any Guarantor of its obligations pursuant to this Agreement unless and to the extent the Company or any such Guarantor did not otherwise learn of such action and such failure results in the forfeiture by the Company or any Guarantor of substantial rights and defenses. Such Indemnified Holder shall have the right to employ its own counsel in any such action and the reasonable and documented fees and expenses of such counsel shall be paid, as incurred, by the Company or any Guarantor (regardless of whether it is ultimately determined that an Indemnified Holder is not entitled to indemnification hereunder). The Company or any Guarantor shall not, in connection with any one such action or proceeding or separate but substantially similar or related actions or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable and documented fees and expenses of more than one separate firm of attorneys (in addition to one local counsel for all indemnified parties taken as a whole in each jurisdiction reasonably required and, in the event of an actual conflict, one additional counsel in each relevant jurisdiction for the affected indemnified parties similarly situated taken as a whole) at any time for such Indemnified Holders, which firm shall be designated by the Holders. The Company or any Guarantor shall be liable for any settlement of any such action or proceeding effected with the Company's prior written consent, which consent shall not be unreasonably withheld or delayed, and the Company or any Guarantor agree to indemnify and hold harmless any Indemnified Holder from and against any loss, claim, damage, liability or expense by reason of any settlement of any action effected with the written consent of the Company. The Company or any Guarantor shall not, without the prior written consent of

each Indemnified Holder, settle or compromise or consent to the entry of judgment in or otherwise seek to terminate any pending or threatened action, claim, litigation or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not any Indemnified Holder is a party thereto), unless such settlement, compromise, consent or termination (i) includes a complete and unconditional release of each Indemnified Holder from all liability arising out of such action, claim, litigation or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any Indemnified Holder.

(b) Each Holder of Registrable Securities agrees, severally and not jointly, to indemnify and hold harmless the Company, the Guarantors, and its directors and officers who sign a Registration Statement, and any Person controlling (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Company, the Guarantors, and the officers, directors, partners, employees, representatives and agents of each such Person, to the same extent as the foregoing indemnity from the Company and the Guarantors to each of the Indemnified Holders, but only with respect to claims and actions based on information relating to such Holder furnished in writing by or on behalf of such Holder expressly for use in any Registration Statement. In case any action or proceeding shall be brought against the Company, the Guarantors, or its directors or officers or any such controlling person in respect of which indemnity may be sought against a Holder of Registrable Securities, such Holder shall have the rights and duties given to the Company, and the Company and the Guarantors, their respective directors and officers and such controlling person shall have the rights and duties given to each Holder by the preceding paragraph. This indemnity agreement shall be in addition to any liability which Holders may otherwise have.

(c) Reserved.

(d) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under Section 9(a) or (b) hereof (other than by reason of exceptions provided in those Sections) in respect of any losses, claims, damages, liabilities, judgments, actions or expenses referred to therein, then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities, judgments, actions or expenses in such proportion as is appropriate to reflect the relative benefits received by the Company and the Guarantors, on the one hand, and the Holders, on the other hand, from the Initial Placement (which in the case of the Company shall be deemed to be equal to the total gross proceeds to the Company and the Guarantors from the Initial Placement), the amount of Additional Interest which did not become payable as a result of the filing of the Registration Statement resulting in such losses, claims, damages, liabilities, judgments, actions or expenses, and such Registration Statement, or if such allocation is not permitted by applicable law, the relative fault of the Company and the Guarantors, on the one hand, and the Holders, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative fault of the Company or the Guarantors, on the one hand, and of the Indemnified Holder, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and the Guarantors, on the one hand, or the Indemnified Holders, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include, subject to the limitations set forth in the second paragraph of Section 9(a) hereof, any legal or other fees or expenses reasonably incurred by such party in connection with investigating or defending any action or claim.

The Company, the Guarantors, and each Holder of Registrable Securities agree that it would not be just and equitable if contribution pursuant to this Section 9(d) were determined by pro rata allocation

(even if the Holders were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities or expenses referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 9, none of the Holders (and its related Indemnified Holders) shall be required to contribute, in the aggregate, any amount in excess of the amount by which the total discount received by such Holder with respect to the New Securities exceeds the amount of any damages which such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Holders' obligations to contribute pursuant to this Section 9(d) are several in proportion to the respective principal amount of New Securities held by each of the Holders hereunder and not joint.

SECTION 10. *Rule 144A.* The Company and the Guarantors hereby agree with each Holder, for so long as any Registrable Securities remain outstanding, to make available to any Holder or beneficial owner of Registrable Securities in connection with any sale thereof and any prospective purchaser of such Registrable Securities from such Holder or beneficial owner, the information required by Rule 144A(d)(4) under the Securities Act in order to permit resales of such Registrable Securities pursuant to Rule 144A under the Securities Act, unless the Company is then subject to Section 13 or 15(d) of the Exchange Act.

SECTION 11. *Participation in Underwritten Registrations.* No Holder may participate in any Underwritten Registration hereunder unless such Holder (a) agrees to sell such Holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all reasonable questionnaires, powers of attorney, indemnities, underwriting agreements, lock-up letters and other documents required under the terms of such underwriting arrangements.

SECTION 12. *Selection of Underwriters.* If requested by the Holders of a majority in aggregate principal amount of the Registrable Securities covered by the Shelf Registration Statement, the Holders of Registrable Securities covered by the Shelf Registration Statement who desire to do so may sell such Registrable Securities in an Underwritten Offering. In such Underwritten Offering, the investment banker(s) and managing underwriter(s) that will administer such offering will be selected by the Holders of a majority in aggregate principal amount of the Registrable Securities included in such offering; *provided, however,* that such investment banker(s) and managing underwriter(s) must be reasonably satisfactory to the Company.

SECTION 13. *Miscellaneous.*

(a) *Remedies.* The Company and the Guarantors hereby agree that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Agreement and hereby agree to waive the defense in any action for specific performance that a remedy at law would be adequate.

(b) *No Inconsistent Agreements.* The Company and the Guarantors will not on or after the date of this Agreement enter into any agreement with respect to its securities that is inconsistent with the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the

rights granted to the holders of the Company's and the Guarantors' securities under any agreement in effect on the date hereof.

(c) *Adjustments Affecting the Securities.* The Company and the Guarantors will not take any action, or permit any change to occur, with respect to the Registrable Securities that would materially and adversely affect the ability of the Holders to Consummate any Exchange Offer.

(d) *Amendments and Waivers.* The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to or departures from the provisions hereof may not be given unless the Company and the Guarantors have (i) in the case of Section 5 hereof and this Section 13(d) (i), obtained the written consent of Holders of all outstanding Registrable Securities and (ii) in the case of all other provisions hereof, obtained the written consent of Holders of a majority of the outstanding principal amount of Registrable Securities (excluding any Registrable Securities held by the Company or its Affiliates). Notwithstanding the foregoing, a waiver or consent to departure from the provisions hereof that relates exclusively to the rights of Holders whose securities are being tendered pursuant to the Exchange Offer and that does not affect directly or indirectly the rights of other Holders whose securities are not being tendered pursuant to such Exchange Offer may be given by the Holders of a majority of the outstanding principal amount of Registrable Securities being tendered or registered; *provided, however*, that, with respect to any matter that directly or indirectly affects the rights of the Initial Purchaser hereunder, the Company shall obtain the written consent of the Initial Purchaser with respect to which such amendment, qualification, supplement, waiver, consent or departure is to be effective.

(e) *Notices.* All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail (registered or certified, return receipt requested), facsimile, or air courier guaranteeing overnight delivery:

(i) if to a Holder, at the address set forth on the records of the Registrar under the Indenture, with a copy to the Registrar under the Indenture;

(ii) if to the Company:

Griffon Corporation
712 Fifth Avenue, 18th Floor
New York, NY 10019
Facsimile: (212) 957-5096
Attention: General Counsel

With a copy to:

Dechert LLP
1095 Avenue of the Americas
New York, NY 10036
Facsimile: (212) 698-3599
Attention: Martin Nussbaum

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if sent by facsimile; and on the next Business Day, if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands or other communications shall be concurrently delivered by the Person giving the same to the Trustee at the address specified in the Indenture.

(f) *Successors and Assigns.* This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, including, without limitation, and without the need for an express assignment, subsequent Holders of Registrable Securities; *provided, however,* that this Agreement shall not inure to the benefit of or be binding upon a successor or assign of a Holder unless and to the extent such successor or assign acquired Registrable Securities from such Holder.

(g) *Counterparts.* This Agreement may be executed in any number of counterparts (including by facsimile or other method of electronic transmission) and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) *Headings.* The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) *Governing Law.* THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAW RULES THEREOF.

(j) *Severability.* In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(k) *Entire Agreement.* This Agreement is intended by the parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein with respect to the registration rights granted by the Company with respect to the Registrable Securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

(l) *Third Party Beneficiaries.* Each Holder shall be a third party beneficiary to the agreements made hereunder (excluding those agreements made in Section 6 hereto) between the Company and the Guarantors, on the one hand, and the Initial Purchaser, on the other hand, and shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of other Holders hereunder.

[Signature Pages Follow]

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

GRIFFON CORPORATION

By: /s/ Thomas D. Gibbons
Name: Thomas D. Gibbons
Title: Vice President and Treasurer

CLOPAY BUILDING PRODUCTS COMPANY, INC.

By: /s/ Thomas D. Gibbons
Name: Thomas D. Gibbons
Title: Vice President and Treasurer

CLOPAY PLASTIC PRODUCTS COMPANY, INC.

By: /s/ Thomas D. Gibbons
Name: Thomas D. Gibbons
Title: Vice President and Treasurer

TELEPHONICS CORPORATION

By: /s/ Seth L. Kaplan
Name: Seth L. Kaplan
Title: Executive Vice President and Assistant Secretary

THE AMES COMPANIES, INC.

By: /s/ Thomas D. Gibbons
Name: Thomas D. Gibbons
Title: Treasurer

[Signature Page to Registration Rights Agreement]

ATT SOUTHERN, INC.

By: /s/ Thomas D. Gibbons
Name: Thomas D. Gibbons
Title: Vice President and Treasurer

CLOPAY AMES TRUE TEMPER HOLDING CORP.

By: /s/ Thomas D. Gibbons
Name: Thomas D. Gibbons
Title: Vice President and Treasurer

[Signature Page to Registration Rights Agreement]

The foregoing Registration Rights Agreement is hereby confirmed and accepted as of the date first above written:

DEUTSCHE BANK SECURITIES INC., as the Initial Purchaser

By: /s/ Christopher Blum
Name: Christopher Blum
Title: Managing Director

By: /s/ Robert D. Miller
Name: Robert D. Miller
Title: Managing Director

[Signature Page to Registration Rights Agreement]

Guarantors

<u>Name</u>	<u>Jurisdiction of Incorporation</u>
ATT Southern, Inc.	Delaware
Clopay Ames True Temper Holding Corp.	Delaware
Clopay Building Products Company, Inc.	Delaware
Clopay Plastics Products Company, Inc.	Delaware
Telephonics Corporation	Delaware
The AMES Companies, Inc.	Delaware



FOR IMMEDIATE RELEASE

Griffon Corporation Announces Closing of \$125 Million Add-On Offering of Senior Notes

NEW YORK, NEW YORK – May 18, 2016 – Griffon Corporation (NYSE: GFF) (“Griffon”) today announced the closing of its previously announced add-on offering of \$125 million aggregate principal amount of 5.25% senior notes due 2022 (the “New Notes”) in an unregistered offering through a private placement. The New Notes were issued under the same indenture (the “Indenture”) pursuant to which Griffon previously issued \$600,000,000 in aggregate principal amount of its 5.25% Senior Notes due 2022 (the “Existing Notes”). The New Notes offered by Griffon have identical terms to the Existing Notes, other than the issue date, the issue price and the first interest payment date. The New Notes will be treated as a single class of notes with the Existing Notes for all purposes under the Indenture but will not be fungible with or have the same CUSIP and ISIN numbers as the Existing Notes unless and until such time as the New Notes are exchanged for additional Existing Notes pursuant to the terms of a registration rights agreement.

The New Notes are senior unsecured obligations of Griffon and are guaranteed by certain of its domestic subsidiaries. The New Notes and related guarantees were offered in a private placement solely to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or outside the United States to persons other than “U.S. persons” in compliance with Regulation S under the Securities Act. The New Notes and related guarantees have not been registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements thereunder.

Griffon intends to use the proceeds of the offering (i) to repay a portion of its outstanding borrowings under its revolving credit facility and (ii) for the payment of related fees and expenses. Subsequently Griffon may re-borrow amounts repaid under its revolving credit facility for general corporate purposes, including to fund acquisitions and for share repurchases.

Forward-Looking Statements

This communication contains forward-looking statements that may state Griffon’s or its management’s intentions, beliefs, expectations or predictions for the future. Such forward-looking statements are subject to certain risks, uncertainties and assumptions, and typically can be identified by the use of words such as “intend,” “will,” “expect,” “estimate,” “anticipate,” “forecast,” “plan,” “believe” and similar terms. Although Griffon believes that its expectations are reasonable, it can give no assurance that these expectations will prove to have been correct.

and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated above include, among others, risks and uncertainties related to the capital markets generally, the anticipated use of proceeds of the offering of the New Notes, and other factors detailed in filings made by Griffon with the Securities and Exchange Commission. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Griffon does not undertake to update any of these statements in light of new information or future events.

Company Contact:

Brian G. Harris
SVP & Chief Financial Officer
Griffon Corporation
(212) 957-5000

Investor Relations Contact:

Michael Callahan
Senior Vice President
ICR Inc.
(203) 682-8311
