

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM391830

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Release of Security Interest previously recorded at Reel/Frame 3846/0075

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Wells Fargo Capital Finance, LLC	FORMERLY Wachovia Capital Finance Corporation (as successor by merger)	08/19/2014	Corporation: DELAWARE

RECEIVING PARTY DATA

Name:	Bob's Stores, LLC (f/k/a Bob's Stores Corp.)
Street Address:	160 Corporate Court
City:	Meriden
State/Country:	CONNECTICUT
Postal Code:	06450
Entity Type:	Limited Liability Company: NEW HAMPSHIRE

PROPERTY NUMBERS Total: 25

Property Type	Number	Word Mark
Registration Number:	2851708	BCC
Registration Number:	1874733	BCC BLUES
Registration Number:	2802622	BCC KHAKIS
Registration Number:	2867463	BCC SPORT
Registration Number:	2775949	BCC SPORT
Registration Number:	2829225	BCC UNDERGROUND
Registration Number:	2889800	BCC WORKWEAR
Registration Number:	3021017	BEST OF BOB'S
Registration Number:	2949015	BOB'S CLOTHING COMPANY
Registration Number:	1938916	BOB'S CLOTHING COMPANY EST. 1954
Registration Number:	3319907	BOB'S STORES
Registration Number:	1531396	BOB'S STORES
Registration Number:	2875473	BOB'S SURPLUS
Registration Number:	3350422	
Registration Number:	3393379	
Registration Number:	3321368	
Registration Number:	3327547	

OP \$640.00 2851708

Property Type	Number	Word Mark
Registration Number:	3292040	
Registration Number:	3385979	DIVISION 55
Registration Number:	3026327	I AM BOB'S
Registration Number:	2884898	PRIME ELEMENTS
Registration Number:	1761466	PRIME ELEMENTS
Registration Number:	3299671	ROSIE GLOW
Registration Number:	2305345	RUGGED TRAILS
Serial Number:	78608624	SAFETY ZONE

CORRESPONDENCE DATA

Fax Number: 2122919868

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.

Phone: (212) 558-4229

Email: demarcor@sullcrom.com, nguyenb@sullcrom.com

Correspondent Name: Raffaele A. DeMarco

Address Line 1: 125 Broad Street

Address Line 4: New York, NEW YORK 10004-2498

NAME OF SUBMITTER:	Raffaele A. DeMarco
SIGNATURE:	/Raffaele A. DeMarco/
DATE SIGNED:	07/19/2016

Total Attachments: 41

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TERMINATION AGREEMENT FOR REVOLVING CREDIT FACILITY

July 18, 2016

Bob's Stores, LLC
c/o Versa Capital Fund II, L.P.
Cira Centre
2929 Arch Street
Philadelphia, Pennsylvania 19104-2808

Ladies and Gentlemen:

Bob's Stores, LLC, a New Hampshire limited liability company, as Debtor and Debtor-in-Possession ("Bob's"), Sport Chalet, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("Sport Chalet"), Sport Chalet Value Services, LLC, a Virginia limited liability company, as Debtor and Debtor-in-Possession ("Value Services"), Sport Chalet Team Sales, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("Team Sales"), EMS Operating Company, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("EMS OpCo" and, together with Bob's, Sport Chalet, Value Services and Team Sales, each a "Post-Petition Borrower", and, collectively, "Post-Petition Borrowers"), Vestis Retail Financing, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("Parent"), Vestis Retail Group, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("Intermediate Holdco"), EMS Acquisition LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("EMS Acquisition"), Vestis IP Holdings, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("Vestis IP Holdings" and, together with Parent, Intermediate Holdco and EMS Acquisition, each a "Guarantor" and collectively "Guarantors"), commenced cases on April 18, 2016 under Chapter 11 of the Bankruptcy Code, 11 U.S.C. 101 *et seq.* (the "Bankruptcy Code"), being jointly administered as Case No. 16-10971 (the "Chapter 11 Cases"), by filing voluntary petitions for relief under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

Wells Fargo Capital Finance, LLC, in its capacity as agent pursuant to the Loan Agreement (as hereinafter defined), acting for and on behalf of the lenders party thereto (in such capacity, "Agent"), the parties to the Loan Agreement as lenders (individually, each a "Lender" and collectively, "Lenders"), Post-Petition Borrowers, SME Holding Company, LLC (f/k/a Eastern Mountain Sports LLC), a Delaware limited liability company ("SME", together with Post-Petition Borrowers, are referred to herein individually as a "Borrower" and collectively as "Borrowers") and Guarantors have entered into financing arrangements pursuant to which Lenders (or Agent on behalf of Lenders) have made loans and advances (collectively, the "Loans") and provided other financial accommodations (a) to Borrowers as set forth in the Fourth Amended and Restated Loan and Security Agreement, dated as of February 11, 2015, by and among Borrowers, Guarantors, Lenders and Agent (as amended by Amendment No. 1 to

Fourth Amended and Restated Loan and Security Agreement, dated as of November 2, 2015, Amendment No. 2 to Fourth Amended and Restated Loan and Security Agreement, dated as of January 7, 2016, Amendment No. 3 to Fourth Amended and Restated Loan and Security Agreement, dated as of January 13, 2016, Amendment No. 4 to Fourth Amended and Restated Loan and Security Agreement, dated as of February 9, 2016, Amendment No. 5 to Amended and Restated Loan and Security Agreement dated as of March 15, 2016, and the Ratification Agreement (as hereinafter defined), the “Loan Agreement”) and (b) to Post-Petition Borrowers as set forth in (i) the Ratification and Amendment Agreement, dated as of April 17, 2016, among Post-Petition Borrowers, Guarantors, Lenders and Agent (as the same has been amended, modified, supplemented or extended prior to the effectiveness hereof, the “Ratification Agreement”) and the other agreements, documents and instruments referred to therein or executed or delivered in connection therewith or related thereto (all of the foregoing, including the Loan Agreement, being collectively referred to herein as the “Financing Agreements”) and (ii) the Final Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, and 507 and Fed. R. Bankr. P. 2002, 4001 and 9014 (I) Authorizing Debtors and Debtors-in-Possession to Obtain Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Super-Priority Claims, (IV) Granting Adequate Protection to Prepetition Secured Lenders, (V) Modifying the Automatic Stay; and (VI) Granting Related Relief (as amended, modified or supplemented by order of the Bankruptcy Court, the “Permanent Financing Order”). Capitalized terms used herein shall have the meanings assigned thereto in the Loan Agreement unless otherwise defined herein.

Post-Petition Borrowers and Guarantors, as sellers, and Subortis Investments II, LLC (formerly known as Vestis BSI Funding II, LLC), a Delaware limited liability company, as buyer (together with its permitted successors, designees and assigns, “Buyer”) have entered into the Amended and Restated Asset Purchase Agreement, dated as of May 31, 2016, among Post-Petition Borrowers, Guarantors and Buyer (as heretofore amended, modified and supplemented, as in effect on the date hereof, the “Purchase Agreement”) as approved by the Order (I) Authorizing the Sale of Substantially All of the Debtors’ Assets Free and Clear of All Claims, Liens, Rights, Interests and Encumbrances, (II) Approving the Asset Purchase Agreement and (III) Authorizing the Debtors to Assume and Assign Certain Executory Contracts and Unexpired Leases by the Bankruptcy Court in the Chapter 11 Cases on June 20, 2016 (the “Sale Order”) pursuant to which Buyer, or its designee, has purchased or is about to purchase substantially all of the assets and properties of Post-Petition Borrowers and Guarantors and has assumed or is about to assume certain of the liabilities and obligations of Post-Petition Borrowers and Guarantors, including all of the Obligations under the Loan Agreement and the other Financing Agreements, as set forth in the Purchase Agreement.

Buyer and EMS Acquisition (2016), LLC, a Delaware limited liability company (“EMSA”), Bob’s Acquisition, LLC, a Delaware limited liability company (“BAL” and together with EMSA, collectively, “New Borrowers” and each a “New Borrower”), Subortis Retail Financing, LLC, a Delaware limited liability company (“Parent”), Eastern Outfitters, LLC, a Delaware limited liability company (“Eastern Outfitters”), Subortis IP Holdings, LLC, a Delaware limited liability company (“SIPH”) and Bob’s/EMS Gift Card LLC, a Virginia limited liability company (“BEGC” and together with Parent, Eastern Outfitters and SIPH, collectively, “New Guarantors”, and each a “New Guarantor”) have entered into an assignment and assumption letter agreement, dated as of July 17, 2016, among Buyer, New Borrowers and New

Guarantors, as acknowledged by Post-Petition Borrowers and Guarantors (as in effect on the date hereof, the "Assignment and Assumption Agreement") pursuant to which (a) Buyer has delegated to New Borrowers Buyer's obligation to assume all obligations and liabilities of Post-Petition Borrowers and Guarantors under the Loan Agreement and the other Financing Agreements, which includes all the Continuing Obligations (as hereinafter defined), including all reimbursement obligations under any Wells Existing Letters of Credit (as hereinafter defined) and BofA Existing Letters of Credit (as hereinafter defined) and (b) New Borrowers have assumed Buyer's obligation to assume all obligations and liabilities of Post-Petition Borrowers and Guarantors under the Loan Agreement and the other Financing Agreements, which includes all the Continuing Obligations, including all reimbursement obligations under any Wells Existing Letters of Credit and BofA Existing Letters of Credit, in each case, as set forth in the Assignment and Assumption Agreement.

Borrowers and Guarantors have informed Agent that on the date hereof (a) PNC Bank, National Association ("New Agent") has provided or is about to provide a revolving credit facility to New Borrowers and New Guarantors as set forth in the Revolving Credit and Security Agreement, dated on or about the date hereof, among New Borrowers, New Guarantors, New Agent and the lenders party thereto from time to time (each individually a "New Lender" and collectively, "New Lenders"), as amended, modified or supplemented from time to time (the "New Credit Agreement") and the other agreements, documents and instruments executed or delivered in connection therewith (as amended, modified or supplemented from time to time, together with the New Credit Agreement, each individually a "New Loan Document" and collectively, the "New Loan Documents") pursuant to which a portion of the loans provided by New Lenders under the New Credit Agreement will be utilized to repay all of the Obligations in full in cash or other immediately available funds on the date hereof, other than the Continuing Obligations (as hereinafter defined), including the Wells Cash Collateralized Obligations (as hereinafter defined), and the BofA Cash Collateralized Obligations (as hereinafter defined), (b) Gordon Brothers Finance Company ("New Term Agent") has provided or is about to provide a term loan to the New Borrowers and New Guarantors as set forth in that certain Term Loan, Security and Guaranty Agreement, dated on or about the date hereof, among the New Borrowers, the New Guarantors, New Term Agent and the lenders party thereto from time to time, (c) New Borrowers are pledging to Agent, for itself and Wells Fargo Bank, National Association ("Wells Fargo") as a Secured Party, the Wells Cash Collateral (as hereinafter defined) as collateral security for the Wells Cash Collateralized Obligations (as hereinafter defined), and (d) New Borrowers are pledging to Bank of America, N.A. ("BofA"), the BofA Cash Collateral (as hereinafter defined) as collateral security for the BofA Cash Collateralized Obligations (as hereinafter defined).

Borrowers, Guarantors and New Borrowers have requested that the Loan Agreement and the other Financing Agreements be terminated, other than (a) with respect to Wells Fargo, (i) the outstanding Letter of Credit Obligations arising pursuant to the Letters of Credit issued by Wells Fargo as an Issuing Bank under the Loan Agreement for the account of Borrowers, which Letter of Credit Obligations have been assumed by New Borrowers and which Letters of Credit are set forth on Exhibit A-1 hereto (the "Wells Existing Letters of Credit") and (ii) the outstanding Obligations arising under the Bank Products provided by Wells Fargo as a Bank Product Provider consisting of credit cards, debit cards, purchase cards or stored value cards provided by Wells Fargo to any Borrower or Guarantor, which Obligations have been assumed by New

Borrowers are set forth on Exhibit A-2 hereto (the “Wells Existing Bank Products”) and (b) with respect to BofA, (i) the outstanding Letter of Credit Obligations arising pursuant to the Letters of Credit issued by BofA as an Issuing Bank under the Loan Agreement for the account of Borrowers, which Letter of Credit Obligations have been assumed by New Borrowers and which Letters of Credit are set forth on Exhibit B hereto (the “BofA Existing Letters of Credit”) and (ii) the outstanding Obligations arising under the Bank Products provided by BofA as a Bank Product Provider provided by BofA to any Borrower or Guarantor set forth on Exhibit B-2, which Obligations have been assumed by New Borrowers (the “BofA Existing Bank Products”).

New Borrowers will obtain immediate and direct and indirect benefits by (a) assuming the Obligations arising in connection with, and pledging the Wells Cash Collateral as collateral security for, the Wells Existing Letters of Credit and the Wells Existing Bank Products (such Obligations now or hereafter arising under the Wells Existing Letters of Credit and the Wells Existing Bank Products are sometimes referred to herein collectively as the “Wells Cash Collateralized Obligations”) and (b) assuming the Obligations arising in connection with, and pledging the BofA Cash Collateral as collateral security for, the BofA Existing Letters of Credit and the BofA Existing Bank Products (such Obligations now or hereafter arising under the BofA Existing Letters of Credit and the BofA Existing Bank Products are sometimes referred to herein collectively as the “BofA Cash Collateralized Obligations”).

In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the undersigned hereby agrees as follows:

1. Repayment; Pledge of Cash Collateral.

(a) Borrowers shall pay, or cause to be paid to Agent (for the account of Lenders and its own account, as applicable), at Borrowers’ cost and expense, on the date hereof, by federal funds wire transfer the amount of \$29,804,997.14 by 4:00 p.m. Boston time (the “Loan Payoff Amount”).

(b) In order to secure the Wells Cash Collateralized Obligations, New Borrowers shall pledge to Agent for the benefit of Wells Fargo as a Secured Party, the amount of \$8,393,229.58, as the Wells Cash Collateral (as hereinafter defined) as provided herein. The Loan Payoff Amount and the Wells Cash Collateral shall be sent by 4:00 p.m. Boston time to:

Wells Fargo Bank, N.A.
420 Montgomery Street
San Francisco, California
ABA No. 121-000-248
Account Name: Wells Fargo Bank, N.A.
Account No.: 37072820231200156
Ref: Bob’s Stores, LLC (IBS40)

(c) In order to secure the BofA Cash Collateralized Obligations, New Borrowers shall pledge to BofA, the amount of \$5,522,000, (the “BofA Cash Collateral”) pursuant to the Cash Collateral Pledge Agreement for Letters of Credit and Bank Products, dated as of the date hereof, by New Borrowers in favor of BofA (as the same may be amended, supplemented or otherwise

modified from time to time, the “BofA Cash Collateral Pledge Agreement”). The BofA Cash Collateral shall be sent by 4:00 p.m. Boston time to:

Bank of America, N.A.
New York, New York
ABA No. 026-009-593
Account Name: Bank of America – Southeast Collection Account
Account No.: 9369337552
Ref: Bob’s Stores, LLC

2. Releases.

(a) Upon the satisfaction of the conditions precedent set forth in Section 8 hereof, Agent (on behalf of itself and the Secured Parties), New Borrowers, Borrowers and Guarantors agree that (i) all outstanding and unpaid Obligations (other than unasserted contingent indemnification obligations) under the Financing Agreements have been paid in full or cash collateralized and the Financing Agreements shall be automatically terminated, canceled and of no further force and effect, except for those provisions of the Financing Agreements relating to the Continuing Obligations (including the Wells Cash Collateralized Obligations) and the BofA Cash Collateralized Obligations and those provisions of the Financing Agreements that by their terms expressly survive the termination thereof, (ii) Agent and Secured Parties shall have no further obligation to make any Loans, provide any Letters of Credit or Bank Products, except (A) to allow the continuation of the Wells Existing Letters of Credit (provided, that, neither Agent nor Wells Fargo as Issuing Bank shall have any obligation to extend, or permit the automatic extension of, the expiration date of any Wells Existing Letter of Credit or agree to any amendment thereto), (B) to allow the continuation of the Wells Existing Bank Products (provided that neither Agent nor Wells as a Bank Product Provider shall be obligated to increase the amount of any obligations under the Wells Existing Bank Products or to agree to any amendment thereof), (C) to allow the continuation of the BofA Existing Letters of Credit as set forth in the BofA Cash Collateral Pledge Agreement (provided, that, BofA as Issuing Bank shall not have any obligation to extend, or permit the automatic extension of, the expiration date of any BofA Existing Letter of Credit or agree to any amendment thereto,) and (D) to allow the continuation of the BofA Existing Bank Products (provided that BofA as a Bank Product Provider shall not be obligated to increase the amount of any obligations under the BofA Existing Bank Products or to agree to any amendment thereof), or otherwise to provide any other financial accommodations under the Financing Agreements or have any other duties or responsibilities in connection with the Financing Agreements or the Permanent Financing Order, including, without limitation, any obligations or responsibilities relating to the Carve-Out (as defined in the Permanent Financing Order), and (iii) all security interests, financing statements, encumbrances and liens upon, and pledges, mortgages or other collateral assignments of, any and all properties and assets of Borrowers and Guarantors heretofore granted by Borrowers and Guarantors to Agent pursuant to the Financing Agreements and all guarantees provided under the Financing Agreements shall be automatically released, discharged and terminated (except with respect to the Wells Cash Collateral as provided herein and the BofA Cash Collateral as provided in the BofA Cash Collateral Pledge Agreement), without further notice, action or confirmation.

(b) Each Borrower and Guarantor hereby releases, discharges and acquits Agent and the other Secured Parties and their respective officers, directors, agents and employees and its

and their respective successors and assigns, from all obligations to Borrowers and Guarantors (and their respective successors and assigns) and from any and all claims, demands, debts, accounts, contracts, liabilities, actions and causes of actions, other than claims or causes of action for gross negligence or willful misconduct, whether in law or in equity, in each case, relating to the Financing Agreements, that any Borrower or Guarantor at any time had or has through the date hereof, or that its successors and assigns hereafter can or may have through the date hereof, against Agent and the other Secured Parties, their respective officers, directors, agents or employees and its and their respective successors and assigns.

(c) Agent and Lenders hereby waive the requirement under Section 15.1 of the Loan Agreement for Borrowers to provide ten (10) days' prior written notice to Agent to terminate the Loan Agreement.

(d) BofA hereby confirms, acknowledges and agrees that (i) all BofA Cash Collateralized Obligations shall be secured by the BofA Cash Collateral pursuant to the BofA Cash Collateral Pledge Agreement and BofA shall not have any recourse to the Wells Cash Collateral or to Agent or Wells Fargo with respect to any BofA Existing Letters of Credit and BofA Existing Bank Products and (ii) after the date hereof any matters related to the BofA Existing Letters of Credit and the BofA Existing Bank Products will be handled between New Borrowers and BofA under the BofA Cash Collateral Pledge Agreement. Wells Fargo hereby confirms, acknowledges and agrees that all Wells Cash Collateralized Obligations shall be secured by the Wells Cash Collateral pursuant to the terms hereof and Wells Fargo shall not have any recourse to the BofA Cash Collateral or to BofA with respect to any Wells Existing Letters of Credit and Wells Existing Bank Products.

3. Continuing Obligations. Notwithstanding anything to the contrary contained herein, each New Borrower is not released from, and hereby ratifies and confirms its continuing liability to Agent and the other Secured Parties for the payment in full in immediately available funds and satisfaction in full of the following (collectively, the "Continuing Obligations"):

(a) all obligations arising pursuant to or in connection with the Wells Existing Letters of Credit, including, without limitation, (i) the obligation to pay Wells as Issuing Bank for amounts paid or payable by Wells Fargo in respect of amounts drawn under any Wells Existing Letters of Credit, which amounts shall be due and payable to Wells Fargo, without notice or demand, at the option of Wells Fargo, immediately upon any such drawing under such Wells Existing Letter of Credit and (ii) all letter of credit fees, charges and expenses (including bank charges and expenses) accrued and accruing in respect of the Wells Existing Letters of Credit, which fees owing to Wells Fargo shall be payable at the rate and times set forth in Section 3.4 of the Loan Agreement (as in effect immediately prior to the effectiveness hereof);

(b) all obligations arising pursuant to or in connection with the Wells Existing Bank Products, including, without limitation, (i) the obligation to pay Wells as a Bank Product Provider for amounts paid or payable by Wells Fargo in respect of any payment made by Wells Fargo under any Wells Existing Bank Products, which amounts shall be due and payable to Wells Fargo, without notice or demand, at the option of Wells Fargo, immediately upon payment and (ii) all fees, charges and expenses (including bank charges and expenses) accrued and accruing in respect of the Wells Existing Bank Products, which are owing to Wells Fargo under the Bank Product agreements with Wells Fargo;

(c) interest at the non-default interest rate provided for in Section 3.1 of the Loan Agreement (as in effect immediately prior to the effectiveness hereof) upon all amounts owed to Issuing Bank in respect of the Wells Existing Letters of Credit or otherwise in respect of the Wells Cash Collateralized Obligations, which interest shall accrue from the date of any drawing under the Wells Existing Letters of Credit or such other date on which each such amount is due under the terms of the Financing Agreements as in effect immediately prior to the effectiveness hereof, until Wells Fargo as Issuing Bank has received final payment in full thereof in immediately available funds;

(d) all obligations of Borrowers to Agent and the other Secured Parties hereunder, including without limitation, the obligations described in Sections 4 and 6 hereof; and

(e) all contingent indemnification obligations and reimbursement obligations in favor of Agent and Secured Parties that, pursuant to the terms of the Financing Agreements as in effect immediately prior to the effectiveness hereof, survive the termination thereof and the repayment of the obligations thereunder, which include, without limitation:

(i) any and all loss, cost, damage or expense (including reasonable and documented attorneys' fees and expenses) which Agent and the other Secured Parties may suffer or incur at any time as a result of: (A) any non-payment, claim, refund or dishonor of any checks or other similar items which have been credited by Agent to the accounts of Borrowers with Agent and (B) any bookkeeping, accounting or other errors in calculation of any amount to be paid to Agent and the other Secured Parties hereunder requiring an adjustment thereto, together with any reasonable expenses or other reasonable charges incident thereto, to the extent Agent submits to New Borrowers a demand for reimbursement for such indemnified items in clause (A) and/or (B) within forty-five (45) days after the date hereof; and

(ii) all reasonable and documented costs and expenses (including reasonable and documented attorneys' fees and expenses) incurred in connection with this letter agreement and any instruments or documents contemplated hereunder.

4. Cash Collateral.

(a) As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Wells Cash Collateralized Obligations, each New Borrower hereby irrevocably assigns, pledges, hypothecates, transfers, sets over to Agent, for itself and Wells Fargo as a Secured Party, and grants to Agent, for itself and Wells Fargo as a Secured Party, a security interest in and right to set off against the sum specified in Section 1(b) hereof, which has been or shall be delivered herewith to Agent and all proceeds thereof, and earnings thereon (the "Wells Cash Collateral").

(b) With respect to the Wells Existing Letters of Credit, Agent, for itself on behalf of Wells Fargo as Issuing Bank, shall hold a portion of the Wells Cash Collateral, less any amounts thereof previously applied to any of the Cash Collateralized Obligations, in an amount at all times equal to one hundred and five (105%) percent of the undrawn face amount of each outstanding Wells Existing Letter of Credit for a period of not less than thirty (30) days after the expiration or termination of such Wells Existing Letter of Credit. Subject to the terms and conditions contained herein, Agent shall, on the date that is thirty (30) days after the date of such

expiration, cancellation or termination, release to New Borrowers a portion of the Wells Cash Collateral in an amount equal to (i) one hundred and five (105%) percent of the undrawn face amount of such Wells Existing Letter of Credit that has expired or been cancelled or terminated in accordance with its terms minus (ii) any outstanding letter of credit fees accrued and unpaid thereon.

(c) With respect to the Wells Existing Bank Products, Agent, for itself and the Wells Fargo as a Secured Party, shall hold a portion of the Wells Cash Collateral, less any amounts thereof previously applied to any of the Wells Cash Collateralized Obligations in an amount at all times equal to one hundred (100%) percent of the outstanding Bank Products Obligations for the Wells Existing Bank Products, as determined by Agent in good faith, for a period of not less than one hundred twenty (120) days after the termination of the Wells Existing Bank Products. Subject to the terms and conditions contained herein, Agent shall, on the date that is one hundred twenty (120) days after the date of such expiration, cancellation or termination, release to New Borrowers a portion of the Wells Cash Collateral in an amount equal to one hundred (100%) percent of the remaining Bank Products Obligations, as determined by Agent in good faith, arising under any Wells Existing Bank Products that have been cancelled or terminated in accordance with its terms.

(d) Upon the payment in full and satisfaction of all Wells Cash Collateralized Obligations, Agent shall release and return any remaining Wells Cash Collateral to an account specified in writing by New Borrowers.

(e) Agent shall hold such Wells Cash Collateral without interest and may immediately apply the Wells Cash Collateral from time to time against the Wells Cash Collateralized Obligations when due, and New Borrowers are and shall be jointly and severally liable to pay any deficiency on demand.

5. Rights in Instruments. Notwithstanding anything to the contrary contained herein, Agent and the other Secured Parties reserve all of their rights in and to any checks or similar instruments for payment of money heretofore received by Agent and the other Secured Parties in connection with their arrangements with any Borrower or Guarantor, and all of their rights to any monies due or to become due under such checks or similar instruments and/or all of their claims thereon.

6. Reinstatement. Notwithstanding anything to the contrary contained herein, in the event any payment made to, or other amount or value received by, Agent and the other Secured Parties from or for the account of any Borrower or Guarantor, and with respect to any Continuing Obligations or BofA Cash Collateralized Obligations, each New Borrower, is avoided, rescinded, set aside or must otherwise be returned or repaid by Agent and the other Secured Parties whether in any bankruptcy, reorganization, insolvency or similar proceeding involving any Borrower, Guarantor, New Borrower or their respective successors and assigns, as the case may be, or otherwise, the indebtedness intended to be repaid thereby shall be reinstated (without any further action by any party) and shall be enforceable against each Borrower, Guarantor or their respective successors and assigns, and with respect to any Continuing Obligations or BofA Cash Collateralized Obligations, each New Borrower or their respective successors and assigns. In such event, each Borrower and Guarantor or their respective successors and assigns, and with respect to any Continuing Obligations or BofA Cash

Collateralized Obligations, each New Borrower or their respective successors and assigns, shall be and remain jointly and severally liable to Agent and the other Secured Parties for the amount so repaid or recovered to the same extent as if such amount had never originally been received by Agent and the other Secured Parties.

7. Representations and Warranties. New Borrowers hereby represent and warrant to Agent and Secured Parties as follows:

(a) This letter agreement has been duly authorized, executed and delivered by New Borrowers and is in full force and effect as of the date hereof, and the agreements and obligations of New Borrowers contained herein and therein constitute legal, valid and binding obligations of New Borrowers, enforceable against New Borrowers in accordance with their terms.

(b) The execution, delivery and performance of this letter agreement (a) are all within each New Borrower's limited liability company powers, (b) are not in contravention of law or the terms of any New Borrower's certificate of formation, operating agreements or other organizational documentation, or any indenture, agreement or undertaking to which any New Borrower is a party or by which any New Borrower or its property are bound (including the New Credit Agreement and the other New Loan Documents) and (c) will not result in the creation or imposition of, or require or give rise to any obligation to grant, any lien, security interest, charge or other encumbrance upon the Wells Cash Collateral or the BofA Cash Collateral other than as provided in this letter agreement.

(c) New Borrowers have obtained any necessary consents and approvals from any third party or Governmental Authority required to be obtained by New Borrowers to pledge the Wells Cash Collateral and the BofA Cash Collateral and to execute and deliver, or perform the terms, conditions and agreements contemplated by, this letter agreement.

8. Conditions Precedent. The effectiveness of this letter agreement, and any termination statements or other similar release instruments delivered by Agent hereunder, are subject to and conditioned upon the receipt by Agent of each of the following:

(a) the Loan Payoff Amount;

(b) counterparts of this letter agreement, duly authorized, executed and delivered by the parties hereto;

(c) confirmation, in form and substance reasonably satisfactory to Agent, that (i) the Second Lien Debt has been paid in full in accordance with a payoff letter in form and substance reasonably satisfactory to Second Lien Agent, (ii) Wells Fargo has received the Wells Cash Collateral in cash or other immediately available funds and (iii) BofA has received the BofA Cash Collateral in cash or other immediately available funds;

(d) a solvency certificate, in form and substance satisfactory to Agent, from the chief financial officer or chief accounting officers or other officer with equivalent duties of New Borrowers;

(e) secretary's certificates of New Borrowers evidencing the adoption and subsistence of company resolutions approving the execution, delivery and performance by New Borrowers of this letter agreement and the BofA Cash Collateral Pledge Agreement;

(f) a letter agreement, substantially in the form attached hereto as Exhibit C, duly authorized, executed and delivered by the parties thereto; and

(g) the Assignment and Assumption Agreement in the form of Exhibit D, duly authorized, executed and delivered by the parties thereto.

9. Release Documents; Authorization to File. Upon the satisfaction of the conditions precedent set forth in Section 8 hereof:

(a) Agent, at New Borrowers' expense, shall promptly deliver to any New Borrower (or any of its designees) and, if applicable, execute:

(i) any UCC Financing Statement Amendments to terminate and release of record of the financing statements between Agent, as secured party, and any Borrower or Guarantor, as debtor, under the Financing Agreements that are currently filed of record;

(ii) releases of security interests in patents, trademarks or copyrights to effectuate the release of record of security interests in patents, trademarks and copyrights granted by any Borrower or Guarantor to Agent under the Financing Agreements;

(iii) discharges or satisfactions of any mortgages or deeds of trust granted by any Borrower or Guarantor to Agent under the Financing Agreements for filing in the real estate records;

(iv) any original stock certificates, stock powers and other possessory collateral pledged or delivered to Agent pursuant to the Financing Agreements in the possession of Agent;

(v) termination documents and instruments with respect to landlord agreements, customs and freight forwarder agreements, deposit account control agreements and credit card processor notifications, or any other third party documents entered into or provided pursuant to the Financing Agreements; and

(vi) such other releases, discharges or termination documents and instruments with respect to the Financing Agreements as any New Borrower may reasonably request.

(b) Upon the satisfaction of the conditions precedent set forth in Section 8 hereof, Borrowers, Guarantors, New Borrowers, New Agent, New Term Agent and their designees are authorized by Agent and the other Secured Parties to file such UCC Financing Statement Amendments and the other release, discharge or termination documents and instruments with respect to the Financing Agreements referred to in Section 9(a) hereof on behalf of Agent and the other Secured Parties.

(c) Notwithstanding anything herein (or in any other document, communication or filing relating hereto by any person) to the contrary, Agent hereby is authorizing solely the release of the liens on the Collateral granted to it pursuant to the Financing Agreements and has

not, and is not hereby authorizing, the release of, or the filing of any termination statement or other document with respect to, any other liens or security interests at any time granted by any Borrower or Guarantor (or any New Borrower) in favor of Wells Fargo Bank, National Association or any other person pursuant to any other document that is not a Financing Agreement or in favor of any other person.

(d) Upon satisfaction of the conditions precedent set forth in Section 8 hereof, at any time and from time to time, at the expense of New Borrowers, Agent shall promptly execute and deliver further instruments and documents and take such further action as New Borrowers may reasonably request to effectuate, evidence or reflect of public record the release of the security interests and liens pursuant to this letter agreement.

10. Governing Law. The validity, interpretation and enforcement of this letter agreement whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of New York but excluding any principles of conflict of laws or other rule of law that would cause the application of the law of any jurisdiction other than the laws of the State of New York. Without in any way limiting the foregoing, the parties elect to be governed by New York law in accordance with, and relying on (at least in part), Section 5-1402 of the General Obligations Law of the State of New York.

11. Counterparts. This letter agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original but all of which when taken together shall constitute one and the same instrument. In making proof of this letter agreement, it shall not be necessary to produce or account for more than one counterpart hereof signed by each of the parties hereto. This letter agreement may be executed and delivered by telecopier (or other electronic transmission of a manually executed counterpart) with the same force and effect as if it were a manually executed and delivered counterpart. Any party delivering an executed counterpart of this letter agreement by telecopier (or other electronic transmission of a manually executed counterpart) shall also deliver an original executed counterpart of this letter agreement, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this letter agreement as to such party or any other party.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Please sign in the space provided below and return a counterpart of this letter agreement, whereupon this letter agreement, as so agreed to and accepted, shall become a binding agreement among the parties hereto.

Very truly yours,

WELLS FARGO CAPITAL FINANCE, LLC, as Agent

By: Maggie Townsend
Name: Maggie S. Townsend
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as an Issuing Bank and a Bank Product Provider

By: Maggie Townsend
Name: Maggie Townsend
Title: Vice President

BANK OF AMERICA, N.A., as an Issuing Bank and a Bank Product Provider

By: _____
Name: _____
Title: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

Please sign in the space provided below and return a counterpart of this letter agreement, whereupon this letter agreement, as so agreed to and accepted, shall become a binding agreement among the parties hereto.

Very truly yours,

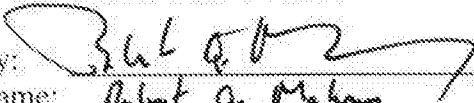
WELLS FARGO CAPITAL FINANCE, LLC, as Agent

By: _____
Name: Maggie S. Townsend
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as an Issuing Bank and a Bank Product Provider

By: _____
Name: _____
Title: _____

BANK OF AMERICA, N.A., as an Issuing Bank and a Bank Product Provider

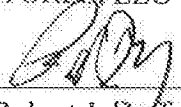
By: 
Name: Robert A. Mahony
Title: Sr. Vice President

[SIGNATURES CONTINUE ON NEXT PAGE]

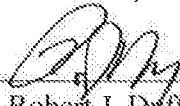
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BORROWERS AND GUARANTORS:

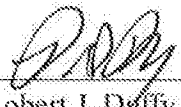
BOB'S STORES, LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer

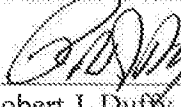
SPORT CHALET, LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer

SPORT CHALET VALUE
SERVICES, LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer

SPORT CHALET TEAM SALES, LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer

[SIGNATURES CONTINUE ON NEXT PAGE]

[Signature Page to Wells Revolver Payoff Letter (Bob's Stores)]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

EMS OPERATING COMPANY, LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer

VESTIS RETAIL GROUP, LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer

VESTIS RETAIL FINANCING, LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer

EMS ACQUISITION LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer

VESTIS IP HOLDINGS, LLC

By: 
Name: Robert J. Duffy
Title: Chief Restructuring Officer


[SIGNATURES CONTINUE ON NEXT PAGE]

[Signature Page to Wells Revolver Payoff Letter (Bob's Stores)]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

SME HOLDING COMPANY, LLC

By: Vestis Retail Holdings 2, LLC
Its: Manager

By: 
Name: William R. Quinn
Title: Authorized Person

[SIGNATURES CONTINUE ON NEXT PAGE]

[Signature Page to Wells Revolver Payoff Letter (Bob's Stores)]

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[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

NEW BORROWERS:

BOB'S ACQUISITION, LLC

By: 

Name: Susan Riley

Title: Chief Financial Officer

EMS ACQUISITION (2016), LLC

By: 

Name: Susan Riley

Title: Chief Financial Officer

[SIGNATURES CONTINUE ON NEXT PAGE]

[Signature Page to Payoff Letter (ABL)]

EXHIBIT A-1
TO
TERMINATION AGREEMENT

Wells Existing Letters of Credit

Letter of Credit No.	Issue Date	Current Expiry Date	Balance	Beneficiary Name	
A. Standby Letters of Credit of Borrowers and Guarantors					
1.	IS0293441U	5/14/2015	4/24/2017	\$180,000.00	Mediterranean Realty, LLC
2.	IS0413599U	5/12/2016	10/31/2016	\$1,200,000.00	Nike USA, Inc.
3.	IS0415990U	5/12/2016	8/31/2016	\$50,000.00	Poof Apparel Corp.
4.	IS0416007U	5/12/2016	8/31/2016	\$250,000.00	New Balance Athletics, Inc.
5.	IS0425188U	5/25/2016	6/1/2017	\$38,000.00	State of Rhode Island
6.	IS0426288U	5/20/2016	11/15/2016	\$100,000.00	One Step Up, Ltd. & Subsidiaries
7.	IS0427697U	6/2/2016	1/31/2017	\$850,000.00	Vantiv LLC
8.	IS0427698U	6/1/2016	8/30/2016	\$1,000,000.00	Under Armour, Inc.
9.	IS0434089U	6/24/2016	1/31/2017	\$250,000.00	Wells Fargo Trade Capital Services, Inc.
10.	IS0402189U	4/11/2016	4/2/2017	\$300,000.00	Western Surety Company
11.	IS0415991U	5/9/2016	8/31/2016	\$200,000.00	Oboz Footwear LLC
12.	IS0417488U	5/25/2016	8/31/2016	\$150,000.00	Petzl America
13.	IS0418693U	5/12/2016	8/31/2016	\$200,000.00	Amer Sports Winter & Outdoor Company
14.	IS0425288U	5/25/2016	6/1/2017	\$20,000.00	State of Rhode Island
15.	NZS644568	1/10/2013	9/4/2016	\$25,000.00	National Union Fire Insurance
16.	SM238617W	1/10/2013	1/31/2017	\$1,124,023.50	76th and Broadway Owner LLC
SUBTOTAL				<u>\$5,937,023.50</u>	

B. Documentary Letters of Credit of Borrowers and Guarantors					
1.	IC5010928US	5/13/2016	10/21/2016	\$193,560.53	Rosenthal and Rosenthal, Inc.
2.	IC5012648US	6/13/2016	9/6/2016	\$48,185.79	TRLA Group Inc.
3.	IC5012671US	6/13/2016	7/11/2016	\$8,689.89	Industrias Merlet, S.A. de C.V.
4.	IC6024975HK	5/20/2016	7/19/2016	\$241,770.90	Vision Product Co., Ltd.
5.	IC6025159HK	5/31/2016	7/18/2016	\$26,705.05	Hilanderia de Algodon Peruano S.A.
6.	IC6025210HK	6/3/2016	8/22/2016	\$128,252.78	Vision Product Co., Ltd.
7.	IC6025728HK	6/17/2016	8/8/2016	\$460,823.58	Universal Ocean Co., Ltd.
8.	IC6025918HK	6/20/2016	8/15/2016	\$34,681.87	ASG International Corp.
9.	IC6026099HK	6/29/2016	8/15/2016	\$188,942.19	Universal Ocean Co., Ltd.

	<u>Letter of Credit No.</u>	<u>Issue Date</u>	<u>Current Expiry Date</u>	<u>Balance</u>	<u>Beneficiary Name</u>
10.	IC6026239HK	6/30/2016	9/6/2016	\$83,532.75	Lai Tak Enterprises Ltd
11.	IC6026432HK	7/11/2016	9/12/2016	\$450,906.96	Tahshin Apparel Co., Ltd.
SUBTOTAL				<u>\$1,866,052.29</u>	

TOTAL				<u>\$7,803,075.79</u>	
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EXHIBIT A-2
TO
TERMINATION AGREEMENT

Existing Wells Fargo Bank Products

<u>Bank Product</u>	<u>Balance</u>
All credit cards, debit cards, purchase cards or stored value cards provided by Wells Fargo, including any obligations arising from any claims, charges or fees after the termination of such bank products	\$200,000
TOTAL	\$200,000

EXHIBIT B-1
TO
TERMINATION AGREEMENT

Existing Bank of America Letters of Credit

<u>L/C No.</u>	<u>Issue Date</u>	<u>Current Expiry Date</u>	<u>Balance</u>	<u>Beneficiary Name</u>	
1.	68096335A	May 1, 2013	May 1, 2017	\$2,590,000	XL Specialty Insurance Company, Greenwich Insurance Company
2.	3063442A	May 24, 2004	March 31, 2017	\$2,650,000	Hartford Fire Insurance Company
TOTAL				<u>\$5,240,000</u>	

EXHIBIT B-2
TO
TERMINATION AGREEMENT

Existing Bank of America Bank Products

Any obligations arising from any claims, charges or fees in connection with the credit card services provided by BofA (or after the termination of such bank products) \$20,000

EXHIBIT C
TO
TERMINATION AGREEMENT

Form of Letter Agreement

(See Attached)



Klee,
Tuchin,
Bogdanoff &
Stern
LLP

1999 Avenue of the Stars
Thirty-Ninth Floor
Los Angeles, California 90067

voice: 310-407-4000
fax: 310-407-9090
www.ktbslaw.com

dguess@ktbslaw.com
Direct Dial: 310-407-4028

July 18, 2016

VIA ELECTRONIC MAIL

Jonathan N. Helfat, Esq.
Otterbourg P.C.
230 Park Ave #2800
New York, NY 10169

Re: Letter Agreement Concerning Carve-Out and Professional Fee Carve-Out

Dear Jon:

Reference is hereby made to that certain Ratification and Amendment Agreement, dated as of April 17, 2016, by and among Bob's Stores, LLC, a New Hampshire limited liability company, as Debtor and Debtor-in-Possession ("**Bob's**"), Sport Chalet, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("**Sport Chalet**"), Sport Chalet Value Services, LLC, a Virginia limited liability company, as Debtor and Debtor-in-Possession ("**Value Services**"), Sport Chalet Team Sales, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("**Team Sales**"), EMS Operating Company, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("**EMS OpCo**" and, together with Bob's, Sport Chalet, Value Services and Team Sales, each a "**Borrower**", and, collectively, "**Borrowers**"), Vestis Retail Financing, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("**Parent**"), Vestis Retail Group, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("**Intermediate Holdco**"), EMS Acquisition LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("**EMS Acquisition**"), Vestis IP Holdings, LLC, a Delaware limited liability company, as Debtor and Debtor-in-Possession ("**Vestis IP Holdings**" and, together with Parent, Intermediate Holdco and EMS Acquisition, each a "**Guarantor**" and collectively "**Guarantors**"), the lenders party thereto ("**Lenders**"), and Wells Fargo Capital Finance, LLC ("**Wells Fargo**"), as administrative agent and collateral agent for the Lenders and others (in such capacity, the "**Administrative Agent**") (as amended, modified or supplemented, the "**Ratification Agreement**") and the Final Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, and 507 and Fed. R. Bankr. P. 2002, 4001 and 9014 (I) Authorizing Debtors and Debtors-in-Possession to Obtain Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Super-Priority Claims, (IV) Granting Adequate Protection to Prepetition Secured Lenders, (V) Modifying the Automatic Stay; and (VI) Granting Related Relief (as amended, modified or supplemented by

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order of the Bankruptcy Court, the “**Permanent Financing Order**”), pursuant to which the Ratification Agreement was approved by the Bankruptcy Court on a final basis.¹

Pursuant to the Ratification Agreement and Permanent Financing Order, the Administrative Agent and the Lenders agreed, among other things, to the subordination of their claims and liens to the Carve-Out and the Professional Fee Carve-Out.

On July 18, 2016, the Borrowers and the Guarantors anticipate closing (“**Closing**”) on the sale of substantially all of their assets (“**Sale**”) pursuant to that certain Amended and Restated Asset Purchase Agreement, by and among the Borrowers, Guarantors and Subortis Investments II, LLC (formerly known as Vestis BSI Funding II, LLC), a Delaware limited liability company (together with its permitted successors, designees and assigns, “**Buyer**”), dated as of May 31, 2016 (as amended, modified or supplemented, the “**Purchase Agreement**”).

Conditioned upon the Closing of the Sale, and upon the execution and delivery of this letter agreement, the signatories to this letter agreement agree as follows:

1. The Administrative Agent and the Lenders are released from any obligation or responsibility (whether direct or indirect, absolute or contingent, due or not due, primary or secondary, liquidated or unliquidated) to: (1) pay or otherwise fund the Carve-Out and Professional Fee Carve-Out (including without limitation, with respect to the professional fees, costs and expenses of Professionals employed by the Borrowers, Guarantors, and Committee) and (2) each of the undersigned waive any and all claims of whatever nature or description against the Administrative Agent and the Lenders for the payment of any fees and expenses now existing or in the future.

2. The Administrative Agent and the Lenders release and waive any liens or claims they have, or may claim to have, with respect to the Carve-Out Escrow Account.

3. Nothing herein is intended to impair the rights of the Professionals employed by the Borrowers, Guarantors, and Committee with respect to the Carve-Out Escrow Account.

Very truly yours,

David M. Guess

¹ Capitalized terms used but not otherwise defined in this letter agreement shall have the meanings set forth in the Ratification Agreement and Permanent Financing Order.

Jonathan N. Helfat, Esq.

July 18, 2016

Page 3

ACKNOWLEDGED AND AGREED:

ADMINISTRATIVE AGENT:

WELLS FARGO CAPITAL FINANCE, LLC, as Agent

By: _____

Name: _____

Title: _____

LENDERS:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as an Issuing Bank and a Bank Product Provider

By: _____

Name: _____

Title: _____

BANK OF AMERICA, N.A., as an Issuing Bank and a Bank Product Provider

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

Jonathan N. Helfat, Esq.

July 18, 2016

Page 4

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

ACKNOWLEDGED AND AGREED:

BORROWERS AND GUARANTORS:

BOB'S STORES, LLC

By: _____

Name: _____

Title: _____

SPORT CHALET, LLC

By: _____

Name: _____

Title: _____

SPORT CHALET VALUE SERVICES, LLC

By: _____

Name: _____

Title: _____

SPORT CHALET TEAM SALES, LLC

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

Jonathan N. Helfat, Esq.

July 18, 2016

Page 5

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

ACKNOWLEDGED AND AGREED:

BORROWERS AND GUARANTORS (CONTINUED):

EMS OPERATING COMPANY, LLC

By: _____

Name: _____

Title: _____

VESTIS RETAIL GROUP, LLC

By: _____

Name: _____

Title: _____

VESTIS RETAIL FINANCING, LLC

By: _____

Name: _____

Title: _____

EMS ACQUISITION LLC

By: _____

Name: _____

Title: _____

VESTIS IP HOLDINGS, LLC

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

Jonathan N. Helfat, Esq.

July 18, 2016

Page 6

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

ACKNOWLEDGED AND AGREED:

DEBTORS' PROFESSIONALS:

KLEE, TUCHIN, BOGDANOFF & STERN, LLP

By: _____

Name: _____

Title: _____

YOUNG CONAWAY STARGATT & TAYLOR, LLP

By: _____

Name: _____

Title: _____

FTI CONSULTING, INC.

By: _____

Name: _____

Title: _____

BERKELEY RESEARCH GROUP, LLC

By: _____

Name: _____

Title: _____

LINCOLN PARTNERS ADVISORS LLC

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

Jonathan N. Helfat, Esq.

July 18, 2016

Page 7

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

ACKNOWLEDGED AND AGREED:

DEBTORS' PROFESSIONALS (CONTINUED):

A&G REALTY PARTNERS, LLC

By: _____

Name: _____

Title: _____

KURTZMAN CARSON CONSULTANTS LLC

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

Jonathan N. Helfat, Esq.

July 18, 2016

Page 8

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

ACKNOWLEDGED AND AGREED:

COMMITTEE:

By: _____

Name: _____

Title: _____

COMMITTEE PROFESSIONALS:

COOLEY LLP

By: _____

Name: _____

Title: _____

POLSINELLI PC

By: _____

Name: _____

Title: _____

ZOLFO COOPER, LLC

By: _____

Name: _____

Title: _____

EXHIBIT D
TO
TERMINATION AGREEMENT

Form of Assignment and Assumption Agreement

(See Attached)

SUBORTIS INVESTMENTS II, LLC
c/o VERSA CAPITAL MANAGEMENT, LLC
CIRA CENTRE, 18TH FLOOR
2929 ARCH STREET
PHILADELPHIA, PA 19104-7324

July 17, 2016

To the Sellers (as such term is defined in the Purchase Agreement)
c/o Vestis Retail Group LLC
160 Corporate Court
Meriden, CT 06450
Attn: Mark T. Walsh

Dear Sellers:

Reference is made to that certain Amended and Restated Asset Purchase Agreement dated as of May 31, 2016, as amended (as may be further amended, modified, and/or supplemented from time to time, the "Purchase Agreement") by and among Vestis Retail Financing LLC and the other named sellers, collectively as "Sellers", and Subortis Investments II, LLC (formerly known as Vestis BSI Funding II, LLC), together with its permitted successors, designees and assigns as "Buyer." Any capitalized term used, but not defined in this letter shall have the meaning assigned to such term in the Purchase Agreement.

In consideration of the mutual agreements and undertakings contained herein, including the assignment of rights and the assumption of liabilities set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereto hereby agree as follows:

Buyer wishes to assign all of its rights under the Purchase Agreement to certain of its Affiliates, and such Affiliates wish to acquire such rights, as follows:

1. Buyer hereby assigns its right to purchase the Acquired Assets of Bob's Stores, LLC (except for any Acquired Assets (a) that are Contracts (the "Gift Card and Merchandise Credit Contracts") relating to the administration of the gift card and merchandise credit programs of Eastern Mountain Sports or Bob's Stores or (b) used exclusively or principally in the administration of the gift card and merchandise credit programs (the

Acquired Assets described in clauses (a) and (b), collectively, the “Gift Card and Merchandise Credit Assets”) to Bob’s Acquisition, LLC.

2. Buyer hereby assigns its right to purchase the Gift Card and Merchandise Credit Assets of Bob’s Stores, LLC to Bob’s/EMS Gift Card, LLC.
3. Buyer hereby assigns its right to purchase the Acquired Assets of EMS Acquisition LLC to EMS Acquisition (2016), LLC.
4. Buyer hereby assigns its right to purchase the Acquired Assets of EMS Operating Company LLC (except for any Gift Card and Merchandise Credit Assets) to EMS Acquisition (2016), LLC.
5. Buyer hereby assigns its right to purchase the Gift Card and Merchandise Credit Assets of EMS Operating Company LLC to Bob’s/EMS Gift Card, LLC.
6. Buyer hereby assigns its right to purchase the Acquired Assets of Sport Chalet, LLC to Eastern Outfitters, LLC.
7. Buyer hereby assigns its right to purchase the Acquired Assets of Sport Chalet Team Sales, LLC to Eastern Outfitters, LLC.
8. Buyer hereby assigns its right to purchase the Acquired Assets of Sport Chalet Value Services, LLC to Eastern Outfitters, LLC.
9. Buyer hereby assigns its right to purchase the Acquired Assets of Vestis IP Holdings, LLC, to Subortis IP Holdings, LLC.
10. Buyer hereby assigns its right to purchase the Acquired Assets of Vestis Retail Financing LLC to Subortis Retail Financing, LLC.
11. Buyer hereby assigns its right to purchase the Acquired Assets of Vestis Retail Group LLC to Eastern Outfitters, LLC.
12. Buyer hereby assigns all of its rights under the Purchase Agreement other than those set forth in clauses 1 through 11 of this paragraph to Eastern Outfitters, LLC.

In addition, Buyer wishes to delegate all of its obligations under the Purchase Agreement to certain of its Affiliates, and such Affiliates wish to assume such obligations, as follows:

1. Bob’s Acquisition, LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of Bob’s Stores, LLC (except for any Assumed Liabilities that are (a) gift card and merchandise credit obligations of Eastern Mountain Sports or Bob’s Stores, (b) Liabilities under the Gift Card and Merchandise Credit Contracts (the Assumed Liabilities

described in clauses (a) and (b), collectively, the “Gift Card and Merchandise Credit Liabilities”) or (c) the DIP Financing Obligations, the First Lien Financing Obligations, the Second Lien Financing Obligations and the Third Lien Financing Obligations (the Assumed Liabilities described in this clause (c), collectively, the “Assumed Financing Obligations”).

2. Bob’s/EMS Gift Card, LLC hereby assumes Buyer’s obligation to assume the Gift Card and Merchandise Credit Liabilities of Bob’s Stores, LLC.
3. EMS Acquisition (2016), LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of EMS Acquisition LLC (except for the Assumed Financing Obligations).
4. EMS Acquisition (2016), LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of EMS Operating Company LLC (except for (a) any Gift Card and Merchandise Credit Liabilities and (b) the Assumed Financing Obligations).
5. Bob’s/EMS Gift Card, LLC hereby assumes Buyer’s obligation to assume the Gift Card and Merchandise Credit Liabilities of EMS Operating Company LLC.
6. Eastern Outfitters, LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of Sport Chalet, LLC (except for the Assumed Financing Obligations).
7. Eastern Outfitters, LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of Sport Chalet Team Sales, LLC (except for the Assumed Financing Obligations).
8. Eastern Outfitters, LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of Sport Chalet Value Services, LLC (except for the Assumed Financing Obligations).
9. Subortis IP Holdings, LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of Vestis IP Holdings, LLC (except for the Assumed Financing Obligations).
10. Subortis Retail Financing, LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of Vestis Retail Financing LLC (except for the Assumed Financing Obligations).
11. Eastern Outfitters, LLC hereby assumes Buyer’s obligation to assume the Assumed Liabilities of Vestis Retail Group LLC (except for the Assumed Financing Obligations).

12. Bob's Acquisition, LLC and EMS Acquisition (2016), LLC hereby jointly and severally assume Buyer's obligation to assume the Assumed Financing Obligations (including, for the avoidance of doubt, (i) all liabilities, obligations and indebtedness arising in connection with the Continuing Obligations (including the Wells Cash Collateralized Obligations) and the BofA Cash Collateralized Obligations (as such terms are defined in the Termination Agreement, dated on or about the date hereof, among Wells Fargo Capital Finance, LLC, Wells Fargo Bank, National Association, Bank of America, N.A., Sellers, Bob's Acquisition, LLC, EMS Acquisition (2016), LLC and SME Holding Company, LLC and (ii) the outstanding Third Lien Financing Obligations not included in the Credit Bid).
13. Eastern Outfitters, LLC hereby assumes all of Buyer's obligations under the Purchase Agreement other than those set forth in clauses 1 through 12 of this paragraph.

For the avoidance of doubt, Buyer shall remain liable for any of the obligations under the Purchase Agreement assumed by any of its Affiliates pursuant to this letter.

Notwithstanding anything to the contrary herein or in the Purchase Agreement, each of the Sellers, Buyer, Bob's Acquisition, LLC and EMS Acquisition (2016), LLC acknowledges and agrees that (i) the outstanding Third Lien Financing Obligations not included in the Credit Bid remain outstanding and, upon the assumption and to the extent contemplated by clause 12 of the third paragraph of this letter, Bob's Acquisition, LLC and EMS Acquisition (2016), LLC shall be the obligors in respect of the outstanding Third Lien Financing Obligations, it being understood that, as provided in that certain Assignment, Assumption and Release Agreement to be dated as of the Closing Date by and among Buyer, Sellers, Bob's Acquisition, LLC and EMS Acquisition (2016), LLC, Buyer, Bob's Acquisition, LLC and EMS Acquisition (2016), LLC shall take those actions described in clause 4 ("Release of Assignees") therein to effect the release of Bob's Acquisition, LLC and EMS Acquisition (2016), LLC from the outstanding Third Lien Financing Obligations not included in the Credit Bid and (ii) the Sellers shall have no liability with respect to the Third Lien Financing Obligations following the Closing. Nothing in this agreement shall affect the continuing obligations of SME Holding Company, LLC as a borrower under the Third Lien Financing Obligations.

In addition, by countersigning this letter, each Seller hereby consents, to the extent required pursuant to the Purchase Agreement or otherwise, to the assignment of all of Buyer's and its Affiliates' respective rights, title and interest in, and rights, powers and privileges arising under or relating to, the Purchase Agreement and this letter to any agent or lender under, and in connection with, the following financing arrangements to which such Affiliates will be parties: (i) the Revolving Credit and Security Agreement, to be dated on or about the Closing Date, among such Affiliates, the lenders party thereto and PNC Bank, National Association, as agent, (ii) the Term Loan, Security and Guaranty Agreement, to be dated on or about the Closing Date, among such Affiliates, the lender party thereto and Gordon Brothers Finance Company, as agent and (iii) the

Subordinated Term Loan, Security and Guaranty Agreement, to be dated on or about the Closing Date, among such Affiliates, the lender party thereto and Buyer, as agent.

All of the respective rights of (i) Buyer's assignees (after giving effect to the assignment of all of Buyer's rights under the Purchase Agreement set forth herein) and (ii) the Sellers under the Purchase Agreement are expressly reserved.

Please consent to the above-mentioned assignments by returning a countersigned copy of this letter to our attention at your earliest convenience.

[Signature Page Follows]

Sincerely,

Subortis Investments II, LLC

By: 

Name: **Randall R. Schultz**

Title: **Authorized Person**

[Signature Page to Affiliate Assignment and Assumption Consent]

Acknowledged and agreed:

Subortis Retail Financing, LLC

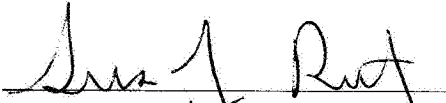
By: _____

Name: Randall R. Schultz
Title: Authorized Person

[Signature Page to Affiliate Assignment and Assumption Consent]

Acknowledged and agreed:

Bob's Acquisition, LLC
Bob's/EMS Gift Card, LLC
Eastern Outfitters, LLC
EMS Acquisition (2016), LLC
Subortis IP Holdings, LLC

By: 
Name: Susan J. Riley
Title: CFO


cc: Michael Tuchin (via email)
Mark Walsh (via email)
Alexandra Korry (via email)
Michael Torkin (via email)
David Lorry (via email)

[Signature Page to Affiliate Assignment and Assumption Consent]

Each Seller hereby consents to the foregoing.

Vestis Retail Financing LLC
Vestis Retail Group LLC
EMS Operating Company LLC
Vestis IP Holdings, LLC
Bob's Stores, LLC
EMS Acquisition LLC
Sport Chalet, LLC
Sport Chalet Value Services, LLC
Sport Chalet Team Sales, LLC

By: _____


Name: Robert J. Duffy
Title: Chief Restructuring Officer

[Signature Page to Affiliate Assignment and Assumption Consent]