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As confidentially submitted to the Securities and Exchange Commission on December 9, 2013.
This draft registration statement has not been publicly filed with the Securities and Exchange Commission and all information herein remains strictly confidential.
Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

INSTALLED BUILDING PRODUCTS, INC.
(Exact name of registrant as specified in its charter)

Delaware	1520	45-3707650
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

495 South High Street, Suite 50
Columbus, Ohio 43215
(614) 221-3399
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Michael T. Miller
Executive Vice President and Chief Financial Officer
Installed Building Products, Inc.
495 South High Street, Suite 50
Columbus, Ohio 43215
(614) 221-3399
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Julie M. Allen, Esq. Robin M. Feiner, Esq. Proskauer Rose LLP Eleven Times Square New York, New York 10036 Tel (212) 969-3000 Fax (212) 969-2900	Shelley A. McBride, Esq. General Counsel and Secretary Installed Building Products, Inc. 495 South High Street, Suite 50 Columbus, Ohio 43215 Tel (614) 221-3399 Fax (614) 961-3542	Michael J. Zeidel, Esq. Skadden, Arps, Slate, Meagher & Flom LLP Four Times Square New York, New York 10036 Tel (212) 735-3000 Fax (212) 735-2000

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

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

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

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934, as amended. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee
Common stock, $0.01 par value per share	$	$

(1) Estimated solely for purposes of determining the registration fee in accordance with Rule 457(o) under the Securities Act of 1933, as amended.
(2) Includes shares of common stock that may be purchased by the underwriters pursuant to their option to purchase additional shares of common stock.

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

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The information contained in this preliminary prospectus is not complete and may be changed. Neither we nor the selling stockholders may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS **Subject to Completion** **December 9, 2013**

Shares

Common Stock

This is the initial public offering of our common stock. No public market currently exists for our common stock. We are offering shares of our common stock and the selling stockholders named in this prospectus are offering shares of our common stock. We will not receive proceeds from the sale of shares by the selling stockholders. We expect the public offering price to be between $ and $ per share.

We intend to list our common stock on the New York Stock Exchange, under the symbol "IBP."

We are an "emerging growth company" as defined under the federal securities laws and are eligible for reduced reporting requirements. See "Prospectus Summary—Implications of Being an Emerging Growth Company."

Investing in our common stock involves a high degree of risk. Before buying any shares, you should carefully read the discussion of material risks of investing in our common stock in "Risk Factors" beginning on page 13 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$	$
Underwriting discounts	$	$
Proceeds, before expenses, to us	$	$
Proceeds, before expenses, to the selling stockholders	$	$

The underwriters may also purchase up to an additional shares of our common stock from us at the public offering price, less underwriting discounts and commissions, within 30 days from the date of this prospectus. If the underwriters exercise this option in full, the total underwriting discounts will be $, and the total proceeds, after underwriting discounts but before expenses, to us will be $.

The underwriters are offering the common stock as set forth under "Underwriting." Delivery of the shares will be made on or about , 2014.

Deutsche Bank Securities **UBS Investment Bank**

Zelman Partners LLC

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You should rely only on the information contained in this prospectus and any free writing prospectus we may specifically authorize to be delivered or made available to you. We, the selling stockholders and the underwriters have not authorized anyone to provide you with additional or different information. The information contained in this prospectus or any free writing prospectus is accurate only as of its date, regardless of its time of delivery or of any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

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This prospectus is an offer to sell only the shares offered hereby but only under circumstances and in jurisdictions where it is lawful to do so.

PRESENTATION OF MARKET AND INDUSTRY DATA AND INFORMATION

We obtained the industry, market and competitive position data used throughout this prospectus from our own internal estimates and research as well as from U.S. government and industry publications, studies and surveys. U.S. government and third-party industry sources include the U.S. Census Bureau, the National Association of Homebuilders, or NAHB, McGraw Hill Construction and Builder Magazine. The information derived from the sources cited in this prospectus generally represents the most recently available data and, therefore, we believe such data remains reliable. While we believe our internal company research is reliable, such research has not been verified by any independent source.

In this prospectus, we present a variety of housing market indicators, including building permits, housing starts and housing completions.

- A building permit is counted at the point in time a permit for construction is granted.
- A housing start is counted at the point in time excavation begins for the footings or foundation of a home.
- A housing completion is counted at the point in time installation of all finished flooring or carpeting of a home is completed.

Building permits and housing starts are both considered leading indicators of the state of the housing market. Alternatively, housing completions are considered a lagging indicator of the housing market. Statements in this prospectus relating to prospective trends in and forecasts of the housing market are based on housing starts or building permits, unless otherwise indicated.

References to the top ten largest homebuilders are based on Builder Magazine's 2012 Builder 100 list, which ranks U.S. single-family homebuilders based on the total number of home closings.

References to a housing market refer to a Metropolitan Statistical Area, or an MSA, which is an area that generally consists of at least one urbanized area of 50,000 or more inhabitants, plus adjacent territory that has a high degree of social and economic integration with the core area as measured by commuting ties. MSA boundaries are based on U.S. Census Bureau determinations as of February 2013. References to our locations refer to properties where we own or lease a facility. Our branches include one or more locations that typically share a common branch manager and administrative staff. We have multiple branches in certain of our markets. References to the markets that we serve or in which we operate are those markets within 50 miles of our locations.

Information in this prospectus relating to historical and forecast reports for commercial construction market starts is based on McGraw Hill Construction Dodge Reports, which are issued on a quarterly basis. We currently participate in many, but not all, categories of the commercial construction market included in the McGraw Hill Construction Dodge Reports.

Prospectus Summary

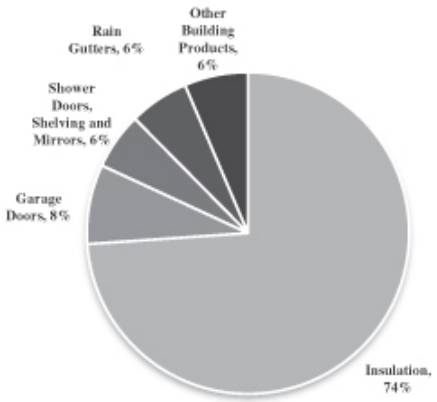
This prospectus summary highlights certain information appearing elsewhere in this prospectus. As this is a summary, it does not contain all of the information that you should consider in making an investment decision. You should read the entire prospectus carefully, including the information under "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus, before investing. This prospectus includes forward-looking statements that involve risks and uncertainties. See "Information Regarding Forward-Looking Statements." Unless the context otherwise requires, the terms "IBP," "the company," "we," "us" and "our" in this prospectus refer to Installed Building Products, Inc. and its subsidiaries.

OUR COMPANY

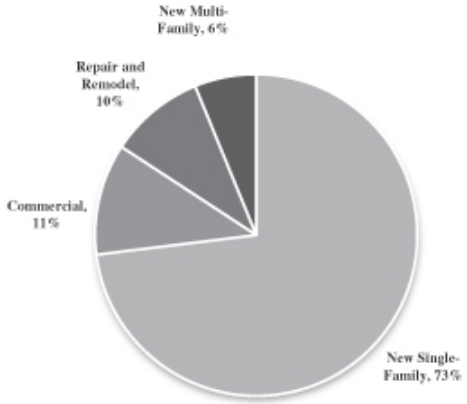
We are the second largest insulation installer in the U.S. residential new construction market, with a national platform consisting of over 100 locations serving customers in 44 states. We believe we have the number one or two market position for new single-family insulation installation in more than half of the markets in which we operate, based on permits issued in those markets. We also install complementary building products, including garage doors, rain gutters, shower doors, closet shelving and mirrors, which provide cross-selling opportunities. For the nine months ended September 30, 2013, we generated net revenue of $312.6 million, Adjusted EBITDA of $16.3 million and net income of $3.7 million. This represents a 49.0% increase in net revenue and a 3.1 times increase in Adjusted EBITDA as compared to the nine months ended September 30, 2012. Approximately 79% of our net revenue in the nine months ended September 30, 2013 was derived from sales to the U.S. residential new construction market.

Net Revenue for the nine-month period ended September 30, 2013

By product as a % of net revenue



By end market as a % of net revenue



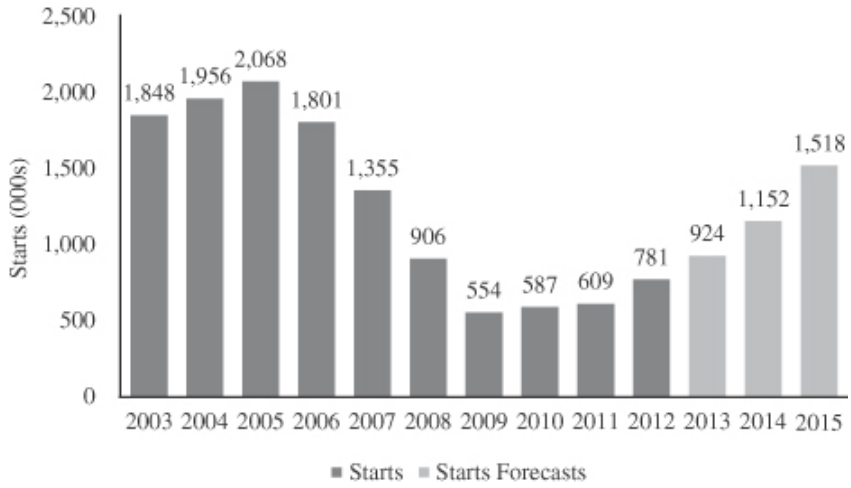
We manage all aspects of the installation process for our customers, from our direct purchase and receipt of materials from national manufacturers, to our timely supply of materials to job sites and quality installation. Installation of insulation, which includes air sealing, is a critical phase in the construction process, as certain interior work cannot begin until the insulation phase passes inspection. We benefit from our national scale, long-standing supplier relationships and a broad customer base that includes production and custom homebuilders, multi-family and commercial contractors, and homeowners. During each of the past five years, no single customer accounted for more than 3% of our net revenue.

Our business began in 1977 with one location in Columbus, Ohio. In the late 1990s, we began our acquisition strategy with the goal of creating a national platform. Since 1999, we have successfully completed and integrated over 90 acquisitions, which has allowed us to generate significant scale and to diversify our product offering while expanding into some of the most attractive housing markets in the United States. Over the past several years, we have significantly improved our cost structure to create a more efficient and scalable operating model to improve our financial performance and returns on invested capital. We are well positioned to continue to grow our business through the ongoing housing recovery, market share gains and acquisitions. We estimate that we have grown our share of the U.S. residential new construction insulation installation market from approximately 5% as of December 31, 2005 to approximately 17% as of June 30, 2013, based on total U.S. housing completions.

INDUSTRY OVERVIEW AND TRENDS

Housing End Market. Our business is driven primarily by the U.S. residential new construction market. According to the U.S. Census Bureau, total housing starts averaged approximately 1.6 million per year from 1968 to 2006. From 2007 to 2012, housing starts averaged approximately 800,000 per year, reaching a low in 2009 of approximately 554,000. After remaining relatively flat in 2010 and 2011, the housing industry started to recover in 2012, with U.S. housing starts increasing to approximately 781,000, which was the highest level achieved since 2008.

Historical and Forecast U.S. Housing Starts



Source: U.S. Census Bureau for historical starts data; NAHB for starts forecasts.

We believe that a new home construction recovery is currently underway on a national basis, which is being driven by key macroeconomic factors, including improved consumer confidence, increasing household formation and attractive levels of new home affordability. According to the NAHB, housing starts are expected to grow by 18% in 2013 to reach 924,200, by 25% in 2014 to reach approximately 1.2 million and by 32% in 2015 to reach approximately 1.5 million. We continuously monitor housing market growth trends across the United States in order to allocate our resources to maximize operating efficiencies and assess geographic expansion opportunities.

Other End Markets. We also install building products, including insulation, for the commercial construction and repair and remodel end markets. The McGraw Hill 2013 Dodge Construction Outlook (third quarter update)

forecasts a 5% year-over-year increase in square footage for commercial construction in 2013 and a 17% year-over-year increase in 2014. We also expect to experience an increase in repair and remodel activity as the overall housing market recovery progresses.

Insulation Market. We compete primarily in the U.S. residential new construction insulation installation market, which we believe exceeded $1.4 billion of sales in 2012 and $4.0 billion of sales in 2005. Sales in the U.S. residential new construction insulation installation market are tied to trends in the housing market. We estimate that the top three insulation installers comprise approximately half of the total market. The remainder of the market is highly fragmented and is comprised primarily of smaller, privately owned, local companies, many of which lack scale and have limited access to capital.

Insulation and energy efficiency standards. The amount of insulation in a new home is regulated by various building and energy codes, which establish minimum thermal and air sealing performance requirements. These codes are typically updated with more stringent requirements every three years. The most recent of these code enhancements to be adopted is the 2012 International Energy Conservation Code, or the 2012 IECC. As of October 2013, seven states and an additional 44 local jurisdictions had adopted the 2012 IECC, and the U.S. Department of Energy projects that 18 states will have adopted standards at the 2012 IECC level or higher by 2015. We believe that new residential insulation demand will increase as a result of increased adoption of the 2012 IECC by states and municipalities.

Installation and homebuilders. Builders value the benefits of using a qualified and experienced installer. These benefits include expertise in installing insulation and other products, knowledge of local building codes, timely supply of materials to job sites and management of installer labor. According to the NAHB, insulation comprises 1.8% of the total construction cost of a typical single-family home.

OUR COMPETITIVE STRENGTHS

We believe we benefit from the following competitive strengths:

Local market leadership with national scale

- We are the second largest insulation installer in the U.S. residential new construction market. We installed insulation in more than 70,000 homes in 2012 and operate in over 70% of the 50 largest housing markets, as measured by U.S. Census Bureau population estimates.
- Our local branch operations have earned a reputation for timely and quality installations, positioning us, we believe, as the number one or number two insulation installer for new single-family insulation installation in more than half of the markets we serve, based on permits issued in those markets.
- Our branches have expertise in local building codes and energy-efficient building practices, and strong working relationships with homebuilders and on-site construction managers.
- Our regional managers, local branch managers and sales force have significant experience in the industry and have spent an average of more than 10 years with our operations.

Proven ability to gain market share

- We estimate that we have increased our market share in the U.S. residential new construction insulation installation market from approximately 5% to approximately 17% from December 31, 2005 to June 30, 2013, based on total U.S. housing completions.
- We have increased our net revenue divided by total U.S. housing completions by 180% from 2005 to 2012. We believe that we have outpaced market growth every year since 2005 by acquiring local installation operations, gaining market share organically, cross-selling complementary installation services and installing more insulation per home due to the adoption of more energy efficient building codes.

Net Revenue Divided by Total U.S. Housing Completions

Source: U.S. Census Bureau for housing completions data.

Proven track record of successful acquisitions

- Since 1999, we have completed over 90 acquisitions.
- We have a proven ability to identify operations that meet our disciplined acquisition criteria and to successfully integrate them to realize synergies within our scalable infrastructure.
- Our ability to retain local employees, trademarks, trade names and long-term customers has been an important component of our successful acquisition strategy.

Highly efficient and scalable operating model

- Our national platform and long-standing supplier relationships allow us to leverage economies of scale to deliver industry favorable margins.
- Our web-based information system facilitates the complete proposal-to-collection process with a customizable platform that supports local market needs, while also enabling efficient centralized accounting and in-depth data analysis.
- Our local branch operations benefit from dedicated corporate services related to purchasing, safety practices, claims and risk management, regulatory compliance and human resources support.

Highly experienced and incentivized management team

- Our management team has led us through multiple housing industry cycles, providing valuable continuity and a demonstrated ability to improve operations and grow our business both organically and through acquisitions.
- Each of our executive officers has more than 10 years of experience with us. They and our regional presidents average more than 20 years of experience in the building products and construction industries.
- Our senior management team is highly incentivized to succeed. Jeff Edwards, our Chief Executive Officer and Chairman, and our directors and executive officers will beneficially own approximately % and %, respectively, of our common stock after this offering.

OUR GROWTH STRATEGY

Our objective is to leverage our competitive strengths to increase stockholder value through the following key strategies.

Capitalize on the new construction market recovery

- Approximately 79% of our net revenue in the nine months ended September 30, 2013 was derived from sales to the U.S. residential new construction market. According to the NAHB, housing starts are expected to grow by approximately 25% in 2014 and approximately 32% in 2015.
- We estimate that our current addressable market, measured by the total number of permits issued in the markets we serve, has grown from approximately 23% of total new U.S. residential building permits for the year ended December 31, 2005 to approximately 55% for the nine months ended September 30, 2013.
- Our diversified customer base includes an attractive mix of production and custom homebuilders, ranging from national home builders to regional and local homebuilders as well as multi-family and commercial contractors, which we believe will enable us to grow through all stages of the housing recovery.
- We will continue to emphasize sourcing direct from manufacturers, local pricing discipline and working capital management to maximize our operating leverage and improve our market position.

Continue to gain market share through organic growth

- We believe we will continue to gain organic market share, aided by our national scale and local presence, quality service and ability to hire, train and retain installers.
- We expect to continue to strengthen our leading national market position, as many of our competitors lack the access to capital required to keep pace with the U.S. housing market recovery.
- We will continue to pursue cross-selling opportunities in garage doors, rain gutters, shower doors, closet shelving and mirrors and other complementary products. We estimate that our net revenue contributed by these products divided by total U.S. housing completions has grown from approximately $51 in 2005 to approximately $120 in 2012, a 135% increase.

Pursue value-enhancing strategic acquisitions

- The highly fragmented nature of our industry allows for both geographic expansion and existing market tuck-in acquisitions.
- We will continue to identify and pursue strategic acquisitions, based on our acquisition criteria that include local brand strength and quality of the local management and labor force.
- We believe we will continue to achieve synergies from our acquisitions due to our national buying power, value-enhancing technology and proven operating platform.

Maximize benefits from energy efficiency standards and industry trends

- We expect to increase our net revenue as building codes continue to require higher energy efficiency and homeowners become more focused on energy conservation.
- A return to the historic mix of single-family and multi-family new home construction activity is expected to further increase insulation demand, according to the NAHB.
- Approximately 11% of our net revenue was derived from sales made to the commercial construction end market for the nine months ended September 30, 2013. According to the McGraw Hill 2013 Dodge Construction Outlook (third quarter update), square footage for commercial construction starts is expected to increase 5% year-over-year in 2013 and 17% year-over-year in 2014.

RISKS ASSOCIATED WITH OUR BUSINESS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described in "Risk Factors" before making a decision to invest in our common stock. If any of these risks actually occurs, our business, financial condition, results of operations and prospects would likely be materially adversely affected. In such case, the trading price of our common stock would likely decline, and you may lose part or all of your investment. Below is a summary of some of the principal risks we face:

- our dependence on the residential construction industry, the economy and the credit markets;
- uncertainty regarding the housing recovery;
- declines in the economy or expectations regarding the housing recovery that could lead to additional significant impairment charges;
- the cyclical and seasonal nature of our business;
- our exposure to severe weather conditions;
- the highly fragmented and competitive nature of our industry;
- product shortages or the loss of key suppliers;
- changes in the costs and availability of products;
- inability to successfully acquire and integrate other businesses;
- our exposure to claims arising from our acquired operations;
- our reliance on key personnel;
- our ability to attract, train and retain qualified employees while controlling labor costs;
- our exposure to product liability, workmanship warranty, casualty, construction defect and other claims and legal proceedings;
- changes in, or failure to comply with, federal, state, local and other regulations;
- disruptions in our information technology systems; and
- our ability to implement and maintain effective internal control over financial reporting and remediate any outstanding material weakness and significant deficiencies.

OUR PRINCIPAL INVESTORS

Our management team is led by Jeff Edwards, who has been our Chief Executive Officer since 2004 and Chairman of our Board of Directors since 1999. Jeff Edwards and members of his family have started, acquired and invested in companies successfully for over 40 years across a variety of industries, including multi-family and student housing development and management, industrial tool distribution, wholesale building supply, homebuilding, land and real estate development, and real estate brokerage. Collectively, these companies are referred to as the Edwards Companies. Jeff Edwards, Peter Edwards Jr., Anne Edwards and Michael Edwards, and the investment entities through which they directly and indirectly beneficially own shares of our common stock, are referred to herein as the Edwards Investors. Jeff Edwards has voting and dispositive control over all of the shares of our common stock owned by the Edwards Investors. Peter Edwards Jr., Anne Edwards and Michael Edwards are not currently and have not been directors, officers or employees of our company. Jeff Edwards will beneficially own approximately % of our common stock after this offering.

Littlejohn Management Holdings, LLC is a private equity firm that seeks investment opportunities in middle-market companies undergoing a fundamental change in capital structure, strategy, operations or growth.

Since the firm was founded in 1996, Littlejohn has made equity investments of approximately $2.0 billion in over 30 platform portfolio companies and many add-on acquisitions. As of September 30, 2013, the firm has approximately 25 investment professionals, ten of whom are partners with extensive investment and operating experience. Littlejohn Management Holdings, LLC and its affiliates, including Littlejohn Fund IV, L.P., are collectively referred to herein as Littlejohn. Littlejohn will beneficially own approximately % of our common stock after this offering.

COMPANY INFORMATION

Installed Building Products, Inc. (formerly, CCIB Holdco, Inc.) is a Delaware corporation formed on October 28, 2011 in connection with our Recapitalization. Our principal executive offices are located at 495 South High Street, Suite 50, Columbus, Ohio 43215. Our main telephone number is (614) 221-3399. Our corporate internet website address is www.installedbuildingproducts.com. The information contained in, or that can be accessed through, our websites is not incorporated by reference and is not a part of this prospectus.

IMPLICATIONS OF BEING AN EMERGING GROWTH COMPANY

We qualify as an "emerging growth company" as defined in the Jumpstart our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include:

- a requirement to have only two years of audited financial statements and only two years of related selected financial data and management's discussion and analysis of financial condition and results of operations disclosure;
- an exemption from the auditor attestation requirement in the assessment of internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act;
- reduced disclosure about executive compensation arrangements; and
- no requirement to seek non-binding advisory votes on executive compensation or golden parachute arrangements.

We may take advantage of the provisions listed above until we are no longer an emerging growth company. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.0 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the prior June 30th, and (2) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. We may choose to take advantage of some but not all of these reduced disclosure requirements.

The JOBS Act also permits emerging growth companies to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period is irrevocable.

The Offering

Common stock offered by us	shares (or shares if the underwriters exercise their option to purchase additional shares in full).
Common stock offered by the selling stockholders	shares.
Common stock to be outstanding after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares in full).
Option to purchase additional shares	We have granted the underwriters a 30-day option to purchase up to additional shares of our common stock.
Use of proceeds	We expect to receive net proceeds from this offering of approximately $ million, or approximately $ million if the underwriters exercise their option to purchase additional shares of our common stock in full, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds from this offering (including any additional proceeds that we may receive if the underwriters exercise their option to purchase additional shares of our common stock) to repurchase our outstanding preferred stock and shares of our common stock from Littlejohn, to repay outstanding indebtedness and for general corporate purposes. See “Use of Proceeds.” We will not receive any proceeds from the sale of shares of our common stock in this offering by the selling stockholders.
Dividend policy	We currently intend to retain any future earnings to finance the development and expansion of our business and, therefore, do not intend to pay dividends on our common stock for the foreseeable future. Our ability to pay dividends on our common stock will be limited by our new credit facility. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, contractual restrictions, legal requirements and such other factors as our board of directors deems relevant. See “Dividend Policy.”
Proposed New York Stock Exchange symbol	We intend to list our common stock on the New York Stock Exchange, or NYSE, under the symbol “IBP.”
Risk factors	Investing in our common stock involves a high degree of risk. See “Risk Factors” beginning on page 13 of this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.

The number of shares of our common stock outstanding after this offering is based on shares of our common stock outstanding as of December 1, 2013 and excludes shares of common stock that will be reserved for issuance under our 2013 Omnibus Incentive Plan. Unless otherwise indicated, all information in this prospectus assumes:

- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, which will occur immediately prior to the effectiveness of the registration statement of which this prospectus forms a part;
- the repurchase by us of all our outstanding preferred stock for total consideration of $ and the related repurchase by us of shares of our common stock from Littlejohn for total consideration of $;
- no exercise by the underwriters of their option to purchase additional shares of our common stock; and
- a for stock split of our common stock to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

Summary Consolidated Financial Data

The summary consolidated financial data for each of the two years ended December 31, 2011 and 2012 has been derived from our audited consolidated financial statements that are included elsewhere in this prospectus. The summary consolidated statements of operations data for the nine months ended September 30, 2012 and 2013 and the summary consolidated balance sheet data as of September 30, 2013 have been derived from our unaudited consolidated financial statements that are included elsewhere in this prospectus. Our historical results for any prior period are not necessarily indicative of results expected in any future period.

The following data should be read in conjunction with the information under "Capitalization" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. The following table does not take into effect the split of our common stock to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

	Year ended December 31,		Nine months ended September 30,	
(in thousands, except share and per share data)	**2011**	**2012**	**2012**	**2013**
Statement of operations information:				
Net revenue	$ 238,447	$ 301,253	$ 209,855	$ 312,599
Cost of sales	181,221	227,210	157,616	234,121
Gross profit	57,226	74,043	52,239	78,478
Operating expenses				
Selling	18,446	19,807	14,443	18,454
Administrative (1)	45,678	56,333	41,274	49,183
Management fees, related parties (2)	4,760	4,300	—	—
Gain on litigation settlement	—	(6,975)	—	—
Amortization	3,785	3,082	2,300	2,301
Impairment of intangibles	1,687	352	—	—
Other	—	(960)	(960)	—
Operating (loss) income	(17,130)	(1,896)	(4,818)	8,540
Other expense (income)				
Interest expense	3,673	1,979	1,476	1,657
Interest expense, related parties	3,321	—	—	—
Gain on extinguishment of debt	(18,542)	—	—	—
Other	159	(136)	(135)	(24)
(Loss) income before income taxes	(5,741)	(3,739)	(6,159)	6,907
Income tax provision	1,449	555	510	2,646
Net (loss) income from continuing operations	(7,190)	(4,294)	(6,669)	4,261
Loss (income) from discontinued operations	2,455	(3,835)	530	960
Income tax (benefit) provision	(660)	1,447	(200)	(362)
Loss (income) from discontinued operations, net of tax	1,795	(2,388)	330	598
Net (loss) income	$ (8,985)	$ (1,906)	$ (6,999)	$ 3,663
Accretion charges on Series A Redeemable Preferred Stock	(811)	(5,529)	(4,085)	(4,597)
Accretion charges on Pre-Recapitalization Preferred Units	(1,621)	—	—	—
Gain on extinguishment of Pre-Recapitalization Preferred Units	85,040	—	—	—
Net income (loss) attributable to common stockholders	$ 73,623	$ (7,435)	$ (11,084)	$ (934)
Net income (loss) per share attributable to common stockholders (basic and diluted):				
Continuing operations	$ 75.42	$ (9.42)	$ (10.59)	$ (0.30)
Discontinued operations	(1.80)	2.29	(0.33)	(0.53)
Net income (loss) per share:	$ 73.62	$ (7.13)	$ (10.92)	$ (0.83)
As adjusted net income (loss) per share attributable to common stockholders (basic and diluted) (3):				
Continuing operations	$	$	$	$
Discontinued operations				
Net income (loss) per share:	$	$	$	$
Weighted average number of shares outstanding:				
Basic and diluted	1,000,000	1,043,450	1,015,176	1,129,944
As adjusted basic and diluted (4)				

(in thousands)	As of December 31, 2011	As of December 31, 2012	As of September 30, 2013
Balance sheet data:			
Cash	$ 2,528	$ 3,898	$ 5,270
Total current assets	56,554	75,768	93,733
Property and equipment, net	8,198	17,931	29,524
Total assets	127,526	160,752	189,687
Total funded debt (5)	21,255	30,075	46,790
Mezzanine equity (6)	59,587	66,861	104,566
Total stockholders' equity	(9,560)	(7,482)	(41,524)
Total mezzanine equity and stockholder's equity	50,027	59,379	63,042

(in thousands, except percentages and net revenue per completion)	Year ended December 31, 2011	Year ended December 31, 2012	Nine months ended September 30, 2012	Nine months ended September 30, 2013
Statement of cash flows:				
Net cash (used in) provided by:				
Operating activities	$(12,755)	$ 4,594	$(2,173)	$ 2,617
Investing activities	181	(2,743)	(106)	(1,551)
Financing activities	11,945	(481)	5,395	306
Other financial data:				
Adjusted EBITDA (7)	$ (6,511)	$ 6,205	$ 5,173	$16,272
Adjusted EBITDA margin (7)	(2.7)%	2.1%	2.5%	5.2%
Net revenue divided by total U.S. housing completions	$ 408	$ 462	$ 454	$

(1) In 2010, IBP Management Holdings, LLC, one of our stockholders, and in 2011, IBP Investment Holdings, LLC, one of our principal stockholders, issued awards of their equity interests to certain of our employees. Certain of these employees were granted rights to put such equity awards during a limited period to Jeff Edwards, our Chairman, Chief Executive Officer and President. Accounting guidance requires that the compensation associated with these equity awards be pushed down to us and recorded as non-cash compensation expense. The non-cash compensation expense associated with the equity awards approximated $0.8 million for the year ended December 31, 2011, $4.7 million for the year ended December 31, 2012, $4.6 million for the nine months ended September 30, 2012 and $0 for the nine months ended September 30, 2013 and is included in administrative expenses.

(2) For the year ended December 31, 2011, management fees represented amounts charged to us by IBP Holding Company, a related party, under agreements originally entered into in March 2004 and October 2007, which were terminated as a result of our Recapitalization. The associated expenses were transferred to us and the IBP Holding Company personnel became our employees in January 2012. For the year ended December 31, 2012, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) pursuant to an agreement dated December 18, 2012, which was terminated on November 22, 2013. No similar fees were charged during 2013, and we do not expect to incur management fees going forward. Prior to November 1, 2013, Jeff Edwards served as a consultant and non-employee officer to us. As such, he did not receive salary or bonus for 2012. The costs of Jeff Edwards' services were paid through the management agreements discussed above. See the sections of this prospectus captioned "Compensation of our Directors and Executive Officers" and "Certain Relationships and Related-Party Transactions—Management Agreements."

(3) Our net income (loss) attributable to common stockholders has been adjusted to reflect the elimination of the accretion charges on the Series A Preferred Stock and the Redeemable Common Stock upon the consummation of this offering.

(4) Assumes the issuance of additional shares as a result of this offering.

(5) Total funded debt consists of current and long-term portions of long-term debt and capital lease obligations.

(6) Consists of Series A Preferred Stock and Redeemable Common Stock.

(7) Adjusted EBITDA measures performance by adjusting net income (loss) to exclude interest expense, income tax expense (benefit), depreciation and amortization, or EBITDA, and adjusts for certain income and expense items that are not considered part of our core operations. The Adjusted EBITDA margin takes Adjusted EBITDA and divides it by net revenue. See "Non-GAAP Measures" in the section of this prospectus captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The following table presents a reconciliation of Adjusted EBITDA to Net (loss) income, the most comparable GAAP measure, for each of the periods indicated.

(in thousands)	Year ended December 31, 2011	2012	Nine months ended September 30, 2012	2013
Net (loss) income	$ (8,985)	$(1,906)	$(6,999)	$ 3,663
Interest expense	6,994(a)	1,979	1,476	1,657
Provision for income taxes (b)	1,449	555	510	2,646
Depreciation and amortization	9,087	7,894	5,539	8,306
EBITDA	8,545	8,522	526	16,272
Gain on extinguishment of debt (c)	(18,542)	—	—	—
Recapitalization transaction fees (d)	2,706	—	—	—
Legal settlement (e)	—	(6,975)	—	—
Non-cash stock compensation (f)	780	4,658	4,647	—
Adjusted EBITDA	$ (6,511)	$ 6,205	$ 5,173	$16,272

a. Consists of interest expense of $3,673 on debt and related-party interest of $3,321. The related-party interest was forgiven in connection with our Recapitalization.
b. Excludes income taxes related to discontinued operations.
c. Represents the gain recorded in the 2011 Consolidated Statement of Operations related to the extinguishment of certain first lien senior secured indebtedness in connection with our Recapitalization.
d. Represents expenses related to the Recapitalization and the write-off of the remaining unamortized loan costs associated with our credit facilities in place prior to our Recapitalization.
e. Represents the settlement in 2012 of a class action lawsuit in which we were one of the plaintiffs. The lawsuit related to excess material prices being charged by certain manufacturers.
f. In 2010, IBP Management Holdings, LLC and, in 2011, IBP Investment Holdings, LLC issued awards of their equity interests to certain of our employees. Certain of these employees were granted rights to put such equity awards during a limited period to Jeff Edwards, our Chairman, Chief Executive Officer and President. Accounting guidance requires that the compensation associated with these equity awards be pushed down to us and recorded as non-cash compensation expense.

Risk Factors

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this prospectus, including our consolidated financial statements and related notes included elsewhere in this prospectus, before making an investment decision. If any of the following risks are realized, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the trading price of our common stock could decline and you could lose part or all of your investment.

RISKS ASSOCIATED WITH OUR BUSINESS

Our business is dependent on the residential construction industry, the economy, the credit markets and other important factors, many of which are beyond our control.

We are highly dependent on the level of new home construction, which in turn is dependent upon a number of factors, including interest rates, consumer confidence, employment rates, foreclosure rates, housing inventory levels, housing demand and the health of the economy and mortgage markets. Unfavorable changes in demographics, credit markets, political conditions, consumer confidence, household formation, housing affordability or housing inventory levels, or a weakening of the national economy or of any regional or local economy in which we operate, could adversely affect consumer spending, result in decreased demand for homes and adversely affect our business. Additional headwinds may come from the efforts and proposals of lawmakers to reduce the debt of the federal government and/or solve state budget shortfalls through tax increases and/or spending cuts, and financial markets' and businesses' reactions to those efforts and proposals, which could impair economic growth.

The housing market recovery faces significant challenges.

While some of the challenges facing the housing market moderated in 2012, several remain, and these challenges could return and/or intensify to limit the extent of any recovery of or future improvement in housing market conditions. These challenges include (i) weak general economic and employment growth that, among other things, limits consumer incomes, consumer confidence and demand for homes; (ii) elevated levels of mortgage loan delinquencies, defaults and foreclosures that could add to an inventory of lender-owned homes that may be sold in competition with new and resale homes at low distressed prices or that generate short sales activity at such price levels; (iii) a significant number of homeowners whose outstanding principal balance on their mortgage loan exceeds the market value of their home, which undermines their ability to purchase another home that they otherwise might desire and be able to afford; (iv) volatility and uncertainty in U.S. financial, credit and consumer lending markets amid slow growth or recessionary conditions; and (v) tight lending standards and practices for mortgage loans that limit consumers' ability to qualify for mortgage financing to purchase a home, including increased minimum credit score requirements, credit risk/mortgage loan insurance premiums and/or other fees and required down payment amounts, more conservative appraisals, higher loan-to-value ratios and extensive buyer income and asset documentation requirements. Given these factors, the present housing recovery may not continue or gain further momentum, which could adversely affect our business, financial condition and results of operations.

The present housing recovery is relative to the historically low levels of home sales and residential new construction activity experienced during the recent housing downturn. Even with the upturn in 2012, new home construction remains well below, and may not return to, the peak levels reached shortly before the housing downturn began in 2006. In addition, we operate in certain markets where new home construction lags the housing recovery. If the present new home construction recovery stalls or does not continue at the same pace, or any or all of the negative factors described above persist or worsen, there would likely be a corresponding adverse effect on the new home construction market, which would have a material adverse effect on our business and our consolidated financial statements, including, but not limited to, the amount of revenues we generate and our ability to operate profitably.

A decline in the economy and a deterioration in expectations regarding the housing recovery could result in our taking additional significant non-cash impairment charges, which may reduce our financial resources and flexibility and could negatively affect our earnings and reduce stockholders' equity.

During 2010, we recorded a $64.3 million goodwill impairment charge. We did not record any goodwill impairment charges in 2011 or 2012 or the nine months ended September 30, 2013; however, a decline in the expectation of our future performance or deterioration in expectations regarding the timing and the extent of the recovery of new home construction and home improvement may cause us to recognize additional non-cash, pre-tax impairment charges for goodwill and other indefinite-lived intangible assets or other long-lived assets, which are not determinable at this time. In addition, as a result of our acquisition strategy, we will likely record additional goodwill and may incur impairment charges in connection with prior and future acquisitions. If the value of goodwill or other intangible assets is impaired, our earnings and stockholders' equity would be adversely affected. In addition, if future acquisitions are not successful, we may record additional unexpected impairment charges.

Further, our existing credit facility contains, and our new credit facility to be entered into concurrently with the completion of this offering will contain, financial covenants that we must comply with, including covenants regarding limits on our debt to total capitalization ratio. If we record additional non-cash impairment charges, our stockholders' equity would be reduced, and our borrowing capacity under our new credit facility may be limited or we may need to seek waivers or amendments and there can be no assurance that these will be attainable on commercially reasonable terms or at all. Alternative financing may not be available on acceptable terms and at acceptable rates, if at all.

Our business is cyclical and significantly affected by changes in general and local economic conditions.

Demand for our services is cyclical and highly sensitive to general and local economic conditions over which we have no control, including changes in:

- the number of new home and commercial building construction starts;
- short- and long-term interest rates;
- inflation;
- employment levels and job and personal income growth;
- housing demand from population growth, household formation and other demographic changes;
- availability and pricing of mortgage financing for homebuyers and commercial financing for developers of multi-family homes and subcontractors;
- consumer confidence generally and the confidence of potential homebuyers in particular;
- U.S. and global financial system and credit market stability;
- private party and government mortgage loan programs and federal and state regulation, oversight and legal action regarding lending, appraisal, foreclosure and short sale practices;
- federal and state personal income tax rates and provisions, including provisions for the deduction of mortgage loan interest payments, real estate taxes and other expenses; and
- federal, state and local energy efficiency programs, regulations, codes and standards.

Adverse changes in these conditions may affect our business generally or may be more prevalent or concentrated in particular markets in which we operate. Economic conditions in some of our markets continue to be characterized by varying levels of uncertainty. Any deterioration in economic conditions or continuation of uncertain economic conditions could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business may be affected by severe weather conditions and is seasonal.

Severe weather conditions, such as unusually prolonged cold conditions, rain, blizzards or hurricanes, could accelerate, delay or halt construction or installation activity. The impact of these types of events on our business may adversely impact our net revenue, cash flows from operations and results of operations. If net revenue were to fall substantially below what we would normally expect during certain periods, our financial results would be adversely impacted.

We tend to have higher sales during the second half of the year as our homebuilder customers complete construction of homes placed under contract for sale in the traditionally stronger spring selling season. In addition, some of our larger branches operate in states more impacted by winter weather and as such experience a slowdown in construction activity during the first quarter of the calendar year. This winter slowdown contributes to traditionally lower sales in our first quarter.

Our industry is highly fragmented and competitive, and increased competitive pressure may adversely affect our business, financial condition, results of operations and cash flows.

The building products installation industry is highly fragmented and competitive. We face significant competition from other national, regional and local companies. Any of these competitors may (i) foresee the course of market development more accurately than we do, (ii) offer services that are deemed superior to ours, (iii) install building products at a lower cost, (iv) develop stronger relationships with homebuilders and suppliers, (v) adapt more quickly to new technologies, new installation techniques or evolving customer requirements or (vi) have access to financing on more favorable terms than we can obtain in the market. As a result, we may not be able to compete successfully with them. If we are unable to compete effectively, our business, financial condition, results of operations and cash flows may be adversely affected.

Product shortages or the loss of key suppliers could affect our business, financial condition, results of operations and cash flows.

Our ability to offer a wide variety of products to our customers is dependent upon our ability to obtain adequate product supply from manufacturers. We do not typically enter into long-term agreements with our suppliers. Generally, our products are available from various sources and in sufficient quantities. However, the loss of, or a substantial decrease in the availability of, products from our suppliers or the loss of key supplier arrangements could adversely impact our business, financial condition, results of operations and cash flows. In prior downturns in the housing industry, manufacturers have reduced capacity by closing plants and production lines within plants. Even if such capacity reductions are not permanent, there may be a delay in manufacturers' ability to increase capacity in times of rising demand. If the demand for products from manufacturers and other suppliers exceeds the available supply, we may be unable to source additional products in sufficient quantity or quality in a timely manner and the prices for the products that we install could rise. These developments could affect our ability to take advantage of market opportunities and limit our growth prospects. Our largest supplier, Owens Corning, accounted for approximately 22%, and our three largest suppliers in aggregate accounted for approximately 42%, of our material purchases in 2012. For the nine months ended September 30, 2013, Owens Corning accounted for approximately 24% of our material purchases and our three largest suppliers in the aggregate accounted for approximately 45%.

Failure by our suppliers to continue to provide us with products on commercially favorable terms, or at all, could put pressure on our operating margins or have a material adverse effect on our financial condition, operating results and cash flows. Our inability to source materials in a timely manner could also damage our relationships with our customers.

Changes in the costs of the products we install can decrease our profit margins.

The principal building products that we install have been subject to price changes in the past, some of which have been significant. Our results of operations for individual quarters can be and have been hurt by a delay between

the time building product cost increases are implemented and the time we are able to increase prices for our products, if at all. Our supplier purchase prices often depend on volume requirements. If we do not meet these volume requirements, our costs could increase and our margins may be adversely affected. In addition, while we have been able to achieve cost savings through volume purchasing and our relationships with suppliers, we may not be able to continue to receive advantageous pricing for the products that we install, which could have a material adverse effect on our financial condition, results of operations and cash flows.

We may be unable to successfully acquire and integrate other businesses.

We may be unable to continue to grow our business through acquisitions. We may not be able to continue to identify suitable acquisition candidates and may face increased competition for these acquisition candidates. In addition, acquired businesses may not perform in accordance with expectations, and our business judgments concerning the value, strengths and weaknesses of acquired businesses may not prove to be correct. We may also be unable to achieve expected improvements or achievements in businesses that we acquire. At any given time, we may be evaluating or in discussions with one or more acquisition candidates, including entering into non-binding letters of intent. Future acquisitions may result in the incurrence of debt and contingent liabilities, legal liabilities, goodwill impairments, increased interest expense and amortization expense and significant integration costs.

Acquisitions involve a number of special risks, including:

- our inability to manage acquired businesses or control integration costs and other costs relating to acquisitions;
- potential adverse short-term effects on operating results from increased costs or otherwise;
- diversion of management’s attention;
- failure to retain existing key personnel of the acquired business and recruit qualified new employees at the location;
- failure to successfully implement infrastructure, logistics and systems integration;
- potential impairment of goodwill;
- risks associated with the internal controls of acquired companies;
- exposure to legal claims for activities of the acquired business prior to acquisition and inability to realize on any indemnification claims, including with respect to environmental and immigration claims;
- the risks inherent in the systems of the acquired business and risks associated with unanticipated events or liabilities; and
- our inability to obtain financing necessary to complete acquisitions on attractive terms or at all.

Our strategy could be impeded if we do not identify, or face increased competition for, suitable acquisition candidates and our business, financial condition and results of operations could be adversely affected if any of the foregoing factors were to occur.

We may be subject to claims arising from the operations of our various businesses for periods prior to the dates we acquired them.

We have consummated over 90 acquisitions. We may be subject to claims or liabilities arising from the ownership or operation of acquired businesses for the periods prior to our acquisition of them, including environmental, employee-related and other liabilities and claims not covered by insurance. These claims or liabilities could be significant. Our ability to seek indemnification from the former owners of our acquired businesses for these claims or liabilities may be limited by various factors, including the specific time, monetary or other limitations contained in the respective acquisition agreements and the financial ability of the former

owners to satisfy our indemnification claims. In addition, insurance companies may be unwilling to cover claims that have arisen from acquired businesses or locations, or claims may exceed the coverage limits that our acquired businesses had in effect prior to the date of acquisition. If we are unable to successfully obtain insurance coverage of third-party claims or enforce our indemnification rights against the former owners, or if the former owners are unable to satisfy their obligations for any reason, including because of their current financial position, we could be held liable for the costs or obligations associated with such claims or liabilities, which could adversely affect our financial condition and results of operations.

Our success depends on our key personnel.

Our business results depend largely upon the continued contributions of our chief executive officer and other members of our management team. We do not have employment agreements with any of our executive officers, other than Jeff Edwards, the Chairman of our Board and our Chief Executive Officer and President. Although our employment agreement with Mr. Edwards provides for a three-year term, he is permitted under the agreement to resign his employment at any time with only 30 days prior written notice to us. Also, while his employment agreement requires Mr. Edwards to devote the amount of time necessary to conduct our business and affairs, he is also permitted to engage in other business activities that do not create a conflict of interest or substantially interfere with his service to us, including non-competitive operational activities for his real estate development business. See “Compensation of Our Directors and Executive Officers—Compensation of Our Executive Officers— Employment Agreement with Jeff Edwards.” Although we maintain key person life insurance on Mr. Edwards, if he no longer serves in (or serves in some lesser capacity than) his current role, or if we lose other members of our management team, our business, financial condition and results of operations, as well as the market price of our securities, could be adversely affected.

Our business results also depend upon our branch managers and sales personnel, including those of companies recently acquired. While we customarily sign non-competition agreements, typically lasting two years, with our branch managers and sales personnel in order to maintain key customer relationships in our markets, such agreements do not protect us fully against competition.

We are dependent on attracting, training and retaining qualified employees while controlling labor costs.

We must attract, train and retain a large number of qualified employees while controlling related labor costs. We compete with other businesses for these employees. Tighter labor markets, due to a recovering housing market or otherwise, may make it more difficult for us to hire and retain installers and control labor costs. Our ability to control labor costs is subject to numerous external factors, including competitive wage rates and health and other insurance costs.

With the passage in 2010 of the U.S. Patient Protection and Affordable Care Act, or the Affordable Care Act, we are required to provide affordable coverage, as defined in the Affordable Care Act, to all employees, or otherwise be subject to a payment per employee based on the affordability criteria therein. Many of these requirements will be phased in over a period of time. Additionally, some states and localities have passed state and local laws mandating the provision of certain levels of health benefits by some employers. Although the impact of these new legislative directives on our business is not yet certain, increased health care and insurance costs could have an adverse effect on our business, financial condition and results of operations. In addition, changes in the federal or state minimum wage or living wage requirements or changes in other workplace regulations could adversely affect our ability to meet our financial targets.

In addition, various states in which we operate are considering or have already adopted new immigration laws or enforcement programs, and the U.S. Congress and Department of Homeland Security from time to time consider and may implement changes to federal immigration laws, regulations or enforcement programs. Although we verify the employment eligibility status of all our employees, including through participation in the “E-Verify” program where required, some of our employees may, without our knowledge, be unauthorized workers. Unauthorized workers are subject to deportation and may subject us to fines, penalties and adverse publicity.

Termination of a significant number of employees who are unauthorized workers may disrupt our operations and cause temporary increases in our labor costs as we train new employees. We could also become subject to fines, penalties and other costs related to claims that we did not fully comply with all recordkeeping obligations of federal and state immigration laws.

If we are unable to hire and retain qualified installation personnel at economically reasonable compensation and benefits levels, our business, prospects, financial condition and results of operations could be adversely affected.

We may be subject to periodic litigation and regulatory proceedings, including Fair Labor Standards Act and state wage and hour class action lawsuits, which may adversely affect our business and financial performance.

From time to time, we may be involved in lawsuits and regulatory actions, including class action lawsuits, that are brought or threatened against us for alleged violations of the Fair Labor Standards Act, or the FLSA, and state wage and hour laws. We are currently a defendant in two such lawsuits in Washington and Tennessee. Due to the inherent uncertainties of litigation, we cannot accurately predict the ultimate outcome of these or any similar proceedings that may arise in the future. The ultimate resolution of these matters through settlement, mediation or court judgment could have a material adverse impact on our financial condition, results of operations and cash flows. In addition, regardless of the outcome, these proceedings could result in substantial costs and may require us to devote substantial resources, including the time of our management team, to defend ourselves. For a description of current legal proceedings, see “Business—Legal Proceedings” and Note 11 to our audited consolidated financial statements for the year ended December 31, 2012 included elsewhere in this prospectus.

The nature of our business exposes us to product liability, workmanship warranty, casualty, construction defect, breach of contract and other claims and legal proceedings.

We are subject to product liability, workmanship warranty, casualty, construction defect, breach of contract and other claims relating to the products we install that, if adversely determined, could adversely affect our financial condition, results of operations and cash flows. We rely on manufacturers and other suppliers to provide us with most of the products we install. Because we do not have direct control over the quality of such products manufactured or supplied by such third-party suppliers, we are exposed to risks relating to the quality of such products. In addition, we are exposed to potential claims arising from the conduct of our employees, and homebuilders and other subcontractors, for which we may be contractually liable. Certain types of insulation, particularly spray foam applications, require our employees to handle potentially hazardous or toxic substances. While our employees who handle these and other potentially hazardous or toxic materials, including lead-based paint, receive specialized training and wear protective clothing, there is still a risk that they, or others, may be exposed to these substances. Exposure to these substances could result in significant injury to our employees and others, including site occupants, and damage to our property or the property of others, including natural resource damage. Our personnel and others at our work sites are also at risk for other workplace-related injuries, including slips and falls. We have in the past been, and may in the future be, subject to fines, penalties and other liabilities in connection with any such injury or damage. Although we currently maintain what we believe to be suitable and adequate insurance in excess of our self-insured amounts, we may be unable to maintain such insurance on acceptable terms or such insurance may not provide adequate protection against potential liabilities. Product liability, workmanship warranty, casualty, negligence, construction defect, breach of contract and other claims can be expensive to defend and can divert the attention of management and other personnel for significant periods of time, regardless of the ultimate outcome. In addition, lawsuits relating to construction defects typically have statutes of limitations that can run as long as ten years. Claims of this nature could also have a negative impact on customer confidence in us and our services. In addition, we are subject to various claims and lawsuits incidental to the conduct of our business in the ordinary course. Current or future claims could have a material adverse effect on our reputation, business, financial condition and results of operations. We may also be unable to obtain performance and licensing bonds on commercially reasonable terms or at all in the future. Surety companies issue bonds on a project-by-project basis and can decline to issue bonds at any time. Our inability to

obtain such bonds would materially and adversely affect our business, financial condition, results of operations and cash flows. For additional information, see Note 11 to our audited consolidated financial statements for the year ended December 31, 2012 included elsewhere in this prospectus.

Federal, state, local and other laws and regulations could impose substantial costs and/or restrictions on our operations that would reduce our net income.

We are subject to various federal, state, local and other laws and regulations, including, among other things, worker and workplace health and safety regulations promulgated by the Department of Labor's Occupational Safety and Health Administration, or OSHA, regulations promulgated by the Department of Transportation, or DOT, and employment regulations promulgated by the U.S. Equal Employment Opportunity Commission. More burdensome regulatory requirements in these or other areas, including workers' compensation, may increase our expenses and adversely affect our business, financial condition, results of operations and cash flows. Moreover, failure to comply with the regulatory requirements applicable to our business could expose us to substantial fines and penalties that could adversely affect our business, financial condition, results of operations and cash flows.

Our transportation operations, upon which we depend to transport materials from our locations to job sites, are subject to the regulatory jurisdiction of the DOT. The DOT has broad administrative powers with respect to our transportation operations. More restrictive limitations on vehicle weight and size, trailer length and configuration or driver hours of service would increase our costs, which, if we are unable to pass these cost increases on to our customers, may increase our selling and administrative expenses and adversely affect our financial condition, operating results and cash flows. If we fail to comply adequately with DOT regulations or regulations become more stringent, we could experience increased inspections, regulatory authorities could take remedial action including imposing fines or shutting down our operations and we could be subject to increased audit and compliance costs. We organize our transportation operations as a separate legal entity in certain states, including in Ohio and Indiana, in order to take advantage of sales tax exemptions relating to vehicle operating costs. If legislation is enacted that modifies or eliminates these exemptions, our costs would increase. If any of these events were to occur, our financial condition, results of operations and cash flows would be adversely affected.

In addition, the residential construction industry is subject to various federal, state and local statutes, ordinances, rules and regulations concerning zoning, building design and safety, construction, contractors' licensing, energy conservation and similar matters, including regulations that impose restrictive zoning and density requirements on the residential new construction industry or that limit the number of homes that can be built within the boundaries of a particular area. Regulatory restrictions and industry standards may require us to alter our installation processes and our sourcing and otherwise increase our operating expenses and limit the availability of suitable building lots for our customers, any of which could negatively affect our business, financial condition and results of operations.

We are subject to environmental regulation and potential exposure to environmental liabilities.

We are subject to various federal, state, and local environmental laws and regulations. Although we believe that we operate our business, including each of our locations, in material compliance with applicable laws and regulations and maintain all material permits required under such laws and regulations to operate our business, we may be held liable or incur fines or penalties in connection with such requirements. As the nature of our business involves the use or handling of certain potentially hazardous or toxic substances, including spray foam applications and lead-based paint, we may be held liable for claims alleging injury or damage resulting from the release or exposure to such substances. In addition, as owners and lessees of real property, we may be held liable for, among other things, hazardous or toxic substances, including asbestos or petroleum products on, at, under or emanating from currently or formerly owned or operated properties, or any off-site disposal locations, or for any known or newly discovered environmental conditions at or relating to any of our properties, including those arising from activities conducted by previous occupants or at adjoining properties, without regard to whether we knew of or were responsible for such release. We may be required to investigate, remove, remediate or monitor

the presence or release of such hazardous or toxic substances or petroleum products. We may also be held liable to a governmental entity for fines and penalties or to third parties for damages, including for bodily injury, property damage and natural resource damage in connection with the presence or release of hazardous or toxic substances or petroleum products. In addition, significant expenditures may be required in the future as a result of releases of, or exposure to, hazardous or toxic substances or petroleum products, the discovery of currently unknown environmental conditions or changes in environmental laws and regulations or their interpretation or enforcement. For example, in 2011, we had a fire at one of our branches that resulted in the run-off of hazardous materials into a nearby stream. We investigated the incident and hired a third party to remove all harmful materials from the stream and nearby areas.

Increases in union organizing activity and work stoppages could delay or reduce availability of products that we install and increase our costs.

Less than one percent of our employees are currently covered by collective bargaining or other similar labor agreements. However, if a larger number of our employees were to unionize, including in the wake of any future legislation that makes it easier for employees to unionize, our business could be negatively affected. Any inability by us to negotiate collective bargaining arrangements could cause strikes or other work stoppages, and new contracts could result in increased operating costs. If any such strikes or other work stoppages occur, or if other employees become represented by a union, we could experience a disruption of our operations and higher labor costs.

In addition, certain of our suppliers have unionized work forces and certain of our products are transported by unionized truckers. Strikes, work stoppages or slowdowns could result in slowdowns or closures of facilities where components of the products that we install are manufactured or could affect the ability of our suppliers to deliver such products to us. Any interruption in the production or delivery of these products could delay or reduce availability of these products and increase our costs.

We are a holding company and conduct all of our operations through our subsidiaries.

We are a holding company and all of our operating assets are held by our direct and indirect subsidiaries. We derive all of our operating income from our subsidiaries. We will rely on the earnings and cash flows of our subsidiaries, which are paid to us by our subsidiaries in the form of dividends and other payments or distributions, to meet our debt service and other obligations. The ability of our subsidiaries to pay dividends or make other payments or distributions to us will depend on their respective operating results and may be restricted by, among other things, the laws of their jurisdiction of organization (which may limit the amount of funds available for the payment of dividends and other distributions to us), the terms of existing and future indebtedness and other agreements of our subsidiaries and the covenants of any future outstanding indebtedness that our subsidiaries incur.

Increases in fuel costs could adversely affect our results of operations.

The price of oil has fluctuated over the last few years, creating volatility in our fuel costs. We do not currently hedge our fuel costs. Increases in fuel costs can negatively impact our cost to deliver our products to our customers and thus increase our cost of sales. If we are unable to increase the selling price of our products to our customers to cover any increases in fuel costs, net income may be adversely affected.

We may be adversely affected by disruptions in our information technology systems.

Our operations are dependent upon our information technology systems, including our web-enabled internal software technology, jobCORE. The jobCORE software provides in-depth, real-time financial performance data from each branch location to the corporate office. We rely upon such information technology systems to manage customer orders on a timely basis, to coordinate our sales and installation activities across all of our locations and

to manage invoicing. A substantial disruption in our information technology systems for any prolonged time period (arising from, for example, system capacity limits from unexpected increases in our volume of business, outages, computer viruses, unauthorized access or delays in our service) could result in delays in receiving inventory and supplies or installing our products on a timely basis for our customers, which could adversely affect our reputation and customer relationships. Our systems might be damaged or interrupted by natural or man-made events or by computer viruses, physical or electronic break-ins, or similar disruptions affecting the Internet. Such delays, problems or costs could have a material adverse effect on our financial condition, results of operations and cash flows.

Because we operate our business through highly dispersed locations across the United States, our operations may be materially adversely affected by inconsistent practices.

We operate our business through a network of highly dispersed locations throughout the United States, supported by corporate executives and services in our headquarters, with local management retaining responsibility for day-to-day operations and adherence to applicable local laws. Our operating structure can make it difficult for us to coordinate procedures across our operations in a timely manner or at all. In addition, our branches may require significant oversight and coordination from headquarters to support their growth. Inconsistent implementation of corporate strategy and policies at the local level could materially and adversely effect our overall profitability, business, results of operations, financial condition and prospects.

Restrictions in our new credit facility, or any other indebtedness we may incur in the future, could adversely affect our business, financial condition, results of operations, ability to make distributions to stockholders and the value of our common stock.

We intend to enter into a new credit facility concurrently with the completion of this offering. Our new credit facility, or any future credit facility or other indebtedness we enter into, may limit our ability to, among other things:

- incur or guarantee additional debt;
- make distributions or dividends on or redeem or repurchase shares of common stock;
- make certain investments and acquisitions;
- make capital expenditures;
- incur certain liens or permit them to exist;
- enter into certain types of transactions with affiliates;
- acquire, merge or consolidate with another company; and
- transfer, sell or otherwise dispose of all or substantially all of our assets.

Our new credit facility or other debt instruments will also likely contain covenants requiring us to maintain certain financial ratios and meet certain tests, such as a fixed charge coverage ratio, a leverage ratio and minimum EBITDA test. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Revolving Credit Facility.” Our ability to comply with those financial ratios and tests can be affected by events beyond our control, and we may not be able to comply with those ratios and tests when required to do so under the applicable debt instruments.

The provisions of our new credit facility or other debt instruments may affect our ability to obtain future financing and pursue attractive business opportunities and our flexibility in planning for, and reacting to, changes in business conditions. In addition, a failure to comply with the provisions of our new or any future credit facility or other debt instruments could result in a default or an event of default that could enable our lenders or other

debt holders to declare the outstanding principal of that debt, together with accrued and unpaid interest, to be immediately due and payable. If the payment of our debt is accelerated, our assets may be insufficient to repay such debt in full, and our stockholders could experience a partial or total loss of their investment.

We could manage working capital in ways that may affect our cash flow from operations.

Since we aim to continuously manage our working capital, we could manage our payments to suppliers differently in the future. Changes in how we manage our payments to suppliers could decrease our cash flow from operations and increase our working capital as a percentage of sales. In addition, we have two supply contracts with minimum purchase requirements at market rates. These obligations may cause us to purchase materials earlier than we otherwise would and increase our working capital requirements. There is no guarantee that our working capital as a percentage of sales will continue to decrease or that it will not increase in the future.

Our independent registered public accounting firms have identified a material weakness and significant deficiencies in our internal control over financial reporting that, if not properly remediated, could result in material misstatements in our financial statements in future periods.

Although we did not engage our independent registered public accounting firms to conduct an audit of our internal control over financial reporting, in connection with the audits of our consolidated financial statements as of and for the years ended December 31, 2011 and 2012, and the six months ended June 30, 2013, our independent registered public accounting firms informed us that they identified a material weakness and significant deficiencies relating to our internal control over financial reporting under standards established by the PCAOB. The PCAOB defines a material weakness as a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the company's financial reporting.

The material weakness identified by our independent registered public accounting firms related to adjustments made in connection with their audits to our financial statements in the areas of income taxes, self-insurance reserves, stock-based compensation, accounts payable, discontinued operations, derivative accounting and lease accounting, and resulted primarily from insufficient personnel within our organization possessing an appropriate level of knowledge, experience and training with regard to complex transactions and technical accounting matters, particularly as they relate to public companies. The material weakness resulted in a number of audit adjustments to our financial statements for the periods that were the subject of these audits.

We have taken and will take a number of actions to remediate this material weakness including, but not limited to, adding experienced accounting and financial personnel, retaining third-party consultants to review our internal controls and to recommend improvements, and implementing improvements to our closing procedures and consolidation processes. We cannot assure you when we will remediate such weakness, nor can we be certain of whether additional actions will be required or the costs of any such actions.

In addition, during the audits of our consolidated financial statements as of and for the years ended December 31, 2011 and 2012, and the six months ended June 30, 2013, our independent registered public accounting firms identified significant deficiencies related to our internal controls over information technology systems, cash receipts and related segregation of duties at the branch level involving less than ten of our branches, access to and review of journal entry postings and access to add or modify customer information. We believe we have remediated the information technology systems and the access to journal entry postings significant deficiencies. In addition, we are in the process of addressing the remaining significant deficiencies and expect to implement additional procedures, including at the corporate level, to improve our internal control over financial reporting.

We may need to take additional measures to fully mitigate these issues, and the measures we have taken, and expect to take, to improve our internal controls may not be sufficient to address the issues identified, to ensure that our internal controls are effective or to ensure that the identified material weakness or significant deficiencies or other material weaknesses or deficiencies will not result in a material misstatement of our annual or interim financial statements. In addition, other material weaknesses or deficiencies may be identified in the future. If we are unable to correct material weaknesses or deficiencies in internal controls in a timely manner, our ability to record, process, summarize and report financial information accurately and within the time periods specified in the rules and forms of the Securities and Exchange Commission, or the SEC, will be adversely affected. This failure could negatively affect the market price and trading liquidity of our common stock, cause investors to lose confidence in our reported financial information, subject us to civil and criminal investigations and penalties, and generally materially and adversely impact our business and financial condition.

RISKS RELATED TO THIS OFFERING AND OUR COMMON STOCK

Before this offering, there was no public market for our common stock, and an active trading market for our common stock may not develop, which could impede your ability to sell shares and depress the market price of your shares.

Prior to this offering, there has been no public market for our common stock. An active trading market on the NYSE or otherwise may not develop upon completion of this offering or, if it does develop, it may not be sustained. If an active trading market does not develop, you may have difficulty selling any shares of our common stock that you purchase, and the value of such shares might be materially impaired. The initial public offering price of our common stock will be determined by negotiations between us and representatives of the underwriters and may not reflect the prevailing price in the open market. See “Underwriting” for a discussion of the factors considered in determining the initial public offering price.

The price of our common stock may fluctuate substantially, and your investment may decline in value.

Following this offering, the market price of our common stock may be significantly affected by factors, such as:

- market conditions affecting the residential construction and building products industries;
- quarterly variations in our results of operations;
- changes in government regulations;
- the announcement of acquisitions by us or our competitors;
- changes in general economic and political conditions;
- volatility in the financial markets;
- results of our operations and the operations of others in our industry;
- changes in interest rates;
- threatened or actual litigation and government investigations;
- the addition or departure of key personnel;
- actions taken by our stockholders, including the sale or disposition of their shares of our common stock; and
- differences between our actual financial and operating results and those expected by investors and analysts and changes in analysts’ recommendations or projections.

These and other factors may lower the market price of our common stock, regardless of our actual operating performance. As a result, our common stock may trade at prices significantly below the public offering price.

Furthermore, in recent years the stock market has experienced significant price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in our industry. The changes frequently appear to occur without regard to the operating performance of the affected companies. Hence, the price of our common stock could fluctuate based upon factors that have little or nothing to do with us, and these fluctuations could materially reduce the price of our common stock and materially affect the value of your investment.

The obligations associated with being a public company will require significant resources and management attention.

As a public company, we will face increased legal, accounting, administrative and other costs and expenses that we have not incurred as a private company, particularly after we are no longer an emerging growth company. We expect to incur incremental costs related to operating as a public company of approximately $2.5 to $3.0 million annually, although there can be no assurance that these costs will not be higher, particularly when we no longer qualify as an emerging growth company. After the completion of this offering, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which requires that we file annual, quarterly and current reports with respect to our business and financial condition and proxy and other information statements, and the rules and regulations implemented by the SEC, the Sarbanes-Oxley Act, the Dodd-Frank Act, the Public Company Accounting Oversight Board and the NYSE each of which imposes additional reporting and other obligations on public companies. As a public company, we will be required to:

- prepare and distribute periodic reports, proxy statements and other stockholder communications in compliance with the federal securities laws and the NYSE rules;
- expand the roles and duties of our board of directors and committees thereof;
- create a nominating and governance committee;
- maintain an internal audit function;
- institute more comprehensive financial reporting and disclosure compliance functions;
- involve and retain to a greater degree outside counsel and accountants in the activities listed above;
- enhance our investor relations function;
- establish new internal policies, including those relating to trading in our securities and disclosure controls and procedures;
- retain additional personnel;
- comply with NYSE listing standards; and
- comply with the Sarbanes-Oxley Act.

We expect these rules and regulations and changes in laws, regulations and standards relating to corporate governance and public disclosure, which have created uncertainty for public companies, to increase legal and financial compliance costs and make some activities more time consuming and costly. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Our investment in compliance with existing and evolving regulatory requirements will result in increased administrative expenses and a diversion of management’s time and attention from revenue-generating activities to compliance activities, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

These increased costs will require us to divert a significant amount of money that we could otherwise use to expand our business and achieve our strategic objectives. We also expect that it will be expensive to maintain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and civil litigation.

If we are unable to implement and maintain effective internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports, which could adversely affect the market price of our common stock.

We are not currently required to comply with Section 404 of the Sarbanes-Oxley Act, and are therefore not required to make an assessment of the effectiveness of our internal control over financial reporting for that purpose. However, as a public company, we will be required to maintain internal control over financial reporting and to report any material weaknesses in such internal controls. In addition, we will be required to furnish a report by management on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act, or Section 404, at the time of our second annual report on Form 10-K, which will be for our year ending December 31, 2015. We are in the process of designing, implementing and testing the internal control over financial reporting required to comply with this obligation, which process is time consuming, costly and complex. If we are unable to remediate the material weakness previously described or if, in the future, we identify material weaknesses in our internal control over financial reporting, we are unable to comply with the requirements of Section 404 in a timely manner or assert that our internal control over financial reporting are effective, or our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected, and we could become subject to investigations by the SEC, the NYSE or other regulatory authorities, which could require additional financial and management resources.

We are an emerging growth company and, as a result of the reduced disclosure and governance requirements applicable to emerging growth companies, our common stock may be less attractive to investors.

We are an emerging growth company, as defined in the JOBS Act, and we are eligible to take advantage of certain exemptions from various reporting requirements applicable to other public companies. Those exemptions include, but are not limited to, a requirement to present only two years of audited financial statements, an exemption from the auditor attestation requirement of Section 404 of the Sarbanes-Oxley Act, reduced disclosure about executive compensation arrangements pursuant to the rules applicable to smaller reporting companies and no requirement to seek non-binding advisory votes on executive compensation or golden parachute arrangements. We have elected to adopt these reduced disclosure requirements. We may take advantage of these provisions until we are no longer an emerging growth company. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.0 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the prior June 30th, and (2) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. We cannot predict if investors will find our common stock less attractive as a result of our taking advantage of these exemptions. If some investors find our common stock less attractive as a result of our choices, there may be a less active trading market for our common stock and our stock price may be more volatile.

Future sales of our common stock, or the perception in the public markets that these sales may occur, may depress our stock price.

The market price of our common stock could decline significantly as a result of sales of a large number of shares of our common stock in the market after this offering. These sales, or the perception that these sales might occur, could depress the market price of our common stock or make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Upon the completion of this offering, we will have shares of common stock outstanding (or if the underwriters exercise their option to purchase additional shares in full). The shares of common stock offered in this offering will be freely tradable, except for any shares of common stock that may be held or acquired by our directors, executive officers and other affiliates, the sale of which will be restricted under the Securities Act of 1933, as amended, or the Securities Act. In addition, shares reserved for future issuance under our 2013 Omnibus Incentive Plan will become eligible for sale in the public market in the future, subject to certain legal and contractual limitations.

Moreover, pursuant to a registration rights agreement among us and our current stockholders, certain of our stockholders will have the right to require us to register under the Securities Act any shares in our company not sold by such stockholders in this offering. See "Certain Relationships and Related-Party Transactions—Registration Rights Agreement." If our existing stockholders sell substantial amounts of our common stock in the public market, or if the public perceives that such sales could occur, this could have an adverse impact on the market price of our common stock, even if there is no relationship between such sales and the performance of our business.

In connection with this offering, we, our directors and executive officers, the selling stockholders and holders of our outstanding common stock have each agreed to certain lock-up restrictions. We and they and their permitted transferees will not be permitted to sell any shares of our common stock for 180 days after the date of this prospectus, except as discussed in "Shares Eligible for Future Sale," without the prior consent of Deutsche Bank Securities Inc. and UBS Securities LLC. Deutsche Bank Securities Inc. and UBS Securities LLC may, in their sole discretion, release all or any portion of the shares of our common stock from the restrictions in any of the lock-up agreements described above. See "Underwriting."

Also, in the future, we may issue shares of our common stock in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock.

Jeff Edwards and Littlejohn will continue to have significant ownership of our common stock and may have interests that conflict with those of our other stockholders.

Upon the completion of this offering, Jeff Edwards will beneficially own approximately % of our common stock and Littlejohn will beneficially own approximately % of our common stock (assuming no exercise of the underwriters' option to purchase additional shares of our common stock). So long as such persons continue to hold, directly or indirectly, shares of common stock representing a significant percentage of the voting power of our common stock, they will be able to exercise control over all matters requiring stockholder approval, including the election of directors, amendment of our amended and restated certificate of incorporation and approval of significant corporate transactions, and will have significant control over our management and policies. This concentration of voting power may have the effect of delaying or preventing a change in control of us or discouraging others from making tender offers for our shares of common stock, which could prevent stockholders from receiving a premium for their shares of common stock. These actions may be taken even if other stockholders oppose them. The interests of Jeff Edwards and Littlejohn may not always coincide with the interests of other stockholders, and each may act in a manner that advances its best interests and not necessarily those of our other stockholders. In addition, under our amended and restated certificate of incorporation, Jeff Edwards and Littlejohn are permitted to pursue corporate opportunities for themselves, rather than for us. See "Description of Capital Stock—Corporate Opportunity."

Provisions of our charter documents and Delaware law could delay, discourage or prevent an acquisition of us, even if the acquisition would be beneficial to our stockholders, and could make it more difficult for our stockholders to change our management.

Our amended and restated certificate of incorporation and bylaws that will be in effect immediately prior to the completion of this offering may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares of our common stock. In addition, these provisions may frustrate or prevent any attempt by our stockholders to replace or remove our current management by making it more difficult to replace or remove our board of directors. These provisions will include the following:

- a classified board of directors with three-year staggered terms;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of the holders of our stock or a hostile acquirer;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- a requirement that a special meeting of stockholders may be called only by the chairman of our board of directors, our Chief Executive Officer or upon a resolution approved by a majority of the total number of directors that we would have if there were no vacancies, and not by our stockholders; and
- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

In addition, we will be subject to Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with a stockholder owning 15% or more of such corporation's outstanding voting stock for a period of three years following the date on which such stockholder became an "interested" stockholder. This provision could have the effect of delaying or preventing a change of control, whether or not it is desired by or beneficial to our stockholders. Any delay or prevention of a change of control transaction or changes in our board of directors and management could deter potential acquirers or prevent the completion of a transaction in which our stockholders could receive a substantial premium over the then-current market price for their shares of our common stock. See "Description of Capital Stock—Anti-Takeover Effects of Provisions of our Charter, our Amended and Restated Bylaws and Delaware Law."

Purchasing shares of our common stock in this offering will result in an immediate and substantial dilution of your investment.

The initial public offering price of our common stock is substantially higher than the net tangible book value per share of our common stock. Therefore, investors purchasing shares of our common stock in this offering will pay a price per share that substantially exceeds the book value of our tangible assets after subtracting our liabilities. As a result, investors purchasing common stock in this offering will incur immediate dilution of $ per share

(assuming no exercise of the underwriters' option to purchase additional shares of our common stock), based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover of this prospectus. See "Dilution."

Furthermore, if we raise additional capital or acquire new businesses by issuing new convertible or equity securities, your interest will be further diluted. This may result in the loss of all or a portion of their investment in our common stock. In addition, newer securities may have rights, preferences or privileges senior to those of securities held by investors in our common stock.

We do not expect to pay any dividends in the foreseeable future.

We intend to retain our future earnings, if any, in order to reinvest in the development and growth of our business and, therefore, do not intend to pay dividends on our common stock for the foreseeable future. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, the limits imposed by the terms of our new credit facility and such other factors as our board of directors deems relevant. Accordingly, investors in our common stock may need to sell their shares to realize a return on their investment in our common stock, and investors may not be able to sell their shares at or above the prices paid for them.

If securities analysts do not publish favorable reports about us or if we, or our industry, are the subject of unfavorable commentary, the price of our common stock could decline.

The trading price for our common stock will depend in part on the research and reports about us that are published by analysts in the financial industry. Analysts could issue negative commentary about us or our industry, or they could downgrade our common stock. We may also not receive sufficient research coverage or visibility in the market. Any of these factors could result in the decline of the trading price of our common stock, causing investors in our common stock to lose all or a portion of their investment.

Information Regarding Forward-Looking Statements

This prospectus includes forward-looking statements within the meaning of U.S. federal securities laws, which involve risks and uncertainties. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believe,” “estimate,” “project,” “aim,” “anticipate,” “expect,” “seek,” “predict,” “contemplate,” “continue,” “possible,” “intend,” “may,” “plan,” “forecast,” “future,” “might,” “will,” “could,” would” or “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this prospectus and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth strategies, the industry in which we operate and potential acquisitions. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. All forward-looking statements are based upon information available to us on the date of this prospectus.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the stability of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this prospectus. In addition, even if our results of operations, financial condition and liquidity and the development of the industry in which we operate are consistent with the forward looking statements contained in this prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause our results to vary from expectations include, but are not limited to:

- our dependence on the residential construction industry, the economy and the credit markets;
- uncertainty regarding the housing recovery;
- declines in the economy or expectations regarding the housing recovery that could lead to additional significant impairment charges;
- the cyclical and seasonal nature of our business;
- our exposure to severe weather conditions;
- the highly fragmented and competitive nature of our industry;
- product shortages or the loss of key suppliers;
- changes in the costs and availability of products;
- inability to successfully acquire and integrate other businesses;
- our exposure to claims arising from our acquired operations;
- our reliance on key personnel;
- our ability to attract, train and retain qualified employees while controlling labor costs;
- our exposure to product liability, workmanship warranty, casualty, construction defect and other claims and legal proceedings;
- changes in, or failure to comply with, federal, state, local and other regulations;
- disruptions in our information technology systems;
- our ability to implement and maintain effective internal control over financial reporting and remediate any outstanding material weakness and significant deficiencies; and
- additional factors discussed under the sections captioned “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business.”

Other sections of this prospectus include additional factors that could adversely impact our business and financial performance. In light of these risks, uncertainties and assumptions, the forward-looking events described in this prospectus may not occur. Moreover, we operate in an evolving environment. New risk factors and uncertainties emerge from time to time, and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

Estimates and forward-looking statements speak only as of the date they were made, and, except to the extent required by law, we undertake no obligation to update or to review any estimate and/or forward-looking statement because of new information, future events or other factors. Estimates and forward-looking statements involve risks and uncertainties and are not guarantees of future performance. As a result of the risks and uncertainties described above, the estimates and forward-looking statements discussed in this prospectus might not occur and our future results and our performance may differ materially from those expressed in these forward-looking statements due to, but not limited to, the factors mentioned above. Because of these uncertainties, you should not place undue reliance on these forward-looking statements when making an investment decision.

Use of Proceeds

We expect to receive net proceeds from this offering of approximately $ million, or approximately $ million if the underwriters exercise their option to purchase additional shares in full (assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus), after deducting the underwriting discount and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering (including any additional proceeds that we may receive if the underwriters exercise their option to purchase additional shares of our common stock) to repurchase our outstanding preferred stock and shares of our common stock from Littlejohn, to repay outstanding indebtedness and for general corporate purposes.

Concurrent with the completion of this offering, we intend to use a portion of the proceeds from this offering to repay approximately $ of our indebtedness outstanding under our existing credit facility. As of September 30, 2013, we had approximately $23.7 million outstanding under our existing credit facility at a rate of one-month LIBOR plus 2.25%. Our existing credit facility matures on May 4, 2016. Also concurrent with the completion of this offering, we intend to enter into a new credit facility. For a description of the terms of our existing credit facility and the expected terms of our new credit facility, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Revolving Credit Facility.”

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds received by us from this offering by approximately $ million, assuming the number of shares of our common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discount and estimated offering expenses payable by us.

We may also increase or decrease the number of shares we are offering. Each increase (decrease) of one million shares in the number of shares of our common stock offered by us would increase (decrease) the net proceeds received by us from this offering by approximately $ million, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discount and estimated offering expenses payable by us.

The information discussed above is illustrative only and subject to the actual public offering price and the actual number of shares offered at pricing.

We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

Dividend Policy

We currently do not anticipate paying dividends after the offering for the foreseeable future. Instead, we anticipate that our earnings will be used to provide working capital to support our operations and to finance the growth and development of our business. Any future determination relating to dividends will be made at the discretion of our board of directors and will depend on a number of factors, including our future earnings, capital requirements, financial condition, future prospects, contractual restrictions, legal requirements and other factors as our board of directors may deem relevant. The ability of our board of directors to declare any dividends will be subject to certain limits imposed by the terms of our new credit facility. See “Management Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Revolving Credit Facility.”

Capitalization

The following table describes our cash, debt and capitalization as of September 30, 2013:

- on an actual basis; and
- on an as adjusted basis, giving effect to:
  - the sale of shares of our common stock in the offering at an assumed initial public offering price of $ per share (the midpoint of the price range set forth on the cover page of this prospectus);
  - the application of the estimated net proceeds from the offering as described under "Use of Proceeds"; and
  - our entry into, and anticipated drawing under, a new credit facility concurrently with the completion of this offering.

You should read this table in conjunction with the sections captioned "Use of Proceeds," "Selected Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. The table below does not give effect to any exercise by the underwriters of their option to purchase additional shares of our common stock or the for stock split to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

	As of September 30, 2013	
	Actual	As Adjusted
($ in thousands, except share amounts)		
Cash	$ 5,270	$
Debt:		
Existing credit facility	$ 23,715	$ —
New credit facility	—	
Notes payable	798	
Total debt (1)	24,513	
Mezzanine Equity:		
Series A Preferred Stock $0.01 par value: 1,000 authorized, issued and outstanding, actual and no shares authorized, issued or outstanding, as adjusted	54,212	—
Redeemable Common Stock; $0.01 par value: 300,000 authorized, issued and outstanding, actual and no shares authorized, issued or outstanding, as adjusted	50,354	—
Stockholders' Equity:		
Preferred stock, $0.01 par value: shares authorized and no shares issued outstanding, as adjusted	—	
Common stock, $0.01 par value: 1,394,916 shares authorized and 829,944 shares issued and outstanding, actual and shares authorized and shares issued and outstanding, as adjusted	8	
Accumulated deficit	(41,532)	
Total stockholders' equity	(41,524)	
Total capitalization	$ 87,555	$

(1) Excludes capital lease obligations of $22.3 million.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share (the midpoint of the price range set forth on the cover page of this prospectus) would increase (decrease) the "as adjusted" amounts of each of cash, total stockholders' equity and total capitalization by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and estimated offering expenses.

A one million share increase (decrease) in the number of shares of common stock sold by us in this offering would increase (decrease) the "as adjusted" amounts of each of cash, total stockholders' equity and total capitalization by approximately $ million, assuming an initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and estimated offering expenses.

The "as adjusted" amounts discussed above are illustrative only and subject to the actual public offering price and the actual number of shares sold in this offering.

Dilution

Purchasers of shares of our common stock in this offering will incur an immediate and substantial dilution in net tangible book value per share of their shares of our common stock from the initial public offering price.

The difference between the per share offering price paid by purchasers of our common stock in this offering and the net tangible book value per share of our common stock after this offering constitutes the dilution to purchasers in this offering. Net tangible book value per share is determined by dividing our net tangible book value, which is our total tangible assets less total liabilities, by the number of outstanding shares of our common stock.

Our net tangible book value as of September 30, 2013 was $, or $ per share of common stock, based on shares of our common stock outstanding.

After giving effect to our sale of shares of common stock in this offering, at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the underwriting discount and estimated offering expenses payable by us in connection with this offering, our net tangible book value as of September 30, 2013 would have been $, or $ per share. This represents an immediate increase in net tangible book value to existing stockholders of $ per share and an immediate dilution to new investors of $ per share. The following table illustrates this per share dilution:

Assumed initial public offering price	$
Net tangible book value per share as of September 30, 2013	
Increase in net tangible book value per share attributable to new investors	
Net tangible book value per share after this offering	
Dilution per share to new investors	$

The following table sets forth, as of September 30, 2013, on an as adjusted basis for this offering, the number of shares of common stock purchased from us, the total consideration paid and the average price per share paid by our existing stockholders and to be paid by our new investors purchasing shares of common stock in this offering, at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting the underwriting discounts and estimated offering expenses payable by us in connection with this offering:

	Common Stock Purchased		Total Consideration (in thousands)		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders (1)		%	$	%	$
New investors (1)					
Total		%	$	%	$

(1) The number of shares purchased by existing stockholders includes shares being sold by the selling stockholders in this offering. The number of shares purchased by new investors does not include shares being sold by the selling stockholders in this offering.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of common stock, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) total consideration paid by new investors in this offering by $ and would increase (decrease) the average price per share paid by new investors by $, assuming the number of common stock offered, as set forth on the cover page of this prospectus, remains the same and without deducting the estimated underwriting discounts and offering expenses payable by us in connection with this offering.

Sales by the selling stockholders in this offering will reduce the number of shares held by existing stockholders to shares, or approximately % (shares, or approximately %, if the underwriters exercise their option to purchase additional shares in full), and will increase the number of shares to be purchased by new investors to shares, or approximately % (shares, or approximately %, if the underwriters exercise their option to purchase additional shares in full), of the total common stock outstanding after this offering.

If the underwriters exercise in full their option to purchase additional shares of our common stock in the offering, the following will occur:

- the number of shares of our common stock held by new investors will increase to , or % of the total number of shares of our common stock outstanding after this offering; and
- the net tangible book value would be $ per share and the dilution to new investors in this offering would be $ per share.

The foregoing table excludes shares of our common stock reserved for future issuance under our 2013 Omnibus Incentive Plan, which will be effective upon the completion of this offering.

We may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent additional capital is raised through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders. See “Risk Factors—Risks related to this offering and our common stock—Purchasing shares of our common stock in this offering will result in an immediate and substantial dilution of your investment.”

Selected Consolidated Financial Data

The following table sets forth selected historical consolidated financial data that should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and notes thereto included elsewhere in this prospectus. The selected historical consolidated financial data in this section is not intended to replace our historical consolidated financial statements and the related notes thereto. Our historical results are not necessarily indicative of future results, and our operating results for the six months ended June 30, 2013 and nine months ended September 30, 2013 are not necessarily indicative of the results that may be expected for the year ended December 31, 2013.

The selected consolidated balance sheet data as of December 31, 2011 and 2012 and June 30, 2013 and the selected consolidated statements of operations and cash flows data for each year ended December 31, 2011 and 2012 and for the six months ended June 30, 2013, have been derived from our audited consolidated financial statements that are included elsewhere in this prospectus.

The selected consolidated statement of operations and cash flows data for each of the six months ended June 30, 2012 and nine months ended September 30, 2012 and 2013 has been derived from our unaudited consolidated financial statements that are included elsewhere in this prospectus. The unaudited consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements and include all adjustments (consisting of normal recurring adjustments) we considered necessary for a fair presentation of the results for the periods presented. Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP.

	Year ended December 31,		Six months ended June 30,		Nine months ended September 30,	
	2011	2012	2012	2013	2012	2013
(in thousands, except share and per share data)						
Statement of operations information:						
Net revenue	$ 238,447	$ 301,253	$ 129,548	$ 196,649	$ 209,855	$ 312,599
Cost of sales	181,221	227,210	97,574	148,120	157,616	234,121
Gross profit	57,226	74,043	31,974	48,529	52,239	78,478
Operating expenses						
Selling	18,446	19,807	9,765	11,908	14,443	18,454
Administrative (1)	45,678	56,333	28,056	32,300	41,274	49,183
Management fees, related parties (2)	4,760	4,300	—	—	—	—
Gain on litigation settlement	—	(6,975)	—	—	—	—
Amortization	3,785	3,082	1,463	1,544	2,300	2,301
Impairment of intangibles	1,687	352	—	—	—	—
Other	—	(960)	(916)	—	(960)	—
Operating (loss) income	(17,130)	(1,896)	(6,394)	2,777	(4,818)	8,540
Other expense (income)						
Interest expense	3,673	1,979	863	1,044	1,476	1,657
Interest expense, related parties	3,321	—	—	—	—	—
Gain on extinguishment of debt	(18,542)	—	—	—	—	—
Other	159	(136)	(149)	(164)	(135)	(24)
(Loss) income before income taxes	(5,741)	(3,739)	(7,108)	1,897	(6,159)	6,907
Income tax provision	1,449	555	589	704	510	2,646
Net (loss) income from continuing operations	(7,190)	(4,294)	(7,697)	1,193	(6,669)	4,261

	Year ended December 31,		Six months ended June 30,		Nine months ended September 30,	
	2011	2012	2012	2013	2012	2013
Loss (income) from discontinued operations	$ 2,455	$ (3,835)	$ 320	$ 773	$ 530	$ 960
Income tax (benefit) provision	(660)	1,447	(121)	(276)	(200)	(362)
Loss (income) from discontinued operations, net of tax	1,795	(2,388)	199	497	330	598
Net (loss) income	$ (8,985)	$ (1,906)	$ (7,896)	$ 696	$ (6,999)	$ 3,663
Accretion charges on Series A Redeemable Preferred Stock	(811)	(5,529)	(2,683)	(3,019)	(4,085)	(4,597)
Accretion charges on Pre-Recapitalization Preferred Units	(1,621)	—	—	—	—	—
Gain on extinguishment of Pre-Recapitalization Preferred Units	85,040	—	—	—	—	—
Net income (loss) attributable to common stockholders	$73,623	$(7,435)	$(10,579)	$(2,323)	$(11,084)	$(934)
Net income (loss) per share attributable to common stockholders (basic and diluted):						
Continuing operations	$ 75.42	$ (9.42)	$ (10.38)	$ (1.62)	$ (10.59)	$ (0.30)
Discontinued operations	(1.80)	2.29	(0.20)	(0.44)	(0.33)	(0.53)
Net income (loss) per share:	$ 73.62	$ (7.13)	$ (10.58)	$ (2.06)	$ (10.92)	$ (0.83)
As adjusted net income (loss) per share attributable to common stockholders (basic and diluted) (3):						
Continuing operations	$	$	$	$	$	$
Discontinued operations						
Net income (loss) per share:	$	$	$	$	$	$
Weighted average number of shares outstanding:						
Basic and diluted	1,000,000	1,043,450	1,000,000	1,129,944	1,015,176	1,129,944
As adjusted basic and diluted (4)						

	As of December 31,		As of June 30,	As of September 30,
	2011	2012	2013	2013
(in thousands)				
Balance sheet data:				
Cash	$ 2,528	$ 3,898	$ 3,853	$ 5,270
Total current assets	56,554	75,768	87,835	93,733
Property and equipment, net	8,198	17,931	26,824	29,524
Total assets	127,526	160,752	181,496	189,687
Total funded debt (5)	21,255	30,075	49,700	46,790
Mezzanine equity (6)	59,587	66,861	100,254	104,566
Total stockholders' equity	(9,560)	(7,482)	(40,179)	(41,524)
Total mezzanine equity and stockholders' equity	50,027	59,379	60,075	63,042

(in thousands, except percentages and net revenue per completion)	Year ended December 31, 2011	Year ended December 31, 2012	Six months ended June 30, 2012	Six months ended June 30, 2013	Nine months ended September 30, 2012	Nine months ended September 30, 2013
Statement of cash flows:						
Net cash provided by (used in):						
Operating activities	$(12,755)	$ 4,594	$(2,664)	$(7,554)	$(2,173)	$ 2,617
Investing activities	181	(2,743)	284	(1,041)	(106)	(1,551)
Financing activities	11,945	(481)	4,244	8,550	5,395	306
Other financial data:						
Adjusted EBITDA (7)	$ (6,511)	$ 6,205	$ 1,680	$ 7,629	$ 5,173	$ 16,272
Adjusted EBITDA margin (7)	(2.7)%	2.1%	1.3%	3.9%	2.5%	5.2%
Net revenue divided by total U.S. housing completions	$ 408	$ 462	$ 468	$ 582	$ 454	$

(1) In 2010, IBP Management Holdings, LLC and, in 2011, IBP Investment Holdings, LLC issued awards of their equity interests to certain of our employees. Certain of these employees were granted rights to put such equity awards during a limited period to Jeff Edwards, our Chairman, Chief Executive Officer and President. Accounting guidance requires that the compensation associated with these equity awards be pushed down to us and recorded as non-cash compensation expense. The non-cash compensation expense associated with the equity awards approximated $0.8 million for the year ended December 31, 2011, $4.7 million for the year ended December 31, 2012, $4.6 million for the nine months ended September 30, 2012, and $0 for the nine months ended September 30, 2013, and is included in administrative expenses.

(2) For the year ended December 31, 2011, management fees represented amounts charged to us by IBP Holding Company, a related party, under agreements originally entered into in March 2004 and October 2007, which were terminated as a result of our Recapitalization. The associated expenses were transferred to us and IBP Holding Company personnel became our employees in January 2012. For the year ended December 31, 2012, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) pursuant to an agreement dated December 18, 2012, which was terminated on November 22, 2013. No similar fees were charged during 2013, and we do not expect to incur management fees going forward. Prior to November 1, 2013, Jeff Edwards served as a consultant and non-employee officer to us. As such he did not receive salary or bonus for 2012. The costs of Jeff Edward's services were paid through the management agreements discussed above. See the sections of this prospectus captioned "Compensation of our Directors and Executive Officer" and "Certain Relationships and Related-Party Transactions—Management Agreements."

(3) Our net income (loss) attributable to common stockholders has been adjusted to reflect the elimination of the accretion charges on the Series A Preferred Stock and the Redeemable Common Stock upon the consummation of this offering.

(4) Assumes the issuance of additional shares as a result of this offering.

(5) Total funded debt consists of current and long-term portions of long-term debt and capital lease obligations.

(6) Consists of Series A Preferred Stock and Redeemable Common Stock.

(7) Adjusted EBITDA measures performance by adjusting EBITDA for certain income and expense items that are not considered part of our core operations. The Adjusted EBITDA margin takes Adjusted EBITDA and divides it by net revenue. See "Non-GAAP Measures" in the section of this prospectus captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The following table presents a reconciliation of Adjusted EBITDA to Net (loss) income, the most comparable GAAP measure, for each of the periods indicated.

(in thousands)	Year ended December 31, 2011	Year ended December 31, 2012	Six months ended June 30, 2012	Six months ended June 30, 2013	Nine months ended September 30, 2012	Nine months ended September 30, 2013
Net (loss) income	$ (8,985)	$(1,906)	$(7,896)	$ 696	$(6,999)	$ 3,663
Interest expense	6,994(a)	1,979	863	1,044	1,476	1,657
Provision for income taxes (b)	1,449	555	589	704	510	2,646
Depreciation and amortization	9,087	7,894	3,550	5,185	5,539	8,306
EBITDA	8,545	8,522	(2,894)	7,629	526	16,272
Gain on extinguishment of debt (c)	(18,542)	—	—	—	—	—
Recapitalization transaction fees (d)	2,706	—	—	—	—	—
Legal settlement (e)	—	(6,975)	—	—	—	—
Non-cash stock compensation (f)	780	4,658	4,574	—	4,647	—
Adjusted EBITDA	$ (6,511)	$ 6,205	$ 1,680	$7,629	$ 5,173	$16,272

a. Consists of interest expense of $3,673 on debt and related-party interest of $3,321. The related-party interest was forgiven in connection with our Recapitalization.
b. Excludes income taxes related to discontinued operations.
c. Represents the gain recorded in the 2011 Consolidated Statement of Operations related to the extinguishment of certain first lien senior secured indebtedness in connection with our Recapitalization.
d. Represents expenses related to the Recapitalization and the write-off of the remaining unamortized loan costs associated with our credit facilities in place prior to our Recapitalization.
e. Represents the settlement in 2012 of a class action lawsuit in which we were one of the plaintiffs. The lawsuit related to excess material prices being charged by certain manufacturers.
f. In 2010, IBP Management Holdings, LLC and, in 2011, IBP Investment Holdings, LLC issued awards of their equity interests to certain of our employees. Certain of these employees were granted rights to put such equity awards during a limited period to Jeff Edwards, our Chairman, Chief Executive Officer and President. Accounting guidance requires that the compensation associated with these equity awards be pushed down to us and recorded as non-cash compensation expense.

Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following in conjunction with the sections of this prospectus captioned "Risk Factors," "Information Regarding Forward-Looking Statements," "Selected Consolidated Financial Data" and "Our Business" and our consolidated financial statements and the related notes thereto included elsewhere in this prospectus. This discussion contains forward-looking statements reflecting current expectations that involve risks and uncertainties. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the section captioned "Risk Factors" and elsewhere in this prospectus.

OVERVIEW

We are the second largest insulation installer in the U.S. residential new construction market, with a national platform consisting of over 100 locations serving customers in 44 states. We also install complementary building products, including garage doors, rain gutters, shower doors, closet shelving and mirrors. Insulation installation comprised approximately 74% of our net revenue for the nine-month period ended September 30, 2013, and we expect this category to continue to account for a substantial majority of our business for the foreseeable future. The new single-family end market comprised approximately 73% of our net revenue for the nine-month period ended September 30, 2013. We also participate in the new multi-family, repair and remodel and commercial end markets.

Substantially all of our net revenue comes from service-based installation of various products in the residential new, repair and remodel and commercial construction end markets. We manage all aspects of the installation process for our customers, from our direct purchase and receipt of materials from national manufacturers, to our timely supply of materials to job sites and quality installation. Installation of insulation, which includes air sealing, is a critical phase in the construction process, as certain interior work cannot begin until the insulation phase passes inspection. Our branches have expertise in local building codes and energy-efficient building practices, and strong working relationships with homebuilders and on-site construction managers. At the same time, our centralized corporate support functions allow us to leverage our longstanding supplier relationships, web-based information system and other dedicated corporate services to benefit our operations as a whole.

Our business began in 1977 with one location in Columbus, Ohio. In the late 1990s, we began our acquisition strategy with the goal of creating a national platform. Since 1999, we have successfully completed and integrated over 90 acquisitions, which has allowed us to generate significant scale and to diversify our product offering while expanding into some of the most attractive housing markets in the United States. We are well positioned to continue to grow our business through acquisitions, market share gains and the ongoing housing recovery. We estimate that we have grown our share of the U.S. residential new construction insulation installation market from approximately 5% as of December 31, 2005 to approximately 17% as of June 30, 2013, based on total U.S. housing completions. Our company operations are aligned such that we operate as one operating segment and a single reportable segment.

KEY FACTORS AFFECTING OUR OPERATING RESULTS

Conditions in the U.S. residential new construction industry and U.S. economy.

Our business is driven primarily by the U.S. residential new construction market, which is in turn dependent upon a number of economic factors, including demographic trends, interest rates, consumer confidence, employment rates, housing inventory levels, foreclosure rates, the health of the economy and availability of mortgage financing. The housing downturn that began in 2006 caused many builders to significantly decrease their production of housing units because of lower demand and excess inventory. According to the U.S. Census Bureau, total housing starts averaged approximately 1.6 million per year from 1968 to 2006. From 2007 to 2012, housing starts averaged approximately 800,000 per year, reaching a low in 2009 of approximately 554,000. After remaining relatively flat in 2010 and 2011, the housing industry started to recover in 2012 with U.S. housing

starts increasing to approximately 781,000 in 2012, which was the highest level achieved since 2008. Due to the lower levels in housing starts and construction activity, we experienced pressure on both our gross and operating margins until the recovery began in 2012.

We believe there are several trends that should drive long-term growth in the housing market. These trends include housing affordability, an aging housing stock, population growth and growth in household formation. These positive trends are reflected in the NAHB's most recent forecast, which projects housing starts to increase to approximately 924,000 in 2013, approximately 1.2 million in 2014 and approximately 1.5 million in 2015. We have also observed that many housing markets across the United States have begun to exhibit improving economic characteristics, which include positive demographic trends, increases in housing prices and strong housing demand relative to housing supply. We expect that our net revenue, gross profit, and operating income will benefit from these trends. In addition, we expect to gain improved operating efficiencies resulting from certain costs, such as administrative wages and benefits, facility costs and other operating and administrative costs, increasing at a lower rate than the rate at which net revenue increases. We continuously monitor housing market growth trends across the United States in an effort to properly allocate resources in order to maximize operating efficiencies and assess geographic expansion opportunities.

Trends in the construction industry

Our operating results may vary according to the amount and type of products we install and the mix of our end-markets among new single-family, multi-family and commercial builders and owners of existing homes. The NAHB forecasts a higher rate of growth in single-family new home construction compared to that for multi-family new home construction. We expect to benefit from this shift in mix because our net revenue per single-family completion is approximately three times our net revenue per multi-family completion. As the housing market recovery continues, we expect to benefit not only from the increased participation of large homebuilders in the early stages of the recovery, but also as custom builders and individual lot owners build more in the later stages of the U.S. housing recovery. We maintain an attractive mix of business among all types of homebuilders. Our net revenue derived from the ten largest homebuilders in the United States increased from approximately 7.5% in the year ended December 31, 2010 to approximately 10.7% in the nine months ended September 30, 2013. We are also particularly well positioned with custom home builders, given our geography and market share position with these customers, to take advantage of the later stages of the recovery cycle. In addition to providing services to the residential new construction and repair and remodel end markets, we provide services to the commercial construction end market, which represented approximately 11.2% of our total net revenue for the period ended September 30, 2013. The McGraw Hill 2013 Dodge Construction Outlook (third quarter update) forecasts a 5% year-over-year increase in square footage for commercial construction in 2013 and a 17% year-over-year increase in 2014. We also expect to see an increase in repair and remodel activity as the housing market recovery progresses.

We also expect our net revenue, gross profit, and operating income to benefit, over time, from increased adoption by states and municipalities of the 2012 IECC.

Material costs

We purchase the materials that we install primarily from manufacturers. We believe that, as a result of our national scale and long-standing relationships with many of our suppliers, we will continue to have access to an adequate supply of these materials at favorable prices to keep up with the growing demand for our products as the housing market recovers. Prices for our products have generally been subject to cyclical market fluctuations and track the health of the U.S. residential new construction market. In the event that increased demand leads to higher prices for the products that we install, due to the fragmented and competitive nature of our industry, we may have limited, if any, ability to pass on price increases in a timely manner or at all. In the past, we have generally been able to pass on these increases to our customers over time.

Labor costs

Our business is labor intensive. As of September 30, 2013, we had approximately 3,100 employees, most of whom work as installers on local construction sites. As the housing market continues to recover, we expect that labor markets will tighten as the demand for installers increases. Tighter labor markets may make it more difficult for us to hire and retain installers and could also increase our labor costs. We will also be required to spend more on training as we hire additional installers. We offer a comprehensive benefits package, which many of our local competitors are not able to provide and which will increase our costs as we hire additional personnel. We are still assessing the impact of recent legislation governing health care benefits and other insurance costs to determine any potential impact on our labor costs.

Other factors

We expect our selling and administrative expenses to continue to increase in absolute dollars as we incur increased costs related to the growth of our business and our operation as a public company, which could impact our future operating profitability. Upon completion of this offering, we expect to incur incremental annual costs related to operating as a public company of approximately $2.5 to $3.0 million, although there can be no assurance that these costs will not be higher, particularly when we are no longer an emerging growth company.

ACQUISITIONS

Since 1999, our acquisition strategy has allowed us to generate significant scale, diversify our product offering and expand into many of the largest housing markets in the United States. We have pursued and will continue to pursue both geographic expansion and tuck-in acquisitions in existing markets. We will look to complete acquisitions that meet our criteria, which include a strong local reputation and high-quality management and labor force. Our acquisition strategy is also focused on using our national buying power, value-enhancing technology and proven operating platform to achieve operating efficiencies in our acquisitions.

During 2012, we completed seven acquisitions, comprised of five asset acquisitions and two business combinations as defined by Accounting Standards Codification 805 “Business Combinations.” The two business combinations made during 2012 are described below.

- On August 31, 2012, we acquired TCI Contracting, LLC and its subsidiaries for a purchase price of $4.7 million, which consisted of $0.6 million in cash (in the form of a seller note) and 129,944 shares of our common stock (valued at $4.1 million at the acquisition date). Our acquisition of TCI Contracting, LLC added 14 operating locations in nine states. These locations install insulation as well as our other complementary building products.
- On November 16, 2012, we acquired Accurate Insulation LLC for approximately $1.2 million in cash. Our acquisition of Accurate Insulation LLC added one branch consisting of two locations in Maryland. These locations primarily offer insulation installation services.

For additional information concerning these business combinations, see Note 12 to our audited consolidated financial statements for the year ended December 31, 2012 included elsewhere in this prospectus.

The five asset acquisitions in 2012 consisted of various asset purchases of vehicles and other assets for which we paid approximately $0.5 million dollars in aggregate consideration.

As part of our ongoing strategy to increase market share in certain markets, we acquired Pensacola, Florida-based Ace Insulation Contractors, Inc. (“Ace”) in March 2013 for a total purchase price of approximately $1.0 million, consisting of $0.7 million in cash and $0.3 million in seller notes. For additional information concerning the Ace business combination, see Note 12 to our audited consolidated financial statements for the period ended June 30, 2013 included elsewhere in this prospectus.

Direct acquisition and integration costs for the year ended December 31, 2012 and for the nine months ended September 30, 2013 were not material and were expensed as incurred. We have in the past been, and may in the future be, subject to post-closing payment obligations under contracts we enter into with businesses we acquire.

OUR RECAPITALIZATION

On November 4, 2011, we completed a recapitalization involving our then outstanding indebtedness and equity interests and the combination of our business operations. Prior to our recapitalization, we operated through two companies that were under common control, IBP Holdings, LLC, or IBP I, and IBP Holdings II, LLC, or IBP II. References in this prospectus to IBP I also may refer to Installed Building Products, LLC, its direct wholly owned operating subsidiary, and references to IBP II also may refer to Installed Building Products II, LLC its direct wholly owned operating subsidiary. These two entities operated as distinct legal entities in substantially the same business in different geographic markets. Each had its own credit facility. The recapitalization served, in part, to provide common ownership and lender relationships for all of our operations. On November 4, 2011, in connection with our recapitalization, Installed Building Products, Inc., formerly known as CCIB Holdco, Inc., became the parent of IBP I and IBP II and their respective subsidiaries. Our recapitalization involved: (i) the repayment and cancellation of outstanding indebtedness of IBP I and IBP II of approximately $126.5 million, which resulted in a gain of $18.5 million, (ii) capital contributions from our stockholders in the amount of $12.0 million to repay debt, (iii) the exchange by the equityholders of IBP I and IBP II for new equity interests in us, which resulted in a gain attributable to our common stockholders of $85.0 million that did not impact net loss from continuing operations, and (iv) entry into our existing credit facility.

The above described series of events are referred to in this prospectus as our Recapitalization. Certain of our affiliates participated in our Recapitalization. See “Certain Relationships and Related-Party Transactions” included elsewhere in this prospectus. See Note 1 to our audited consolidated financial statements for the year ended December 31, 2012 included elsewhere in this prospectus for a more detailed description of IBP I’s and IBP II’s previously existing credit facilities and our existing and new credit facilities.

SEASONALITY

We tend to have higher sales during the second half of the year as our homebuilder customers complete construction of homes placed under contract for sale in the traditionally stronger spring selling season. In addition, some of our larger branches operate in states more impacted by winter weather and as such experience a slowdown in construction activity during the first quarter of the calendar year. This winter slowdown contributes to traditionally lower sales in our first quarter.

The composition and level of our working capital typically change during periods of increasing sales as we carry more inventory and receivables, although this is generally offset in part by higher trade payables to our suppliers. Working capital levels typically increase in the summer and fall seasons due to higher sales during the peak of residential construction activity. The subsequent collection of receivables and reduction in inventory levels during the winter months has typically positively impacted cash flow. In the past, from time to time, we have utilized our borrowing availability under our credit facilities to cover short-term working capital needs.

NON-GAAP MEASURES

In addition to the results reported in accordance with GAAP, we have provided information in this prospectus relating to Adjusted EBITDA and Adjusted EBITDA margin.

Adjusted EBITDA and Adjusted EBITDA margin

Adjusted EBITDA measures performance by adjusting EBITDA for certain income or expense items that are not considered part of our core operations. Adjusted EBITDA margin takes Adjusted EBITDA and divides it by net revenue. We believe that the presentation of these measures provides useful information to investors regarding our results of operations because it assists both investors and us in analyzing and benchmarking the performance and value of our business. We also believe these measures are useful to investors and us as measures of comparative operating performance from period to period as they measure our changes in pricing decisions, cost controls and other factors that impact operating performance, and they remove the effect of our capital structure (primarily interest expense), asset base (primarily depreciation and amortization), items outside our control

(primarily income taxes) and the volatility related to the timing and extent of other activities such as asset impairments and non-core income and expenses. Accordingly, we believe that these measures are useful for comparing general operating performance from period to period. In addition, we use various EBITDA-based measures in determining certain of our incentive compensation programs. Other companies may define Adjusted EBITDA and Adjusted EBITDA margin differently and, as a result, our measures may not be directly comparable to measures of other companies. In addition, Adjusted EBITDA may be defined differently for purposes of covenants contained in our new credit facility.

Although we use these measures to assess the performance of our business, the uses of the measures are limited because they do not include certain material expenses, such as interest and taxes, necessary to operate our business. Adjusted EBITDA and Adjusted EBITDA margin should be considered in addition to, and not as substitutes for, net income (loss) in accordance with GAAP as a measure of performance. Our presentation of these measures should not be construed as an indication that our future results will be unaffected by unusual or non-recurring items. These measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. Because of these limitations, these measures are not intended as alternatives to net income (loss) from continuing operations as indicators of our operating performance, as alternatives to any other measure of performance in conformity with GAAP or as alternatives to cash flow provided by operating activities as measures of liquidity. You should therefore not place undue reliance on these measures or ratios calculated using those measures.

COMPONENTS OF RESULTS OF OPERATIONS

Net Revenue. Net revenue is derived from installation of products sold to our customers. Revenue from the sale and installation of products to customers are recognized at the time installation is complete.

Cost of Sales. Our cost of sales is comprised of the costs of materials and labor to purchase and install our products for our customers. Also included in our cost of sales are the cost of safety and other supplies, workers compensation insurance and certain costs to manage our warehouses, as well as the following vehicle-related expenses: fuel, repairs and maintenance, depreciation, lease expense, insurance, licensing and titling.

Selling Expenses. Selling expenses primarily include wages and commissions for our sales staff, advertising and bad debt expense.

Administrative Expenses. Administrative expenses include wages and benefits for branch management and administrative personnel, corporate office personnel, non-cash stock compensation, facility costs, office supplies, telecommunications, legal, accounting and general liability insurance costs.

Management Fees. For the year ended December 31, 2011, management fees represented amounts charged to us by IBP Holding Company, a related party, under agreements originally entered into in March 2004 and October 2007. These agreements were terminated and the associated fees were no longer charged to us beginning in January 2012 as a result of our Recapitalization. For the year ended December 31, 2012, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) pursuant to an agreement dated December 18, 2012, which was terminated on November 22, 2013. No similar fees were charged during 2013, and we do not expect to incur management fees going forward. Prior to November 1, 2013, Jeff Edwards served as a consultant and non-employee officer to us. As such, he did not receive salary or bonus for 2012. The costs of Jeff Edwards' services were paid through the management agreements discussed above. For periods after November 1, 2013, Mr. Edwards' salary and bonus will be included in administrative expenses. See the sections of this prospectus captioned "Compensation of our Directors and Executive Officers" and "Certain Relationships and Related-Party Transactions—Management Agreements."

Amortization Expense. Amortization expense represents the decline in value over time of definite-lived intangible assets such as trademarks, trade names, customer lists and non-competition agreements obtained as a result of past acquisitions.

Impairment Expense. Impairment expense represents the difference in carrying value and fair value of an asset recognized during a period.

Other Operating Expense (Income). Other operating expense (income) includes a net gain on a litigation settlement and a gain from insurance proceeds.

Interest Expense, Net. Interest expense, net relates primarily to our interest expense on capital leases and our revolving lines of credit.

Gain on Extinguishment of Debt. Gain on extinguishment of debt represents the difference between the carrying amount of the extinguished debt and the fair value of equity provided to stockholders in exchange for that debt.

Other Expense (Income), Net. Other expense (income), net includes profit and losses related to and various miscellaneous non-operating expenses.

Income Taxes. Income taxes are recorded using the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are recognized for the deferred tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those differences are expected to be recovered or settled.

Discontinued Operations. Gain (loss) from discontinued operations represents the after tax gain or loss on the sale or closure of operations of our business and the after tax effect of the discontinued operations for all periods presented.

Accretion charges on Series A Redeemable Preferred Stock and Pre-Recapitalization Preferred Units. Accretion charges on Series A Redeemable Preferred Stock and Pre-Recapitalization Preferred Units represent the change in carrying value of such shares and units during the period as they are accreted from the initial carrying value at the date of issuance to the redemption value at the earliest redemption date.

Results of Operations

The following table sets forth our operating results for the periods indicated.

	Year ended December 31,		Six months ended June 30,		Nine months ended September 30,	
	2011	2012	2012	2013	2012	2013
(in thousands)						
Statement of operations information:						
Net revenue	$238,447	$301,253	$129,548	$196,649	$209,855	$312,599
Cost of sales	181,221	227,210	97,574	148,120	157,616	234,121
Gross profit	57,226	74,043	31,974	48,529	52,239	78,478
Operating expenses						
Selling	18,446	19,807	9,765	11,908	14,443	18,454
Administrative	45,678	56,333	28,056	32,300	41,274	49,183
Management fees, related parties	4,760	4,300	—	—	—	—
Gain on litigation settlement	—	(6,975)	—	—	—	—
Amortization	3,785	3,082	1,463	1,544	2,300	2,301
Impairment of intangibles	1,687	352	—	—	—	—
Other	—	(960)	(916)	—	(960)	—
Operating (loss) income	(17,130)	(1,896)	(6,394)	2,777	(4,818)	8,540
Other expense (income)						
Interest expense	3,673	1,979	863	1,044	1,476	1,657
Interest expense, related parties	3,321	—	—	—	—	—
Gain on extinguishment of debt	(18,542)	—	—	—	—	—
Other	159	(136)	(149)	(164)	(135)	(24)
(Loss) income before income taxes	(5,741)	(3,739)	(7,108)	1,897	(6,159)	6,907
Income tax provision	1,449	555	589	704	510	2,646
Net (loss) income from continuing operations	(7,190)	(4,294)	(7,697)	1,193	(6,669)	4,261
Loss (income) from discontinued operations	2,455	(3,835)	320	773	530	960
Income tax (benefit) provision	(660)	1,447	(121)	(276)	(200)	(362)
Loss (income) from discontinued operations, net of tax	1,795	(2,388)	199	497	330	598
Net (loss) income	$ (8,985)	$ (1,906)	$ (7,896)	$ 696	$ (6,999)	$ 3,663
Accretion charges on Series A Redeemable Preferred Stock	(811)	(5,529)	(2,683)	(3,019)	(4,085)	(4,597)
Accretion charges on Pre-Recapitalization Preferred Units	(1,621)	—	—	—	—	—
Gain on extinguishment of Preferred Units	85,040	—	—	—	—	—
Net income (loss) attributable to common stockholders	$ 73,623	$ (7,435)	$ (10,579)	$ (2,323)	$ (11,084)	$ (934)

Nine Months Ended September 30, 2013 Compared to Nine Months Ended September 30, 2012

Net Revenue

For the nine months ended September 30, 2013, net revenue increased $102.7 million, or 49.0%, to $312.6 million from $209.9 million during the nine months ended September 30, 2012. The increase in net revenue was primarily comprised of revenue from acquisitions of $40.3 million and increased revenue from the U.S. residential new construction end market of $56.7 million for the nine months ended September 30, 2013 compared to the nine months ended September 30, 2012 driven by the housing recovery and market share gains.

Cost of sales

For the nine months ended September 30, 2013, cost of sales increased $76.5 million, or 48.5%, to $234.1 million from $157.6 million during the nine months ended September 30, 2012. Our cost of sales increase was

primarily driven by increased sales volumes and to a lesser extent by higher costs for certain materials. Our gross profit percentage increased to 25.1% during the nine months ended September 30, 2013 from 24.9% for the nine months ended September 30, 2012. This increase was negatively impacted by an increase in depreciation expense to $5.6 million for the nine months ended September 30, 2013 from $2.9 million for the nine months ended September 30, 2012 resulting from increased investment in vehicles and equipment to support our growth.

Operating expenses

Selling

For the nine months ended September 30, 2013, selling expenses increased $4.0 million, or 27.8%, to $18.5 million from $14.4 million for the nine months ended September 30, 2012. This increase was primarily due to higher commissions on increased sales. However, selling expenses declined by 1.0% as a percentage of net revenue for the nine months ended September 30, 2013, as compared to the nine months ended September 30, 2012, as a result of reduced advertising expense and wages as a percentage of net revenue.

Administrative

For the nine months ended September 30, 2013, administrative expenses increased $7.9 million, or 19.2%, to $49.2 million from $41.3 million for the nine months ended September 30, 2012. During the nine months ended September 30, 2012, we recorded a $4.6 million non-cash compensation charge. There was no similar expense for the nine months ended September 30, 2013. Excluding non-cash compensation, administrative expenses increased $12.6 million, a 34.3% increase. The increase was driven primarily by increases in wages and benefits of $7.8 million and facility costs of $1.2 million attributable to acquisitions and our organic growth. Despite these increases, administrative expenses declined on an overall basis as a percentage of net revenue from 17.5% to 15.7%, after adjusting for the impact of the non-cash compensation expense, due to operating efficiencies from higher sales.

Amortization

Amortization expense was relatively flat for the nine months ended September 30, 2013 compared to the nine months ended September 30, 2012 at $2.3 million.

Other

For the nine months ended September 30, 2012, other income was comprised of a $1.0 million gain associated with insurance claims for a fire that occurred at one of our branches.

Other expense (income)

Interest expense

For the nine months ended September 30, 2013, interest expense was $1.7 million, compared to $1.5 million for the nine months ended September 30, 2012. This increase was a result of higher average outstanding borrowings under our existing credit facility to support working capital growth required to support our increased net revenue.

Other

Other income was relatively flat for the nine months ended September 30, 2013 compared to the nine months ended September 30, 2012 at $0.1 million.

Income tax provision

For the nine months ended September 30, 2013, income tax expense increased $2.1 million to $2.6 million from $0.5 million for the nine months ended September 30, 2012. This increase resulted from the significant increase in income from continuing operations and the impact of the non-deductible stock-based compensation in the nine months ended September 30, 2012.

Loss from discontinued operations

For the nine months ended September 30, 2013 and the nine months ended September 30, 2012, we elected to discontinue certain locations as the result of underperforming markets. For the nine months ended September 30, 2013, we had a loss from discontinued operations of $0.6 million compared to a loss from discontinued operations of $0.3 million for the nine months ended September 30, 2012.

Six Months Ended June 30, 2013 Compared to Six Months Ended June 30, 2012

Net revenue

For the six months ended June 30, 2013, net revenue increased $67.1 million, or 51.8%, to $196.6 million from $129.5 million during the six months ended June 30, 2012. The increase in net revenue was primarily comprised of revenue from acquisitions of $27.1 million and increased revenue from the U.S. residential new construction end market of $35.8 million for the six months ended June 30, 2013 compared to the six months ended June 30, 2012 driven by the housing recovery and market share gains.

Cost of sales

For the six months ended June 30, 2013, cost of sales increased $50.5 million, or 51.8%, to $148.1 million from $97.6 million during the six months ended June 30, 2012. Our cost of sales increase was primarily driven by increased sales volumes and to a lesser extent by higher costs for certain materials. Our gross profit percentage was flat during the six months ended June 30, 2013 compared to the six months ended June 30, 2012 at 24.7%. Gross profit was negatively impacted by an increase in depreciation expense to $3.4 million for the six months ended June 30, 2013 from $1.9 million for the six months ended June 30, 2012 resulting from increased investment in vehicles and equipment to support our growth.

Operating expenses

Selling

For the six months ended June 30, 2013, selling expenses increased $2.1 million, or 21.9%, to $11.9 million from $9.8 million for the six months ended June 30, 2012. This increase was primarily due to higher wages and commissions to support increased sales. However, selling expenses declined by 1.5% as a percentage of net revenue for the six months ended June 30, 2013, as compared to the six months ended June 30, 2012, as a result of reduced advertising expense and wages as a percentage of net revenue.

Administrative

For the six months ended June 30, 2013, administrative expenses increased $4.2 million, or 15.1%, to $32.3 million from $28.1 million for the six months ended June 30, 2012. During the first six months ended June 30, 2012 we recorded a $4.6 million non-cash compensation charge. There was no similar expense for the six months ended June 30, 2013. Excluding non-cash compensation, administrative expenses increased $8.8 million, a 37.6% increase. The increase was driven primarily by an increase of wages and benefits of $5.3 million and facility costs of $0.9 million attributable to acquisitions and our organic growth. Despite these increases, administrative expenses declined on an overall basis as a percentage of net revenue from 18.1% and 16.4%, after adjusting for the impact of the non-cash compensation expense, due to operating efficiencies from higher sales.

Amortization

Amortization expense was relatively flat for the six months ended June 30, 2013 compared to the six months ended June 30, 2012, at $1.5 million.

Other

For the six months ended June 30, 2012, other income was comprised primarily of a $0.9 million gain associated with insurance claims for a fire that occurred at one of our branches.

Other expense (income)

Interest expense

For the six months ended June 30, 2013, interest expense was $1.0 million, compared to $0.9 million for the six months ended June 30, 2012. This increase was a result of higher average outstanding borrowings under our existing credit facility to support working capital growth required to support our increased net revenue.

Other

For the six months ended June 30, 2013, other income increased to $0.2 million compared to $0.1 million for the six months ended June 30, 2012.

Income tax provision

For the six months ended June 30, 2013, income tax expense increased $0.1 million to $0.7 million from $0.6 million for the six months ended June 30, 2012.

Loss from discontinued operations, net

For the six months ended June 30, 2013, we had a loss from discontinued operations of $0.5 million compared to a loss from discontinued operations of $0.2 million for the six months ended June 30, 2012 due to the closure of locations in certain underperforming markets.

Year Ended December 31, 2012 Compared to the Year Ended December 31, 2011

Net revenue

For the year ended December 31, 2012, net revenue increased $62.8 million, or 26.3%, to $301.3 million from $238.4 million during the year ended December 31, 2011. The increase in net revenue was primarily comprised of an increase from acquisitions of approximately $14 million and an increase from the U.S. residential new construction market of $48.7 million for the year ended December 31, 2012 compared to the year ended December 31, 2011 driven by the housing recovery and market share gains.

Cost of sales

For the year ended December 31, 2012, cost of sales increased $46.0 million, or 25.4%, to $227.2 million from $181.2 million during the year ended December 31, 2011. Our cost of sales increase was primarily driven by increased sales volumes and higher costs for material and fuel. Our gross profit percentage increased to 24.6% during the year ended December 31, 2012 from 24.0% for the year ended December 31, 2011.

Operating expenses

Selling

For the year ended December 31, 2012, selling expenses increased $1.4 million, or 7.4%, to $19.8 million from $18.4 million for the year ended December 31, 2011. The increase in selling expenses in the year ended

December 31, 2012 was due to increases in wages and commissions to support higher sales offset by reductions in bad debt expense. However, selling expenses declined by 1.2% as a percentage of net revenue for the year ended December 31, 2012 as compared to the year ended December 31, 2011.

Administrative

For the year ended December 31, 2012, administrative expenses increased $10.7 million, or 23.3%, to $56.3 million from $45.7 million for the year ended December 31, 2011. During the years ended December 31, 2012 and December 31, 2011, we recorded a $4.7 million and $0.8 million non-cash compensation charge, respectively. Excluding non-cash compensation, administrative expenses increased $6.8 million, or 15.1%, which was due to increased wages and benefits costs. A decrease of recapitalization transaction fees of $2.7 million incurred in 2011 was offset by increased costs in general liability insurance, travel and other office and facility expenses.

Management fees, related parties

For the year ended December 31, 2012, management fee expenses decreased $0.5 million, or 9.7%, to $4.3 million from $4.8 million for the year ended December 31, 2011. For the year ended December 31, 2011, management fees represented amounts charged to us by IBP Holding Company, one of our indirect stockholders and a related party, for corporate office personnel expenses under agreements originally entered into in March 2004 and October 2007. These agreements terminated and the associated fees were no longer charged to us beginning in January 2012 as a result of our Recapitalization. For the year ended December 31, 2012, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) pursuant to an agreement dated December 18, 2012, which was terminated on November 22, 2013. No similar fees were charged during 2013, and we do not expect to incur management fees going forward. Prior to November 1, 2013, Jeff Edwards served as a consultant and non-employee officer to us. As such, he did not receive salary or bonus for 2012. The costs of Jeff Edwards' services were paid through the management agreements. See the sections of this prospectus captioned "Compensation of our Directors and Executive Officers" and "Certain Relationships and Related-Party Transactions—Management Agreements."

Gain on litigation settlement

For the year ended December 31, 2012, a net gain on a litigation settlement of $7.0 million was recognized due to the settlement in 2012 of a class action lawsuit in which we were one of the plaintiffs. The lawsuit related to excess material prices being charged by certain manufacturers.

Amortization

For the year ended December 31, 2012, amortization expense decreased by $0.7 million, or 18.6%, to $3.1 million from $3.8 million during the year ended December 31, 2011. The decrease period-over-period was driven by intangible asset impairments recorded during 2011, which brought down the total gross intangible asset value thus reducing amortization on a go-forward basis.

Impairment of intangibles

For the year ended December 31, 2012, impairment of intangibles decreased by $1.3 million, or 79.1%, to $0.4 million from $1.7 million during the year ended December 31, 2011. The decrease period-over-period resulted from an impairment charge in 2011 related to the impairment of certain customer relationships and trademark and trade name intangible assets.

Other

For the year ended December 31, 2012, other income was comprised primarily of a $1.0 million gain associated with insurance claims for a fire that occurred at one of our branches.

Other expense (income)

Interest expense

For the year ended December 31, 2012, interest expense was $2.0 million, compared to $3.7 million for the year ended December 31, 2011. This decrease of $1.7 million was a result of lower average outstanding borrowings under our existing credit facility combined with lower average borrowing rates. For the year ended December 31, 2012, we recorded no related-party interest expense, compared to $3.3 million for the year ended December 31, 2011. This decrease was the result of the extinguishment of related-party debt in 2011 in connection with our Recapitalization. Refer to "—Our Recapitalization" and Note 1 to our audited consolidated financial statements for the year ended December 31, 2012 for further discussion.

Gain on extinguishment of debt

For the year ended December 31, 2011, gain on extinguishment of debt was $18.5 million related to the extinguishment of debt associated with our Recapitalization. In connection with our Recapitalization, we entered into a series of transactions through which the majority of our then-outstanding debt was cancelled or forgiven. The $18.5 million gain represents the difference in the carrying amount of debt and the fair value of the debt recognized. Refer to "—Our Recapitalization" and Note 1 to our audited consolidated financial statements for the year ended December 31, 2012 for further discussion.

Other

For the year ended December 31, 2012, other income was $0.1 million compared to other expense of $0.2 million for the year ended December 31, 2011.

Income tax provision

In 2011, we recorded an income tax provision of $1.4 million on our loss from continuing operations of $5.7 million, or an effective rate of (25.2%). The 2011 provision was primarily driven by the impact of the Recapitalization, as well as the recognition of non-deductible losses recorded in 2011. In 2012, we recorded an income tax provision of $0.6 million on our loss from continuing operations of $3.7 million, or an effective rate of (14.8%). The 2012 provision was primarily driven by the impact of non-deductible stock compensation recorded in 2012, and to a lesser extent an increase of our valuation allowance on net operating losses.

Loss from discontinued operations, net

For the year ended December 31, 2012, we had income from discontinued operations of $2.4 million compared to a loss from discontinued operations of $1.8 million for the year ended December 31, 2011. During the year ended December 31, 2012, we discontinued an operation that was used for regrinding materials to produce loosefill insulation. Substantially all materials subject to regrinding in this operation were provided by a single supplier. The contract under which the materials were obtained was terminated during 2012. As a result, the associated operation was discontinued. A gain of $4.5 million was recorded as a result of the cancelled supplier contract. During the year ended December 31, 2011, we elected to discontinue locations in certain underperforming markets.

Liquidity and Capital Resources

Our primary capital requirements are to fund working capital needs, operating expenses, acquisitions and capital expenditures and meet required interest payments. Since 2011, our capital resources have primarily consisted of cash and borrowings under our revolving credit facility.

The residential construction industry, and therefore our business, experienced a significant downturn that started in 2006. However, beginning in 2012, we saw the first meaningful increase in housing completions since the downturn began. While we have experienced improved profitability and liquidity through the first nine months of 2013, we have invested significantly in working capital due to our increased sales, supported primarily by our existing credit facility. Additionally, we have utilized capitalized leases to finance an increase in the number of our vehicles.

As of September 30, 2013, we had $5.3 million in cash and $19.0 million of unused borrowing capacity under our existing credit facility. In addition to cash, we had restricted cash of $1.7 million as of September 30, 2013, which is a contractually required component of our self-insured retention ("SIR") general liability insurance policy and our high-deductible workers' compensation insurance policies to ensure payment under these programs.

We believe that our cash flows from operations, combined with our current cash levels and available borrowing capacity, will be adequate to support our ongoing operations and to fund our debt service requirements, capital expenditures and working capital for at least the next 12 months.

Historical cash flow information

Working capital

We carefully manage our working capital and operating expenses. As of December 31, 2012, our working capital was 7.6% of net revenue, which we believe was and continues to be favorable compared to the industry. While we continue to look for opportunities to reduce our working capital as a percentage of net revenue, we may decide in the future to negotiate additional discounted payment terms with our vendors. While this would reduce our cost of sales, it would decrease our cash flow from operations.

Working capital was $27.2 million as of September 30, 2013, $29.5 million as of June 30, 2013, and $23.0 million and $18.4 million as of December 31, 2012 and 2011, respectively.

The increase in accounts receivable, net, of $14.1 million as of September 30, 2013 as compared to December 31, 2012, is primarily a result of higher net revenue and seasonal increases that are typical following the winter months. Accounts receivable, net, increased $11.9 million as of December 31, 2012 as compared to December 31, 2011, primarily as a result of increased net revenue. Days sales outstanding as of September 30, 2013 and December 31, 2012 and 2011 were approximately 53.0, 55.9, and 52.6 days, respectively.

The increase in inventory, net, of $2.8 million as of September 30, 2013 as compared to December 31, 2012, is primarily a result of higher net revenue and seasonal increases that are typical following the winter months. Inventories, net, increased $4.4 million as of December 31, 2012 as compared to December 31, 2011, primarily due to increased net revenue to meet increased demand. Inventory turns September 30, 2013 and December 31, 2012 and 2011 were approximately 16.0, 18.0 and 19.3, respectively.

Other current assets increased $0.7 million to $6.1 million as of September 30, 2013 as compared to December 31, 2012 primarily due to an increase in material rebates receivables associated with higher material purchases to support higher sales. Other current assets increased $1.8 million or 51.2% as of December 31, 2012 as compared to December 31, 2011, primarily due to an increase in material rebates receivables.

Accounts payable increased $8.9 million as of September 30, 2013 as compared to December 31, 2012, and increased $9.6 million as of December 31, 2012 as compared to December 31, 2011, in each case, primarily as a result of changes in the volume of inventory purchases due to higher net revenue leading up to each balance sheet date.

Accrued liabilities increased $3.5 million as of September 30, 2013 as compared to December 31, 2012, and increased $0.6 million as of December 31, 2012 as compared to December 31, 2011, in each case, primarily due to increases in operating expenses required to support the increasing level of net revenue.

Cash flow from operating activities

Net cash provided by operating activities was $2.6 million for the nine months ended September 30, 2013 as compared to net cash used in operating activities of $2.2 million for the nine months ended September 30, 2012. This increase in cash flow was due primarily to an increase in net income discussed above.

Net cash used in operating activities was $7.6 million for the six months ended June 30, 2013 as compared to net cash used in operating activities of $2.7 million for the six months ended June 30, 2012. This decrease in cash flow was due primarily to increased tax payments during the period.

Net cash provided by operating activities was $4.6 million for the year ended December 31, 2012 as compared to net cash used in operating activities of $12.8 million for the year ended December 31, 2011. This increase in cash flow was due to a decrease in net loss.

Cash flows from investing activities

Net cash used in investing activities was $1.6 million for the nine months ended September 30, 2013 as compared to $0.1 million for the nine months ended September 30, 2012. This decrease in cash flow was primarily the result of increased property and equipment purchases during the nine months ended September 30, 2013. In addition cash payments were made for business combinations during the nine months ended September 30, 2013 as opposed to receipt of cash through business combinations made during the nine months ended September 30, 2012.

Net cash used in investing activities was $1.0 million for the six months ended June 30, 2013 as compared to net cash provided by investing activities of $0.3 million for the six months ended June 30, 2012. The decrease in cash flow was primarily the result of increased property and equipment purchased during the six months ended June 30, 2013 in addition to cash payments for business combinations made during the period. No business combinations occurred during the six months ended June 30, 2012.

Net cash used in investing activities was $2.7 million for the year ended December 31, 2012 as compared to net cash provided by investing activities was $0.2 million for the year ended December 31, 2011. The decrease in cash flow was primarily the result of increased property and equipment purchased during the year ended December 31, 2012 in addition to cash payments for business combinations made during the period. No business combinations occurred during the year ended December 31, 2011.

Cash flows from financing activities

Net cash provided by financing activities was $0.3 million for the nine months ended September 30, 2013 as compared to $5.4 million for the nine months ended September 30, 2012. The decrease in cash flow was the result of increased principal payments on long-term debt during the nine months ended September 30, 2013.

Net cash provided by financing activities was $8.6 million for the six months ended June 30, 2013 as compared to $4.2 million for the six months ended June 30, 2012. The increase in cash flow was the result of an increase in borrowings under the revolving line of credit.

Net cash used in financing activities was $0.5 million for the year ended December 31, 2012 as compared to net cash provided by financing activities of $11.9 million for the year ended December 31, 2011. The decrease in cash flow was the result of reduced capital contributions of $2.5 million during the year ended December 31, 2012 versus $12.2 million during the year ended December 31, 2011. Further, net proceeds from all lines of credit totaled $0.5 million during 2012 versus $12.3 million during 2011. These factors were slightly offset by decreased principal payments on long-term debt during 2012 compared to 2011.

Capital expenditures

Capital expenditures vary depending on prevailing business factors, including current and anticipated market conditions. Historically, capital expenditures have remained steady in comparison to the operating cash flows generated during the corresponding periods. We expect our 2013 capital expenditures to be approximately $18 to $20 million (including new capital lease obligations) primarily related to purchases of vehicles and various equipment to support our operations and increased net revenue.

Revolving credit facility

Concurrent with the completion of this offering, we intend to use a portion of the proceeds of this offering to repay amounts outstanding under our existing credit facility. We entered into the existing credit facility on November 4, 2011 with Bank of America, N.A. Also concurrent with the completion of this offering, we intend to enter into a five-year senior unsecured revolving credit facility with Key Bank National Association, which will replace our existing credit facility. In this prospectus, we refer to our new credit facility and our existing credit facility as our revolving credit facility.

Under the existing credit facility, our line of credit has a maximum limit of $50.0 million. Amounts outstanding under the existing credit facility are due May 4, 2016 with interest at the greater of 1) the Eurodollar rate, or the London Interbank Offered Rate, or LIBOR, or 2) the alternate base rate, which approximates the prime rate, plus a margin based on the type of rate applied. As of September 30, 2013, we had $23.7 million outstanding under our existing credit facility at 1-month LIBOR including margin (2.25% to 3.75%) and $0.7 million outstanding at the prime rate including margin (4.25%).

Our existing credit facility permits borrowings based on a stated percentage of eligible accounts receivable and inventories. The borrowings are also subject to a minimum availability reserve. In addition, we are required to pay a monthly fee of 0.375% per annum on the average unused commitment under our existing credit facility. Borrowings outstanding under our existing credit facility are collateralized by a first priority lien on all assets, including, but not limited to, all real estate, property, equipment, receivables and inventories. Our existing credit facility also contains various customary restrictive non-financial covenants and a change in control and event of default provision.

Our existing credit facility also allows us to issue letters of credit not to exceed $10.0 million in the aggregate. To support our insurance programs, we had $7.3 million of letters of credit outstanding as of September 30, 2013.

We expect our new credit facility to consist of a $50.0 million revolving line of credit, including a $10.0 million sublimit for the issuance of standby letters of credit and a $5.0 million sublimit for swing line loans. We expect to have the ability to increase the aggregate revolving loan commitments under the new credit facility by an aggregate amount of up to $25.0 million, subject to the satisfaction of certain conditions precedent and the agreement of any existing lenders and/or additional lenders who are providing such increased commitments. In addition, we expect to be able to voluntarily prepay all or any part of the new credit facility without premium,

subject to concurrent payments of any applicable LIBOR or interest rate breakage costs. We expect amounts borrowed under the new credit facility to bear interest at a rate based on LIBOR, plus a margin ranging from 1.50% to 2.75%, or at the then current base rate plus a margin ranging from 0.50% to 1.75%, as we may elect and depending on the type of loan. We will also be required to pay a commitment fee, due quarterly in arrears, based on the average unused amount under our new credit facility.

Our new credit facility will be guaranteed by our existing and future direct and indirect material subsidiaries, except to the extent such guaranty would cause materially negative tax implications.

Under the proposed terms of the new credit facility, borrowings will be subject to a negative pledge on our assets and the assets of each of the guarantors under the facility, provided that the facility will automatically become secured by a first priority lien on our assets and the assets of our guarantors, and a first priority lien on the capital stock and other equity interests of our and our guarantors' current and future subsidiaries, if our leverage ratio exceeds 2.0x for two consecutive fiscal quarters.

We expect the new credit facility to require that we satisfy a fixed charge coverage ratio, a leverage ratio, and minimum EBITDA test, and to contain customary representations and warranties and affirmative and negative covenants, including financial reporting requirements and covenants limiting our indebtedness, investments, liens, restricted payments (including restrictions on dividend payments), asset sales, affiliate transactions, restrictive agreements, equity issuances by subsidiaries, leases and acquisitions. With respect to restrictions on acquisitions, we expect certain acquisitions to be permitted if our pro forma leverage ratio is less than 2.25x and pro forma availability under the new credit facility is at least $10.0 million.

Letters of Credit and Bonds

We use letters of credit to secure our performance under our general liability and workers compensation insurance programs. Our workers compensation insurance program is considered a high deductible program whereby we are responsible for the cost of claims under $0.5 million. If we do not pay these claims, our insurance carriers are required to make these payments to the claimants on our behalf. Our general liability insurance program has an SIR of $0.35 million whereby we are responsible for all claims below the SIR, and the insurance company only has liability above the SIR. As of September 30, 2013, we had $7.3 million of outstanding letters of credit and $1.7 million in cash securing our performance under these insurance programs. We occasionally use performance bonds to ensure completion of our work on certain larger customer contracts that can span multiple accounting periods. As of September 30, 2013, we had approximately 15 performance bonds outstanding, totaling $2.0 million. Performance bonds generally do not have stated expiration dates; rather, we are released from the bonds as the contractual performance is completed. As of September 30, 2013, we had approximately 155 permit and license bonds outstanding, totaling $3.0 million. Permit and license bonds are typically issued for one year and are required by certain municipalities when we obtain licenses and permits to perform work in their jurisdictions.

Contractual Obligations

In the table below, we set forth our enforceable and legally binding obligations as of December 31, 2012. Some of the amounts included in the table are based on management's estimates and assumptions about these obligations, including their duration, the possibility of renewal, anticipated actions by third parties and other factors. Because these estimates and assumptions are necessarily subjective, our actual payments may vary from those reflected in the table. The figures in the table below do not reflect the anticipated proceeds of this offering and the application thereof.

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long-term debt obligations (1)	$19,303	$ 1,554	$ 382	$17,367	$ —
Capital lease obligations (2)	13,803	4,546	6,567	2,690	—
Operating lease obligations (3)	17,090	4,803	6,044	2,654	3,589
Purchase obligations (4)	80,363	23,873	47,596	8,894	—

(1) Long-term debt obligations include estimated interest payments. In determining estimated interest payments, we utilize the current market rate. Additionally, our estimated interest payments have been calculated assuming that our debt balance as of December 31, 2012 remains outstanding in line with the above-disclosed payment schedule. Long-term debt obligations include amounts outstanding under our existing credit facility, which will be repaid in full with the proceeds from this offering. Following completion of this offering, we will enter into the new credit facility. See "—Liquidity and Capital Resources—Revolving Credit Facility."

(2) We maintain a fleet of production vehicles under a capital lease structure. The leases expire on various dates through December 2017. We anticipate continuing the leasing of production vehicles to include new vehicles to support the increasing number of installation jobs in our business as well as to replace aging vehicles. We lease certain facilities, vehicles and equipment under operating lease agreements, including, but not limited to, corporate offices, branch locations and various office and operating equipment. Capital lease obligations, as disclosed above, include estimated interest expense payments. In determining expected interest expense payments, we utilize the current market rate.

(3) We lease certain locations, vehicles and equipment under operating lease agreements, including, but not limited to, corporate offices, branch locations and various office and operating equipment. In some instances, these location lease agreements exist with related parties. See "Certain Relationships and Related-Party Transactions—Real Property Leases."

(4) We entered into two supply contracts with minimum purchase requirements at market rates. The amounts in the above table represent our best estimate as to the prices that will be payable for the minimum volume of purchases that must be made under the contracts. Similar commitments existed in 2012 and were fully met. We expect to exceed our minimum requirements under these agreements in 2013.

Off-Balance Sheet Arrangements

As of September 30, 2013 and December 31, 2012 and 2011, other than operating leases and purchase obligations described above, letters of credit issued under our existing credit facility and performance and license bonds, we had no material off-balance sheet arrangements with unconsolidated entities.

INFLATION

Our performance is dependent to a significant extent upon the levels of U.S. residential new construction spending, which is affected by factors such as interest rates, inflation, consumer confidence and unemployment. We do not believe that inflation has had a material impact on our business, financial condition or results of operations during the past two fiscal years.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. Certain accounting policies involve judgments and uncertainties to such an extent that there is a reasonable likelihood that materially different amounts could have been reported using different assumptions or under different conditions. We evaluate our estimates and assumptions on a regular basis. We base our estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of our assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and assumptions used in preparation of our consolidated financial statements. We provide discussion of our more significant accounting policies, estimates and judgments used in preparation of our consolidated financial statements below.

Revenue Recognition

Revenue from the sale and installation of products is recognized when all of the following have occurred: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) the price is fixed or determinable and (iv) the ability to collect is reasonably assured. Revenue from the sale and installation of products is recognized at the time the installation is complete.

Goodwill

Goodwill results from business combinations and represents the excess of the purchase price over the fair value of acquired tangible assets and liabilities and identifiable intangible assets. Annually, or if conditions indicate an earlier review is necessary, we assess qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount and if it is necessary to perform the quantitative two-step goodwill impairment test. We also have the option to bypass the qualitative assessment, "step zero," and proceed directly to performing the first step of the quantitative goodwill impairment test. We elected to bypass "step zero" for the assessment performed during the years ended December 31, 2011 and 2012 and elected to proceed directly to step one of the test as we believe this more accurately identifies any potential impairment of our goodwill. We compare the carrying value of the reporting unit to an estimate of the reporting unit's fair value to identify potential impairment. The estimate of the reporting unit's fair value is determined primarily using discounted cash flows and secondarily other market-related models using current industry information that involve significant unobservable inputs (Level 3 inputs). In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of cash flow based on management's plans, business trends, prospects, market and economic conditions and market-participant considerations. If the estimated fair value of the reporting unit is less than the carrying value, a second step is performed to determine the amount of the potential goodwill impairment. If impaired, goodwill is written down to its estimated implied fair value.

Taxes

We account for income taxes using the asset and liability method. Under this method, the amount of taxes currently payable or refundable are accrued, and deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences that currently exist between the tax basis and financial reporting basis of our assets and liabilities.

Valuation allowances are established against deferred tax assets when it is more likely than not that the realization of those deferred tax assets will not occur. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including

scheduled reversals of deferred tax liabilities, the ability to produce future taxable income, tax planning strategies available and recent financial operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and changes in accounting policies and incorporate assumptions, including the amount of future federal and state pretax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies.

Deferred tax assets and liabilities are measured using the enacted tax rates in effect in the years when those temporary differences are expected to reverse. The effect on deferred taxes from a change in tax rate is recognized through continuing operations in the period that includes the enactment date of the change.

A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. We recognize tax liabilities for uncertain tax positions and adjust these liabilities when our judgment changes as a result of the evaluation of new information not previously available.

Our income tax expense, deferred tax assets and liabilities and reserves for unrecognized tax benefits reflect management's best assessment of estimated future taxes to be paid. We are subject to income taxes in the United States which includes numerous state and local jurisdictions. Significant judgments and estimates are required in determining the income tax expense.

Stock-based compensation

We estimate the value of stock-based awards on the date granted and each subsequent balance sheet date for liability awards. The Employee Puts are deemed to be liability-classified instruments that are directly associated with the awards. As such, both the awards and the Employee Puts are accounted for as liability-classified instruments as of the issuance date of the Employee Put. During the period for which the Employee Puts are exercisable, both the Employee Puts and the associated awards are remeasured to fair value each reporting period. In the absence of a publicly traded market, the fair market value of the put options and underlying shares are estimated primarily using discounted cash flow and, secondarily, other market-related models using current industry trends. In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects and market and economic conditions and market-participant considerations. The adjustment to the carrying value is based upon an equity rate of return for a public company in our industry with similar financial trends and characteristics. The determined fair value of our common stock is used to determine the value of the membership interest units based on their ownership interest. The membership interest units and related put options are recorded at fair value as compensation expense.

Recent Accounting Pronouncements

Fair Value Measurement: In May 2011, the Financial Accounting Standards Board, or the FASB, issued Accounting Standards Update No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in GAAP and IFRS, or ASU 2011-04. The amendments in this ASU are intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with GAAP and International Financial Reporting Standards, or IFRS. The amendments in this ASU explain how to measure fair value. They do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. We adopted the provisions of ASU 2011-04 on January 1, 2012. The adoption did not have an impact on our financial position or results of operations.

Implications of Being an Emerging Growth Company

We qualify as an emerging growth company as defined in the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. These provisions include:

- a requirement to have only two years of audited financial statements and only two years of related Selected Financials and Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure;
- an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act;
- reduced disclosure about the emerging growth company's executive compensation arrangements; and
- no requirement to seek non-binding advisory votes on executive compensation or golden parachute arrangements.

We have elected to adopt the reduced disclosure requirements available to emerging growth companies, including a requirement to have only two years of audited financial statements, two years of related selected financial data and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure as well as reduced disclosure about executive compensation arrangements. As a result of these elections, the information that we provide in this prospectus may be different than the information you may receive from other public companies in which you hold equity interests. In addition, it is possible that some investors will find our common stock less attractive as a result of our elections, which may cause a less active trading market for our common stock and more volatility in our stock price.

We may take advantage of these provisions until we are no longer an emerging growth company. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.0 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the prior June 30, or (2) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. We may choose to take advantage of some but not all of these reduced burdens.

The JOBS Act permits emerging growth companies to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period is irrevocable.

Quantitative and Qualitative Disclosure on Market Risks

We are exposed to market risks related to fluctuations in interest rates on our outstanding variable rate debt. As of December 31, 2012, we had approximately $18 million outstanding under our existing credit facility and approximately $12 million outstanding under various capital leases. A hypothetical one percentage point increase (decrease) in interest rates on our variable rate debt would increase (decrease) our annual interest expense by approximately $0.3 million. Our new credit facility is also expected to include variable rate borrowings.

For variable rate debt, interest rate changes generally do not affect the fair value of the debt instrument, but do impact future earnings and cash flows, assuming other factors are held constant. We did not utilize swaps, forward or option contracts on interest rates or commodities, or other types of derivative financial instruments during 2012. We have not entered into and currently do not hold derivatives for trading or speculative purposes.

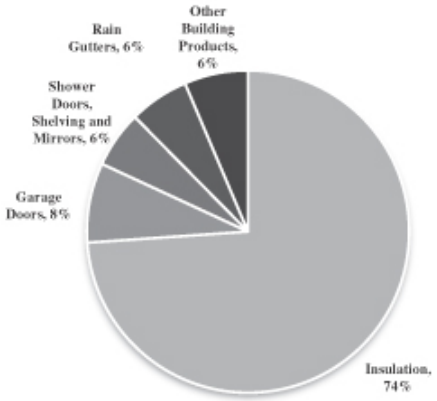
Our Business

OUR COMPANY

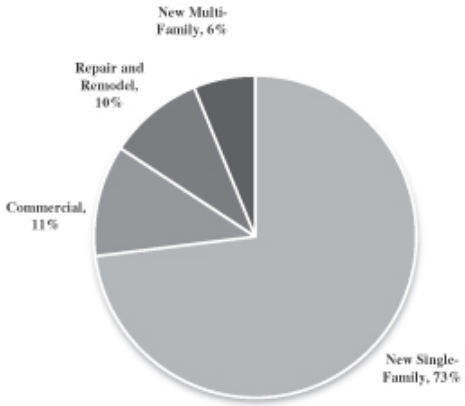
We are the second largest insulation installer in the U.S. residential new construction market, with a national platform consisting of over 100 locations serving customers in 44 states. We believe we have the number one or two market position for new single-family insulation installation in more than half of the markets in which we operate, based on permits issued in those markets. We also install complementary building products, including garage doors, rain gutters, shower doors, closet shelving and mirrors, which provide cross-selling opportunities. For the nine months ended September 30, 2013, we generated net revenue of $312.6 million, Adjusted EBITDA of $16.3 million and net income of $3.7 million. This represents a 49.0% increase in net revenue and a 3.1 times increase in Adjusted EBITDA as compared to the nine months ended September 30, 2012. Approximately 79% of our net revenue in the nine months ended September 30, 2013 was derived from sales to the U.S. residential new construction market.

Net Revenue for the nine-month period ended September 30, 2013

By product as a % of net revenue



By end market as a % of net revenue



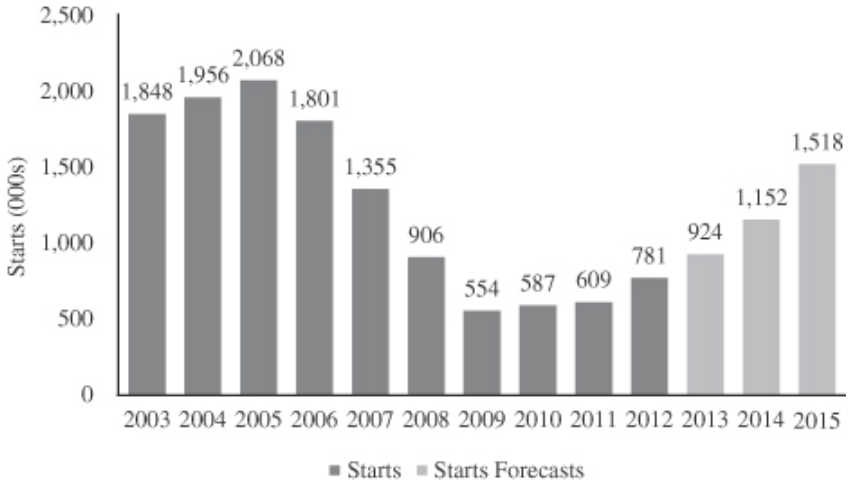
We manage all aspects of the installation process for our customers, from our direct purchase and receipt of materials from national manufacturers, to our timely supply of materials to job sites and quality installation. Installation of insulation, which includes air sealing, is a critical phase in the construction process, as certain interior work cannot begin until the insulation phase passes inspection. We benefit from our national scale, long-standing supplier relationships and a broad customer base that includes production and custom homebuilders, multi-family and commercial contractors, and homeowners. During each of the past five years, no single customer accounted for more than 3% of our net revenue.

Our business began in 1977 with one location in Columbus, Ohio. In the late 1990s, we began our acquisition strategy with the goal of creating a national platform. Since 1999, we have successfully completed and integrated over 90 acquisitions, which has allowed us to generate significant scale and to diversify our product offering while expanding into some of the most attractive housing markets in the United States. Over the past several years, we have significantly improved our cost structure to create a more efficient and scalable operating model to improve our financial performance and returns on invested capital. We are well positioned to continue to grow our business through the ongoing housing recovery, market share gains and acquisitions. We estimate that we have grown our share of the U.S. residential new construction insulation installation market from approximately 5% as of December 31, 2005 to approximately 17% as of June 30, 2013, based on total U.S. housing completions.

INDUSTRY OVERVIEW AND TRENDS

Housing End Market. Our business is driven primarily by the U.S. residential new construction market. According to the U.S. Census Bureau, total housing starts averaged approximately 1.6 million per year from 1968 to 2006. From 2007 to 2012, housing starts averaged approximately 800,000 per year, reaching a low in 2009 of approximately 554,000. After remaining relatively flat in 2010 and 2011, the housing industry started to recover in 2012, with U.S. housing starts increasing to approximately 781,000, which was the highest level achieved since 2008.

Historical and Forecast U.S. Housing Starts



Source: U.S. Census Bureau for historical starts data; NAHB for starts forecasts.

We believe that a new home construction recovery is currently underway on a national basis, which is being driven by key macroeconomic factors, including improved consumer confidence, increasing household formation and attractive levels of new home affordability. According to the NAHB, housing starts are expected to grow by 18% in 2013 to reach 924,200, by 25% in 2014 to reach approximately 1.2 million and by 32% in 2015 to reach approximately 1.5 million. We continuously monitor housing market growth trends across the United States in order to allocate our resources to maximize operating efficiencies and assess geographic expansion opportunities.

Other End Markets. We also install building products, including insulation, for the commercial construction and repair and remodel end markets. The McGraw Hill 2013 Dodge Construction Outlook (third quarter update) forecasts a 5% year-over-year increase in square footage for commercial construction in 2013 and a 17% year-over-year increase in 2014. We also expect to experience an increase in repair and remodel activity as the overall housing market recovery progresses.

Insulation Market. We compete primarily in the U.S. residential new construction insulation installation market, which we believe exceeded $1.4 billion of sales in 2012 and $4.0 billion of sales in 2005. Sales in the U.S. residential new construction insulation installation market are tied to trends in the housing market. We estimate that the top three insulation installers comprise approximately half of the total market. The remainder of the market is highly fragmented and is comprised primarily of smaller, privately owned, local companies, many of which lack scale and have limited access to capital.

Insulation and energy efficiency standards. The amount of insulation in a new home is regulated by various building and energy codes, which establish minimum thermal and air sealing performance requirements. These

codes are typically updated with more stringent requirements every three years. The most recent of these code enhancements to be adopted is the 2012 IECC. As of October 2013, seven states and an additional 44 local jurisdictions had adopted the 2012 IECC, and the U.S. Department of Energy projects that 18 states will have adopted standards at the 2012 IECC level or higher by 2015. We believe that new residential insulation demand will increase as a result of increased adoption of the 2012 IECC by states and municipalities.

Installation and homebuilders. Builders value the benefits of using a qualified and experienced installer. These benefits include expertise in installing insulation and other products, knowledge of local building codes, timely supply of materials to job sites and management of installer labor. According to the NAHB, insulation comprises 1.8% of the total construction cost of a typical single-family home.

OUR COMPETITIVE STRENGTHS

We believe we benefit from the following competitive strengths:

Local market leadership with national scale

- We are the second largest insulation installer in the U.S. residential new construction market. We installed insulation in more than 70,000 homes in 2012 and operate in over 70% of the 50 largest housing markets, as measured by U.S. Census Bureau population estimates.
- Our local branch operations have earned a reputation for timely and quality installations, positioning us, we believe, as the number one or number two insulation installer for new single-family insulation installation in more than half of the markets we serve, based on permits issued in those markets.
- Our branches have expertise in local building codes and energy-efficient building practices, and strong working relationships with homebuilders and on-site construction managers.
- Our regional managers, local branch managers and sales force have significant experience in the industry and have spent an average of more than 10 years with our operations.

Proven ability to gain market share

- We estimate that we have increased our market share in the U.S. residential new construction insulation installation market from approximately 5% to approximately 17% from December 31, 2005 to June 30, 2013, based on total U.S. housing completions.
- We have increased our net revenue divided by total U.S. housing completions by 180% from 2005 to 2012. We believe that we have outpaced market growth every year since 2005 by acquiring local installation operations, gaining market share organically, cross-selling complementary installation services and installing more insulation per home due to the adoption of more energy efficient building codes.

Net Revenue Divided by Total U.S. Housing Completions

Source: U.S. Census Bureau for housing completions data.

Proven track record of successful acquisitions

- Since 1999, we have completed over 90 acquisitions.
- We have a proven ability to identify operations that meet our disciplined acquisition criteria and to successfully integrate them to realize synergies within our scalable infrastructure.
- Our ability to retain local employees, trademarks, trade names and long-term customers has been an important component of our successful acquisition strategy.

Highly efficient and scalable operating model

- Our national platform and long-standing supplier relationships allow us to leverage economies of scale to deliver industry favorable margins.
- Our web-based information system facilitates the complete proposal-to-collection process with a customizable platform that supports local market needs, while also enabling efficient centralized accounting and in-depth data analysis.
- Our local branch operations benefit from dedicated corporate services related to purchasing, safety practices, claims and risk management, regulatory compliance and human resources support.

Highly experienced and incentivized management team

- Our management team has led us through multiple housing industry cycles, providing valuable continuity and a demonstrated ability to improve operations and grow our business both organically and through acquisitions.
- Each of our executive officers has more than 10 years of experience with us. They and our regional presidents average more than 20 years of experience in the building products and construction industries.
- Our senior management team is highly incentivized to succeed. Jeff Edwards, our Chief Executive Officer and Chairman, and our directors and executive officers will beneficially own approximately % and %, respectively, of our common stock after this offering.

OUR GROWTH STRATEGY

Our objective is to leverage our competitive strengths to increase stockholder value through the following key strategies.

Capitalize on the new construction market recovery

- Approximately 79% of our net revenue in the nine months ended September 30, 2013 was derived from sales to the U.S. residential new construction market. According to the NAHB, housing starts are expected to grow by approximately 25% in 2014 and approximately 32% in 2015.
- We estimate that our current addressable market, measured by the total number of permits issued in the markets we serve, has grown from approximately 23% of total new U.S. residential building permits for the year ended December 31, 2005 to approximately 55% for the nine months ended September 30, 2013.
- Our diversified customer base includes an attractive mix of production and custom homebuilders, ranging from national home builders to regional and local homebuilders as well as multi-family and commercial contractors, which we believe will enable us to grow through all stages of the housing recovery.
- We will continue to emphasize sourcing direct from manufacturers, local pricing discipline and working capital management to maximize our operating leverage and improve our market position.

Continue to gain market share through organic growth

- We believe we will continue to gain organic market share, aided by our national scale and local presence, quality service and ability to hire, train and retain installers.
- We expect to continue to strengthen our leading national market position, as many of our competitors lack the access to capital required to keep pace with the U.S. housing market recovery.
- We will continue to pursue cross-selling opportunities in garage doors, rain gutters, shower doors, closet shelving and mirrors and other complementary products. We estimate that our net revenue contributed by these products divided by total U.S. housing completions has grown from approximately $51 in 2005 to approximately $120 in 2012, a 135% increase.

Pursue value-enhancing strategic acquisitions

- The highly fragmented nature of our industry allows for both geographic expansion and existing market tuck-in acquisitions.
- We will continue to identify and pursue strategic acquisitions, based on our acquisition criteria that include local brand strength and quality of the local management and labor force.
- We believe we will continue to achieve synergies from our acquisitions due to our national buying power, value-enhancing technology and proven operating platform.

Maximize benefits from energy efficiency standards and industry trends

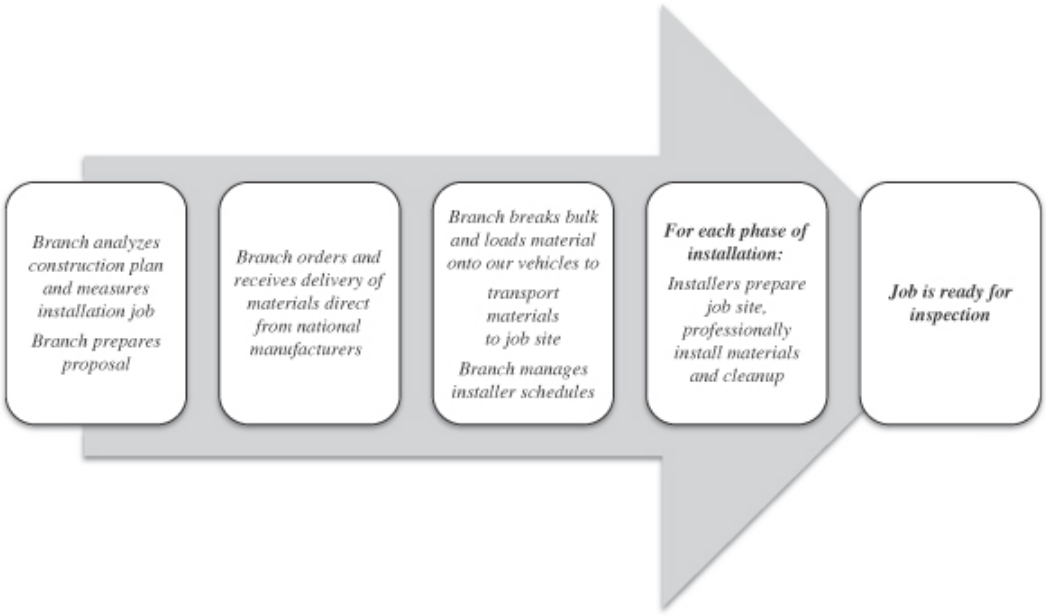
- We expect to increase our net revenue as building codes continue to require higher energy efficiency and homeowners become more focused on energy conservation.
- A return to the historic mix of single-family and multi-family new home construction activity is expected to further increase insulation demand, according to the NAHB.
- Approximately 11% of our net revenue was derived from sales made to the commercial construction end market for the nine months ended September 30, 2013. According to the McGraw Hill 2013 Dodge Construction Outlook (third quarter update), square footage for commercial construction starts is expected to increase 5% year-over-year in 2013 and 17% year-over-year in 2014.

OUR OPERATIONS

We manage all aspects of the installation process for our customers, from our direct purchase and receipt of materials from national manufacturers, to our timely supply of materials to job sites and quality installation:

- In each of our markets, our branch management and staff foster close working relationships with local customers.
- Our branch management hires and trains installers with a focus on quality, safety and timely installation.
- Our branch sales staff analyzes construction plans and measures the installation job to prepare customer proposals that comply with local building codes and energy efficiency standards and otherwise meet customer requirements.
- Our branches order and receive delivery of materials direct from national manufacturers.
- Our branches break bulk and load required materials onto our vehicles for each job, and manage installer schedules to ensure timely installation that meets our customer's scheduling requirements.
- For each phase of product installation, our installers prepare the job site, professionally install the materials to pass inspection, clean-up when the installation is complete and return unused materials to the branch.

Our Installation Process



Our customers generally select their building products installer based on quality and timeliness of service, knowledge of local building codes, pricing, relationships and reputation in the market. For these reasons, we emphasize the importance of developing and maintaining customer relationships at the local level and rely heavily on the knowledge and experience of our branch management and staff.

Once we are selected for an installation job, our branch staff coordinates with our customer to ensure that the job is completed in a quality manner and within the customer's production schedule. Throughout the construction

process, our branch sales and supervisory staff and installation teams, typically consisting of a senior installer and one or two other installers, make frequent site visits to ensure timely and proper installation and to provide general service support. We believe a high level of service is valued by our customers and generates customer loyalty. There are typically three phases to complete an insulation installation: (i) basement insulation installation; (ii) air sealing of the structure and installation of insulation in the exterior walls; and (iii) insulation for the ceiling and attic. We also assist the builders with coordinating inspection. In addition to visiting a job site during each of these three phases, we will return to a building site when we are selected to install other products such as garage doors, rain gutters, shower doors, closet shelving or mirrors. We believe that our ability to consistently complete our installations within a customer's production schedule is recognized by our customers and is a key component of our high level of service.

Insulation

Overview

We are the second largest insulation installer in the U.S. residential new construction market. Insulation installation comprised approximately 74% of our net revenue for the nine-month period ended September 30, 2013. Approximately 79% of our net revenue for the nine-month period ended September 30, 2013 was derived from sales to the U.S. residential new construction market. We handle every stage of the installation process, including material procurement, project scheduling and logistics, multi-phase professional installation and field quality inspection.

Insulation Materials

We offer a wide range of insulation materials, including:

- Fiberglass Insulation – Fiberglass insulation is made of fibrous glass that is held together by a thermoset resin creating insulating air pockets. It typically contains an average of 50% recycled content. It is available in two forms: batts (also referred to as blankets) and loosefill (also referred to as blown in). Fiberglass is the most widely used residential insulation material in the United States. Installations of fiberglass insulation accounted for approximately 85% of our insulation sales for the nine months ended September 30, 2013.
- Spray Foam Insulation – Spray foam insulation is applied at a job site by mixing two chemical components together in specialized application equipment. It is generally polyurethane foam. While typically having the highest insulating and sealing effectiveness of all insulation materials that we offer, it is also typically the most expensive on an installed basis. Spray foam insulation accounted for approximately 10% of our insulation sales for the nine months ended September 30, 2013.
- Cellulose Insulation – Cellulose insulation is made primarily of paper and cardboard and has a very high recycled content. Cellulose is only available in loosefill form and is blown into the structure with specialized equipment. Cellulose insulation accounted for approximately 5% of our insulation sales for the nine months ended September 30, 2013.

Insulation Installation Applications

Local building codes typically require insulation to be installed in multiple areas of a structure. Each of these areas is frequently referred to as a phase of the insulation installation process and requires a separate trip to the job site by our installers at different points in the construction of a structure. Building practice and the inspection process differ geographically and call for our involvement at different times during the construction process. We provide installation of insulation and sealant materials in all areas of a structure, which could include:

- Building Envelope – We insulate the exterior walls of both residential and commercial structures by applying insulation on the wall or between the studs.

- Attic – We insulate the attics of new and existing residential structures. The attic is the area where the most energy is lost in a home.
- Basement and Crawl Space – These spaces typically account for the second most energy loss in a structure.
- Acoustical – Many builder or architect specifications call for acoustical insulation for sound reduction purposes in both residential and commercial structures. This product is generally installed in the interior walls to isolate sound transmission.

In each of these applications, we typically use fiberglass batts, except in attic insulations where we typically install loosefill fiberglass.

Garage Doors

We install and service garage doors and openers in certain of our locations for residential and commercial new construction builders, homeowners and commercial customers. We offer a variety of options from some of the best-known garage door brands. We offer steel, aluminum, wood and vinyl garage doors as well as opener systems. Unlike the other products we install, the garage door business has an ongoing aftermarket service component. Garage door installations and service comprised approximately 8% of our net revenue for the nine months ended September 30, 2013.

Shower Doors, Shelving and Mirrors

Some of our locations install a variety of shower enclosures, ranging from basic sliding door designs to complex custom designs. We have the ability to meet our customers' diverse needs by customizing shower enclosures by size and style according to their specifications, such as framing, hardware and glass options. We design and install closet shelving systems in select markets utilizing some of the highest quality products available from national brands. We also offer standard and custom designed mirrors for our customers. Shower doors, closet shelving and mirror installations comprised approximately 6% of our net revenue for the nine months ended September 30, 2013.

Rain Gutters

Some of our locations install a wide range of rain gutters, which direct water from a home's roof away from the structure and foundation. Rain gutters are typically constructed from aluminum or copper and are available in a wide variety of colors, shapes and widths. They are generally fabricated and assembled on the job site using specialized equipment. The installation of rain gutters comprised approximately 6% of our net revenue for the nine months ended September 30, 2013.

Other Building Products

Some of our locations install pre-fabricated fireplaces, waterproofing and other complementary building products. Installation of other building products comprised approximately 6% of our net revenue for the nine months ended September 30, 2013.

Sales and Marketing

We seek to attract and retain customers through exceptional customer service, superior installation quality, broad service offerings and competitive pricing. Our strategy is centered on building and maintaining these strong customer relationships. We also capitalize on cross-selling opportunities from existing customer relationships and identifying situations where customers may benefit from more than one of our installation service offerings. By executing this strategy, we believe we can continue to generate incremental sales volumes with new and existing customers.

Experienced sales and service professionals are important to our customer growth and increasing our profitability. Retaining and motivating local employees has been an important component of our acquisition and operating strategies. As of September 30, 2013, we employed approximately 280 sales professionals and our sales force has spent an average of more than 10 years with our operations. The local sales staff, which is generally led by the branch manager, is responsible for maintaining relationships with our customers. These local teams work diligently to increase sales by supporting our existing customers with excellent service and value while also pursuing new customers with competitive offerings. In addition to the efforts of our sales staff, we market our product and service offerings on the Internet, in the local yellow pages and through advertisements in trade journals. We conduct substantially all of our marketing through local trademarks and trade names.

Quality Control and Safety

Our quality control process starts with the initial proposal. Our sales staff and managers are knowledgeable about our service offerings and scope of work. They are trained on the manufacturer's guidelines as well as state and local building codes. Our quality control programs emphasize onsite inspections, training by manufacturers and various certification programs.

We consider risk management and safety to be a core business objective. Significant staffing, funding and other resources are allocated to our management systems that directly impact quality and safety for our employees and our customers. Our branch managers are held accountable for the safety of employees and quality of workmanship at their locations. We provide our employees with on-going training and development programs necessary to generate best in class work quality and safety performance.

CUSTOMERS

We serve a broad group of national, regional and local homebuilders, multi-family and commercial builders, individual homeowners and repair and remodeling contractors. Our top ten customers, which are a combination of national and regional builders, accounted for approximately 10.5% of net revenue for the year ended December 31, 2012. No single customer accounted for more than 3% of net revenue during the year ended December 31, 2012 or the nine months ended September 30, 2013.

BACKLOG

Due to our customers' strict demand for timely installation of our products, our installation jobs are scheduled and completed within a short timeframe. We do not consider backlog material to our business.

SUPPLIERS

We have long-term relationships with many of our suppliers and have not experienced any significant disruption in the supply of any of the primary materials we purchase and install. As one of the largest purchasers of fiberglass and spray foam insulation in the United States, we maintain particularly strong relationships with the largest manufacturers of these insulation products. Additionally, the proximity of certain of our branch locations to insulation manufacturers' facilities provides additional mutual benefits, including opportunities for cost savings and joint planning regarding future production. We also maintain good relationships with suppliers of the non-insulation products we install. We believe that the pricing, terms and rebates we receive from our suppliers, as well as supply assurance, are favorable. We have found that using multiple suppliers helps to ensure a stable source of materials and favorable purchasing terms as suppliers compete to gain and maintain our business. In addition, our national purchasing volumes provide leverage with suppliers. We will continue to pursue additional procurement cost savings and purchasing synergies.

SEASONALITY

We tend to have higher sales during the second half of the year as our homebuilder customers complete construction of homes placed under contract for sale in the traditionally stronger spring selling season. In addition, some of our larger branches operate in states more impacted by winter weather and as such experience a slowdown in construction activity during the first quarter of the calendar year. This winter slowdown contributes to traditionally lower sales in our first quarter.

The composition and level of our working capital typically change during periods of increasing sales as we carry more inventory and receivables, although this is generally offset in part by higher trade payables to our suppliers. Working capital levels typically increase in the summer and fall seasons due to higher sales during the peak of residential construction activity. The subsequent collection of receivables and reduction in inventory levels during the winter months has typically positively impacted cash flow. In the past, from time to time, we have utilized our borrowing availability under our credit facilities to cover short-term working capital needs.

COMPETITION

We believe that competition in our industry is based on quality and timeliness of service, knowledge of local building codes, pricing, relationships and reputation in the market. We are the second largest installer of insulation in the U.S. residential new construction market. The building products installation industry is highly fragmented. The markets for our non-insulation installation services are even more fragmented than the markets for insulation installation services. Our competitors include two other large national contractors, several large regional contractors and numerous local contractors. Some of our competitors have greater financial and other resources than we do. We believe we will continue to effectively compete in our local markets given our long standing customer relationships, access to capital, tenure and quality of local staff, quality installation reputation and competitive pricing.

EMPLOYEES

As of September 30, 2013, we had approximately 3,100 employees, consisting of approximately 2,200 installers, 280 sales professionals, 130 production personnel and 460 administrative and management personnel. Less than 20 of our employees are covered under collective bargaining agreements. We have never experienced a work stoppage or strike and we believe that we have good relations with our employees.

INFORMATION TECHNOLOGY

JobCORE is our web-enabled internal software technology. The system is designed to operate our business in a highly efficient manner and manage our operations. In addition, we integrate jobCORE into our acquired operations. The jobCORE software provides in-depth, real-time financial performance data from each branch to the corporate office. JobCORE is currently used in substantially all of our branches and provides us, our branch managers and our salespeople with an important operational tool for monitoring branch level performance. It assists management in assessing important business questions, including customer analysis, sales staff analysis, branch analysis and other operating activities.

INTELLECTUAL PROPERTY

We possess intellectual property rights, including trademarks, trade names and know-how and other proprietary rights that are important to our business. In particular, we maintain registered trademarks and trade names, some of which are the trademarks and trade names under which many of our local branches operate. While we do not believe our business is dependent on any one of our trademarks or trade names, we believe that our trademarks and trade names are important to the development and conduct of our business as well as to the local marketing of our services. We also maintain domain name registration for each of our local branch websites. We make

efforts to protect our intellectual property rights, however the actions taken by us may be inadequate to prevent others from using similar intellectual property. In addition, third parties may assert claims against our use of intellectual property and we may be unable to successfully resolve such claims.

PROPERTIES

Real Property

We lease office and warehouse space in 32 states, including our headquarters in Columbus, Ohio. Our properties range in size from approximately 650 square feet to approximately 90,000 square feet. Our leases are typically short term in duration with customary extensions at our option. We also own two adjoining properties in Mars, Pennsylvania. We believe suitable alternative space is available in all of our markets. The table below summarizes our locations, as of September 30, 2013. All locations are leased unless otherwise indicated.

State	Number of Locations	Approximate Total Square Footage	State	Number of Locations	Approximate Total Square Footage
Alabama	1	10,500	Mississippi	1	3,900
California	7	68,428	Nebraska	1	9,192
Colorado	5	35,405	New Hampshire	3	35,096
Connecticut	1	6,285	New York	8	92,300
Delaware	1	9,625	North Carolina	3	30,110
Florida	6	55,350	Ohio	12	262,283
Georgia	6	50,488	Oklahoma	1	12,547
Illinois	2	18,335	Oregon	1	16,330
Indiana	9	184,129	Pennsylvania	3*	5,000
Kentucky	2	16,000	South Carolina	3	53,775
Louisiana	1	15,000	Tennessee	2	36,700
Maine	2	30,000	Texas	4	69,415
Maryland	3	34,710	Vermont	1	12,400
Massachusetts	4	45,303	Virginia	3	25,700
Michigan	1	19,000	Washington	1	18,247
Minnesota	4	33,540	Wisconsin	1	16,640

* We own two adjoining properties in Mars, Pennsylvania.

Our Fleet

As of September 30, 2013, our fleet consisted of approximately 1,900 total vehicles, which are comprised of approximately 1,600 installation vehicles, which our installers use to deliver and install products from our local locations to job sites, and approximately 300 other vehicles that are utilized by our sales staff and branch managers.

ENVIRONMENTAL AND OTHER REGULATORY MATTERS

We are subject to various federal, state and local government regulations applicable in the jurisdictions in which we operate, including laws and regulations relating to our relationships with our employees, public health and safety, work place safety, transportation, zoning and fire codes. We strive to operate in accordance with applicable laws, codes and regulations.

Our transportation operations are subject to the regulatory jurisdiction of the DOT, which has broad administrative powers. We are also subject to safety requirements governing interstate operations prescribed by the DOT. Vehicle dimension and weight and driver hours of service also are subject to both federal and state regulation. Our operations are also subject to the regulatory jurisdiction of OSHA, which has broad administrative powers regarding workplace and jobsite safety.

Our operations and properties are also subject to federal, state and local laws and regulations relating to the use, storage, handling, generation, transportation, treatment, emission, release, discharge and disposal of hazardous or toxic materials, substances and wastes and petroleum products and the investigation, remediation, removal and monitoring of the presence or release of such materials, substances, wastes and petroleum products, including at currently or formerly owned or occupied premises and off-site disposal locations. We have not previously incurred material costs to comply with environmental laws and regulations. However, we could be subject to material costs, liabilities or claims relating to environmental compliance in the future, especially in the event of changes in existing laws and regulations or in their interpretation or enforcement.

As the nature of our business involves the use or handling of certain potentially hazardous or toxic substances, including spray foam applications and lead-based paint, we may be held liable for claims alleging injury or damage resulting from the release of or exposure to such substances, as well as claims relating to the presence of mold, fungal growth and moisture intrusion alleged in connection with our business activities. In addition, as owners and lessees of real property, we may be held liable for, among other things, releases of hazardous or toxic substances or petroleum products on, at, under or emanating from currently or formerly owned or operated properties, or any off-site disposal locations, or for any known or newly discovered environmental conditions at or relating to any of our properties, including those arising from activities conducted by previous occupants or at adjoining properties, without regard to whether we knew of or were responsible for such release. We may be required to investigate, remove, remediate or monitor the presence or release of such hazardous or toxic substances or petroleum products and may be held liable by a governmental entity for fines and penalties or to any third parties for damages, including for bodily injury, property damage and natural resource damage in connection with the presence or release of hazardous or toxic substances or petroleum products.

To date, costs to comply with applicable laws and regulations relating to pollution or the protection of human health and safety, the environment and natural resources have not had a material adverse effect on our financial condition or operating results, and we do not anticipate incurring material expenditures to comply with environmental laws and regulations in the current fiscal year.

In conjunction with our lease agreements and other transactions, we often provide reasonable and customary indemnifications relating to various matters, including environmental issues. To date, we have not had to pay a material amount pursuant to any such indemnification obligations.

In addition, our suppliers are subject to various laws and regulations, including in particular, environmental laws and regulations.

LEGAL PROCEEDINGS

A class action lawsuit was filed on February 11, 2013 and an amended complaint was filed on May 15, 2013 in the Superior Court of King County, Washington, against us, alleging violations of Washington State wage and hour laws for failure to pay prevailing and minimum wage and overtime wages. The plaintiffs are former insulation installers for Installed Building Products II, LLC, one of our subsidiaries, who seek to represent all similarly situated workers who they allege were not paid for all time worked on various prevailing wage and commercial insulation projects. They seek all unpaid wages including minimum wage and overtime pay, along with litigation costs and fees. In October 2013, the court issued an order certifying the putative class and in November 2013 ordered that all class members be notified. In December 2013, we appealed the court’s orders. Pending appellate review, the parties continue to engage in discovery and have tentatively scheduled a mediation for January 2014. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

A lawsuit was filed on July 23, 2013 in federal court in the Middle District of Tennessee against TCI d/b/a Installed Building Products of Nashville, alleging unpaid overtime and failure to pay lawful wages under federal law, Tennessee common law and in unjust enrichment and breach of an alleged contract. The named plaintiffs are former insulation installers of TCI, one of our subsidiaries, who allege they and similarly situated workers performed work beyond forty hours in a week for which they were not paid time and a half their regular hourly

wage. Plaintiffs seek to have this case certified as a collective action under the Fair Labor Standards Act and as a class action under Tennessee law. They seek reimbursement of the overtime wages for all time worked over forty hours each week, as well as liquidated damages and litigation costs and fees. We have filed an answer denying the material allegations in the complaint. The parties have exchanged initial written discovery. Depositions are scheduled to begin shortly and a mediation is scheduled for February. We intend to vigorously defend against the case.

In addition, we are involved in various claims and lawsuits incidental to the conduct of our business in the ordinary course. We carry insurance coverage in excess of our self-insured coverage, which we believe to be reasonable under the circumstances, although insurance may or may not cover any or all of our liabilities in respect of claims and lawsuits. We do not believe that the ultimate resolution of these matters individually or in the aggregate will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Management

EXECUTIVE OFFICERS AND DIRECTORS

Set forth below are the names, ages and positions of our executive officers and directors as of December 1, 2013.

Name	Age	Position(s) held
Jeffrey W. Edwards	50	President, Chief Executive Officer and Chairman
Michael T. Miller	49	Executive Vice President, Chief Financial Officer and Director
Jay P. Elliott	52	Chief Operating Officer
Robert E. Davis	50	Director
Steven G. Raich	40	Director
J. Michael Nixon	68	Director

CERTAIN SIGNIFICANT EMPLOYEES

Name	Age	Position(s) held
W. Jeffrey Hire	62	President of External Affairs
R. Scott Jenkins	58	Regional President
William W. Jenkins	57	Director of Internal Audit
Matthew J. Momper	53	Regional President
Warren W. Pearce	55	Regional President
David A. Vella	51	Regional President
Randall S. Williamson	51	Regional President

BIOGRAPHICAL INFORMATION

Executive Officers and Directors

Jeffrey W. Edwards is our President, Chief Executive Officer and Chairman and has held these positions since 2011, 2004 and 1999, respectively. Mr. Edwards' position allows him to advise the board of directors on management's perspective over a full range of issues affecting our company. Prior to joining us, he acted as an officer and strategist for the Edwards Companies. Since 1988, Mr. Edwards has been involved in the successful launch of many business ventures as well as prominent commercial real estate developments in central Ohio. He holds a B.S. in Marketing from Miami University. We believe that Mr. Edwards' leadership, executive, managerial and business experience, along with his more than 25 years of experience in the field, qualify him to be a member of our board of directors.

Michael T. Miller has served as our most senior financial officer since he joined us in 2000 as our Executive Vice President – Finance and has been our Chief Financial Officer since July 2013. Prior to joining us, he held the position of Senior Vice President/Managing Director responsible for Corporate Investment Banking at Huntington Capital Corp., a subsidiary of Huntington Bancshares, Inc., a regional bank holding company. Before joining Huntington in 1991, Mr. Miller held various positions with Deutsche Bank and CIBC in New York. Mr. Miller began his career at First Union National Bank in Charlotte, North Carolina. Mr. Miller holds a B.A. from Wake Forest University. We believe that Mr. Miller's extensive experience with us in the building products industry, background in finance and knowledge of financial reporting make him qualified to serve as a member of our board of directors.

Jay P. Elliott has been our Chief Operating Officer since August 2013. Since joining us in April 2002 as Regional Operations and Business Integrations Manager, Mr. Elliott has led our acquisition integration process and overseen various corporate functions. Prior to joining us, Mr. Elliott worked with E&Y Corporate Finance, LLC in restructuring advisory services. Mr. Elliott's experience includes ten years with Owens Corning in

several roles including new business development, market management and corporate strategic planning. Additionally, he spent three years with IBM and began his career with Westinghouse Electric Corp. Mr. Elliott earned an M.B.A. from Cornell University Johnson Graduate School of Management, a B.E. from Dartmouth College Thayer School of Engineering, and an A.B. from Colgate University.

Non-executive Directors

Robert E. Davis has served as a director since October 2011. Mr. Davis is currently a Managing Director of Littlejohn, which he joined as a partner in 2005. Prior to joining Littlejohn, Mr. Davis was a managing director and founder of Oaktree Capital Management's Mezzanine Fund, where he was responsible for originating, executing and monitoring mezzanine investments. Previously, Mr. Davis was a principal at Halycon Asset Management LLC, focusing on distressed and special situation investments. Mr. Davis started his post-M.B.A. career at Prudential Insurance Company, where he was a founding member of its Financial Restructuring Group. Additionally, Mr. Davis spent two years as a distressed debt and high yield analyst at Oppenheimer and Co., and began his investment career at Bear Stearns & Co. Mr. Davis received a B.A. in economics from Northwestern University and an M.B.A. from the J.L. Kellogg School of Management at Northwestern University. We believe that Mr. Davis' extensive experience in corporate strategy, finance and acquisitions makes him qualified to serve as a member of our board of directors.

Steven G. Raich has served as a director since November 2011. Mr. Raich became a partner of Littlejohn in January 2008 after having been with the firm since 2000. Mr. Raich joined Littlejohn from Golub Capital, a private equity and debt fund where he analyzed new investment opportunities and worked with portfolio company managers. Previously, Mr. Raich was at Ernst & Young LLP in the mergers and acquisitions advisory services group. Mr. Raich received an M.B.A. from the Stern School of Business at N.Y.U. and an A.B. from Duke University. We believe that Mr. Raich's extensive experience in corporate strategy, finance and acquisitions makes him qualified to serve as a member of our board of directors.

J. Michael Nixon has served as a director since December 2012. Mr. Nixon is the founder of TCI Contracting, LLC, one of our indirect subsidiaries, where he has served as the chief executive officer since 2006. Prior to establishing TCI Contracting, LLC, he founded and led Quality Insulation Inc., a Connecticut-based insulation installer, over a thirty year period. In addition, Mr. Nixon is the owner of Hawks Ridge Golf Club in Ball Ground, Georgia. In 2010, Mr. Nixon was appointed to the Cherokee County Airport Authority, and in 2011, he was appointed to the Georgia Properties Commission. We believe that Mr. Nixon's extensive experience and leadership in the building products installation industry makes him qualified to serve as a member of our board of directors.

Certain Significant Employees

W. Jeffrey Hire joined us in late 2008, and was named President of External Affairs in December 2013. His responsibilities include working with our largest customers, our major suppliers and industry associations. Prior to joining us, Mr. Hire held numerous management positions at Owens Corning from 1978 to 2008. From 2006 to 2008, he served as Director of Products and Programs for the Insulating Systems Business, developing product innovations and value-added customer programs. For eleven years prior to that, Mr. Hire was General Manager of the Insulation Contractor Segment of the Residential Insulation Division. Mr. Hire earned a B.S. in Philosophy from University of Mount Union in Alliance, Ohio and an M.B.A. specializing in General Management from The University of St. Thomas Opus College of Business in St. Paul, Minnesota. He serves on the Board of Directors of the Insulation Contractors Association of America and has served as a Committee Chairman for the North American Insulation Manufacturers Association. Mr. Hire received the Insulation Contractors Association of America's "Key Man" award for his leadership and dedication to the industry.

R. Scott Jenkins has been a Regional President since October 2006 when we acquired OJ Insulation, Inc., which he co-founded in 1984. During his 22-year tenure at OJ Insulation, as owner and Chief Executive Officer,

Mr. Jenkins was responsible for numerous strategic acquisitions and significant company growth. Since joining us, Mr. Jenkins has taken on the management of operations in certain states, including Texas, Washington and California. Mr. Jenkins received a B.A. in Social Science from the University of California at Irvine and has been an active member of Vistage International CEO Organization since 2004.

William W. Jenkins has been our Director of Internal Audit since September 2013. Previously, Mr. Jenkins served as a Regional President from 2011 to 2013 and as our President from 1998 to 2011. Prior to joining us, Mr. Jenkins held senior management positions with Midwest Wholesale Building Materials, a building products wholesaler and BuyOhio Realtors. Mr. Jenkins began his career with Ernst & Young LLP, where he progressed to become a Senior Manager, specializing in audits of publicly held and privately held insurance, wholesale distribution and fast-food companies. Mr. Jenkins graduated from The Ohio State University with a B.S. and became a licensed CPA in the State of Ohio. He is currently a member of the American Institute of Certified Public Accountants.

Matthew J. Momper has been a Regional President since 2008. Prior to joining us, Mr. Momper served as President of Momper Insulation Inc., a family business, which he joined in 1984. Mr. Momper was responsible for significant growth of Momper Insulation Inc., and the strategic decision to join that company with us in 1998. Since joining us, Mr. Momper has taken on the management of operations in certain states, including Indiana, Ohio and Illinois. Mr. Momper received a B.S. from Ball State University and an M.B.A. from Drake University. He currently serves on the Board of Trustees for Ball State University and the Board of Directors for the Allen County Building Department.

Warren W. Pearce has been a Regional President since 2011. From 2004 to 2011, Mr. Pearce was Vice President of Operations for Masco Corporation, where he held various other positions beginning in 1989. Prior to joining Masco, Mr. Pearce began his career at Carroll Insulation and later served as branch manager at American Aluminum Insulation. Since joining us, Mr. Pearce has taken on the management of operations in certain key states, including Ohio, Indiana and Maryland. Mr. Pearce received from Kent Votech his Electrical Apprenticeship certification.

David A. Vella has been a Regional President since 2012. Prior to joining us, Mr. Vella was Vice President and Chief Operating Officer of TCI Contracting, LLC. Prior to co-founding TCI in 2005, Mr. Vella served as Chief Operating Officer of QI Company, where he held various positions beginning in 1986. Upon the sale of QI to Masco Corporation in 2001, Mr. Vella served as Regional President for three years, after which he led Masco's cabinet division in Ft. Myers, Florida. Since joining us, Mr. Vella has taken on the management of operations in certain states, including Florida, Georgia and Tennessee. Mr. Vella is an active member in the Insulation Contractor Association of America, a member of the National Home Builders Association and holds several technical certifications in the insulation and contracting fields.

Randall S. Williamson has been a Regional President since 2001. Mr. Williamson began his career in 1981 at Monroe Insulation and Gutter Company Incorporated, or Monroe, where he progressed to become Vice President in 1992. In 1996, Mr. Williamson purchased Monroe and merged it with other companies to form American Building Systems, Inc., where he served as President until 2001. American Building Systems, Inc. merged with us in 2001. Mr. Williamson has taken on the management of operations in certain states, including Massachusetts, New York and Michigan. Mr. Williamson attended Colorado State University and serves on the board of governors for U.S. Grown Foods.

COMPOSITION OF THE BOARD OF DIRECTORS

After the completion of this offering, our board of directors will be comprised of directors, of whom Messrs. and were designated by our stockholders pursuant to the board designation provisions of our Stockholders Agreement dated November 4, 2011, as amended, or our Stockholders Agreement. Upon the completion of this offering, these board designation provisions of our Stockholders

Agreement will terminate. See “Certain Relationships and Related-Party Transactions—Stockholders Agreement.” and have agreed to become members of our board of directors upon completion of this offering.

Our business and affairs are managed under the direction of our board of directors. Our amended and restated bylaws provide that the authorized size of our board of directors is to be determined from time to time by resolution of the board of directors. The authorized number of directors may be changed by resolution duly adopted by at least a majority of our entire board of directors then in office, although no decrease in the authorized number of directors will have the effect of removing an incumbent director from our board of directors until the incumbent director’s term of office expires. Vacancies on our board of directors can be filled by resolution of our board of directors.

Upon the completion of this offering, our board of directors will be divided into three classes, each serving staggered, three-year terms:

- Our class I directors will be and , and their terms will expire at the first annual meeting of stockholders following the date of this prospectus;
- Our class II directors will be and , and their terms will expire at the second annual meeting of stockholders following the date of this prospectus; and
- Our class III directors will be and , and their terms will expire at the third annual meeting of stockholders following the date of this prospectus.

As a result, only one class of directors will be elected at each annual meeting of stockholders, with the other classes continuing for the remainder of their respective terms.

DIRECTOR INDEPENDENCE

In 2013, our board of directors undertook a review of its composition and the independence of each director. Based upon information requested from and provided by each director and director nominee concerning his or her background, employment and affiliations, our board of directors has determined that each of and , each of whom has agreed to become a member of our board of directors upon completion of this offering, have no material relationship that would interfere with the exercise of independent judgment and is “independent” as defined in the NYSE listing rules. We intend to rely on the NYSE transition rules, which provide for phase-in compliance for companies listing in connection with their initial public offering. Accordingly, we intend to have a majority of our board comprised of independent directors within one year of our listing.

The SEC rules and NYSE listing rules require that at least one member of our audit committee be independent as of the date of this prospectus and that each of our audit, compensation and nominating and corporate governance committees be comprised of a majority of independent directors within 90 days of our listing and solely of independent directors within one year of our listing. We intend to comply with these transition rules.

BOARD LEADERSHIP STRUCTURE

Jeff Edwards serves as our President, Chief Executive Officer and Chairman. The positions of chairman of the board and chief executive officer have historically been combined at our company. We believe a combined chairman and chief executive officer role helps provide strong, unified leadership for our management team and board of directors. In addition, our customers, stockholders, suppliers and other business partners view our chairman and chief executive officer as a leader in our industry. While our amended and restated bylaws and corporate governance guidelines do not require that our chairman and chief executive officer positions be combined, our board of directors believes that having a combined position is the appropriate leadership structure for us at this time.

ROLE OF OUR BOARD OF DIRECTORS IN RISK OVERSIGHT

Risk assessment and oversight are an integral part of our governance and management processes. Our board of directors encourages management to promote a culture that incorporates risk management into our corporate strategy and day-to-day business operations. Management discusses strategic and operational risks at regular management meetings, and conducts specific strategic planning and review sessions during the year that include a focused discussion and analysis of the risks facing us. Throughout the year, senior management reviews these risks with the board of directors at regular board meetings as part of management presentations that focus on particular business functions, operations or strategies, and presents the steps taken by management to mitigate or eliminate such risks.

Our board of directors does not have a standing risk management committee, but rather administers this oversight function directly through our board of directors as a whole, as well as through various standing committees of our board of directors that address risks inherent in their respective areas of oversight. In particular, our board of directors is responsible for monitoring and assessing strategic risk exposure. Our audit committee is responsible for overseeing our major financial risk exposures and the steps our management has taken to monitor and control these exposures and our compensation committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage unnecessary risk-taking. In addition, upon completion of this offering, our audit committee will oversee the performance of our internal audit function and consider and approve or disapprove any related-party transactions and our nominating and governance committee will monitor the effectiveness of our corporate governance guidelines.

COMMITTEES OF OUR BOARD OF DIRECTORS

After completion of this offering, the standing committees of our board of directors will consist of an audit committee, compensation committee and nominating and corporate governance committee. The board of directors will adopt written charters for the audit committee, compensation committee and nominating and corporate governance committee, which will be available on our website upon the completion of this offering. In addition, from time to time, special committees may be established under the direction of our board of directors when necessary to address specific issues. The information contained in, or that can be accessed through, our websites is not incorporated by reference and is not a part of this prospectus.

Audit Committee

Our audit committee will oversee our corporate accounting and financial reporting process. Upon completion of this offering, the audit committee will be responsible for, among other things:

- appointing our independent registered public accounting firm;
- evaluating the independent registered public accounting firm’s qualifications, independence and performance;
- determining the engagement of the independent registered public accounting firm;
- reviewing and approving the scope of the annual audit and the audit fee;
- reviewing and discussing the adequacy and effectiveness of our accounting and financial reporting processes and controls and the audits of our financial statements;
- reviewing and approving, in advance, all audit and non-audit services to be performed by our independent auditor, taking into consideration whether the independent auditor’s provision of non-audit services to us is compatible with maintaining the independent auditor’s independence;
- monitoring the rotation of partners of the independent registered public accounting firm on our engagement team as required by law;

- establishing and overseeing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential, anonymous submission by our employees regarding questionable accounting or auditing matters;
- reviewing and approving related-party transactions for potential conflict of interest situations on an ongoing basis;
- investigating any matter brought to its attention within the scope of its duties and engaging independent counsel and other advisors as the audit committee deems necessary;
- reviewing reports to management prepared by the internal audit function, as well as management's responses;
- reviewing our financial statements and our management's discussion and analysis of financial condition and results of operations to be included in our annual and quarterly reports to be filed with the SEC;
- annually reviewing the audit committee charter and the committee's performance; and
- handling such other matters that are specifically delegated to the audit committee by our board of directors from time to time.

Upon completion of this offering, our audit committee will consist of , who will serve as chairperson of the committee, and . All members of our audit committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and NYSE. Our board of directors has determined that is an audit committee financial expert as defined under the applicable rules of the SEC and has the requisite financial sophistication as defined under the applicable rules and regulations of the NYSE. Under the rules of the SEC and NYSE, members of the audit committee must also meet independence standards under Rule 10A-3 of the Exchange Act, subject to the transition rules described above.

Compensation Committee

Our compensation committee will review and recommend policies relating to compensation and benefits of our officers, directors and employees. Upon completion of this offering, the compensation committee will be responsible for, among other things:

- reviewing and approving the compensation, employment agreements and severance arrangements and other benefits of all of our executive officers and key employees;
- reviewing and determining director compensation from time to time in accordance with our amended and restated certificate of incorporation and the applicable NYSE rules;
- reviewing and approving, on an annual basis, the corporate goals and objectives relevant to the compensation of our executive officers, and evaluating their performance in light of such goals and objectives;
- reviewing and making recommendations, on an annual basis, to our board of directors with respect to director compensation, including salary, bonus and equity and non-equity incentive compensation, subject to approval by our board of directors;
- assisting our board of directors in developing and evaluating potential candidates for executive officer positions and overseeing the development of executive succession plans;
- reviewing and discussing with management our Compensation Discussion and Analysis, or CD&A, or such other similar section, and recommending that the CD&A, or such other similar section, if required, be included or incorporated by reference in our proxy statement and annual report on Form 10-K;

- reviewing our incentive compensation arrangements to confirm that incentive pay does not encourage unnecessary risk-taking and reviewing and discussing, at least annually, the relationship between risk management policies and practices, business strategy and our executive officers' compensation;
- reviewing and evaluating, at least annually, the performance of the compensation committee and its members, including compliance by the compensation committee with its charter;
- retaining or obtaining, in its sole discretion, the advice of a compensation consultant, independent legal counsel or other adviser after taking into consideration the factors required by any applicable requirements of the Exchange Act and any applicable exchange rules;
- maintaining direct responsibility over the appointment, oversight and compensation of compensation consultants, independent legal counsel and other advisers engaged by the compensation committee;
- providing for appropriate funding for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the compensation committee; and
- handling such other matters that are specifically delegated to the compensation committee by our board of directors from time to time.

Upon completion of this offering, our compensation committee will consist of , who will serve as chairperson of the committee, and . Each of the members of our compensation committee will be independent under the rules of the NYSE, will be a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act and will be an "outside director" as that term is defined in Section 162(m) of the Code, subject to the transition rules described above.

Nominating and Corporate Governance Committee

Upon the completion of this offering, the nominating and corporate governance committee will be responsible for, among other things:

- identifying and screening candidates for our board of directors and recommending nominees for election as directors;
- establishing procedures to exercise oversight of the evaluation of our board of directors and management;
- developing and recommending to our board of directors a set of corporate governance guidelines, as well as reviewing these guidelines and recommending any changes to our board of directors;
- reviewing the structure of our board of directors' committees and recommending to our board of directors for its approval directors to serve as members of each committee, and where appropriate, making recommendations regarding the removal of any member of any committee;
- reviewing and assessing the adequacy of its formal written charter on an annual basis; and
- generally advising our board of directors on corporate governance and related matters.

Upon completion of this offering, our nominating and corporate governance committee will consist of , who will serve as chairperson of the committee, and . Each of the members of our nominating and corporate governance committee will be an independent director under the rules of the NYSE relating to nominating and corporate governance committee independence, subject to the transition rules described above.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2012, our chief financial officer was a member of our compensation committee and our audit committee. None of our executive officers serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

BOARD DIVERSITY

Upon completion of this offering, our nominating and corporate governance committee will be responsible for reviewing with our board of directors, on an annual basis, the appropriate characteristics, skills and experience required for the board of directors as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current members), the nominating and corporate governance committee, in recommending candidates for election, and the board of directors, in approving (and, in the case of vacancies, appointing) such candidates, will take into account many factors, including the following:

- personal and professional integrity;
- ethics and values;
- experience in corporate management, such as serving as an officer or former officer of a publicly held company;
- experience in the industries in which we compete;
- experience as a board member or executive officer of another publicly held company;
- diversity of expertise and experience in substantive matters pertaining to our business relative to other board members;
- conflicts of interest; and
- practical and mature business judgment.

FAMILY RELATIONSHIPS

There are no family relationships among any of our executive officers or any of our directors.

CODE OF BUSINESS CONDUCT AND ETHICS

We have adopted a code of business conduct and ethics, effective upon completion of this offering, applicable to all of our employees, officers, directors and consultants, including our principal executive, financial and accounting officers and all persons performing similar functions. A copy of that code will be available on our website prior to completion of this offering. We expect that any amendments to the code, or any waivers of its requirements, will be disclosed on our website or as required by applicable law or NYSE listing requirements.

Compensation of our Directors and Executive Officers

Our named executive officers, or the Named Executive Officers, for the year ended December 31, 2012, are:

- Jeff Edwards, our President, Chief Executive Officer and Chairman;
- Michael Miller, our Executive Vice President and Chief Financial Officer; and
- Jay Elliott, our Chief Operating Officer.

COMPENSATION OF OUR EXECUTIVE OFFICERS

Summary Compensation Table for the year ended December 31, 2012

The following table contains information about the compensation paid to or earned by each of our Named Executive Officers during the most recently completed fiscal year.

Name and Principal Position	Year	Salary ($)	Bonus ($)	All Other Compensation ($)	Total ($)
Jeff Edwards, *President, Chief Executive Officer and Chairman*	2012	(1)	—	4,369(2)	4,369
Michael Miller, *Executive Vice President and Chief Financial Officer*	2012	201,000	—	2,158,810(3)(4)	2,359,810
Jay Elliott, *Chief Operating Officer*	2012	190,609	25,000(5)	593,713(6)(7)	809,322

(1) In 2012, Mr. Edwards served as a consultant and non-employee officer to us in the capacity of Chief Executive Officer and President. As such, he did not receive salary or bonus for 2012. The costs of Mr. Edwards's services were paid through management agreements involving us and certain of our affiliates. For a description of these agreements, please see the sections of this prospectus captioned "Certain Relationship and Related-Party Transactions—Management Agreements."

(2) Includes lease fees and maintenance costs of $3,843 for a company-provided vehicle and insurance premium costs of $526 paid by us on behalf of Mr. Edwards.

(3) In 2011, IBP Investment Holdings, LLC issued an equity award to Mr. Miller. In May 2012, Mr. Miller became entitled to a put right with respect to such award, pursuant to which he could require Mr. Edwards, our Chairman, Chief Executive Officer and President, to purchase the award during a limited period. Even though the award is in respect of our stockholder's (and not our) equity, under applicable accounting guidance, we were required to recognize the fair value associated with the put right, and, accordingly, recorded the value as non-cash compensation expense included in administrative expenses. The amount in this column includes $2,150,046, representing the fair value associated with Mr. Miller's put right. However, the put rights were never exercised and were terminated by Mr. Miller effective November 30, 2013. As such, no amounts were or will be paid under the put rights.

(4) Includes 401(k) matching contributions of $4,021, lease fees, taxes and titling costs of $2,720 for a company-provided vehicle, parking costs of $1,452 paid by us, and insurance premium costs of $526 paid by us on behalf of Mr. Miller.

(5) This amount represents a discretionary bonus that was paid to Mr. Elliott for his performance in 2012.

(6) In 2010, IBP Management Holdings, LLC issued an equity award to Mr. Elliott. In May 2012, Mr. Elliott became entitled to a put right with respect to such award, pursuant to which he could require Mr. Edwards, our Chairman, Chief Executive Officer and President, to purchase the award during a limited period. Even though the award is in respect of our stockholder's (and not our) equity, under applicable accounting guidance, we were required to recognize the fair value associated with the put right, and, accordingly, recorded the value as non-cash compensation expense included in administrative expenses. The amount in this column includes $588,864, representing the fair value associated with Mr. Elliott's put right. However, the put rights were never exercised and were terminated by Mr. Elliott effective November 30, 2013. As such, no amounts were or will be paid under the put rights.

(7) Includes 401(k) matching contributions of $3,328 and parking costs of $1,452 paid by us.

Consulting Agreement with Jeff Edwards

In March 2004, we entered into a consulting agreement with Jeff Edwards pursuant to which Mr. Edwards agreed to serve as our Chief Executive Officer in a non-employee capacity. The agreement did not provide Mr. Edwards with any base salary, bonus or severance entitlements. The agreement provided that the costs of Mr. Edwards' services to us would be covered under separate management agreements involving us and certain of our affiliates, which arrangements are described in the section of this prospectus captioned "Certain Relationship and Related-Party Transactions—Management Agreements." Mr. Edwards was entitled to reimbursement for reasonable business expenses incurred in connection with his performance of services under the consulting agreement.

The consulting agreement provided for an initial term of five years, with automatic three-year renewals unless either party provided the other party with notice of non-renewal at least 60 days prior to the expiration of the then-current renewal period. Pursuant to the agreement, Mr. Edwards was subject to non-disclosure restrictions that applied during the term and survive termination of the agreement. The consulting agreement was terminated upon the effective date of Mr. Edwards's employment agreement, described below.

Employment Agreement with Jeff Edwards

On November 1, 2013, we entered into an employment agreement with Jeff Edwards pursuant to which Mr. Edwards agreed to continue to serve as our Chief Executive Officer and President in an employee capacity. The agreement provides Mr. Edwards with a minimum annual base salary of $600,000 and an opportunity to participate in our annual incentive programs, as well as our employee benefit plans and programs, in effect from time to time. The agreement provides for an initial employment term of three years, with automatic one-year renewals on the expiration date of the initial term and each anniversary thereafter, unless either we or Mr. Edwards provide notice of non-renewal at least 90 days prior to the commencement of a renewal period.

During the employment term, Mr. Edwards is required to devote the amount of his business time necessary and proper to conduct our business and affairs, and use his best efforts to perform faithfully his duties and responsibilities as our Chief Executive Officer and President. However, to the extent such activities do not create a conflict of interest or substantially interfere with the performance of Mr. Edwards' duties and responsibilities to us, he may (i) manage his personal and family financial and legal affairs, (ii) participate in charitable, civic, educational, professional, community and industry affairs (including serving on boards or committees of such entities), (iii) serve on the boards of directors of the Salvation Army and the Columbus Museum of Art and (iv) continue to engage in non-competitive operational activities for a real estate development business in which he participated prior to entering into his employment agreement with us.

In the event we terminate Mr. Edwards' employment without "cause" (as defined in the employment agreement) or if Mr. Edwards terminates his employment for "good reason" (as defined in the employment agreement), then, subject to Mr. Edwards' execution and non-revocation of a release of claims, and further subject to his continued compliance with the restrictive covenants in the employment agreement, we are required to pay him: (i) base salary continuation payments for 18 months; (ii) any earned and unpaid prior year's bonus; and (iii) any bonus earned for the year of termination based on actual performance, pro-rated based on the duration of Mr. Edwards' employment during the year of termination. If any such termination occurs within two years following a change in control (other than as a result of a sale of all of Mr. Edwards' equity interests in us), then the base salary continuation payment period described in clause (i) above would be 24 months, rather than 18 months.

Mr. Edwards is subject to non-competition and customer and employee non-solicitation restrictions while employed and for two years after termination of his employment, as well as confidentiality restrictions that last during his employment and thereafter. In addition, during his employment and thereafter, Mr. Edwards has agreed not to disparage us, and we have agreed to instruct our executive officers not to disparage Mr. Edwards.

Employment Agreement with Jay Elliott

Effective October 1, 2013, we and Jay Elliott agreed to terminate our employment agreement with him pursuant to which Mr. Elliott served as our Regional Operations & Business Integration Manager. The agreement provided Mr. Elliott with a minimum annual base salary of $175,000 and an opportunity to receive additional compensation in the form of a discretionary bonus pursuant to bonus programs in effect from time to time for similarly situated employees. Mr. Elliott's agreement was amended on February 12, 2009, amongst other matters, to defer 50% of his 2008 bonus until 2012.

The employment agreement provided for automatic one-year renewals each year unless either party gave the other party notice of non-renewal at least 60 days prior to the commencement of a renewal period. In the event we terminated Mr. Elliott's employment other than for cause or due to death or disability, or if we gave him a notice of non-renewal, the agreement provided that we would pay him an amount equal to his base salary through the end of the term. Mr. Elliott continues to be employed by us.

Outstanding Equity Awards as of December 31, 2012

None of our Named Executive Officers had equity awards with respect to any of our capital stock outstanding as of December 31, 2012. See footnotes 3 and 5 to the Summary Compensation Table.

COMPENSATION OF OUR DIRECTORS

During the year ended December 31, 2012, our directors did not receive any compensation for their services as directors.

Following the consummation of this offering, we intend to implement a director compensation program pursuant to which our independent directors will receive the following compensation for their service on our board of directors:

- An annual retainer of $50,000;
- An additional annual retainer of $10,000 for serving as chair of the Audit Committee;
- An additional annual retainer of $10,000 for serving as chair of the Compensation Committee;
- An additional annual retainer of $10,000 for serving as chair of the Nominating and Corporate Governance Committee; and
- An annual grant of restricted stock made under the 2013 Plan having a fair market value of $50,000, all of which shall vest on the earlier to occur of the one-year anniversary of the grant date and immediately prior to the first annual meeting of our stockholders occurring after the grant date.

2013 OMNIBUS INCENTIVE PLAN

On , 2013, in anticipation of this offering, our board of directors adopted and established our 2013 Omnibus Incentive Plan, or the 2013 Plan, subject to approval of our stockholders. Our stockholders approved the 2013 Plan on , 2013 (which is the effective date of the 2013 Plan). We believe that a new omnibus incentive plan is appropriate in connection with a public offering of our common stock in order to enhance our profitability and value for the benefit of our stockholders by enabling us to offer our eligible employees, consultants and non-employee directors incentive awards to attract, retain and reward such individuals and strengthen the mutuality of interests between such individuals and our stockholders. The material terms of the 2013 Plan are summarized below. The following summary is qualified in its entirety by reference to the complete text of the 2013 Plan, a copy of which is included as an exhibit to the registration statement of which this prospectus is a part.

Administration of the Plan

The board of directors has appointed the compensation committee to administer the 2013 Plan. The compensation committee is authorized to grant awards to eligible employees, consultants and non-employee directors. To the extent required, subject to applicable transition rules, all members of the compensation committee are "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act, "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, or the Code, and "independent directors" under applicable NYSE rules.

Number of Authorized Shares and Award Limits

The aggregate number of our shares of common stock that may be issued or used for reference purposes under the 2013 Plan may not exceed shares (subject to adjustment pursuant to the terms of the 2013 Plan as described below).

Our shares of common stock that are subject to awards will be counted against the overall limit as one share for every share granted. If any award is cancelled, expires or terminates unexercised for any reason, the shares covered by such award will again be available for the grant of awards under the 2013 Plan, except that any shares that are not issued as the result of a net settlement or that are used to pay any exercise price or tax withholding obligation will not be available for the grant of awards. Shares of common stock that we repurchase on the open market with the proceeds of an option exercise price also will not be available for the grant of awards.

The maximum number of our shares of common stock that may be subject to any award of stock options, any restricted stock or other stock-based award denominated in shares that may be granted under the 2013 Plan during any fiscal year to each employee or consultant is shares per type of award, provided that the maximum number of our shares of common stock for all types of awards during any fiscal year does not exceed shares per each employee or consultant. The maximum number of our shares of common stock that may be granted pursuant to awards under the 2013 Plan during any fiscal year to any non-employee director is shares. The foregoing individual participant limits are cumulative, that is, to the extent that shares of common stock that may be granted to an individual in a fiscal year are not granted, then the number of shares of common stock that may be granted to such individual shall be increased in the subsequent fiscal year. In addition, the maximum value at grant of any other stock-based award denominated in cash and any performance-based cash award that may be granted during any fiscal year to an employee or consultant is $. However, the foregoing limits (other than the limit on the maximum number of our shares of common stock for all types of awards during any fiscal year) will not apply (i) to options, stock appreciation rights or restricted stock or other stock-based awards that constitute "restricted property" under Section 83 of the Code to the extent granted during the Reliance Period (as described below) or (ii) to performance-based cash awards or other types of other stock-based awards to the extent paid or otherwise settled during the Reliance Period.

For companies that become public in connection with an initial public offering, the deduction limit under Section 162(m) of the Code does not apply during a "reliance period" under the Treasury Regulations under Section 162(m) of the Code which may be relied upon until the earliest of: (i) the expiration of the 2013 Plan, (ii) the date the 2013 Plan is materially amended for purposes of Treasury Regulation Section 1.162-27(h)(1)(iii); (iii) the date all shares of common stock available for issuance under this 2013 Plan have been allocated; or (iv) the date of the first annual meeting of our stockholders for the election of directors occurring after the close of the third calendar year following the calendar year in which the initial public offering occurs, such period is referred to herein as the Reliance Period.

The compensation committee will, in accordance with the terms of the 2013 Plan, make appropriate adjustments to the above aggregate and individual limits, to the number and/or kind of shares or other property (including cash) underlying awards and to the purchase price of shares underlying awards, in each case, to reflect any change in our capital structure or business.

Eligibility and Participation

All current and prospective eligible employees and consultants of ours and our affiliates, and all of our non-employee directors, are eligible to be granted non-qualified stock options, restricted stock awards, performance-based cash awards and other stock-based awards under the 2013 Plan. However, only employees of ours and our subsidiaries are eligible to be granted incentive stock options, or ISOs, under the 2013 Plan. Eligibility for awards under the 2013 Plan is determined by the compensation committee in its sole discretion.

Types of Awards

Stock Options. The 2013 Plan authorizes the compensation committee to grant ISOs to eligible employees and non-qualified stock options to purchase shares to eligible employees, consultants and non-employee directors (referred to as "participants"). The compensation committee will determine the number of shares of common stock subject to each option, the term of each option, the exercise price (which may not be less than the fair market value of the shares of our common stock at the time of grant or, in the case of ISOs granted to ten-percent stockholders, 110 percent of the fair market value), the vesting schedule and the other terms and conditions of each option. Options will be exercisable at such times and subject to such terms and conditions as are determined by the compensation committee at grant. The maximum term of options under the 2013 Plan is ten years (or five years in the case of ISOs granted to ten-percent stockholders). Upon the exercise of an option, the participant must make payment of the full exercise price (i) in cash or by check, bank draft or money order, (ii) solely to the extent permitted by law, through the delivery of irrevocable instructions to a broker (reasonably acceptable to us) to promptly deliver to us an amount equal to the aggregate exercise price and/or (iii) on such other terms and conditions as may be acceptable to the compensation committee (including, without limitation, the relinquishment of options or by payment in full or in part in the form of shares of our common stock owned by the participant). Unless otherwise determined by the compensation committee, the 2013 Plan provides that options vested and exercisable as of the date of a participant's termination of employment, consultancy or directorship (as applicable) will remain exercisable for the following periods following the date of termination: if such termination is due to the participant's death or "disability" (as defined in the 2013 Plan), one (1) year; if such termination is by us without "cause" (as defined in the 2013 Plan), 90 days; and if such termination is voluntary, 30 days. Upon an employment termination by us for cause or a voluntary resignation following an event that would be grounds for termination for cause, the options will terminate and expire on the date of employment termination. Unless otherwise determined by the compensation committee, upon any employment termination, unvested options will terminate and expire on the date of employment termination.

Restricted Stock. The 2013 Plan authorizes the compensation committee to grant restricted stock awards to eligible participants. Recipients of restricted stock awards enter into an agreement with us subjecting the restricted stock awards to transfer and other restrictions and providing the criteria or dates on which such awards vest and such restrictions lapse. The restrictions on restricted stock awards may lapse and the awards may vest over time, based on performance criteria or other factors (including, without limitation, performance goals that are intended to comply with the performance-based compensation exception under Section 162(m) of the Code, as discussed below), as determined by the compensation committee at grant. Except as otherwise determined by the compensation committee, a holder of a restricted stock award has all of the attendant rights of a stockholder, including the right to vote. However, such holder does not have the right to tender shares of the restricted stock and any dividends or other distributions payable on the restricted stock will not be paid unless and until the underlying shares of restricted stock vest and are no longer subject to restrictions.

Other Stock-Based Awards. The 2013 Plan authorizes the compensation committee to grant awards of shares of our common stock and other awards to eligible participants that are valued in whole or in part by reference to, or are payable in or otherwise based on, shares of our common stock, including, but not limited to, shares of common stock awarded purely as a bonus in lieu of cash and not subject to any restrictions or conditions; shares of common stock in payment of the amounts due under an incentive or performance plan sponsored or maintained by us or an affiliate; stock appreciation rights; stock equivalent units; restricted stock units; performance awards entitling participants to receive a number of shares of our common stock (or cash in an

equivalent value) or a fixed dollar amount, payable in cash, stock or a combination of both, with respect to a designated performance period; or awards valued by reference to book value of our shares of common stock.

Certain Performance-Based Awards

The 2013 Plan authorizes the compensation committee to grant performance-based stock-based and cash awards. As noted above, following the Reliance Period, performance-based awards granted under the 2013 Plan that are intended to satisfy the performance-based compensation exception under Section 162(m) of the Code will vest based on attainment of specified performance goals established by the compensation committee. These performance goals will be based on the attainment of a certain target level of, or a specified increase in (or decrease where noted), criteria selected by the compensation committee. Such performance goals may be based upon the attainment of specified levels of company, subsidiary, division or other operational unit performance under one or more of the measures described above relative to the performance of other companies. The compensation committee may designate additional business criteria on which the performance goals may be based or adjust, modify or amend those criteria, to the extent permitted by Section 162(m) of the Code. Unless the compensation committee determines otherwise, to the extent permitted by Section 162(m) of the Code, the compensation committee will disregard and exclude the impact of special, unusual or non-recurring items, events, occurrences or circumstances; discontinued operations or the disposal of a business; the operations of any business that we acquire during the fiscal year or other applicable performance period; or a change in accounting standards required by generally accepted accounting principles.

Effect of Detrimental Activity

Unless otherwise determined by the compensation committee, the 2013 Plan provides that, in the event a participant engages in "detrimental activity" (as defined in the 2013 Plan), all unexercised options held by the participant will terminate and expire and all unvested restricted stock and other stock-based awards will be immediately forfeited. As a condition to exercise an option, a participant is required to certify that he or she is in compliance with the terms and conditions of the 2013 Plan and that he or she has not engaged in, and does not intend to engage in, any detrimental activity. If the participant engages in a detrimental activity within one year following the exercise of an option, or if earlier, within one year following the date of the participant's employment termination, we are entitled to recover from the participant, at any time within one year after such date, any gain realized from the exercise of such option. If the participant engages in a detrimental activity within one year following the vesting date of a restricted stock award or other stock-based award, we are entitled to recover from the participant, at any time within one year after such detrimental activity, the fair market value on the vesting date of any restricted stock award, and any gain realized from the vesting of any other stock-based award, that vested during such period. Unless otherwise determined by the compensation committee, the foregoing provisions will cease to apply upon a change in control (as defined in the 2013 Plan and described below).

Effect of Certain Transactions; Change in Control

In the event of a change in control, except as otherwise provided by the compensation committee in an award agreement, unvested awards will not vest. Instead, the compensation committee may, in its sole discretion provide for outstanding awards to be treated in accordance with one of the following methods: (i) awards (whether or not vested) may be continued, assumed or substituted for; (ii) awards may be purchased for an amount of cash equal to the change in control price per share; and/or (iii) stock options or other stock-based appreciation awards may be cancelled if the change in control price is less than the applicable exercise price. However, the compensation committee may in its sole discretion provide for the acceleration of vesting and lapse of restrictions of an award at any time. For the purposes of the foregoing, a "change in control" generally means the occurrence of one of the following events:

- the acquisition (including through purchase, reorganization, merger or consolidation) by a person or entity of 45% or more of the voting power of the securities entitled to vote to elect our board of directors;

- an election of individuals to our board of directors that causes a change in two-thirds of our board of directors, unless the individuals elected are approved by a vote of at least two-thirds of the directors then in office who either were directors as of the effective date of the 2013 Plan or whose election or nomination for election was previously so approved; or
- the sale or other disposition of all or substantially all of our assets.

In addition, upon the occurrence of an "acquisition event" (as defined below), the compensation committee may terminate all outstanding and unexercised options (or any other stock-based awards that are subject to exercise by the holder thereof) (referred to as the "exercisable awards"), effective as of the date of the acquisition event, by delivering a termination notice to each participant at least 20 days prior to the date of the acquisition event. During the period after which notice is provided, each participant may exercise all of his or her then outstanding and vested exercisable awards, subject to the occurrence of the acquisition event. Any exercisable award that has an exercise price that is equal to or greater than the fair market value of our common stock on the date of the acquisition event may be canceled by the compensation committee without consideration. Under the 2013 Plan, an "acquisition event" means (i) a merger or consolidation in which we are not the surviving entity, (ii) any transaction that results in the acquisition of all or substantially all of our outstanding common stock by a single person or group of persons, or (iii) the sale or transfer of all or substantially all of our assets.

Non-Transferability of Awards

Except as the compensation committee may permit, at the time of grant or thereafter, awards granted under the 2013 Plan are generally not transferable by a participant other than by will or the laws of descent and distribution. Shares of our common stock acquired by a permissible transferee will continue to be subject to the terms of the 2013 Plan and the applicable award agreement.

Term

Awards under the 2013 Plan may not be made after , 2023, but awards granted prior to such date may extend beyond that date. We may seek stockholder re-approval of the performance goals in the 2013 Plan and, to the extent that such stockholder approval is obtained on or after the first stockholders' meeting in the fifth year following the year of the last stockholder approval of the performance goals in the 2013 Plan, awards under the 2013 Plan may be made based on such performance goals in order to qualify for the "performance-based compensation" exception under Section 162(m) of the Code.

Amendment and Termination

Subject to the rules referred to in the balance of this paragraph, our board of directors may at any time amend, in whole or in part, any or all of the provisions of the 2013 Plan, or suspend or terminate it entirely, retroactively or otherwise. Except as required to comply with applicable law, no such amendment may reduce the rights of a participant with respect to awards previously granted without the consent of such participant. In addition, without the approval of stockholders, no amendment may be made that would: increase the aggregate number of shares of our common stock that may be issued under the 2013 Plan; increase the maximum individual participant share limitations for a fiscal year or year of a performance period; change the classification of individuals eligible to receive awards under the 2013 Plan; decrease the minimum exercise price of (i.e., reprice) any stock option or other stock appreciation award; extend the maximum option term; alter the performance criteria; amend the terms of any outstanding stock option or other stock appreciation award; cancel any outstanding "in-the-money" stock option or other stock appreciation award in exchange for cash, other awards or stock option or other stock appreciation award with a lower exercise price; require stockholder approval in order for the 2013 Plan to continue to comply with Section 162(m) of the Code or Section 422 of the Code; or require stockholder approval under the rules of any exchange or system on which our securities are listed or traded. Following completion of this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register the full number of shares of our common stock that will be available for issuance under the 2013 Plan, as described in the section titled "—2013 Omnibus Incentive Plan—Number of Authorized Shares and Award Limits" above.

Certain Relationships and Related-Party Transactions

Stockholders Agreement

On November 4, 2011, we entered into the Stockholders Agreement. Among other things, the Stockholders Agreement provides board designation rights for the Edwards Investors and Littlejohn and requires the approval of certain holders of our equity securities in order for us to take specified corporate actions. The Stockholders Agreement also provides for certain restrictions on the ability of our stockholders to transfer shares of our equity securities. Certain holders of our equity securities were granted put rights, drag-along rights and pre-emptive rights. The Stockholders Agreement will automatically terminate upon the completion of this offering.

Registration Rights

We are party to a registration rights agreement with our stockholders dated November 6, 2013 or the Registration Rights Agreement. Under the Registration Rights Agreement, following the completion of this offering, Cetus Capital II, LLC, IBP Investment Holdings, LLC, IBP Management Holdings, LLC and TCI Holdings, LLC, or collectively, the Investors, will have demand, piggyback and Form S-3 registration rights. Subject to conditions and limitations as set forth in the agreement, including our right to defer a demand registration under certain circumstances, at any time which we are not eligible to register securities on Form S-3, the Investors may require that we register for public resale on Form S-1 under the Securities Act of all or part of the shares held by such Investors, so long as the securities being registered in each registration statement are proposed to be sold at an aggregate price to the public of at least $30.0 million with respect to a request made within the first twelve months following the completion of this offering, and at least $15.0 million with respect to any subsequent request. If we become eligible to register the sales of securities on Form S-3 under the Securities Act, the Investors have the right to require us to register the sale of common stock held by them on Form S-3 at an aggregate price to the public of at least $15.0 million. We will not be obligated to effectuate more than one demand registration on Form S-1 or more than two demand registrations on Form S-3 during any calendar year. Subject to certain exceptions, the Investors are also entitled to piggyback registration rights with respect to any registration effected by us.

Under the Registration Rights Agreement, we will be responsible, subject to certain exceptions, for the expenses of any offering of our shares of common stock offered pursuant to the agreement other than underwriting discounts and selling commissions. The Registration Rights Agreement contains customary indemnification and market hold-back provisions.

Management Agreements

On April 30, 2010, we entered into a Second Amended and Restated Management Agreement with (i) IBP Holding Company, an affiliate of the Edwards Investors, and (ii) certain other investors. Pursuant to the Second Amended and Restated Management Agreement, IBP Holding Company provided certain executive, management, administrative, corporate overhead, clerical and other support services to one of our operating subsidiaries, Installed Building Products, LLC. A substantially similar management agreement was entered into on October 29, 2007 for IBP Holding Company to provide certain executive, management, administrative, corporate overhead, clerical and other support services to one of our other operating subsidiaries, Installed Building Products II, LLC. We collectively refer to these agreements as the Old Service Agreements. Pursuant to the Old Service Agreements, IBP Holding Company was paid management fees in an aggregate amount of approximately $4.4 million in 2010 and $4.8 million in 2011. The Old Service Agreements were terminated on December 31, 2011 and all employees of IBP Holding Company became employees of Installed Building Products, LLC, one of our operating subsidiaries.

On December 18, 2012, we entered into a Management Services and Fee Agreement with (i) Littlejohn Managers, LLC, (ii) Jeff Edwards, (iii) IBP Holding Company, an affiliate of the Edwards Investors, and (iv) TCI Holdings, LLC, one of our principal stockholders, or collectively the Managers. Pursuant to the Management

Services and Fee Agreement, management fees were paid to Littlejohn Managers, LLC ($1.1 million), Jeff Edwards ($2.7 million) and TCI Holdings, LLC ($0.5 million) during the year ended December 31, 2012. The Management Services and Fee Agreement was terminated on November 22, 2013. The indemnification provisions in favor of the Managers survive such termination.

Financing and Recapitalization Transactions

In 2010, IBP Funding Company, LLC, which was owned by one of our indirect stockholders and the Edwards Investors, and Primstone Funding Company, LLC, which was owned by some of our indirect stockholders, purchased certain loans in IBP I's then existing credit facility and converted the loans to second lien loans. As a result of those transactions, IBP I owed an aggregate of $27.8 million to IBP Funding Company, LLC and Primstone Funding Company, LLC. In connection with our Recapitalization, this second lien debt of IBP I was cancelled on November 4, 2011. In July 2011, Cetus Capital II, LLC, or Cetus II, purchased the remaining $77.0 million of IBP I's outstanding indebtedness under IBP's then-existing credit facility, or the first lien debt. As part of the Recapitalization, Cetus II contributed the first lien debt to us in exchange for 1,000 shares of our Series A Preferred Stock and 300,000 shares of our Redeemable Common Stock.

In 2011, the Edwards Investors and an affiliate issued promissory notes to the lender under IBP II's then existing credit facility. The issuers of the notes used a portion of the funds from the loan to make a $12.0 million capital contribution to IBP II, which was then used by IBP II to repay outstanding amounts under its credit facility. In connection with our Recapitalization, IBP II repaid the remaining $500,000 outstanding under its existing credit facility on November 4, 2011.

In connection with our Recapitalization, on November 4, 2011, we assumed a $1.7 million liability of IBP Holding Company, an affiliate of the Edwards Investors, for accrued deferred bonuses of its employees, which bonuses were paid by us in 2012. Personnel of the corporate headquarters were employed by IBP Holding Company prior to 2012 and, since January 1, 2012, have been employed by IBP I.

In connection with our Recapitalization, stockholder notes in the amount of $3.8 million plus accrued interest of $0.9 million owed by us to the Edwards Investors were cancelled.

TCI Transaction

On August 31, 2012, we entered into a Membership Interest Purchase Agreement with TCI Holdings, LLC to acquire TCI Contracting, LLC. In connection with that transaction, TCI Holdings, LLC was issued 129,944 shares of our common stock (before giving effect to our for stock split to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part) and became party to the Stockholders Agreement. J. Michael Nixon, a member of TCI Holdings, LLC, was not a member of our board of directors at the time of the transaction, but became a member of our board in December 2012.

Supplier Loans

On May 17, 2010, CertainTeed Corporation, one of our insulation suppliers, loaned funds to IBP Holding Company, an affiliate of the Edwards Investors in the principal amount of $2.0 million. The funds were made available as capital contributions to us and used for general corporate purposes. The loan was repaid by the Edwards Investors on June 19, 2013.

On March 26, 2009, Knauf Insulation, GmbH, one of our insulation suppliers, loaned funds to the Edwards Investors in the principal amount of $10.0 million. The funds were made available as capital contributions to us and were primarily used for general corporate purposes. The Edwards Investors continue to make payments on the loan. The loan will be repaid in full by the Edwards Investors and terminated concurrently with the completion of this offering.

On March 26, 2004, Installed Building Systems, Inc., an affiliate of Jeff Edwards, entered into an amended and restated loan agreement with Owens Corning pursuant to which Owens Corning loaned funds to the Edwards Investors in the principal amount of $10.0 million. The funds were made available as capital contributions to us and used for general corporate purposes. The Edwards Investors continue to make payments on the loan. The loan will be repaid in full by the Edwards Investors and terminated concurrently with the completion of this offering.

Employee Benefits

The Edwards Industries, Inc. Medical Trust, or the Medical Trust, provides medical and dental benefits to our employees as well as those of other businesses affiliated with the Edwards Investors. We pay premiums to the Medical Trust for the provision of these benefits. We paid an aggregate of $6.2 million for the year ended December 31, 2011, $6.3 million for the year ended December 31, 2012 and $5.8 million for the nine months ended September 30, 2013 to the Medical Trust for all our health plans.

Related-Party Sales

Certain of our operating subsidiaries install products in the ordinary course of their businesses to the following affiliates of the Edwards Investors: Michael Edwards Construction, Edwards Communities Construction Company and affiliates and Duffy Homes, Inc. These transactions are performed on terms comparable to those that could be obtained in an arm's-length transaction with an unrelated third party. Aggregate sales to these affiliates of the Edwards Investors totaled $2.7 million for the year ended December 31, 2011, $1.7 million for the year ended December 31, 2012 and $0.9 million for the nine months ended September 30, 2013.

Real Property Leases

Pursuant to a lease agreement dated as of May 1, 2003, as amended, we lease our headquarters at 495 S. High Street, Columbus, Ohio from 495 South High Street, L.L.C., an entity affiliated with the Edwards Investors. The annual base rent is $158,827. Prior to November 1, 2013, the base rent was $201,471.

Pursuant to a lease agreement dated as of March 14, 2005, we lease a branch location at 1320 McKinley Avenue, Columbus, Ohio from Peter H. Edwards, an immediate family member of Jeff Edwards. The annual base rent is $133,554.

TCI Contracting, LLC, one of our indirect subsidiaries, leases locations in Georgia, Florida and Tennessee pursuant to the terms of five lease agreements with one or more entities in which J. Michael Nixon, one of our directors, has an interest. The annual base rent for these locations is $33,000, $66,000, $90,000, $66,000 and $60,000 respectively.

Guarantees of Corporate Liabilities

Pursuant to an Individual Guaranty Agreement and a Guaranty Agreement, each dated as of October 22, 2012, Jeff Edwards, Peter Edwards Jr., Anne Edwards and Michael Edwards, individually, and Littlejohn guaranteed our letter of credit reimbursement obligations to Bank of America, N.A. in connection with letters of credit issued by Bank of America, N.A. to support our workers compensation policies. Such letters of credit are currently issued under our existing credit facility and these guarantees were terminated on July 30, 2013.

Jeff Edwards has personally guaranteed reimbursement obligations of ours. The total obligation amounts were $316,613 for the year ended December 31, 2012 and $39,000 for the nine months ended September 30, 2013 under certain performance and licensing bonds issued by sureties on behalf of us in the ordinary course of business. These bonds are being replaced as they expire with bonds that do not require any guarantee.

Policies and Procedures for Related-Party Transactions

Our board of directors expects to adopt a written related-party transaction policy, to be effective upon the completion of this offering, setting forth the policies and procedures for the review and approval or ratification of transactions involving us and "related persons." For the purposes of this policy, "related persons" will include our executive officers, directors and director nominees or their immediate family members, or stockholders owning five percent or more of our outstanding common stock and their immediate family members.

The policy will cover, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships in which we were or are to be a participant, where the amount involved exceeds $120,000 and a related person had or will have a direct or indirect material interest, including, without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, our audit committee is tasked to consider all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction with an unrelated party and the extent of the related person's interest in the transaction. All related-party transactions may only be consummated if our audit committee has approved or ratified such transaction in accordance with the guidelines set forth in the policy. Any member of the audit committee who is a related person with respect to a transaction under review will not be permitted to participate in the deliberations or vote respecting approval or ratification of the transaction. However, such director may be counted in determining the presence of a quorum at a meeting of the audit committee that considers the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

Principal and Selling Stockholders

The following table lists information regarding the beneficial ownership of our common stock as of December 1, 2013 by (i) each person whom we know to beneficially own more than 5% of our outstanding common stock, or a 5% Stockholder, (ii) each director, (iii) each Named Executive Officer, (iv) all directors and executive officers as a group and (v) each selling stockholder. Unless otherwise indicated, the address of each officer and director is that of our headquarters, c/o Installed Building Products, Inc., 495 South High Street, Suite 50, Columbus, Ohio 43215. The information below does not give effect to the stock split to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part.

The number of shares of common stock "beneficially owned" by each stockholder is determined under rules issued by the SEC regarding the beneficial ownership of securities. This information is not necessarily indicative of ownership for any other purpose. Under these rules, beneficial ownership of shares of our common stock includes (1) any shares as to which the person or entity has sole or shared voting power or investment power and (2) any shares as to which the person or entity has the right to acquire beneficial ownership within 60 days after December 1, 2013, including any shares that could be purchased by the exercise of options or warrants held by that person. Each holder's percentage ownership before this offering is based on 1,129,944 shares of common stock outstanding as of December 1, 2013. Each holder's percentage ownership after this offering is based on shares of common stock to be outstanding immediately after the completion of this offering. The percentages assume no exercise by the underwriters of their option to purchase additional shares.

Unless otherwise indicated below, to our knowledge, all persons named in the table have sole voting and investment power with respect to their shares of common stock.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned Before Offering	Number of Shares Offered	Percentage of Shares Beneficially Owned After Offering
5% Stockholders:				
IBP Investment Holdings, LLC (1)	680,400	60.2%		
Cetus Capital II, LLC (2)	300,000	26.6%		
TCI Holdings, LLC (3)	129,944	11.5%		
Directors and Executive Officers:				
Jeffrey W. Edwards (4)	700,000	61.9%		
Michael T. Miller	—	—		
Jay P. Elliott	—	—		
Steven G. Raich (5)	300,000	26.6%		
Robert E. Davis (6)	300,000	26.6%		
J. Michael Nixon (3)	129,944	11.5%		
All directors and executive officers as a group (6 persons)	1,129,944	100.0%		

(1) IBP Investment Holdings, LLC, or Investment Holdings, is a Delaware member-managed limited liability company. OCM IBP Holdings, Inc., or OCM, a Delaware corporation, that is an affiliate of OCM Mezzanine Fund, L.P., a fund sponsored by Oaktree Capital Management, owns all of the issued and outstanding Series A preferred units of Investment Holdings. OCM, Stonehenge Opportunity Fund LLC, Primus Capital Fund V, L.P. and Primus Executive Fund V, L.P. (collectively, the "Funds") own an aggregate of 12.3% of the outstanding common units of Investment Holdings. PJAM IBP Holdings, Inc., or PJAM, an Ohio corporation, and Installed Building Systems, Inc., or Systems, a Delaware corporation, own 41.4% and 36.0%, respectively, of the outstanding common units of Investment Holdings. Mr. Edwards, our President, Chief Executive Officer and Chairman, controls PJAM and Systems. The remaining outstanding common units of Investment Holdings are owned by Mr. Edwards, other members of our management team and a dynasty trust for the benefit of Mr. Edwards' family. Mr. Edwards has sufficient voting and dispositive power to control Investment Holdings. The proceeds received by Investment Holdings in this

offering will be used to redeem the Series A preferred units of Investment Holdings held by OCM and the common units of Investment Holdings held by the Funds. None of the other members of Investment Holdings, including Mr. Edwards, will receive any of such proceeds. The address for Investment Holdings is 495 South High Street, Suite 50, Columbus, Ohio 43215.

(2) Cetus Capital II, LLC, a Delaware limited liability company, or Cetus II, is an affiliate of Littlejohn. Littlejohn Fund IV, L.P., or Fund IV, as the sole member of Cetus II, and Littlejohn Associates IV, L.L.C., or Associates IV, the general partner of Fund IV, may each be deemed to be the indirect beneficial owner of these shares. Steven G. Raich and Robert E. Davis are managers of Associates IV and hold voting and dispositive power over these shares. Each of Fund IV, Associates IV, Steven G. Raich and Robert E. Davis disclaim any beneficial ownership of such shares in which it or he does not have a pecuniary interest. The address of each of Cetus II, Fund IV and Associates IV is 8 Sound Shore Drive, Greenwich, Connecticut 06830.

(3) Represents shares held by TCI Holdings, LLC, a member-managed Georgia limited liability company. Mr. Nixon shares voting and dispositive power over the shares held by TCI Holdings, LLC. Mr. Nixon disclaims any beneficial ownership of such shares in which he does not have a pecuniary interest. The address for TCI Holdings, LLC and Mr. Nixon is 4080 McGinnis Ferry Road #1504, Alpharetta, Georgia 30005. Inis Investment Co. shares voting and dispositive power over the shares held by TCI Holdings, LLC. Inis Investment Co. disclaims any beneficial ownership of such shares in which it does not have a pecuniary interest. The address for Inis Investment Co. is 1209 Orange Street, Wilmington, Delaware 19801.

(4) Represents shares held by Investment Holdings and IBP Management Holdings, LLC, or Management Holdings. Mr. Edwards has voting and dispositive control over the shares held by Investment Holdings and Management Holdings. Mr. Edwards disclaims beneficial ownership of such shares in which he does not have a pecuniary interest.

(5) Represents shares held by Cetus II. Mr. Raich is a partner of Littlejohn and may be deemed to beneficially own the shares held by Cetus II. Mr. Raich disclaims any beneficial ownership of such shares in which he does not have a pecuniary interest. The address for Mr. Raich is 8 Sound Shore Drive, Greenwich, Connecticut 06830.

(6) Represents shares held by Cetus II. Mr. Davis is a partner of Littlejohn and may be deemed to beneficially own the shares held by Cetus II. Mr. Davis disclaims any beneficial ownership of such shares in which he does not have a pecuniary interest. The address for Mr. Davis is 8 Sound Shore Drive, Greenwich, Connecticut 06830.

Description of Capital Stock

The following description is intended as a summary of our amended and restated certificate of incorporation (which we refer to as our "charter") and our amended and restated bylaws, in each case, which will become effective immediately prior to the completion of this offering and which will be filed as exhibits to the registration statement of which this prospectus forms a part, and to the applicable provisions of the Delaware General Corporation Law. Because the following is only a summary, it does not contain all of the information that may be important to you. For a complete description, you should refer to our charter and amended and restated bylaws.

General

Immediately prior to the completion of this offering, we will file our charter that authorizes shares of common stock, $0.01 par value per share, and shares of preferred stock, $0.01 per value per share.

As of , 2014, we had shares of our common stock outstanding and 1,000 shares of our Series A Preferred Stock outstanding. All of our outstanding Series A Preferred Stock will be redeemed with a portion of the net proceeds received by us in this offering and, once redeemed, such shares will be retired and may not be reissued. Following the completion of this offering, no shares of our preferred stock will be designated, issued or outstanding.

COMMON STOCK

Voting Rights

Each holder of our common stock is entitled to one vote for each share on all matters submitted to a vote of the stockholders, including the election of directors. Our stockholders do not have cumulative voting rights in the election of directors. Accordingly, holders of a majority of the voting shares are able to elect all of the directors.

Dividends

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of our common stock are entitled to receive dividends, if any, as may be declared from time to time by our board of directors out of legally available funds.

Liquidation

In the event of our liquidation, dissolution or winding up, holders of our common stock are entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then outstanding shares of preferred stock.

Rights and Preferences

Holders of our common stock have no preemptive, conversion, subscription or other rights, and there are no redemption or sinking fund provisions applicable to our common stock. The rights, preferences and privileges of the holders of our common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of our preferred stock that we may designate in the future.

Fully Paid and Nonassessable

All of our outstanding shares of common stock are, and the shares of common stock to be issued in this offering will be, fully paid and nonassessable.

PREFERRED STOCK

Concurrently with the closing of this offering, all outstanding shares of our Series A Preferred Stock will be repurchased by us for an aggregate purchase price of $ and retired. Immediately following this offering, our charter will be amended and restated to delete all references to such shares of preferred stock. Following the completion of this offering, our board of directors will have the authority, without further action by our stockholders, to issue up to shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting, or the designation of, such series, any or all of which may be greater than the rights of common stock. The issuance of our preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments and payments upon our liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change in control of our company or other corporate action. Immediately after completion of this offering, no shares of preferred stock will be outstanding, and we have no present plan to issue any shares of preferred stock.

ANTI-TAKEOVER EFFECTS OF PROVISIONS OF OUR CHARTER, OUR AMENDED AND RESTATED BYLAWS AND DELAWARE LAW

Our charter and amended and restated bylaws contain provisions that may delay, defer or discourage another party from acquiring control of us. We expect that these provisions, which are summarized below, will discourage coercive takeover practices or inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors, which we believe may result in an improvement of the terms of any such acquisition in favor of our stockholders. However, they also give our board of directors the power to discourage acquisitions that some stockholders may favor.

Undesignated Preferred Stock

The ability to authorize undesignated preferred stock will make it possible for our board of directors to issue preferred stock with super voting, special approval, dividend or other rights or preferences on a discriminatory basis that could impede the success of any attempt to acquire us. These and other provisions may have the effect of deferring, delaying or discouraging hostile takeovers, or changes in control or management of our company.

Board Size; Filling of Vacancies

Our charter and amended and restated bylaws provide that the number of directors on our board of directors will be fixed exclusively by our board of directors. Newly created directorships resulting from any increase in our authorized number of directors will be filled solely by the vote of our remaining directors in office. Any vacancies in our board of directors resulting from death, resignation or removal from office or other cause will be filled solely by a majority vote of our remaining directors in office.

Classified Board of Directors

Our charter provides that our board of directors will be divided into three classes, with each class serving three-year staggered terms.

Special Meetings of Stockholders

Our charter provides that special meetings of the stockholders may be called only by the chairman of our board of directors, our Chief Executive Officer or upon a resolution approved by a majority of the total number of directors that we would have if there were no vacancies, and not by our stockholders.

No Stockholder Action by Written Consent

Our charter provides that any action required or permitted to be taken by the stockholders may be effected only at a duly called annual or special meeting.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our amended and restated bylaws establish advance notice procedures with respect to stockholder proposals and nomination of candidates for election as directors other than nominations made by or at the direction of our board of directors or a committee of our board of directors.

Business combinations with interested stockholders

We will be subject to Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with a stockholder owning 15% or more of such corporation's outstanding voting stock for a period of three years following the date on which such stockholder became an "interested" stockholder. In order for us to consummate a business combination with an "interested" stockholder within three years of the date on which the stockholder became "interested," either (1) the business combination or the transaction that resulted in the stockholder becoming "interested" must be approved by our board of directors prior to the date the stockholder became "interested," (2) the "interested" stockholder must own at least 85% of our outstanding voting stock at the time the transaction commences (excluding voting stock owned by directors who are also officers and certain employee stock plans) or (3) the business combination must be approved by our board of directors and authorized by at least two-thirds of our stockholders (excluding the "interested" stockholder). This provision could have the effect of delaying or preventing a change of control, whether or not it is desired by or beneficial to our stockholders. Any delay or prevention of a change of control transaction or changes in our board of directors and management could deter potential acquirers or prevent the completion of a transaction in which our stockholders could receive a substantial premium over the then-current market price for their shares of our common stock.

CORPORATE OPPORTUNITY

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our charter, to the maximum extent permitted from time to time by Delaware law, renounces any interest or expectancy that we have in, or right to be offered an opportunity to participate in, specified business opportunities that are from time to time presented to our officers, directors or stockholders or their respective affiliates, other than those officers, directors, stockholders or affiliates who are our or our subsidiaries' employees. Our charter provides that, to the fullest extent permitted by law, none of Jeff Edwards or Littlejohn or any director who is not employed by us (including any non-employee director who serves as one of our officers in both his or her director and officer capacities) or his or her affiliates has any duty to refrain from (i) engaging in a corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that Jeff Edwards or Littlejohn or any non-employee director acquires knowledge of a potential transaction or other business opportunity that may be a corporate opportunity for itself or himself or its or his affiliates or for us or our affiliates, such person has no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and they may take any such opportunity for themselves or offer it to another person or entity. Our charter does not renounce our interest in any business opportunity that is expressly offered to a non-employee director solely in his or her capacity as a director or officer of IBP. To the fullest extent permitted by law, no business opportunity will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under our charter, we have sufficient financial resources to undertake the opportunity and the opportunity would be in line with our business.

LIMITATIONS ON LIABILITY, INDEMNIFICATION OF OFFICERS AND DIRECTORS AND INSURANCE

Our charter and amended and restated bylaws, which will become effective immediately prior to the completion of this offering, contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. For a discussion concerning limitations of liability and indemnification applicable to our directors and officers, see "Management—Limitations on Liability, Indemnification of Officers and Directors and Insurance."

NEW YORK STOCK EXCHANGE LISTING

We intend to apply to list our common stock on the NYSE under the symbol "IBP."

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the shares of our common stock will be . The transfer agent and registrar's address is .

Shares Eligible for Future Sale

Prior to this offering, there has been no public market for our common stock and a liquid trading market for our common stock may not develop or be sustained after this offering. Future sales of our common stock, including shares issued upon the exercise of outstanding options in the public market after this offering, or the perception that those sales may occur, could cause the prevailing market price for our common stock to fall or impair our ability to raise equity capital in the future. As described below, only those shares sold in this offering will be available for sale in the public market for a period of several months after completion of this offering due to contractual and legal restrictions on resale described below. Future sales of our common stock in the public market either before (to the extent permitted) or after restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price of our common stock at such time and our ability to raise equity capital at a time and price we deem appropriate. Although we have applied to have our common stock approved for listing on the NYSE under the symbol "IBP," we cannot assure you that there will be an active public market for our common stock.

SALE OF RESTRICTED SHARES

Based on the number of shares of our common stock outstanding as of , 2013, upon the completion of this offering and assuming no exercise of the underwriters' option to purchase additional shares of common stock, we will have outstanding an aggregate of approximately shares of common stock. Of these shares, all of the shares of common stock to be sold in this offering, and any shares sold upon exercise of the underwriters' option to purchase additional shares, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless the shares are held by any of our "affiliates" as such term is defined in Rule 144 of the Securities Act. All remaining shares of common stock held by existing stockholders immediately prior to the completion of this offering will be "restricted securities" as such term is defined in Rule 144. These restricted securities were issued and sold by us in private transactions and are eligible for public sale only if registered under the Securities Act or if they qualify for an exemption from registration under the Securities Act, including the exemption provided by Rule 144, which is summarized below. As a result of the contractual 180-day lock-up period described below and the provisions of Rule 144 and 701 of the Securities Act, the restricted securities will be available for sale in the public markets as follows:

Date Available for Sale	Shares Eligible for Sale	Description
Date of Prospectus		Shares sold in the offering and shares saleable under Rule 144 that are not subject to a lock-up
180 Days after Date of Prospectus		Lock-up released; shares saleable under Rule 144

RULE 144

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act, for at least 90 days, a person (or persons whose shares are required to be aggregated) who is not deemed to have been one of our "affiliates" for purposes of Rule 144 at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months, including the holding period of any prior owner other than one of our "affiliates," is entitled to sell those shares in the public market (subject to the lock-up agreement referred to below, if applicable) without complying with the manner of sale, volume limitations or notice provisions of Rule 144, but subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than "affiliates," then such person is entitled to sell such shares in the public market without complying with any of the requirements of Rule 144 (subject to the lock-up agreement referred to above, if applicable). In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, our "affiliates," as defined in Rule 144, who

have beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than one of our "affiliates," are entitled to sell in the public market, upon expiration of any applicable lock-up agreements and within any three-month period, a number of those shares of our common stock that does not exceed the greater of:

- 1% of the number of common shares then outstanding, which will equal approximately shares of common stock immediately after this offering (calculated on the basis of the assumptions described above and assuming no exercise of the underwriters' option to purchase additional shares and no exercise of outstanding options or warrants); or
- the average weekly trading volume of our common stock on the NYSE during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Such sales under Rule 144 by our "affiliates" or persons selling shares on behalf of our "affiliates" are also subject to certain manner of sale provisions, notice requirements and to the availability of current public information about us. Notwithstanding the availability of Rule 144, the holders of all of our restricted securities have entered into lock-up agreements as referenced above and their restricted securities will become eligible for sale (subject to the above limitations under Rule 144) upon the expiration of the restrictions set forth in those agreements.

EQUITY INCENTIVE PLANS

Our board of directors and stockholders previously adopted an equity incentive plan. In connection with this offering, our board of directors and stockholders intend to adopt the 2013 Plan, which will replace the existing equity incentive plan. There are currently no outstanding options under the existing equity incentive plan. For a description of our 2013 Plan and the number of shares reserved for issuance, see "Executive Compensation—2013 Omnibus Incentive Plan."

In connection with this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register the total number of shares of our common stock that may be issued under our 2013 Plan. That registration statement will become effective upon filing, and shares of our common stock covered by such registration statement are eligible for sale in the public market immediately after the effective date of such registration statement, subject to Rule 144 volume limitations applicable to affiliates, vesting restrictions and the lock-up agreements described below.

REGISTRATION RIGHTS

All of our current holders of shares of our common stock outstanding prior to this offering will, after the expiration of the lock-up period, be entitled to certain rights with respect to the registration of the offer and sale of those shares under the Securities Act. For a description of these registration rights, please see the section titled "Certain Relationships and Related-Party Transactions—Registration Rights." If the offer and sale of these shares are registered, they will be freely tradable without restriction under the Securities Act.

LOCK-UP AGREEMENTS

In connection with this offering, we, our executive officers, directors, and our existing security holders have agreed not to sell any shares of our common stock for a period of 180 days from the date of this prospectus, subject to certain exceptions. We refer you to "Underwriting—No Sales of Similar Securities."

Material U.S. Federal Income Tax Consequences to Non-U.S. Holders

The following discussion is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the purchase, ownership and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or foreign tax laws are not discussed. This discussion is based on the Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations promulgated thereunder, judicial decisions and published rulings and administrative pronouncements of the Internal Revenue Service, or the IRS, in effect as of the date of this offering. These authorities may change or be subject to differing interpretations. Any such change may be applied retroactively in a manner that could adversely affect a non-U.S. holder of our common stock. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance that the IRS or a court will not take a contrary position regarding the tax consequences of the purchase, ownership and disposition of our common stock.

This discussion is limited to non-U.S. holders that hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a non-U.S. holder's particular circumstances, including the impact of the unearned income Medicare contribution tax. In addition, it does not address consequences relevant to non-U.S. holders subject to particular rules, including, without limitation:

- U.S. expatriates and certain former citizens or long-term residents of the United States;
- persons subject to the alternative minimum tax;
- persons holding our common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies" and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes;
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation; and
- tax-qualified retirement plans.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our common stock and the partners in such partnerships should consult their own tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED AS TAX ADVICE. INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR

SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a Non-U.S. Holder

For purposes of this discussion, a "non-U.S. holder" is any beneficial owner of our common stock that is neither a "U.S. person" nor a partnership for U.S. federal income tax purposes. A U.S. person is any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more U.S. persons (within the meaning of Section 7701(a)(30) of the Code), or (2) has made a valid election under applicable Treasury Regulations to continue to be treated as a U.S. person.

Distributions

As described in the section captioned "Dividend Policy," we do not anticipate declaring or paying dividends to holders of our common stock in the foreseeable future.

If we do, however, make distributions on our common stock, such distributions of cash or property on our common stock will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles.

Subject to the discussion below regarding backup withholding and payments made to certain foreign accounts, dividends paid to a non-U.S. holder of our common stock that are not effectively connected with the non-U.S. holder's conduct of a trade or business within the United States will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate as may be specified by an applicable income tax treaty).

Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a non-U.S. holder's adjusted tax basis in its common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described below in the section relating to the sale or other taxable disposition of the common stock.

Non-U.S. holders will be entitled to a reduction in or an exemption from withholding on dividends as a result of either (a) qualifying for the benefits of an applicable income tax treaty or (b) the non-U.S. holder holding our common stock in connection with the conduct of a trade or business within the United States and dividends being paid in connection with that trade or business. To claim such a reduction in or exemption from withholding, the non-U.S. holder must provide the applicable withholding agent with a properly executed (a) IRS Form W-8BEN claiming an exemption from or reduction of the withholding tax under the benefit of an applicable income tax treaty, (b) IRS Form W-8ECI stating that the dividends are effectively connected with the conduct by the non-U.S. holder of a trade or business within the United States or (c) a suitable substitute form, as may be applicable. These certifications must be provided to the applicable withholding agent prior to the payment of dividends and must be updated periodically. Non-U.S. holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Subject to the discussion below regarding backup withholding and payments made to certain foreign accounts, if dividends paid to a non-U.S. holder are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such dividends are attributable), then, although exempt from U.S. federal withholding tax (provided the non-U.S. holder provides appropriate certification, as described above), the non-U.S. holder will be subject to U.S. federal income tax on such dividends on a net income basis at the regular graduated U.S. federal income tax rates. In addition, a non-U.S. holder that is or is treated as a corporation for U.S. federal income tax purposes may be subject to an additional branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on its effectively connected earnings and profits for the taxable year that are attributable to such dividends, as adjusted for certain items. Non-U.S. holders should consult their own tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Sale or Other Taxable Disposition

Subject to the discussion below regarding backup withholding and payments made to certain foreign accounts, a non-U.S. holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such gain is attributable);
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our common stock constitutes a U.S. real property interest within the meaning of the Foreign Investment in Real Property Tax Act by reason of our status as a U.S. real property holding corporation, or a USRPHC, for U.S. federal income tax purposes.

Gain described in the first bullet point above will generally be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on a portion of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

A non-U.S. holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) on any gain derived from the sale or other taxable disposition, which may be offset by certain U.S. source capital losses of the non-U.S. holder (even though the individual is not considered a resident of the United States) provided the non-U.S. holder timely files U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we are not, and do not anticipate that we will become, a USRPHC.

Non-U.S. holders should consult their own tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Subject to the discussion below regarding payments made to certain foreign accounts, a non-U.S. holder generally will not be subject to backup withholding with respect to payments of dividends on our common stock we make to the non-U.S. holder, provided the applicable withholding agent does not have actual knowledge or reason to know such holder is a U.S. person and the holder certifies its non-U.S. status by providing a valid IRS

Form W-8BEN or W-8ECI, or other applicable certification, or otherwise establishes an exception. However, information returns will be filed with the IRS in connection with any dividends on our common stock paid to the non-U.S. holder, regardless of whether any tax was actually withheld. Copies of these information returns may also be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which the non-U.S. holder resides or is established.

Information reporting and backup withholding may apply to the proceeds of a sale of our common stock within the United States, and information reporting may (although backup withholding will generally not) apply to the proceeds of a sale of our common stock outside the United States conducted through certain U.S.-related financial intermediaries, in each case, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. person on IRS Form W-8BEN or other applicable form (and the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person) or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a non-U.S. holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under the provisions of the law generally known as the Foreign Account Tax Compliance Act, or FATCA, on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial U.S. owners" (as defined in the Code) or furnishes identifying information regarding each substantial U.S. owner or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified U.S. persons" or "U.S.-owned foreign entities" (each as defined in the Code), annually report certain information about such accounts and withhold 30% on payments to non-compliant foreign financial institutions and certain other account holders. An intergovernmental agreement between the United States and an applicable foreign country, or future Treasury Regulations or other guidance, may modify these requirements. Accordingly, the entity through which our common stock is held will affect the determination of whether such withholding is required.

Under the applicable Treasury Regulations and recent guidance from the IRS, withholding under FATCA will generally apply to payments of dividends on our common stock made on or after July 1, 2014 and to payments of gross proceeds from the sale or other disposition of such stock on or after January 1, 2017. The FATCA withholding tax will apply to all withholdable payments without regard to whether the beneficial owner of the payment would otherwise be entitled to an exemption from imposition of withholding tax pursuant to an applicable tax treaty with the United States or U.S. domestic law. We will not pay additional amounts to holders of our common stock in respect of any amounts withheld.

Prospective investors should consult their own tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

Underwriting

We and the selling stockholders are offering the shares of our common stock described in this prospectus through the underwriters named below. Deutsche Bank Securities Inc. and UBS Securities LLC are acting as joint book-running managers of this offering and as representatives of the underwriters. We and the selling stockholders have entered into an underwriting agreement with the representatives. Subject to the terms and condition of the underwriting agreement, each of the underwriters has severally agreed to purchase, and we and the selling stockholders have agreed to sell to the underwriters, the number of shares of common stock listed next to its name in the following table.

Underwriter	Number of Shares
Deutsche Bank Securities Inc.	
UBS Securities LLC	
Zelman Partners LLC	
Total	

The underwriting agreement provides that the underwriters must buy all of the shares of common stock if they buy any of them. However, the underwriters are not required to pay for the shares covered by the underwriters' option to purchase additional shares as described below.

Our common stock is offered subject to a number of conditions, including:

- receipt and acceptance of our common stock by the underwriters; and
- the underwriters' right to reject orders in whole or in part.

We have been advised by the representatives that the underwriters intend to make a market in our common stock but that they are not obligated to do so and may discontinue making a market at any time without notice.

In connection with this offering, certain of the underwriters or securities dealers may distribute prospectuses electronically.

OPTION TO PURCHASE ADDITIONAL SHARES

We have granted the underwriters an option to buy up to an aggregate of additional shares of our common stock. The underwriters have 30 days from the date of this prospectus to exercise this option. If the underwriters exercise this option, they will each purchase additional shares of common stock approximately in proportion to the amounts specified in the table above.

DISCOUNTS

Shares sold by the underwriters to the public will initially be offered at the initial offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the initial public offering price. Sales of shares made outside of the United States may be made by affiliates of the underwriters. If all the shares are not sold at the initial public offering price, the representatives may change the offering price and the other selling terms. Upon execution of the underwriting agreement, the underwriters will be obligated to purchase the shares at the prices and upon the terms stated therein. The representatives of the underwriters have informed us that they do not expect to sell more than an aggregate of five percent of the total number of shares of common stock offered by them to accounts over which such representatives exercise discretionary authority.

The following table shows the per share and total underwriting discounts we and the selling stockholders will pay to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase up to additional shares.

	Paid by us		Paid by the Selling Stockholders	
	No Exercise	Full Exercise	No Exercise	Full Exercise
Per share	$	$	$	$
Total	$	$	$	$

We estimate that the total expenses of the offering payable by us, including the expenses of the selling stockholders but not including the underwriting discounts, will be approximately $ million.

NO SALES OF SIMILAR SECURITIES

We, our executive officers and directors, and holders of all of our common stock have entered into lock-up agreements with the underwriters. Under the lock-up agreements, subject to certain exceptions, we and each of these persons may not, without the prior written approval of Deutsche Bank Securities and UBS Securities LLC, offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or hedge our common stock or securities convertible into or exchangeable or exercisable for our common stock. These restrictions will be in effect for a period of 180 days after the date of this prospectus. Deutsche Bank Securities and UBS Securities LLC may, at any time and in their sole discretion, release some or all the securities from these lock-up agreements. If the restrictions under the lock-up agreements are waived, shares of our common stock may become available for resale into the market, subject to applicable law, which could reduce the market price of our common stock.

INDEMNIFICATION

We have agreed to indemnify the several underwriters against certain liabilities, including certain liabilities under the Securities Act. If we are unable to provide this indemnification, we have agreed to contribute to payments the underwriters may be required to make in respect of those liabilities.

NEW YORK STOCK EXCHANGE QUOTATION

We intend to apply to have our common stock approved for listing on the NYSE under the symbol "IBP."

PRICE STABILIZATION, SHORT POSITIONS

In connection with this offering, the underwriters may engage in activities that stabilize, maintain or otherwise affect the price of our common stock during and after this offering, including:

- stabilizing transactions;
- short sales;
- purchases to cover positions created by short sales;
- imposition of penalty bids; and
- syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of our common stock while this offering is in progress. Stabilization transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. These

transactions may also include making short sales of our common stock, which involve the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering and purchasing shares of common stock on the open market to cover short positions created by short sales. Short sales may be "covered short sales," which are short positions in an amount not greater than the underwriters' option to purchase additional shares referred to above, or may be "naked short sales," which are short positions in excess of that amount.

The underwriters may close out any covered short position by either exercising their option, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the underwriters' option.

Naked short sales are short sales made in excess of the underwriters' option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchased in this offering.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of that underwriter in stabilizing or short covering transactions.

These stabilizing transactions, short sales, purchases to cover positions created by short sales, the imposition of penalty bids and syndicate covering transactions may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result of these activities, the price of our common stock may be higher than the price that otherwise might exist in the open market. The underwriters may carry out these transactions on the NYSE, in the over-the-counter market or otherwise. Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of the shares. Neither we, nor any of the underwriters make any representation that the underwriters will engage in these stabilization transactions or that any transaction, once commenced, will not be discontinued without notice.

DETERMINATION OF OFFERING PRICE

Prior to this offering, there was no public market for our common stock. The initial public offering price will be determined by negotiation among us, the selling stockholders and the representatives of the underwriters. The principal factors to be considered in determining the initial public offering price include:

- the information set forth in this prospectus and otherwise available to the representatives;
- our history and prospects and the history and prospects for the industry in which we compete;
- our past and present financial performance;
- an assessment of our management;
- our prospects for future earnings and the present state of our development;
- the general condition of the securities market at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

The estimated public offering price range set forth on the cover page of this preliminary prospectus is subject to change as a result of market conditions and other factors. Neither we nor the underwriters can assure investors that an active trading market will develop for our common stock or that the common stock will trade in the public market at or above the initial public offering price.

AFFILIATIONS

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and their affiliates may from time to time in the future engage with us or the selling stockholders and perform services for us or the selling stockholders in the ordinary course of their business for which they will receive customary fees and expenses. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of us or the selling stockholders. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of these securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in these securities and instruments.

We have retained Moelis & Company LLC, or Moelis, to act as our financial advisor in connection with this offering. For its services as financial advisor, we will pay Moelis a financial advisory fee equal to $ (and if the underwriters' option to purchase additional shares is exercised in full, an additional $). We have agreed to reimburse Moelis for its reasonable out-of-pocket expenses incurred in entering into and performing its services.

ELECTRONIC DISTRIBUTION

A prospectus in electronic format may be made available on the Internet sites or through other online services maintained by one or more of the underwriters participating in this offering, or by their affiliates. In those cases, prospective investors may view offering terms online and, depending upon the particular underwriter, prospective investors may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on any underwriter's website and any information contained in any other website maintained by an underwriter is not part of the prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or any underwriter in its capacity as underwriter and should not be relied upon by investors.

NOTICE TO PROSPECTIVE INVESTORS IN EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of any shares that are the subject of the offering contemplated by this prospectus (the "Shares") may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity that is a qualified investor as defined under the Prospectus Directive;

(b) by the underwriters to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the lead underwriters for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Shares shall result in a requirement for us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase any Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

The EEA selling restriction is in addition to any other selling restrictions set out in this prospectus.

NOTICE TO PROSPECTIVE INVESTORS IN UNITED KINGDOM

This prospectus is only being distributed to and is only directed at: (1) persons who are outside the United Kingdom; (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or the Order; or (3) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons falling within (1)-(3) together being referred to as “relevant persons”). The shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such shares will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this prospectus or any of its contents.

NOTICE TO PROSPECTIVE INVESTORS IN SWITZERLAND

The prospectus does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations, or the CO, and the shares will not be listed on the SIX Swiss Exchange. Therefore, the prospectus may not comply with the disclosure standards of the CO and/or the listing rules (including any prospectus schemes) of the SIX Swiss Exchange. Accordingly, the shares may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors, which do not subscribe to the shares with a view to distribution.

Legal Matters

Certain legal matters, including validity of the shares of common stock offered herein, will be passed upon by Proskauer Rose LLP, New York, New York and certain legal matters will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York.

Experts

The consolidated financial statements as of December 31, 2012 and June 30, 2013 and for the twelve-month and six-month periods ended December 31, 2012 and June 30, 2013, respectively, as included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein. Such consolidated financial statements have been so included on reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements as of December 31, 2011 and for the year then ended included in this prospectus have been so included in reliance on the report of Crowe Horwath LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

Where You Can Find More Information

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of our common stock being offered by this prospectus. This prospectus, which constitutes part of that registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules that are part of the registration statement. Some items included in the registration statement are omitted from the prospectus in accordance with the rules and regulations of the SEC. For further information with respect to us and the common stock offered in this prospectus, we refer you to the registration statement and the accompanying exhibits and schedules filed therewith. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement.

A copy of the registration statement and the accompanying exhibits and any other document we file may be inspected without charge at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549 and copies of all or any part of the registration statement may be obtained from this office upon the payment of the fees prescribed by the SEC. The public may obtain information on the operation of the public reference facilities in Washington, D.C. by calling the SEC at 1-800-SEC-0330. Our filings with the SEC are available to the public from the SEC's website at www.sec.gov.

Upon the completion of this offering, we will be subject to the information and periodic reporting requirements of the Exchange Act and, in accordance therewith, we will file proxy statements, periodic information and other information with the SEC. All documents filed with the SEC are available for inspection and copying at the public reference room and website of the SEC referred to above. We maintain a website at www.installedbuildingproducts.com. You may access our reports, proxy statements and other information free of charge at this website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained in, or that can be accessed through, our websites is not incorporated by reference into this prospectus or registration statement of which this prospectus forms a part, and you should not rely on any such information in making your decision whether to purchase our securities.

INSTALLED BUILDING PRODUCTS, INC.
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AUDITED CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Installed Building Products, Inc.
Columbus, Ohio

We have audited the accompanying consolidated balance sheet of Installed Building Products, Inc. as of December 31, 2011, and the related consolidated statements of operations, stockholders' equity and redeemable instruments, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2011, and the results of its operations and its cash flows for the year then then ended, in conformity with U.S. generally accepted accounting principles.

Crowe Horwath LLP

Columbus, Ohio
December 9, 2013

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of Installed Building Products, Inc.:

We have audited the accompanying consolidated balance sheets of Installed Building Products, Inc. and subsidiaries (formerly known as CCIB Holdco, Inc.) (the "Company") as of June 30, 2013 and December 31, 2012 and the related consolidated statements of operations, stockholders' equity and redeemable instruments and cash flows for the six month period ended June 30, 2013 and the year ended December 31, 2012. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company and subsidiaries as of June 30, 2013 and December 31, 2012, and the results of their operations and their cash flows for the six month period ended June 30, 2013 and the year ended December 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP
Columbus, OH
December 9, 2013

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED BALANCE SHEETS
(in thousands, except for par value and share amounts)

	As of December 31, 2011	2012
ASSETS		
Current assets		
Cash	$ 2,528	$ 3,898
Restricted cash	1,803	1,803
Accounts receivable (less allowance for doubtful accounts of $1,571 and $1,412 as of December 31, 2011 and 2012, respectively)	34,360	46,100
Accounts receivable, related parties	655	774
Inventories	12,325	16,718
Deferred income taxes	392	726
Prepaid expenses, related parties	950	396
Other current assets	3,541	5,353
Total current assets	56,554	75,768
Property and equipment, net	8,198	17,931
Other non-current assets		
Goodwill	48,312	49,146
Intangibles, net	12,711	15,023
Other non-current assets	1,751	2,884
Total non-current assets	62,774	67,053
Total assets	$127,526	$160,752
LIABILITIES, REDEEMABLE INSTRUMENTS AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 9	$ 186
Current maturities of capital lease obligations	1,839	3,822
Accounts payable	26,843	34,330
Accounts payable, related parties	—	2,133
Income taxes payable	223	2,562
Accrued compensation	7,138	7,562
Other current liabilities	2,065	2,202
Total current liabilities	38,117	52,797
Long-term debt	16,784	17,705
Capital lease obligations, less current maturities	2,623	8,362
Put option – Series A Preferred Stock	925	782
Deferred income taxes	11,147	12,101
Other long-term liabilities	7,903	9,626
Total liabilities	77,499	101,373
Commitments and contingencies (Note 11)		
Series A Preferred Stock; $0.01 par value: 1,000 authorized, issued and outstanding as of December 31, 2011 and 2012, respectively	44,086	49,615
Redeemable Common Stock; $0.01 par value: 300,000 authorized, issued and outstanding as of December 31, 2011 and 2012, respectively	15,501	17,246
Stockholders' equity		
Common Stock; $ 0.01 par value: 700,000 and 1,394,916 authorized, and 700,000 and 829,944 shares issued and outstanding as of December 31, 2011 and 2012, respectively	7	8
Additional paid in capital	—	3,983
Accumulated deficit	(9,567)	(11,473)
Total stockholders' equity	(9,560)	(7,482)
Total liabilities, redeemable instruments and stockholders' equity	$127,526	$160,752

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	Years ended December 31, 2011	2012
Net revenue	$ 238,447	$ 301,253
Cost of sales	181,221	227,210
Gross profit	57,226	74,043
Operating expenses		
Selling	18,446	19,807
Administrative	45,678	56,333
Management fees, related parties	4,760	4,300
Gain on litigation settlement	—	(6,975)
Amortization	3,785	3,082
Impairment of intangibles	1,687	352
Other	—	(960)
Operating loss	(17,130)	(1,896)
Other expense (income)		
Interest expense	3,673	1,979
Interest expense, related parties	3,321	—
Gain on extinguishment of debt	(18,542)	—
Other	159	(136)
	(11,389)	1,843
Loss before income taxes	(5,741)	(3,739)
Income tax provision	1,449	555
Net loss from continuing operations	(7,190)	(4,294)
Discontinued operations		
Loss (income) from discontinued operations	2,455	(3,835)
Income tax provision (benefit)	(660)	1,447
Loss (income) from discontinued operations, net of income taxes	1,795	(2,388)
Net loss	$ (8,985)	$ (1,906)
Accretion charges on Series A Preferred Stock	(811)	(5,529)
Accretion charges on Pre-Recapitalization Preferred Units	(1,621)	—
Gain on extinguishment of Pre-Recapitalization Preferred Units	85,040	—
Net income (loss) attributable to common stockholders	$ 73,623	$ (7,435)
Weighted average shares outstanding (basic and diluted)	1,000,000	1,043,450
Net income (loss) per share (basic and diluted)		
Income (loss) per share from continuing operations attributable to common stockholders (basic and diluted)	$ 75.42	$ (9.42)
(Loss) income per share from discontinued operations attributable to common stockholders (basic and diluted)	(1.80)	2.29
Income (loss) per share attributable to common stockholders (basic and diluted)	$ 73.62	$ (7.13)

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS
(in thousands, except share amounts)

	Common Stock		Series A-2 Preferred		Common Members' Equity	Additional Paid In Capital	Accumulated Deficit	Members/ Stockholders' Equity	Pre-Recapitalization Redeemable Preferred Units		Post-Recapitalization Redeemable			
											Preferred Stock		Common Stock	
	Shares	Amount	Shares	Amount					Shares	Amount	Shares	Amount	Shares	Amount
BALANCE – January 1, 2011	—	$ —	8,211,865	$ 8,212	$ (157,272)	$ 500	$ —	$ (148,560)	113,921,591	$ 110,454	—	$ —	—	$ —
Capital contribution from stockholders					12,628			12,628						
Stock- based compensation						780		780						
Conversion upon Recapitalization	700,000	7	(8,211,865)	(8,212)	146,265	(25,978)		112,082	(113,921,591)	(112,075)	1,000	43,275	300,000	14,900
Forgiveness of related party debt						36,813		36,813						
Deferred tax effects resulting from Recapitalization						(10,703)	(582)	(11,285)						
Net loss							(8,985)	(8,985)						
Accretion of Redeemable Preferred to Redemption Value					(1,621)	(811)		(2,432)		1,621		811		
Adjustments to Redeemable Common Stock fair value measurement						(601)		(601)						601
BALANCE – January 1, 2012	700,000	7	—	—	—	—	(9,567)	(9,560)	—	—	1,000	$ 44,086	300,000	$ 15,501
Issuance of common stock	129,944	1				4,099		4,100						
Capital contribution from stockholders						2,500		2,500						
Stock-based compensation						4,658		4,658						
Net loss							(1,906)	(1,906)						
Accretion of Redeemable Preferred to Redemption Value						(5,529)		(5,529)				5,529		
Adjustments to Redeemable Common Stock fair value measurement						(1,745)		(1,745)						1,745
BALANCE – December 31, 2012	829,944	$ 8	—	$ —	$ —	$ 3,983	$ (11,473)	$ (7,482)	—	$ —	1,000	$ 49,615	300,000	$ 17,246

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years ended December 31, 2011	2012
Cash flows from operating activities		
Net loss	$ (8,985)	$ (1,906)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities		
Depreciation and amortization of property and equipment	4,405	4,637
Amortization of intangibles	3,986	3,082
Amortization of deferred financing costs	696	175
Provision for doubtful accounts	2,156	482
Gain on sale of property and equipment	(240)	(1,280)
Noncash stock compensation	780	4,658
Gain on extinguishment of debt	(18,542)	—
Deferred income taxes	(1,536)	(767)
Impairment of intangibles	2,761	352
Other	—	(142)
Changes in assets and liabilities, excluding effects of acquisitions in 2012		
Accounts receivable	(5,457)	(6,858)
Inventories	1,603	(1,845)
Other assets	(379)	(1,948)
Accounts payable	(980)	2,013
Income taxes payable	1,225	2,339
Other liabilities	5,752	1,602
Net cash (used in) provided by operating activities	(12,755)	4,594
Cash flows from investing activities		
Restricted cash	459	—
Purchases of property and equipment	(1,062)	(2,929)
Acquisitions of businesses, net of cash acquired of $375 in 2012	—	(823)
Proceeds from sale of property and equipment	343	176
Proceeds from insurance	441	833
Net cash provided by (used in) investing activities	181	(2,743)
Cash flows from financing activities		
(Payments) Proceeds from revolving lines of credit, net	(4,472)	486
Proceeds from refinancing revolving line of credit	16,744	—
Principal payments on long-term debt	(9,960)	(511)
Payments on capital lease obligations	(2,181)	(2,956)
Capital contributions	12,628	2,500
Deferred financing activities	(814)	—
Net cash provided by (used in) financing activities	11,945	(481)
Net change in cash	(629)	1,370
Cash at beginning of year	3,157	2,528
Cash at end of year	$ 2,528	$ 3,898
Supplemental disclosures of cash flow information		
Net cash paid during the year for:		
Interest	$ 3,400	$ 1,893
Income taxes, net of refunds	199	378
Supplemental disclosure of noncash investing and financing activities		
Vehicles capitalized under capital leases and related lease obligations	2,816	11,090
Common stock issued for acquisition of business	—	4,100
Note payable issued in connection with acquisition of business	—	571
Notes payable issued for acquisition of assets	—	115
Recapitalization (see Notes 1, 5 and 10)		

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)

NOTE 1 – ORGANIZATION AND RECAPITALIZATION

Installed Building Products, Inc. ("IBP", formerly CCIB Holdco, Inc.), a Delaware corporation formed on October 28, 2011, and its wholly owned subsidiaries (collectively referred to as the "Company" and "we", "us" and "our"), primarily install insulation, garage doors, rain gutters, shower doors, closet shelving and mirrors and other products for residential and commercial builders located in the continental United States. IBP operates in over 100 locations within the continental United States and its corporate office is located in Columbus, Ohio.

We have one operating segment and a single reportable segment. Substantially all of our net revenue comes from service-based installation of various products in the new residential, repair and remodel and commercial construction end markets. Each of our branches has the capacity to serve all of our end markets. For the year ended December 31, 2012, 86.2% of our net revenue was attributable to new and existing residential construction, whereas 13.8% was attributable to commercial construction. For the year ended December 31, 2011, 83.6% of our net revenue was attributable to new and existing residential construction, with the remaining 16.4% attributable to commercial construction. The Company has no international sales. All of the Company's identifiable assets are in the continental United States.

The following is a summary of the annual percentage of installation net revenue by product category:

	Years ended December 31,	
	2011	2012
Insulation	72%	74%
Garage doors	10%	8%
Shower doors, shelving and mirrors	6%	6%
Rain gutters	5%	6%
Other building products	7%	6%
	100%	100%

2011 Recapitalization

Overview of Recapitalization – On November 4, 2011, through a series of transactions, we merged our historical operations of IBP Holdings, LLC ("IBP I") and IBP Holdings II, LLC ("IBP II"), and their respective operating subsidiaries, into the newly formed holding company, IBP, as part of a merger of entities under common control (the "Merger"). The Merger was accounted for in a manner similar to that of a pooling of interests. The consolidated financials are presented as if the Merger had taken place effective January 1, 2011. Additionally, on November 4, 2011, we entered into a series of transactions with IBP I and IBP II stockholders and debt holders that extinguished the majority of our then-outstanding debt and equity instruments and in exchange IBP issued new debt and equity instruments (collectively with the Merger, referred to as the "Recapitalization").

Prior to the Recapitalization:

In 2010, related parties IBP Funding Company, LLC and Primstone Funding Company, LLC purchased $27,778 of outstanding senior secured indebtedness, from certain lenders in IBP I's credit facility, which was converted into a second lien position (the "IBP I Second Lien Debt"). Also in 2010, a related party, Edwards IBP Holdings, LLC purchased $8,212 of subordinated debt and equity in IBP I held by a third party, which was converted into preferred equity in IBP I ("Preferred Units").

Through a series of purchases in July 2011, Cetus Capital II, LLC ("Cetus") purchased the remaining $77,642 of IBP I's outstanding first lien senior secured indebtedness (the "IBP I First Lien Debt"). Certain of our owners made a capital contribution to IBP II, which was used by IBP II to repay $12,010 of outstanding indebtedness under its credit facility (the "IBP II Credit Facility").

As part of the Recapitalization:

On October 28, 2011, CCIB Holdco, Inc., now known as "IBP", was formed. IBP then formed four subsidiaries: IBHL A Holding Company, Inc. ("IBHL A"), IBHL B Holding Company, Inc. ("IBHL B"), IBHL II-A Holding Company, Inc. ("IBHL II-A") and IBHL II-B Holding Company, Inc. ("IBHL II-B").

On November 3, 2011, the IBP I Second Lien Debt of $27,778 was cancelled by IBP Funding Company, LLC and Primstone Funding Company, LLC and $4,308 of interest owed was forgiven, $3,321 of which related to expense for the year ended December 31, 2011, resulting in a gain from extinguishment of $32,086 that was recorded to additional paid-in capital, as this was an extinguishment with related parties. Additionally, on November 3, 2011, notes payable of $3,781 were cancelled and $946 of interest owed was forgiven, resulting in a gain from extinguishment of $4,727 that was recorded to additional paid-in capital, as this was an extinguishment with a related party.

On November 4, 2011, Cetus contributed the IBP I First Lien Debt to IBP in exchange for 1,000 shares of IBP Series A preferred stock ("IBP Series A Preferred Stock") and 300,000 shares of redeemable common stock of IBP ("Redeemable Common Stock"). The newly issued shares of Common Stock and IBP Series A Preferred Stock were recorded at their respective fair values of $14,900 and $43,275. The difference between the balance of the First Lien debt of $77,642 (including accrued interest of $2,380) as of November 3, 2011 and the fair value of Common Stock and IBP Series A Preferred Stock of $59,100, which includes $925 attributable to the fair value of the embedded put option which was required to be bifurcated and accounted for separately, was recorded as a gain on extinguishment of debt of $18,542 in the 2011 Consolidated Statement of Operations, which was equal to approximately $12.05 in earnings per common share on both a basic and diluted income per share basis.

Additionally, as a part of our Recapitalization, we entered into a stockholders agreement, or the Stockholders Agreement, relating to our common and preferred stock. The Stockholders Agreement provides for certain restrictions on the ability of our stockholders to transfer shares of our equity securities. Certain holders of our equity securities were granted put rights, drag-along rights and pre-emptive rights.

IBP contributed the first lien debt to IBHL A and IBHL B in exchange for stock in those companies. IBHL A and IBHL B then contributed the First Lien Debt to IBP I in exchange for membership interests in IBP I. The existing owners of IBP I and IBP II transferred their membership interests in IBP I and IBP II to IBP Investment Holdings, LLC ("IBPIH"), an IBP shareholder, in exchange, through a series of mergers, for IBP stock. $25,978 was recorded to additional paid-in capital in the 2011 Consolidated Balance Sheet based on the carrying value of the IBP I and IBP II contributed equity in excess of the fair value of the IBP Common Stock received.

In accordance with authoritative standards, the Company recorded a gain attributable to the common stockholders on the extinguishment of the pre-Recapitalization Preferred units. The gain of $85,040 represents the excess of the carrying amount of the Series A1, Series A2, and Series B Preferred units immediately prior to the recapitalization over the fair value of the Common Stock issued to those holders in connection with the recapitalization and is recorded as a component of stockholders' equity.

Recapitalization Impact on Stock Based Awards – Additionally, IBP Management Holdings, LLC ("IBPMH") and IBPIH (holding company investors in IBP) were formed and previous holders of stock appreciation rights units in IBP I agreed to terminate their stock appreciation rights units in exchange for membership interest units in IBPMH and IBPIH for no additional consideration.

On various dates subsequent to the issuing of membership units in IBPMH and IBPIH, agreements (the "Employee Puts") were entered into between Jeff Edwards (our Chairman, President, Chief Executive Officer and controlling shareholder of IBP through indirect holding companies), as an individual, and certain IBP employees with respect to the employees' membership units in IBPMH and IBPIH, which allowed the holders to sell the units, at a fixed price, to Jeff Edwards. These Employee Puts expire on various dates through April 2014. For details on the accounting policy for these awards, see Note 2, Significant Accounting Policies.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying consolidated financial statements include all wholly owned subsidiaries and majority owned subsidiaries. The non-controlling interest relating to majority owned subsidiaries is not significant for presentation. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates

Preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, valuation allowance on deferred tax assets, valuation of the reporting unit, intangible assets and other long-lived assets, share based compensation, reserves for general liability, workers' compensation, medical insurance and common stock and preferred stock. Management believes the accounting estimates are appropriate and reasonably determined; however, due to the inherent uncertainties in making these estimates, actual amounts could differ from such estimates.

Cash and Cash Equivalents

We consider all highly liquid investments purchased with original term to maturity of three months or less to be cash equivalents. Substantially all cash and cash equivalents are held in one bank. The bank provides FDIC coverage of $250 per depositor. Included in accounts payable are outstanding checks of $1,491 and $1,480 as of December 31, 2011 and 2012, respectively. Included in accrued compensation are outstanding checks of $603 and $506 as of December 31, 2011 and 2012, respectively. We manage our cash to a zero balance account and borrow funds under the Revolving Line of Credit (the "LOC") to cover outstanding checks. Refer to Note 5, Long-Term Debt for further details on the LOC.

Restricted Cash

Restricted cash consists of deposits held by our insurance carrier for general liability and workers' compensation reserves. Restricted cash is not considered cash and cash equivalents for purposes of the statements of cash flows. Classification between current and long-term is dependent upon the timing of the intended use of each particular reserve.

(in thousands, except share amounts)

Revenue Recognition

Revenue from the sale and installation of products is recognized when all of the following have occurred: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) the price is fixed or determinable and (iv) the ability to collect is reasonably assured. Revenue is recognized net of adjustments and discounts.

Revenue from the sale and installation of products to customers is recognized at the time the installation is complete.

Business Combinations

The purchase price for business combinations is allocated to the estimated fair values of acquired tangible and intangible assets and assumed liabilities, including goodwill, where applicable. Additionally, we recognize customer relationships, trademarks and trade names, and non-competition agreements as identifiable intangible assets. These assets are recorded at fair value as of the transaction date. The fair value of these intangibles is determined primarily using the income approach and using current industry information, which involves significant unobservable inputs (Level 3 inputs). These inputs include projected sales, margin and tax rate.

Accounts Receivable

The Company accounts for trade receivables based on amounts billed to customers. Past due receivables are determined based on contractual terms. The Company does not accrue interest on any of its trade receivables.

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the failure of customers to make required payments. The allowance is determined by management based on the Company's historical losses, specific customer circumstances and general economic conditions. The Company analyzes aged accounts receivable and generally increases the allowance as receivables age. Management reviews accounts receivable and records an allowance for specific customers based on current circumstances and charges off the receivable against the allowance when all attempts to collect the receivable have failed. This analysis is performed regularly and the allowance is adjusted accordingly. In 2011, we changed our estimate in order to account for balances extended beyond newly established collection periods and rates determined to be reasonable. The estimate was adjusted based upon internal studies of average collection periods, collection percentages of aged balances, trend analysis and changes in market conditions.

Allowance for doubtful accounts receivable	
January 1, 2011	$ 2,172
Charged to costs and expenses	2,156
Charged to other accounts (1)	337
Deductions (2)	(3,094)
December 31, 2011	$ 1,571
Charged to costs and expenses	482
Charged to other accounts (1)	563
Deductions (2)	(1,204)
December 31, 2012	$ 1,412

(1) Recovery of receivables previously written-off as bad debt.
(2) Write-off of uncollectible accounts receivable.

Concentration of Credit Risk

Credit risk is the risk of financial loss to the Company from the non-performance of a contractual obligation on the part of the Company's counterparty. Such risk arises principally from the Company's receivables from customers and cash and bank balances. Substantially all of the Company's trade accounts receivable are from entities engaged in residential and commercial construction. The Company performs periodic credit evaluations of its customers' financial condition. The general credit risk of the Company's counterparties is not considered to be significant. In addition, no individual customer made up more than 3.0% of net revenue for the years ended December 31, 2011 or 2012.

Inventories

Inventories consist of insulation, garage doors, rain gutters, shower doors, mirrors, closet shelving and other products. We install the products but do not manufacture or modify them. We value inventory at the lower of cost or market with cost determined using the first-in, first-out ("FIFO") method. As of December 31, 2011 and 2012, all inventory was finished goods.

Property and Equipment, net

Property and equipment are stated at cost, less accumulated depreciation. The Company provides for depreciation and amortization of property and equipment using the straight-line method, over the expected useful lives of the assets. Leasehold improvements are amortized over the shorter of the useful life or the remaining lease term. Expected useful lives of property and equipment vary but generally are five years for vehicles, three to five years for furniture, fixtures and equipment, shorter of lease life or five years for leasehold improvements and 30 years for buildings.

Major renewals and improvements are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recorded.

Goodwill

Goodwill results from business combinations and represents the excess of the purchase price over the fair value of acquired tangible assets and liabilities and identifiable intangible assets. Annually, on December 31, or if conditions indicate an earlier review is necessary, we assess qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount and if it is necessary to perform the quantitative two-step goodwill impairment test. We also have the option to bypass the qualitative assessment, "step zero", and proceed directly to performing the first step of the quantitative goodwill impairment test. We elected to bypass "step zero" for the assessment performed during the years ended December 31, 2011 and 2012 and elected to proceed directly to step one of the test as we believe this more accurately identifies any potential impairment of our goodwill. We compare the carrying value of the reporting unit to an estimate of the reporting unit's fair value to identify potential impairment. The estimate of the reporting unit's fair value is determined primarily using discounted cash flows and secondarily other market-related models using current industry information that involve significant unobservable inputs (Level 3 inputs). In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects and market and economic conditions and market-participant considerations. If the estimated fair value of the reporting unit is less than the carrying value, a second step is performed to determine the amount of the potential goodwill impairment. If impaired, goodwill is written down to its estimated implied fair value.

Impairment of Other Intangible and Long-Lived Assets

Other intangible assets consist of customer relationships, non-competition agreements and business trademarks and trade names. Amortization of finite lived intangible assets is recorded to reflect the pattern of economic benefits based on projected revenues over their respective estimated useful lives (customer relationships – 10 years, non-competition agreements – two to five years and business trademarks and trade names – eight to 15 years). We do not have any indefinite-lived intangible assets.

We review long-lived assets whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss is recognized when estimated future cash flows expected to result from the use of an asset and its eventual disposition are less than its carrying amount. When impairment is identified, the carrying amount of the asset is reduced to its estimated fair value. Assets to be disposed of are recorded at the lower of net book value or fair market value less cost to sell at the date management commits to a plan of disposal.

Other Liabilities

Our workers' compensation insurance is primarily under a high-deductible insurance policy and our general liability insurance is under a self-insured retention program ("SIR"). We are insured for covered claims above the deductible and SIR. The liabilities represent our best estimate of our costs, using generally accepted actuarial reserving methods, of the ultimate obligations for reported claims plus those incurred but not reported for all claims incurred through December 31, 2011 and 2012. We establish case reserves for reported claims using case-basis evaluation of the underlying claims data and we update as information becomes known. We regularly monitor the potential for changes in estimates, evaluate our insurance accruals and adjust our recorded provisions.

The assumptions underlying the ultimate costs of existing claim losses are subject to a high degree of unpredictability, which can affect the liability recorded for such claims. For example, variability in inflation rates of health care costs inherent in workers' compensation claims can affect the ultimate costs. Similarly, changes in legal trends and interpretations, as well as a change in the nature and method of how claims are settled can affect ultimate costs. Our estimates of liabilities incurred do not anticipate significant changes in historical trends for these variables, and any changes could have a considerable effect on future claim costs and currently recorded liabilities.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was approximately $1,440 and $1,694 during the years ended December 31, 2011 and 2012, respectively, and is included in selling expense on the Consolidated Statements of Operations.

Other Operating Expenses

A net gain on litigation settlement of $6,975 was recognized in 2012 due to the settlement of a class action lawsuit in which we were one of the plaintiffs. The lawsuit related to excess material prices being charged by certain manufacturers and was settled and paid in 2012. This gain is recognized in operating expenses on the Consolidated Statements of Operations.

Also included in operating expenses in 2012 is a $960 gain from insurance proceeds related to the replacement of property and equipment and business interruption due to a fire at a single location in 2011. This gain was recorded in other operating expenses on the Consolidated Statements of Operations in 2012.

Deferred Financing Costs

Deferred financing costs are amortized over the term of the related debt using the effective interest method. The related amortization expense of these costs was $696 and $175 and is included in interest expense on the Consolidated Statements of Operations for the years ended December 31, 2011 and 2012, respectively. Deferred financing costs are included in other long-term assets on the Consolidated Balance Sheets and were $671 and $496, net as of December 31, 2011 and December 31, 2012, respectively.

Share-Based Compensation

As further described in Note 1, Organization and Recapitalization, two of our stockholders issued membership interests in their equity to certain of our employees (the “Awards”) during the years ended December 31, 2010 and 2011. Certain of these employees were granted Employee Puts.

In 2010, when the employees received the Awards, the then fair value of the Awards less any consideration in exchange for the Awards was recorded as compensation expense. In accordance with the terms of the Awards, they were deemed equity-classified instruments as there is no service or vesting period associated with these Awards and all compensation expense was recognized upon issuance.

Upon issuance of the Employee Puts, the then fair value of the Employee Puts received was recorded as compensation expense over the service period, if applicable. The Employee Puts are deemed to be liability-classified instruments that are directly associated with the Awards. As such, both the Awards and the Employee Puts are accounted for as liability-classified instruments as of the issuance date of the Employee Put. During the period for which the Employee Puts are exercisable, both the Employee Puts and the associated Awards are remeasured to fair value each reporting period.

It is assumed that Employee Puts will be exercised at the greater of the fixed price or fair market value. In the absence of a publicly traded market, the fair market value of the Employee Puts and underlying units are estimated primarily using discounted cash flow and, secondarily, using other market-related models that factor in current industry trends. In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management’s plans, business trends, prospects and market and economic conditions and market-participant considerations. The adjustment to the carrying fair value is based upon an equity rate of return for a public company in our industry with similar financial trends and characteristics. The fair value of the Company’s common stock is used to determine the value of the Employee Puts based on their ownership interest.

Because the awards were granted by a related party as compensation to employees of the Company, the compensation associated with the awards was pushed down by the related parties and recorded as a non-cash expense in the Company’s Consolidated Statements of Operations during the years ended December 31, 2011 and 2012.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under this method, the amount of taxes currently payable or refundable are accrued, and deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences that currently exist between the tax basis and financial reporting basis of the Company’s assets and liabilities.

Valuation allowances are established against deferred tax assets when it is more likely than not that the realization of those deferred tax assets will not occur. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, the ability to produce future taxable income, tax planning strategies available and recent financial operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and changes in accounting policies and incorporate assumptions including the amount of future federal and state pretax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we use to manage the underlying businesses.

Deferred tax assets and liabilities are measured using the enacted tax rates in effect in the years when those temporary differences are expected to reverse. The effect on deferred taxes from a change in tax rate is recognized through continuing operations in the period that includes the enactment date of the change. Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management is not aware of any such changes that would have a material effect on the Company’s results of operations, cash flows, or financial position.

A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Income tax positions must meet a more likely than not recognition threshold to be recognized.

The Company recognizes tax liabilities for uncertain tax positions and adjusts these liabilities when the Company’s judgment changes as a result of the evaluation of new information not previously available. Due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense and the effective tax rate in the period in which the new information becomes available. Interest and penalties related to unrecognized tax benefits are recognized within income tax expense in the Consolidated Statements of Operations. Accrued interest and penalties are recognized in accrued expenses on the Consolidated Balance Sheets.

Although there were subsidiaries organized as C-corporations, prior to the Recapitalization, the Company was primarily treated as a partnership for federal income tax purposes and, therefore, had not been subject to federal and state income tax (subject to exception in a limited number of state and local jurisdictions). IBP is organized as a C-corporation. Therefore, effective with the Recapitalization, the Company is subject to federal, state and local income taxes.

Our income tax expense, deferred tax assets and liabilities and reserves for unrecognized tax benefits reflect management’s best assessment of estimated future taxes to be paid. We are subject to income taxes in the United States which includes numerous state and local jurisdictions. Significant judgments and estimates are required in determining the income tax expense, deferred tax assets and liabilities and the reserve for unrecognized tax benefits.

Discontinued Operations

We continually review each of our markets in order to refine our overall investment strategy and to optimize capital and resource allocations in an effort to enhance our financial position and to increase Company value.

(in thousands, except share amounts)

This review entails an evaluation of both external market factors and our position in each market and over time has resulted in the decision to discontinue certain locations. Customers of discontinued locations will not be served by other locations. There were no material assets or liabilities related to our discontinued operations as of December 31, 2011 or December 31, 2012. Discontinued operations were not segregated in the Consolidated Statements of Cash Flows. Therefore, amounts for certain captions in the Consolidated Statements of Cash Flows will not agree with the respective data in the Consolidated Statements of Operations.

Estimated Fair Value of Financial Instruments

Accounts receivable, accounts payable and accrued liabilities as of December 31, 2011 and 2012 approximate their fair value due to the short-term maturities of these financial instruments. The carrying amounts of the long-term debt under the revolving lines of credit approximate their fair value as of December 31, 2011 and 2012 due to the short-term maturities of the underlying variable rate LIBOR agreements. This represents a Level 2 fair value measurement.

Recently Adopted Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS (“ASU 2011-04”). The amendments in this ASU are intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and International Financial Reporting Standards (“IFRS”). The amendments in this ASU explain how to measure fair value. They do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. The guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. The Company adopted the provisions of ASU 2011-04 on January 1, 2012. The adoption did not have a material impact on the Company’s financial position or results of operations.

Recently Issued Accounting Pronouncements Not Yet Adopted

As of December 31, 2012, there are no recently issued accounting standards not yet adopted that would have a material effect on the Company’s financial statements.

NOTE 3 – PROPERTY AND EQUIPMENT

	As of December 31,	
	2011	2012
Land	$ 66	$ 66
Buildings	218	218
Leasehold improvements	3,365	3,492
Furniture, fixtures and equipment	15,194	16,606
Vehicles and equipment	39,785	47,814
	58,628	68,196
Less: accumulated deprecation and amortization	(50,430)	(50,265)
	$ 8,198	$ 17,931

Property and equipment as of December 31, 2011 and 2012 of $36,886 and $38,742, respectively, were fully depreciated. Depreciation expense for the years ended December 31, 2011 and 2012 was $4,405 and $4,637, respectively.

(in thousands, except share amounts)

NOTE 4 – GOODWILL AND INTANGIBLES

Goodwill

The change in carrying amount of goodwill was as follows:

	Years ended December 31, 2011	2012
Beginning balance	$118,316	$118,316
Accumulated impairment losses	(70,004)	(70,004)
Net goodwill	48,312	48,312
Goodwill from acquisitions	—	834
Ending balance	$ 48,312	$ 49,146

No impairment of goodwill was recognized for the years ended December 31, 2011 and 2012.

Intangibles, net

The following table provides the gross carrying amount and accumulated amortization for each major class of intangibles:

	As of December 31, 2011			2012		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Definite-lived intangibles:						
Customer relationships	$17,278	$ 10,659	$ 6,619	$20,439	$ 12,425	$ 8,014
Non-competition agreements	1,280	888	392	1,021	761	260
Trademarks and trade names	9,925	4,225	5,700	11,545	4,796	6,749
	$28,483	$ 15,772	$12,711	$33,005	$ 17,982	$15,023

Due to certain triggering events, we performed this analysis and recorded an impairment charge of $2,761 and $352 during the years ended December 31, 2011 and 2012, respectively. The charge consisted of $1,687 and $352 for impaired customer relationships and trademarks and trade names relating to certain branch name changes during 2011 and 2012, respectively. In 2011, the impairment charges also included $1,074 of impaired intangibles related to discontinued operations.

Amortization expense on intangible assets totaled $3,986 and $3,082 for the years ended December 31, 2011 and 2012, respectively. Remaining estimated aggregate annual amortization expense is as follows:

2013	$2,931
2014	2,496
2015	2,309
2016	1,989
2017	1,400
Thereafter	3,898

(in thousands, except share amounts)

NOTE 5 – LONG-TERM DEBT

Debt consists of the following:

	As of December 31, 2011	2012
Revolving line of credit	$16,744	$17,231
Various notes payable, maturing through December 2016; payable in various monthly installments, including interest rates ranging from 0.0% to 8.5%	49	660
	16,793	17,891
Less: current maturities	(9)	(186)
Long-term debt, less current maturities	$16,784	$17,705

We are a party to a revolving loan and security agreement with a lender (the "Credit Agreement") (most recently amended in December 2012). The Credit Agreement provides for a Revolving Line of Credit (the "LOC") with a maximum limit of $50,000 ($40,000 as of December 31, 2011). The LOC is due May 4, 2016 with interest at either 1) the Eurodollar rate ("LIBOR") or 2) the Alternate Base Rate (which approximates the Prime Rate), plus a margin based on the type of rate applied. The Company had $16,000 outstanding on the LOC at 1-month LIBOR including margin (2.25%-3.75%) as of December 31, 2012. The Company also had $1,231 outstanding on the LOC at the Alternate Base Rate including margin (4.25%) as of December 31, 2012.

The LOC permits borrowings based on a stated percentage of eligible accounts receivable and inventories. The borrowings on the LOC are also subject to a minimum availability reserve. The Company had available borrowings of $4,039 and $15,492 under its LOC as of December 31, 2011 and 2012, respectively. In addition, the Company is required to pay a monthly fee of 0.375% per annum on the average unused commitment under the LOC. Amounts outstanding under the Credit Agreement are collateralized by a first lien security position on all assets, including, but not limited to, all real estate, property, equipment, receivables and inventories.

The Credit Agreement also contains various restrictive non-financial covenants that include more frequent borrowing base reporting if the minimum availability falls below a certain threshold, and several limitations on specific changes that would result in incurring additional debts or pledging the Company's assets, including restrictions on distributions to be made to our stockholders. The Credit Agreement also contains a provision that upon a change in control or an event of default (as defined within the Credit Agreement), amounts outstanding under the LOC would bear interest at the rate as determined above plus 2%.

The Credit Agreement also allows the Company to issue Letters of Credit not to exceed $10,000 in the aggregate. To support the Company's insurance programs, there were outstanding Letters of Credit of $8,389 as of December 31, 2011 and $7,278 as of December 31, 2012.

IBP II was party to a separate credit agreement with a different lender dated September 28, 2007 (as most recently amended on March 25, 2011). This credit agreement initially consisted of a revolving line of credit and a term loan. In March 2011, certain of the then members of IBP II contributed $12,010 in the form of common members' equity. These funds were then used to pay down amounts outstanding under the IBP II credit agreement. The IBP II credit agreement was fully repaid in connection with the Recapitalization. See Note 1, Organization and Recapitalization for further details.

(in thousands, except share amounts)

Aggregate maturities of long-term debt are as follows:

2013	$ 186
2014	165
2015	176
2016	17,364
	$ 17,891

NOTE 6 – FAIR VALUE MEASUREMENTS

Fair Values

Fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The standard establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. During the periods presented, there were no transfers between fair value hierarchical levels.

	Balance as of December 31, 2011	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 925	$ —	$ —	$ 925
Redeemable Common Stock	15,501	—	—	15,501
Total items measured at fair value on a recurring basis	$ 16,426	$ —	$ —	$ 16,426

	Balance as of December 31, 2012	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 782	$ —	$ —	$ 782
Redeemable Common Stock	17,246	—	—	17,246
Total items measured at fair value on a recurring basis	$ 18,028	$ —	$ —	$ 18,028

The following is a general description of the valuation methodologies used for liabilities and mezzanine equity (which includes redeemable preferred and common stock) items measured at fair value:

Put option – Series A Preferred Stock – The Company identified a certain embedded feature in the Series A Preferred Stock that was required to be bifurcated and accounted for as a derivative. The identified put option allows Series A Preferred stockholders to put their shares upon a change in control. The estimated fair value of the put option on Series A Preferred Stock is determined using our estimates of the probability of a change in control during each period the option is outstanding in combination with the accreted fair value of the Series A Preferred Stock during the option period. Those resulting probabilities are then calculated at net present value. An increase in the probability of the change in control would increase the fair value of the embedded derivative.

Redeemable Common Stock – The estimated fair value of the redeemable feature of certain shares of our outstanding common stock is determined using a combination of discounted cash flows and market multiple approach modeling. The fair value is estimated using this method to mark the Redeemable Common Stock to market at each period end. The weighted average cost of capital (“WACC”) used was 13% as of December 31, 2011 and 2012, respectively, and an increase in the WACC would decrease the fair value of the Redeemable Common Stock.

Changes in the fair value of recurring fair value measurements using significant unobservable inputs (Level 3) for the years ended December 31, 2011 and 2012 were as follows (in thousands):

Balance as of January 1, 2011	$ —
Put option liabilities recorded	925
Mezzanine equity items recorded	14,900
Adjustments to fair value measurement impacting the Statement of Stockholders’ Equity and Redeemable Instruments	601
Balance as of December 31, 2011	16,426
Adjustments to fair value measurement impacting the Statement of Stockholders’ Equity and Redeemable Instruments	1,745
Adjustments to fair value measurement impacting the Statement of Operations	(143)
Balance as of December 31, 2012	$18,028

The unrealized gain related to the put option liabilities is recorded within other expense (income) on the Consolidated Statements of Operations.

Assets Measured at Fair Value on a Nonrecurring Basis

Certain assets are measured at fair value on a nonrecurring basis in periods subsequent to initial recognition. Assets measured at fair value on a nonrecurring basis during the years ended December 31, 2011 and 2012 are categorized based on the lowest level of significant input to the valuation. The assets were measured at fair value as our impairment assessment indicated a carrying value for each of the assets in excess of the asset's estimated fair value. In some circumstances, the impairment assessment was performed as a result of a portion of the business being classified as a discontinued operation. Discounted cash flows, a Level 3 input, were utilized in determining estimated fair values. See the "Impairment of Long-Lived Assets" caption of Note 2, Significant Accounting Policies, for more information.

The amount of impairment loss included in net income (loss) attributable to common stockholders was $2,761 and $352 for the years ended December 31, 2011 and 2012, respectively.

NOTE 7 – STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS

As of December 31, 2011, we had 1,000,000 shares of common stock, authorized, issued and outstanding and 1,000 shares of Series A Preferred Stock, authorized, issued and outstanding, all with par value of $0.01.

In August 2012, the Company amended its Certificate of Incorporation to authorize 1,694,916 shares of Common Stock. As of December 31, 2012, the Company had 1,129,944 shares of common stock issued and outstanding and 1,000 shares of Series A Preferred Stock issued and outstanding. The additional 129,944 shares of common stock were issued during 2012 to the previous members of a business acquired in 2012. See Note 12, Business Combinations for further details.

Redeemable Instruments

The Series A Preferred Stock carries an optional redemption feature and can be redeemed, at the election of the holder, any time on or after July 31, 2016, but prior to July 31, 2021, at an amount equal to $75,789, three times the original issue price of $25,263, plus accrued dividends, if any (the "Redemption Price"). If the optional redemption is exercised and we are unable to settle the obligation with the holder, then dividends accrue at a rate of 25% on the portion of shares not redeemed. The Company may, at its election prior to the optional redemption date, redeem the shares of Series A Preferred Stock at the Redemption Price. As the redemption of the preferred shares is dependent on the passage of time, the Company has elected to accrete to the Redemption Price the value of the Series A Preferred Stock using the interest method, over the period from the issuance date until the earliest redemption date (July 31, 2016).

One of our stockholders who owns 300,000 shares of Redeemable Common Stock as of November 4, 2011, has put rights that require us to repurchase its shares beginning in April 2019 at the fair value determined at the redemption date. As the redemption price is equivalent to the fair value of the instrument, we adjust the carrying value of the Redeemable Common Stock to its fair value with an adjustment to equity. We also have a right to call 50,000 of these shares, at par value, before December 31, 2014 if we redeem all of the Series A Preferred Stock prior to that date. These put and call rights terminate upon an initial public offering of the Company's common stock.

Upon dissolution of the Company and payment of all indebtedness to creditors, preferred stockholders are entitled to receive distributions for their preferred shares up to the Redemption Price prior to common stockholders.

NOTE 8 – EMPLOYEE BENEFITS

We participate in multiple healthcare plans, one of which is held and administered by a trust that is a related party. This plan is partially self-funded with an insurance company paying benefits in excess of stop loss limits per individual. Our healthcare benefit expense (net of employee contributions) was approximately $5,199 and $5,744 for the years ended December 31, 2011 and 2012, respectively for all plans. An accrual for estimated healthcare claims incurred but not yet reported is included within accrued compensation on the Consolidated Balance Sheets and was $661 and $663 as of December 31, 2011 and December 31, 2012, respectively.

We participate in multiple workers' compensation plans. Under these plans, we use a high deductible program to cover losses above the deductible amount on a per claim basis. We accrue for the estimated losses occurring from both asserted and un-asserted claims. A workers' compensation liability for premiums is included in other current liabilities on the Consolidated Balance Sheets. Insurance claims and reserves include accruals of estimated settlements for known claims, as well as accruals of actuarial estimates of IBNR. In estimating these reserves, historical loss experience and judgments about the expected levels of costs per claim are considered. These claims are accounted for based on actuarial estimates of the undiscounted claims, including those claims incurred but not reported. We believe the use of actuarial methods to account for these liabilities provides a consistent and effective way to measure these highly judgmental accruals.

Workers' compensation expense totaled $3,092 and $4,043 during the years ended December 31, 2011 and 2012, respectively. As of December 31, 2011 and 2012, respectively, workers' compensation reserves for known claims and incurred but not reported claims ("IBNR") totaled $3,317 and $4,570 and are included in other long-term liabilities on the accompanying balance sheets. Other long-term liabilities also include $3,039 and $3,430 of accrued insurance reserves as of December 31, 2011 and December 31, 2012, respectively. We also had an insurance receivable for a claim that exceeded the stop loss limit and is included in other long-term assets on the face of the Consolidated Balance Sheets. That receivable offsets an equal liability included within the reserve amount noted above and totaled $768 and $1,777 as of December 31, 2011 and 2012, respectively.

The Company also participates in various profit-sharing and 401(k) plans. Certain plans provide that eligible employees can defer a portion of their wages into the trust, subject to current Internal Revenue Code rules and limitations. The Company provides a matching contribution of wages deferred by employees and can also make discretionary contributions to each plan. Certain plans allow for discretionary employer contributions only. These plans cover substantially all eligible employees of the Company. During the years ended December 30, 2011 and 2012, we matched employee contributions under certain plans, resulting in total match and administrative expenses of $95 and $529, respectively.

NOTE 9 – INCOME TAXES

As part of the Recapitalization in 2011 described in Note 1, Organization and Recapitalization, both IBHL and IBHL II membership interests were contributed to the subsidiaries of IBP. The previous members are no longer members of IBHL or IBHL II. Given the greater than 50% change in ownership, there was a technical termination of the partnerships, including certain lower tier partnerships under the federal tax law. The ownership change resulted in a full limitation of the net operating loss carryforward attributes of the subsidiary C-corporations. As a result, the Company wrote off the net operating loss deferred tax assets, which had been previously fully reserved.

Upon formation of IBP, we recorded a deferred tax liability ("DTL") for the difference in the book basis and tax basis of IBP's investment in IBP I and IBP II. The change in basis and the requirement to be taxed as a

(in thousands, except share amounts)

C-corporation resulted from the transfer of partnership interests at the member level. The resulting initial recognition of deferred tax assets and liabilities resulting from the Recapitalization of $11,280 has been recorded directly to equity.

Prior to this change, the subsidiary C-corporations were the only tax filing entities required to record tax expense and deferred tax assets and liabilities. As shown in the effective tax rate reconciliation, the recapitalization and change in the valuation allowance were the main drivers of the effective tax rate for 2011, which was significantly lower than the 2011 statutory tax rate and the 2012 effective tax rate.

The provision for income taxes from continuing operations is comprised of:

	Years ended December 31,	
	2011	2012
Current:		
Federal	$2,035	$1,213
State	232	194
	2,267	1,407
Deferred:		
Federal	(755)	(794)
State	(63)	(58)
	(818)	(852)
Total tax expense	$1,449	$ 555

The reconciliation between the Company’s effective tax rate on loss from continuing operations and the federal statutory tax rate is as follows:

	Years ended December 31,			
	2011		2012	
Income tax at federal statutory rate	$(2,009)	35.0%	$(1,309)	35.0%
Non-deductible loss from flow through entities prior to Recapitalization	888	(15.5)%		
Loss of tax attributes resulting from Recapitalization	9,878	(172.1)%		
Extinguishment of debt	355	(6.2)%		
Stock compensation	273	(4.8)%	1,581	(42.3)%
Other non-deductible expenses	76	(1.3)%	(6)	0.2%
Change in valuation allowance	(8,239)	143.5%	214	(5.7)%
Interest and penalties on uncertain tax positions	118	(2.1)%	56	(1.5)%
State income taxes, net of federal benefit	109	(1.9)%	19	(0.5)%
	$ 1,449	(25.2)%	$ 555	(14.8)%

(in thousands, except share amounts)

Components of the net deferred tax liability are as follows:

	As of December 31, 2011	2012
Deferred Tax Assets		
Current		
Accrued reserves and allowances	$ 374	$ 705
Inventories	32	46
Current deferred tax assets	406	751
Long-term		
Property and equipment	18	—
Net operating loss carryforwards	75	688
Long-term deferred tax assets	93	688
Total deferred tax assets	499	1,439
Less: Valuation allowance	(14)	(228)
Net deferred tax assets	485	1,211
Deferred Tax Liabilities		
Long-term		
Property and equipment	—	(61)
Intangibles	(794)	(529)
Investment in partnership	(10,367)	(11,932)
Other	(79)	(64)
Total deferred tax liabilities	(11,240)	(12,586)
Net deferred tax liabilities	$(10,755)	$(11,375)

As of December 31, 2012, we have federal and state income tax net operating loss (NOL) carryforwards of $688. Due to the IRS Section 382 elimination of NOLs generated prior to the Recapitalization, the earliest expiration date is 2030.

Valuation Allowance

We assess the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets on a jurisdiction and by tax filing entity basis. A significant piece of objective negative evidence evaluated is cumulative losses incurred over the most recent three year period. Such objective evidence limits the ability to consider other subjective positive evidence such as our projections for future growth.

(in thousands, except share amounts)

Based on this evaluation, a valuation allowance has been recorded as of December 31, 2011 and 2012 for the net deferred tax assets recorded on certain of our wholly owned subsidiaries. Such deferred tax assets relate primarily to net operating losses that are not more likely than not realizable. However, the amount of the deferred tax asset considered realizable could be adjusted if estimates of future taxable income during the carryforward period change, or if objective negative evidence in the form of cumulative losses is no longer present. Additional weight may be given to subjective evidence such as our projections for growth in this situation.

	Valuation Allowance
January 1, 2011	$(9,028)
Charged to costs and expenses	(5)
Deductions	9,019
December 31, 2011	(14)
Charged to costs and expenses	(214)
December 31, 2012	$ (228)

Uncertain Tax Positions

We are subject to taxation in the United States and various state jurisdictions. As of December 31, 2012 our tax years for 2009, 2010, and 2011 are subject to examination by the tax authorities. We have unrecognized tax benefits related to temporary items. A rollforward of the gross unrecognized tax benefits is as follows:

Unrecognized tax benefit, January 1, 2011	$ —
Increase as a result of tax positions taken during the period	924
Unrecognized tax benefit, December 31, 2011	924
Increase as a result of tax positions taken during the period	945
Decrease as a result of tax positions taken during the period	(504)
Unrecognized tax benefit, December 31, 2012	$1,365

These unrecognized benefits result from the difference in taxable income calculated at the time of the return versus calculated per the provision. We expect a reversal of approximately $926 of our unrecognized tax benefit in the next twelve months, because of unrecognized benefits relating to temporary items that will reverse in the next twelve months. $619 of the unrecognized tax benefits, if recognized, would affect the effective tax rate.

Interest expense and penalties accrued related to uncertain tax positions for the year ended December 31, 2011 and 2012 are not significant.

Determining uncertain tax positions and the related estimated amounts requires judgment and carry estimation risk. If future tax law changes or interpretations should come to light, or additional information should become known, our conclusions regarding unrecognized tax benefits may change.

(in thousands, except share amounts)

NOTE 10 – RELATED PARTY TRANSACTIONS

The Company previously paid management fees to IBP Holdings, LLC for corporate support functions under a management fee agreement. These fees totaled $4,760 for the year ended December 31, 2011. As part of the Recapitalization on November 4, 2011 (see Note 1, Organization and Recapitalization), this management agreement was cancelled. In December 2012, the Company entered into a new management services and fee agreement and made a payment of $4,300 for management fees to certain related parties for management services. Pursuant to this agreement, the board of directors annually determined whether a management fee would be paid as well as the amount of that fee. The agreement was terminated on October 22, 2013.

We sell installation services to other companies related through common or affiliated ownership. We also purchase services and materials and pay rent to companies with common or related ownership.

We lease our headquarters and other facilities from certain related parties. Refer to Note 11, Commitments and Contingencies, for future minimum lease payments to be paid to these related parties.

For the years ended December 31, 2011 and 2012, the amount of sales to common or related parties as well as the purchases from and rent expense paid to these common or related parties are as follows:

	Years ended December 31,	
	2011	2012
Sales	$ 2,704	$ 1,689
Purchases	610	3,668
Rent	158	288

Related party purchases made during the year ended December 31, 2012 include $743 paid to a related party as part of an acquisition made during the year. Refer to “Accurate Building Products Inc.” within Note 12, Business Combinations for additional information.

Pursuant to an Individual Guaranty Agreement and a Guaranty Agreement, each dated as of October 22, 2012, certain of our investors guaranteed our letter of credit reimbursement obligations to Bank of America, N.A. in connection with letters of credit issued by Bank of America, N.A. to support our workers compensation policies. Such letters of credit are currently issued under our existing credit facility and these guarantees were terminated on July 30, 2013. In addition, one of our investors guaranteed certain reimbursement obligations of ours under certain performance and licensing bonds issued by sureties on behalf of us in the ordinary course of business. These bonds are being replaced as they expire with bonds that do not require any guarantee. These obligations were not direct guarantees of the company.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Leases

We are obligated under capital leases covering vehicles and certain equipment. Total assets relating to capital leases were $31,627 and $39,364 as of December 31, 2011 and 2012, respectively, and a total of $22,821 and $23,033 were fully depreciated as of December 31, 2011 and 2012, respectively. The vehicles and equipment leases generally have terms ranging from four to six years. The net book value of assets under capital leases was $4,258 and $12,694 as of December 31, 2011 and 2012, respectively, net of accumulated depreciation of $27,369 and $26,670, respectively. Amortization of assets held under capital leases is included with depreciation expense on the Consolidated Statements of Operations.

(in thousands, except share amounts)

We also have several noncancellable operating leases, primarily for buildings, improvements, equipment and certain vehicles. These leases generally contain renewal options for periods ranging from one to five years and require the Company to pay all executory costs such as property taxes, maintenance and insurance.

Future minimum lease payments under noncancellable operating leases (with initial or remaining lease terms in excess of one year) and future minimum capital lease payments as of December 31, 2012 are as follows:

	Capital leases	Operating Leases		
		Related party	Other	Total Operating
2013	$ 4,546	$ 446	$ 4,357	$ 4,803
2014	3,815	396	3,343	3,739
2015	2,752	273	2,032	2,305
2016	1,862	180	1,442	1,622
2017	828	89	943	1,032
Thereafter			3,589	3,589
	13,803	$ 1,384	$15,706	$ 17,090
Less: Amounts representing interest	(1,619)			
Total obligation under capital leases	12,184			
Less: Current portion of capital leases	(3,822)			
Long-term capital lease obligation	$ 8,362			

Total rent expense under these operating leases for years ended December 31, 2011 and 2012 was $5,906 and $6,343, respectively, which is included in the Consolidated Statements of Operations as follows:

	Year Ended	
	December 31, 2011	December 31, 2012
Cost of Sales	$ 382	$ 435
Selling	173	113
Administrative	5,351	5,795
Total	$ 5,906	$ 6,343

Supply Contract Commitments

As of December 31, 2011 and December 31, 2012, we had two product supply contracts with minimum purchase requirements at market rates. The terms of the contracts extend through December 31, 2014 and August 31, 2017. The contract commitments are disclosed in the table below. We expect our quantity purchases to exceed the minimum quantity commitments for all years covered by the contracts. Actual purchases made under the contracts for the years ended December 31, 2011 and December 31, 2012 were $4,636 and $13,804, respectively. Purchase obligations under the contracts as of December 31, 2012 were as follows:

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Purchase Obligations	$7,500	$ 2,500	$ 5,000	$ —	$ —

Other Commitments and Contingencies

A class action lawsuit was filed on February 11, 2013 and an amended complaint was filed on May 15, 2013 in the Superior Court of King County, Washington, against us, alleging violations of Washington State wage and hour laws for failure to pay prevailing and minimum wage and overtime wages. The plaintiffs are former insulation installers for Installed Building Products II, LLC, one of our subsidiaries, in Washington who seek to represent all similarly situated workers. They seek all unpaid wages, along with litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

A lawsuit was filed on July 23, 2013 in federal court in the Middle District of Tennessee against one of our subsidiaries, TCI Contracting LLC ("TCI") d/b/a Installed Building Products of Nashville, alleging unpaid overtime and failure to pay lawful wages under federal law, Tennessee common law and in unjust enrichment and in breach of an alleged contract. The named plaintiffs are former insulation installers in Nashville. The plaintiffs seek to have this case certified as a collective action under the Federal Fair Labor Standards Act and as a class action under Tennessee law. They seek reimbursement of the overtime wages for all time worked over forty hours each week, as well as liquidated damages and litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

The ultimate liabilities, if any, with respect to the two employment-related cases disclosed above cannot be determined at this time, and we are currently unable to estimate a range of reasonably possible losses associated with the litigation. As such, we have not accrued a liability relating to these matters as of December 31, 2012.

From time to time, various claims and litigation are asserted or commenced against us principally arising from contractual matters and personnel and employment disputes. In determining loss contingencies, management considers the likelihood of loss as well as the ability to reasonably estimate the amount of such loss or liability. An estimated loss is recorded when it is considered probable that such a liability has been incurred and when the amount of loss can be reasonably estimated. It is not certain that we will prevail in these matters. However, we do not believe that the ultimate outcome of any pending matters will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

NOTE 12 – BUSINESS COMBINATIONS

As part of our ongoing strategy to increase market share in certain markets, we acquired two businesses during 2012 (TCI and Accurate Building Products Inc., "Accurate"). In connection with these business combinations the Company entered into non-competition agreements with the former owners.

TCI

On August 31, 2012 the Company acquired 100% of the outstanding membership interest of TCI and 87.5% of the issued and outstanding capital stock of a subsidiary of TCI. Simultaneous with the purchase of TCI, IBP purchased the remaining 12.5% of issued and outstanding capital stock of the subsidiary for $571, which was paid in the form of a seller note.

The purchase price consisted of 11.5% (or 129,944 shares) of IBP common stock, which was valued at $4,100 at the date of the transaction.

(in thousands, except share amounts)

The results of operations of the business and its subsidiary are included in the Consolidated Financial Statements from August 31, 2012, the date of acquisition. The revenue and net loss of TCI since the acquisition date included in the Company's Consolidated Statement of Operations for the year ended December 31, 2012 were $12,354 and ($1,144), respectively.

Accurate

On November 16, 2012, the Company acquired 100% of the membership interests of Accurate which was not significant within the meaning of Regulation S-X under the Securities Act of 1933, as amended (the "Securities Act") . The purchase price consisted of cash of $1,198 and a note for $80. The revenue and net income of Accurate since the date of acquisition included in the Company's Consolidated Statement of Operations for the year ended December 31, 2012 were $1,743 and $126, respectively.

The estimated fair values of the assets acquired and liabilities assumed for both the TCI and Accurate acquisitions approximated the following:

	TCI	Accurate
Cash	$ 317	$ 58
Accounts receivable	3,880	1,606
Inventory	1,984	564
Note receivable	—	171
Other current assets	244	47
Property and equipment	285	183
Intangibles	4,390	1,123
Goodwill	834	—
Accounts payable and accrued expenses	(5,815)	(2,037)
Deferred tax liability	(1,387)	—
Long-term debt	(61)	(437)
Total purchase price	4,671	1,278
Fair value of common stock issued	4,100	—
Seller notes and obligations	571	80
Cash paid	—	1,198
Total purchase price	$ 4,671	$ 1,278

Estimates of acquired intangible assets related to the TCI and Accurate acquisitions are as follows:

	TCI		Accurate	
Acquired Intangible Assets	Estimated Fair Value	Weighted Average Estimated Useful Life (yrs)	Estimated Fair Value	Weighted Average Estimated Useful Life (yrs)
Customer relationships	$ 2,500	10	$ 741	10
Trade names	1,820	8	247	15
Non-competition agreements	70	2	135	3

(in thousands, except share amounts)

Pro Forma Information (unaudited)

The unaudited pro forma information has been prepared as if the TCI and Accurate acquisitions had taken place on January 1, 2011. The unaudited pro forma information is not necessarily indicative of the results that we would have achieved had the transactions actually taken place on January 1, 2011, and the unaudited pro forma information does not purport to be indicative of future financial operating results.

	Pro forma for the years ended December 31,	
	2011	2012
Net revenue	$ 277,834	$ 331,501
Net loss	(13,951)	(3,200)
Net income/(loss) attributable to common stockholders	68,657	(8,729)
Net income/(loss) per share attributable to common stockholders (basic and diluted)	60.76	(7.73)

Unaudited pro forma net income has been calculated after adjusting the combined results of the Company to reflect additional intangible asset amortization expense of $648 and $455, for the years ended December 31, 2011 and 2012, respectively.

See Note 15, Subsequent Events, for disclosures regarding the acquisition of Ace Insulation (“Ace”), which took place after the balance sheet date, but before the issuance of these consolidated financial statements.

NOTE 13 – DISCONTINUED OPERATIONS

During the years ended December 31, 2011 and 2012, we made the decision to discontinue operations in several markets. The customers associated with closed branches and other discontinued operations will not be served by other branches. A summary of operations we discontinued in these markets for the years ended December 31, 2011 and 2012 is as follows:

	Years ended December 31,	
	2011	2012
Net revenue	$ 9,574	$ 4,020
(Loss) income from discontinued operations, before income taxes	(2,455)	3,835
Income tax benefit (expense)	660	(1,447)
(Loss) income from discontinued operations, after tax	$ (1,795)	$ 2,388

For the year ended December 31, 2012, pre-tax net income from discontinued operations includes a gain of $4,500 relating to a payment received for a cancelled vendor contract at one of our closed operations.

NOTE 14 – (LOSS) INCOME PER COMMON SHARE

Basic net (loss) income per share is calculated by dividing net (loss) income attributable to common stockholders by the weighted average shares outstanding during the period, without consideration for common stock equivalents. As IBP only had common shares outstanding subsequent to the Recapitalization on November 4, 2011, the weighted average shares outstanding for 2011 assumed the shares issued at the date of the Recapitalization were issued and outstanding for the full year.

(in thousands, except share amounts)

Diluted net (loss) income per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common share equivalents outstanding for the period, determined using the treasury stock method. There were no common stock equivalents with a dilutive effect during the years ended December 31, 2011 and 2012 and therefore, basic and diluted net (loss) income per share were the same for all periods presented. Income (loss) attributable to common stockholders includes the accretion of Series A Preferred Stock in 2011 and 2012 and the accretion of Pre-Recapitalization Preferred Units and the gain on extinguishment of Pre-Recapitalization Preferred Units in 2011.

NOTE 15 – SUBSEQUENT EVENTS

We have evaluated events and transactions occurring subsequent to the balance sheet date of December 31, 2012 through December 9, 2013, the date on which the financial statements were issued, for items that should be recognized or disclosed in these Consolidated Financial Statements.

Effective November 30, 2013, the Employee Puts between Jeffrey Edwards and our other executive officers were terminated.

The Management Services and Fee Agreement, dated as of December 18, 2012, among the Company, Littlejohn Managers, LLC, Jeffrey Edwards, IBP Holding Company and TCI Holdings, LLC was terminated on November 22, 2013.

On March 16, 2013 the Company acquired 100% of the membership interests of Ace, which was not significant within the meaning of Regulation S-X under the Securities Act.

The estimated fair values of the assets acquired and liabilities assumed for the Ace acquisition are as follows:

	Ace
Accounts receivable	$ 213
Inventory	14
Property and equipment	263
Intangibles	1,106
Accounts payable and accrued expenses	(609)
Total purchase price	$ 987
Seller notes and obligations	300
Cash paid	687
Total purchase price	$ 987

Estimates of acquired intangible assets related to the acquisition are as follows:

	Ace	
Acquired Intangible Assets	Estimated fair value	Weighted average estimated useful life (yrs)
Customer relationships	$ 826	10
Trademarks and trade names	280	15

(in thousands, except share amounts)

Pro Forma Information (unaudited)

The unaudited pro forma information has been prepared as if the acquisition had taken place on January 1, 2011. The unaudited pro forma information is not necessarily indicative of the results that we would have achieved had the transactions actually taken place on January 1, 2011, and the unaudited pro forma information does not purport to be indicative of future financial operating results.

	Pro forma for the year ended December 31,	
	2011	2012
Net revenue	$242,856	$304,638
Net loss	(9,137)	(2,200)
Net income (loss) attributable to common stockholders	73,471	(7,729)
Net income (loss) per share attributable to common stockholders (basic and diluted)	73.47	(7.41)

Unaudited pro forma net income has been calculated after adjusting the combined results of the Company to reflect additional intangible asset amortization expense of $101 for both of the years ended December 31, 2011 and 2012.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED BALANCE SHEETS

(in thousands, except for par value and share amounts)

	As of December 31, 2012	As of June 30, 2013
ASSETS		
Current assets		
Cash	$ 3,898	$ 3,853
Restricted cash	1,803	1,708
Accounts receivable (less allowance for doubtful accounts of $1,412 and $1,548 as of December 31, 2012 and June 30, 2013, respectively)	46,100	56,057
Accounts receivable, related parties	774	366
Inventories	16,718	19,130
Deferred income taxes	726	147
Income taxes receivable	—	1,523
Prepaid expenses, related parties	396	—
Other current assets	5,353	5,051
Total current assets	75,768	87,835
Property and equipment, net	17,931	26,824
Other non-current assets		
Goodwill	49,146	49,146
Intangibles, net	15,023	14,631
Other non-current assets	2,884	3,060
Total non-current assets	67,053	66,837
Total assets	$ 160,752	$ 181,496
LIABILITIES, REDEEMABLE INSTRUMENTS AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 186	$ 264
Current maturities of capital lease obligations	3,822	6,671
Accounts payable	34,330	36,351
Accounts payable, related parties	2,133	3,660
Income taxes payable	2,562	—
Accured compensation	7,562	8,562
Other current liabilities	2,202	2,789
Total current liabilities	52,797	58,297
Long-term debt	17,705	29,511
Capital lease obligations, less current maturities	8,362	13,254
Put option – Series A Preferred Stock	782	519
Deferred income taxes	12,101	10,867
Other long-term liabilities	9,626	8,973
Total liabilities	101,373	121,421
Commitments and contingencies (Note 11)		
Series A Preferred Stock; $0.01 par value: 1,000 authorized, issued and outstanding as of December 31, 2012 and June 30, 2013, respectively	49,615	52,634
Redeemable Common Stock; $0.01 par value: 300,000 authorized, issued and outstanding as of December 31, 2012 and June 30, 2013, respectively	17,246	47,620
Stockholders' equity		
Common Stock; $0.01 par value: 1,394,916 shares authorized and 829,944 shares issued and outstanding as of December 31, 2012 and June 30, 2013, respectively	8	8
Additional paid in capital	3,983	—
Accumulated deficit	(11,473)	(40,187)
Total stockholders' equity	(7,482)	(40,179)
Total liabilities, redeemable instruments and stockholders' equity	$ 160,752	$ 181,496

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	Six months ended June 30,	
	2012	2013
	(unaudited)	
Net revenue	$ 129,548	$ 196,649
Cost of sales	97,574	148,120
Gross profit	31,974	48,529
Operating expenses		
Selling	9,765	11,908
Administrative	28,056	32,300
Amortization	1,463	1,544
Other	(916)	—
Operating (loss) income	(6,394)	2,777
Other expense (income)		
Interest expense	863	1,044
Other	(149)	(164)
	714	880
(Loss) income before income taxes	(7,108)	1,897
Income tax provision	589	704
Net (loss) income from continuing operations	(7,697)	1,193
Discontinued operations		
Loss from discontinued operations	320	773
Income tax benefit	(121)	(276)
Loss from discontinued operations, net of income taxes	199	497
Net (loss) income	$ (7,896)	$ 696
Accretion charges on Series A Redeemable Preferred Stock	(2,683)	(3,019)
Net loss attributable to common stockholders	$ (10,579)	$ (2,323)
Weighted average shares outstanding (basic and diluted)	1,000,000	1,129,944
Net loss per share (basic and diluted)		
Loss per share from continuing operations attributable to common stockholders (basic and diluted)	$ (10.38)	$ (1.62)
Loss per share from discontinued operations attributable to common stockholders (basic and diluted)	(0.20)	(0.44)
Loss per share attributable to common stockholders (basic and diluted)	$ (10.58)	$ (2.06)

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS
(in thousands, except share amounts)

(unaudited)

	Common Stock		Additional Paid In	Accumulated	Stockholders'	Preferred Stock		Common Stock	
	Shares	Amount	Capital	Deficit	Equity	Shares	Amount	Shares	Amount
BALANCE – January 1, 2012	700,000	$ 7	$ —	$ (9,567)	$ (9,560)	1,000	$44,086	300,000	$15,501
Stock-based compensation			4,574		4,574				
Net loss				(7,896)	(7,896)				
Accretion of Redeemable Preferred to Redemption Value			(2,683)		(2,683)		2,683		
Adjustments to Redeemable Common Stock fair value measurement			369		369				(369)
BALANCE – June 30, 2012	700,000	$ 7	$ 2,260	$ (17,463)	$ (15,196)	1,000	$46,769	300,000	$15,132

	Common Stock		Additional Paid In	Accumulated	Stockholders'	Redeemable Preferred Stock		Redeemable Common Stock	
	Shares	Amount	Capital	Deficit	Equity	Shares	Amount	Shares	Amount
BALANCE – January 1, 2013	829,944	$ 8	$ 3,983	$ (11,473)	$ (7,482)	1,000	$49,615	300,000	$17,246
Net income				696	696				
Accretion of Redeemable Preferred to Redemption Value			(3,019)		(3,019)		3,019		
Adjustments to Redeemable Common Stock fair value measurement			(964)	(29,410)	(30,374)				30,374
BALANCE – June 30, 2013	829,944	$ 8	$ —	$ (40,187)	$ (40,179)	1,000	$52,634	300,000	$47,620

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Six months ended June 30,	
	2012	2013
	(unaudited)	
Cash flows from operating activities		
Net (loss) income	$ (7,896)	$ 696
Adjustments to reconcile net (loss) income to net cash used in by operating activities		
Depreciation and amortization of property and equipment	2,000	3,554
Amortization of intangibles	1,463	1,544
Amortization of deferred financing costs	87	87
Provision for doubtful accounts	583	532
Gain on sale of property and equipment	(189)	(191)
Noncash stock compensation	4,574	—
Deferred income taxes	104	(655)
Other	(97)	(263)
Changes in assets and liabilities, excluding effects of acquisitions		
Accounts receivable	(2,741)	(9,868)
Inventories	(1,290)	(2,399)
Other assets	(2,406)	(165)
Accounts payable	3,561	3,258
Income taxes payable	753	(4,302)
Other liabilities	(1,170)	618
Net cash used in operating activities	(2,664)	(7,554)
Cash flows from investing activities		
Restricted cash	—	95
Purchases of property and equipment	(780)	(1,421)
Cash paid for businesses acquired	—	(687)
Proceeds from sale of property and equipment	231	972
Proceeds from insurance	833	—
Net cash provided by (used in) provided by investing activities	284	(1,041)
Cash flows from financing activities		
Proceeds from revolving line of credit, net	5,417	11,696
Principal payments on other notes payable	(20)	(425)
Payments on capital lease obligations	(1,153)	(2,721)
Net cash provided by financing activities	4,244	8,550
Net change in cash	1,864	(45)
Cash at beginning of period	2,528	3,898
Cash at end of period	$ 4,392	$ 3,853
Supplemental disclosures of cash flow information		
Net cash paid during the period for:		
Interest	$ 745	$ 964
Income taxes, net of refunds	117	6,181
Supplemental disclosure of noncash investing and financing activities		
Vehicles capitalized under capital leases and related lease obligations	2,330	10,990
Note payable issued in connection with acquisition of business	—	300

See accompanying notes to consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)

NOTE 1 – ORGANIZATION

Installed Building Products, Inc. ("IBP", formerly CCIB Holdco, Inc.), a Delaware corporation formed on October 28, 2011, and its wholly owned subsidiaries (collectively referred to as the "Company" and "we", "us" and "our"), primarily install insulation, garage doors, rain gutters, shower doors, closet shelving and mirrors and other products for residential and commercial builders located in the continental United States. IBP operates in over 100 locations within the continental United States and its corporate office is located in Columbus, Ohio.

We have one operating segment and a single reportable segment. Substantially all of our sales come from service based installation of various products in the existing and new residential and commercial construction end markets. Each of our branches has the capacity to serve all of our end markets. For the six months ended June 30, 2012, 85.0% of our net revenue was attributable to new and existing residential construction, whereas 15.0% was attributable to commercial construction. For the six months ended June 30, 2013, 88.4% of our net revenue was attributable to new and existing residential construction, with the remaining 11.6% attributable to commercial construction. The Company has no international sales. All of the Company's identifiable assets are in the continental United States.

All amounts as of and for the period ended June 30, 2012 are unaudited.

The following is a summary of the percentage of installation net revenue by product category:

	Six months ended June 30,	
	2012	2013
Insulation	74%	74%
Garage Doors	9%	8%
Shower doors, shelving & mirrors	6%	6%
Rain gutters	5%	6%
Other building products	6%	6%

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying consolidated financial statements include all wholly owned subsidiaries and majority owned subsidiaries. The non-controlling interest relating to majority owned subsidiaries is not significant for presentation. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates

Preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the allowance for doubtful accounts, valuation allowance on deferred tax assets, valuation of the reporting unit, intangible assets and other long-lived assets, share based compensation, reserves for general liability, workers' compensation and medical insurance and common stock and preferred stock. Management believes the accounting estimates are appropriate and reasonably determined; however, due to the inherent uncertainties in making these estimates, actual amounts could differ from such estimates.

Cash and Cash Equivalents

We consider all highly liquid investments purchased with original term to maturity of three months or less to be cash equivalents. Substantially all cash and cash equivalents are held in one bank. The bank provides FDIC coverage of $250 per depositor. Included in accounts payable are outstanding checks of $1,480 and $2,567 as of December 31, 2012 and June 30, 2013, respectively. Included in accrued compensation are outstanding checks of $506 and $892 as of December 31, 2012 and June 30, 2013, respectively. We manage our cash to a zero balance account and borrow funds under our Revolving Line of Credit (the "LOC") to cover outstanding checks. Refer to Note 5, Long-Term Debt for further details on the LOC.

Restricted Cash

Restricted cash consists of deposits held by our insurance carrier for general liability and workers' compensation reserves. Restricted cash is not considered cash and cash equivalents for purposes of the statements of cash flows. Classification between current and long-term is dependent upon the timing of the intended use of each particular reserve.

Revenue Recognition

Revenue from the sale and installation of products is recognized when all of the following have occurred: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) the price is fixed or determinable and (iv) the ability to collect is reasonably assured. Revenue is recognized net of adjustments and discounts.

Revenue from the sale and installation of products to customers is recognized at the time the installation is complete.

Business Combinations

The purchase price for business combinations is allocated to the estimated fair values of acquired tangible and intangible assets and assumed liabilities, including goodwill, where applicable. Additionally, we recognize customer relationships, trademarks and trade names, and non-competition agreements as identifiable intangible assets. These assets are recorded at fair value as of the transaction date. The fair value of these intangibles is determined primarily using the income approach and using current industry information which involves significant unobservable inputs (Level 3 inputs). These inputs include projected sales, margin, and tax rate.

Accounts Receivable

The Company accounts for trade receivables based on amounts billed to customers. Past due receivables are determined based on contractual terms. The Company does not accrue interest on any of its trade receivables.

(in thousands, except share amounts)

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the failure of customers to make required payments. The allowance is determined by management based on the Company's historical losses, specific customer circumstances, and general economic conditions. The Company analyzes aged accounts receivable and generally increases the allowance as receivables age. Management reviews accounts receivable and records an allowance for specific customers based on current circumstances and charges off the receivable against the allowance when all attempts to collect the receivable have failed. This analysis is performed regularly and the allowance is adjusted accordingly.

Allowance for doubtful accounts receivable

January 1, 2012	$ 1,571
Charged to costs and expenses	$ 583
Charged to other accounts (1)	172
Deductions (2)	(531)
June 30, 2012	$ 1,795
January 1, 2013	$ 1,412
Charged to costs and expenses	532
Charged to other accounts (1)	172
Deductions (2)	(568)
June 30, 2013	$ 1,548

(1) Recovery of receivables previously written-off as bad debt.
(2) Write-off of uncollectible accounts receivable.

Concentration of Credit Risk

Credit risk is the risk of financial loss to the Company from the non-performance of a contractual obligation on the part of the Company's counterparty. Such risk arises principally from the Company's receivables from customers and cash and bank balances. Substantially all of the Company's trade accounts receivable are from entities engaged in residential and commercial construction. The Company performs periodic credit evaluations of its customers' financial condition. The general credit risk of the Company's counterparties is not considered to be significant. In addition, no individual customer made up more than 3.0% of net revenue for the six months ended June 30, 2012 and 2013.

Inventories

Inventories consist of insulation, garage doors, rain gutters, shower doors, mirrors, closet shelving and other products. We install these products but do not manufacture or modify them. We value inventory at the lower of cost or market with cost determined using the first-in, first-out ("FIFO") method. As of December 31, 2012 and June 30, 2013, all inventory was finished goods.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. The Company provides for depreciation and amortization of property and equipment using the straight-line method, over the expected useful lives of the assets. Leasehold improvements are amortized over the shorter of the useful life or the remaining lease term.

Expected useful lives of property and equipment vary but generally are the shorter of lease life or five years for vehicles, three to five years for furniture, fixtures and equipment, shorter of lease life or five years for leasehold improvements and 30 years for buildings.

Major renewals and improvements are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is recorded.

Goodwill

Goodwill results from business combinations and represents the excess of the purchase price over the fair value of acquired tangible assets and liabilities and identifiable intangible assets. Annually, on December 31, or if conditions indicate an earlier review is necessary, we assess qualitative factors to determine if it is more likely than not that the fair value of a reporting unit is less than its carrying amount and if it is necessary to perform the quantitative two-step goodwill impairment test. We also have the option to bypass the qualitative assessment, “step zero”, and proceed directly to performing the first step of the quantitative goodwill impairment test, by comparing the carrying value of the reporting unit to an estimate of the reporting unit’s fair value to identify potential impairment. The estimate of the reporting unit’s fair value is determined primarily using discounted cash flows and secondarily other market-related models using current industry information that involve significant unobservable inputs (Level 3 inputs). In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management’s plans, business trends, prospects and market and economic conditions and market-participant considerations. If the estimated fair value of the reporting unit is less than the carrying value, a second step is performed to determine the amount of the potential goodwill impairment. If impaired, goodwill is written down to its estimated implied fair value.

Impairment of Other Intangible and Long-Lived Assets

Other intangible assets consist of customer relationships, non-competition agreements and business trademarks and trade names. Amortization of finite lived intangible assets is recorded to reflect the pattern of economic benefits based on projected revenues over their respective estimated useful lives (customer relationships – 10 years, non-competition agreements – two to five years and business trademarks and trade names – eight to 15 years). We do not have any indefinite-lived intangible assets.

We review long-lived assets whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss is recognized when estimated future cash flows expected to result from the use of an asset and its eventual disposition are less than its carrying amount. When impairment is identified, the carrying amount of the asset is reduced to its estimated fair value. Assets to be disposed of are recorded at the lower of net book value or fair market value less cost to sell at the date management commits to a plan of disposal. Based upon our assessments no impairment charges were recorded during the six months ended June 30, 2012 or June 30, 2013.

Other Liabilities

Our workers’ compensation insurance is primarily under a high-deductible insurance policy and our general liability insurance is under a self-insured retention program (“SIR”). We are insured for covered claims above the deductible and SIR. The liabilities represent our best estimate of our costs, using generally accepted actuarial reserving methods, of the ultimate obligations for reported claims plus those incurred but not reported for all claims incurred through December 31, 2012 and June 30, 2013. We establish case reserves for reported claims using case-basis evaluation of the underlying claims data and we update as information becomes known.

The assumptions underlying the ultimate costs of existing claim losses are subject to a high degree of unpredictability, which can affect the liability recorded for such claims. For example, variability in inflation rates of health care costs inherent in workers' compensation claims can affect the ultimate costs. Similarly, changes in legal trends and interpretations, as well as a change in the nature and method of how claims are settled can affect ultimate costs. Our estimates of liabilities incurred do not anticipate significant changes in historical trends for these variables, and any changes could have a considerable effect on future claim costs and currently recorded liabilities.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was approximately $1,036 and $788 for the six months ended June 30, 2012 and 2013, respectively, and is included in selling expense on the Consolidated Statements of Operations.

Deferred Financing Costs

Deferred financing costs are amortized over the term of the related debt using the effective interest method. The related amortization expense of these costs was $87 and $87 and is included in interest expense on the Consolidated Statements of Operations for the six months ended June 30, 2012 and 2013, respectively. Deferred financing costs are included in other long-term assets on the Consolidated Balance Sheets and were $496 and $408, net as of December 31, 2012 and June 30, 2013, respectively.

Share-Based Compensation

In 2010, IBP Management Holdings, LLC, one of our stockholders, and in 2011, IBP Investment Holdings, LLC, one of our principal stockholders, issued membership interests in their equity to certain of our employees (the "Awards"). Certain of these employees were granted Employee Puts.

In 2010, when the employees received the Awards, the then fair value of the Awards less any consideration in exchange for the Awards was recorded as compensation expense. In accordance with the terms of the Awards, they were deemed equity-classified instruments as there is no service or vesting period associated with these Awards and all compensation expense was recognized upon issuance.

Upon issuance of the Employee Puts, the then fair value of the Employee Puts received was recorded as compensation expense over the service period, if applicable. The Employee Puts are deemed to be liability-classified instruments that are directly associated with the Awards. As such, both the Awards and the Employee Puts are accounted for as liability-classified instruments as of the issuance date of the Employee Put. During the period for which the Employee Puts are exercisable, both the Employee Puts and the associated Awards are remeasured to fair value each reporting period.

It is assumed that Employee Puts will be exercised at the greater of the fixed price or fair market value. In the absence of a publicly traded market, the fair market value of the Employee Puts and underlying units are estimated primarily using discounted cash flow and, secondarily, using other market-related models that factor in current industry trends. In determining the estimated future cash flow, we consider and apply certain estimates and judgments, including current and projected future levels of income based on management's plans, business trends, prospects and market and economic conditions and market-participant considerations. The adjustment to the carrying fair value is based upon an equity rate of return for a public company in our industry with similar financial trends and characteristics. The fair value of the Company's common stock is used to determine the value of the Employee Puts based on their ownership interest.

Because the awards were granted by a related party as compensation to employees of the Company, the compensation associated with the awards was pushed down by the related parties and recorded as a non-cash expense in the Company's Consolidated Statements of Operations during the six months ended June 30, 2012 and June 30, 2013.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under this method, the amount of taxes currently payable or refundable are accrued, and deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences that currently exist between the tax basis and financial reporting basis of the Company's assets and liabilities.

Valuation allowances are established against deferred tax assets when it is more likely than not that the realization of those deferred tax assets will not occur. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, the ability to produce future taxable income, tax planning strategies available and recent financial operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and changes in accounting policies and incorporate assumptions including the amount of future federal and state pretax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we use to manage the underlying businesses.

Deferred tax assets and liabilities are measured using the enacted tax rates in effect in the years when those temporary differences are expected to reverse. The effect on deferred taxes from a change in tax rate is recognized through continuing operations in the period that includes the enactment date of the change. Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management is not aware of any such changes that would have a material effect on the Company's results of operations, cash flows or financial position.

A tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Income tax positions must meet a more likely than not recognition threshold to be recognized.

The Company recognizes tax liabilities for uncertain tax positions and adjusts these liabilities when the Company's judgment changes as a result of the evaluation of new information not previously available. Due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense and the effective tax rate in the period in which the new information becomes available. Interest and penalties related to unrecognized tax benefits are recognized within income tax expense in the Consolidated Statements of Operations. Accrued interest and penalties are recognized in accrued expenses on the Consolidated Balance Sheets.

Our income tax expense, deferred tax assets and liabilities and reserves for unrecognized tax benefits reflect management's best assessment of estimated future taxes to be paid. We are subject to income taxes in the United States which includes numerous state and local jurisdictions. Significant judgments and estimates are required in determining the income tax expense, deferred tax assets and liabilities and the reserve for unrecognized tax benefits.

Discontinued Operations

We continually review each of our markets in order to refine our overall investment strategy and to optimize capital and resource allocations in an effort to enhance our financial position and to increase Company value. This review entails an evaluation of both external market factors and our position in each market and over time has resulted in the decision to discontinue certain locations. Customers of discontinued locations will not be served by other locations. There were no material assets or liabilities related to our discontinued operations as of December 31, 2012 or June 30, 2013. Discontinued operations were not segregated in the Consolidated Statements of Cash Flows. Therefore, amounts for certain captions in the Consolidated Statements of Cash Flows will not agree with the respective data in the Consolidated Statements of Operations.

Estimated Fair Value of Financial Instruments

Accounts receivable, accounts payable and accrued liabilities as of December 31, 2012 and June 30, 2013 approximate their fair value due to the short-term maturities of these financial instruments. The carrying amounts of the long-term debt under the revolving lines of credit approximate their fair value as of December 31, 2012 and June 30, 2013 due to the short term maturities of the underlying variable rate LIBOR agreements. This represents a Level 2 fair value measurement.

Recently Adopted Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS (“ASU 2011-04”). The amendments in this ASU are intended to improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and International Financial Reporting Standards (“IFRS”). The amendments in this ASU explain how to measure fair value. They do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. The guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. The Company adopted the provisions of ASU 2011-04 on January 1, 2012. The adoption did not have a material impact on the Company’s financial position or results of operations.

Recently Issued Accounting Pronouncements Not Yet Adopted

As of June 30, 2013, there are no recently issued accounting standards not yet adopted that would have a material effect on the Company’s financial statements.

(in thousands, except share amounts)

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	As of December 31, 2012	As of June 30, 2013
Land	$ 66	$ 66
Buildings	218	218
Leasehold improvements	3,492	3,496
Furniture, fixtures and equipment	16,606	14,932
Vehicles and equipment	47,814	57,154
	68,196	75,866
Less: accumulated deprecation and amortization	(50,265)	(49,042)
	$ 17,931	$ 26,824

Property and equipment as of December 31, 2012 and June 30, 2013 of $38,742 and $37,570, respectively, were fully depreciated. Depreciation expense during the six months ended June 30, 2012 and 2013 was $2,000 and $3,554, respectively.

NOTE 4 – GOODWILL AND INTANGIBLES

The Company's goodwill was tested for impairment as of December 31, 2012. Going forward we have moved our goodwill impairment assessment date to October 1.

Intangibles, net

The following table provides the gross carrying amount and accumulated amortization for each major class of intangibles:

	As of December 31, 2012			As of June 30, 2013		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Amortized intangibles:						
Customer relationships	$20,439	$ 12,425	$ 8,014	$21,268	$ 13,428	$ 7,840
Non-competition agreements	1,021	761	260	1,061	857	204
Trademarks and trade names	11,545	4,796	6,749	11,827	5,240	6,587
	$33,005	$ 17,982	$15,023	$34,156	$ 19,525	$14,631

(in thousands, except share amounts)

Amortization expense on intangible assets totaled $1,400 and $1,544 during the six months ended June 30, 2012 and 2013, respectively. Remaining estimated aggregate annual amortization expense is as follows:

2013	$ 1,498
2014	2,606
2015	2,416
2016	2,090
2017	1,501
Thereafter	4,520

NOTE 5 – LONG-TERM DEBT

Debt consists of the following:

	As of December 31, 2012	As of June 30, 2013
Revolving Lines of Credit	$ 17,231	$ 28,928
Various notes payable, maturing through December 2016; payable in various monthly installments, including interest rates ranging from 0.0% to 8.5%	660	847
	17,891	29,775
Less: current maturities	(186)	(264)
Long-term debt, less current maturities	$ 17,705	$ 29,511

We are a party to a revolving loan and security agreement with a lender (the “Credit Agreement”). The Credit Agreement provides for a Revolving Line of Credit (the “LOC”) with a maximum limit of $50,000. The LOC is due May 4, 2016 with interest at either 1) the Eurodollar rate (“LIBOR”) or 2) the Alternate Base Rate (which approximates the Prime Rate), plus a margin based on the type of rate applied. The Company had $16,000 and $27,000 outstanding on the LOC at 1-month LIBOR including margin (2.25% - 3.75%) as of December 31, 2012 and June 30, 2013, respectively. The Company also had $1,231 and $1,928 outstanding on the LOC at the Alternate Base Rate including margin (4.25%) as of December 31, 2012 and June 30, 2013, respectively.

The LOC permits borrowings based on a stated percentage of eligible accounts receivable and inventories. The borrowings on the LOC are also subject to a minimum availability reserve. The Company had available borrowings of $15,492 and $13,795 under its LOC as of December 31, 2012 and June 30, 2013, respectively. In addition, the Company is required to pay a monthly fee of 0.375% per annum on the average unused commitment under the LOC. Amounts outstanding under the Credit Agreement are collateralized by a first lien security position on all assets, including, but not limited to, all real estate, property, equipment, receivables and inventories.

The Credit Agreement also contains various restrictive non-financial covenants that include more frequent borrowing base reporting if the minimum availability falls below a certain threshold, and several limitations on specific changes that would result in incurring additional debts or pledging the Company’s assets, including

(in thousands, except share amounts)

restrictions on distributions to be made to our stockholders. The Credit Agreement also contains a provision that upon a change in control or an event of default (as defined within the Credit Agreement), amounts outstanding under the LOC would bear interest at the rate as determined above plus 2%.

The Credit Agreement also allows the Company to issue Letters of Credit not to exceed $10,000 in the aggregate. To support the Company's insurance programs, there were outstanding Letters of Credit of $7,278 as of December 31, 2012 and June 30, 2013.

Aggregate maturities of long-term debt are as follows:

2013	$ 88
2014	265
2015	276
2016	29,146
	$ 29,775

NOTE 6 – FAIR VALUE MEASUREMENTS

Fair Values

Fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The standard establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

(in thousands, except share amounts)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. During the periods presented, there were no transfers between fair value hierarchical levels.

	Balance as of December 31, 2012	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 782	$ —	$ —	$ 782
Redeemable Common Stock	17,246	—	—	17,246
Total items measured at fair value on a recurring basis	$ 18,028	$ —	$ —	$ 18,028

	Balance as of June 30, 2013	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 519	$ —	$ —	$ 519
Redeemable Common Stock	47,620	—	—	47,620
Total items measured at fair value on a recurring basis	$ 48,139	$ —	$ —	$ 48,139

The following is a general description of the valuation methodologies used for liabilities and mezzanine equity (which includes preferred redeemable and common stock) items measured at fair value:

Put option – Series A Preferred Stock – The Company identified a certain embedded feature in the Series A Preferred Stock that was required to be bifurcated and accounted for as a derivative. The identified put option allows Series A Preferred stockholders to put their shares upon a change in control. The estimated fair value of the put option on Series A Preferred Stock is determined using our estimates of the probability of a change in control during each period the option is outstanding in combination with the accreted fair value of the Series A Preferred Stock during the option period. Those resulting probabilities are then calculated at net present value. An increase in the probability of the change in control would increase the fair value of the embedded derivative.

Redeemable Common Stock – The estimated fair value of the redeemable feature of certain shares of our outstanding common stock is determined using a combination of discounted cash flows and market multiple approach modeling. The fair value is estimated using this method to mark the Redeemable Common Stock to market at each period end. The weighted average cost of capital (“WACC”) used was 13% and 18% as of December 31, 2012 and June 30, 2013, respectively, and an increase in the WACC would decrease the fair value of the Redeemable Common Stock.

Changes in the fair value of recurring fair value measurements using significant unobservable inputs (Level 3) for the six months ended June 30, 2012 and 2013 were as follows (in thousands):

Balance as of January 1, 2012	$16,426
Adjustments to fair value measurement impacting the Statement of Stockholders' Equity and Redeemable Instruments	(369)
Adjustments to fair value measurement impacting the Statement of Operations	(97)
Balance as of June 30, 2012	$15,960
Balance as of January 1, 2013	$18,028
Adjustments to fair value measurement impacting the Statement of Stockholders' Equity and Redeemable Instruments	30,374
Adjustments to fair value measurement impacting the Statement of Operations	(263)
Balance as of June 30, 2013	$48,139

The unrealized gain related to the put option liabilities is recorded within other expense (income) on the Consolidated Statements of Operations.

NOTE 7 – STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS

As of December 31, 2012, and June 30, 2013 we had 1,694,916 shares of common stock authorized, 1,129,944 shares of common stock issued and outstanding and 1,000 shares of Series A Preferred Stock, authorized, issued and outstanding, all with par value of $0.01.

Redeemable Instruments

The Series A Preferred Stock carries an optional redemption feature and can be redeemed, at the election of the holder, any time on or after July 31, 2016, but prior to July 31, 2021, at an amount equal to $75,789, three times the original issue price of $25,263, plus accrued dividends, if any (the "Redemption Price"). If the optional redemption is exercised and we are unable to settle the obligation with the holder, then dividends accrue at a rate of 25% on the portion of shares not redeemed. The Company may, at its election prior to the optional redemption date, redeem the shares of Series A Preferred Stock at the Redemption Price. As the redemption of the preferred shares is dependent on the passage of time, the Company has elected to accrete to the Redemption Price the value of the Series A Preferred Stock using the interest method, over the period from the issuance date until the earliest redemption date (July 31, 2016).

One of our stockholders who owns 300,000 shares of Redeemable Common Stock as of November 4, 2011 has put rights that require us to repurchase its shares beginning in April 2019 at fair value determined at the redemption date. As the redemption price is equivalent to the fair value of the instrument, we adjust the carrying value of the Redeemable Common Stock to its fair value with an adjustment to equity. We also have a right to call 50,000 of these shares, at par value, before December 31, 2014 if we redeem all of the Series A Preferred Stock prior to that date. These put and call rights terminate upon an initial public offering of the Company's common stock.

Upon dissolution of the Company and payment of all indebtedness to creditors, preferred stockholders are entitled to receive distributions for their preferred shares up to the Redemption Price prior to common stockholders.

NOTE 8 – EMPLOYEE BENEFITS

We participate in multiple healthcare plans, one of which is held and administered by a trust that is a related party. This plan is partially self-funded with an insurance company paying benefits in excess of stop loss limits per individual. Our healthcare benefit expense (net of employee contributions) was approximately $2,751 and $3,824 for the six months ended June 30, 2012 and 2013, respectively for all plans. An accrual for estimated healthcare claims incurred but not reported is included within accrued compensation on the Consolidated Balance Sheets and was $663 and $830 as of December 31, 2012 and June 30, 2013, respectively.

We participate in multiple workers' compensation plans. Under these plans, we use a high deductible program to cover losses above the deductible amount on a per claim basis. We accrue for the estimated losses occurring from both asserted and un-asserted claims. Workers' compensation liability for premiums is included in other current liabilities on the Consolidated Balance Sheets. Insurance claims and reserves include accruals of estimated settlements for known claims, as well as accruals of actuarial estimates of IBNR. In estimating these reserves, historical loss experience and judgments about the expected levels of costs per claim are considered. These claims are accounted for based on actuarial estimates of the undiscounted claims, including those claims incurred but not reported. We believe the use of actuarial methods to account for these liabilities provides a consistent and effective way to measure these highly judgmental accruals.

Workers' compensation expense totaled $2,007 and $3,093 during the six months ended June 30, 2012 and 2013, respectively. As of December 31, 2012 and June 30, 2013, respectively, workers' compensation reserves for known claims and incurred but not reported claims ("IBNR") totaled $4,570 and $5,091 and are included in other long-term liabilities on the accompanying balance sheets. Other long-term liabilities include $3,430 and $3,473 of accrued insurance reserves as of December 31, 2012 and June 30, 2013, respectively. We also had an insurance receivable for a claim that exceeded the stop loss limit and is in included in other long-term assets on the face of the Consolidated Balance Sheets. That receivable offsets an equal liability included within the reserve amount noted above and totaled $1,777 and $1,765 as of December 31, 2012 and June 30, 2013, respectively.

The Company also participates in various profit-sharing and 401(k) plans. Certain plans provide that eligible employees can defer a portion of their wages into the trust, subject to current Internal Revenue Code rules and limitations. The Company provides a matching contribution of wages deferred by employees and can also make discretionary contributions to each plan. Certain plans allow for discretionary employer contributions only. These plans cover substantially all eligible employees of the Company. During the six months ended June 30, 2012 and 2013, we matched employee contributions under certain plans, resulting in administrative expenses of $236 and $349, respectively.

(in thousands, except share amounts)

NOTE 9 – INCOME TAXES

The provision for income taxes from continuing operations is comprised of:

	Six months ended June 30, 2012	2013
Current:		
Federal	$ 427	$ 1,303
State	58	80
	485	1,383
Deferred:		
Federal	102	(688)
State	2	9
	104	(679)
Total tax expense	$ 589	$ 704

The reconciliation between the Company's effective tax rate on income from continuing operations and the statutory tax rate is as follows:

	Six months ended June 30, 2012		2013	
Income tax at federal statutory rate	$(2,488)	(35.0)%	$664	35.0%
Stock compensation	3,005	42.3		
Fair value adjustment on Series A Preferred Stock Put Option			(92)	(4.9)
Other non-deductible expenses	(11)	(0.2)	(32)	(1.8)
Change in valuation allowance	48	0.7	124	6.5
State income taxes, net of Federal benefit	35	0.5	42	2.2
Total Income Tax Expense	$ 589	8.3%	$704	37.0%

(in thousands, except share amounts)

Components of the net deferred tax liability are as follows:

	As of December 31, 2012	As of June 30, 2013
Deferred Tax Assets		
Current		
Accrued reserves and allowances	$ 705	$ 155
Inventories	46	57
Current deferred tax assets	751	212
Long-term		
Net operating loss carryforwards	688	688
Long-Term deferred tax assets	688	688
Total deferred tax assets	1,439	900
Less: Valuation allowance	(228)	(352)
Net deferred tax assets	1,211	548
Deferred Tax Liabilities		
Long-term		
Property and equipment	(61)	(63)
Intangibles	(529)	(425)
Investment in partnership	(11,932)	(10,715)
Other	(64)	(65)
Total deferred tax liabilities	(12,586)	(11,268)
Net deferred tax liabilities	$ (11,375)	$ (10,720)

As of June 30, 2013, we have federal and state income tax net operating loss (NOL) carryforwards of $688. Due to the IRS Section 382 elimination of NOLs generated prior to the Recapitalization, the earliest expiration date is 2030.

Valuation Allowance

We assess the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets on a jurisdiction and by tax filing entity. A significant piece of objective negative evidence evaluated is cumulative losses incurred over the most recent three year period. Such objective evidence limits the ability to consider other subjective evidence such as our projections for future growth.

Based on this evaluation, a valuation allowance has been recorded as of December 31, 2012 and June 30, 2013 for the net deferred tax assets recorded on certain of our wholly owned subsidiaries. Such deferred tax assets relate primarily to net operating losses which are not more likely than not realizable. However, the amount of the deferred tax asset considered realizable could be adjusted if estimates of future taxable income during the carryforward period change, or if objective negative evidence in the form of cumulative losses is no longer present. Additional weight may be given to subjective evidence such as our projections for growth in this situation.

After the evaluation of all our tax filing positions, both federal and state, we do not believe we have any uncertain tax positions. If future tax law changes or interpretations should come to light, or additional information should become known, this conclusion may change.

(in thousands, except share amounts)

The Company is subject to taxation in the United States and various state jurisdictions. As of June 30, 2013 the Company's tax years for 2009, 2010, and 2011 are subject to examination by the tax authorities.

	Valuation Allowance
January 1, 2012	(14)
Charged to costs and expenses	—
June 30, 2012	$ (14)
January 1, 2013	(228)
Charged to costs and expenses	(124)
June 30, 2013	$(352)

Uncertain tax positions

We are subject to taxation in the United States and various state jurisdictions. As of December 30, 2013 our tax years for 2009, 2010, and 2011 are subject to examination by the tax authorities. We have unrecognized tax benefits related to temporary items. A rollforward of the gross unrecognized tax benefits is as follows:

Unrecognized tax benefit, January 1, 2012	924
Increase as a result of tax positions taken during the prior period	19
Decrease as a result of tax positions taken during the prior period	(504)
Unrecognized tax benefit June 30, 2012	439
Unrecognized tax benefit, December 31, 2012	1,365
Increase as a result of tax positions taken during the period	—
Decrease as a result of tax positions taken during the period	(926)
Unrecognized tax benefit, June 30, 2013	$ 439

We do not expect any of our unrecognized tax benefit to reverse in the next twelve months. All of the unrecognized tax benefits, if recognized, would affect the effective tax rate.

Interest expense and penalties accrued related to uncertain tax positions for the year ended December 31, 2012 and June 30, 2013 are not significant.

Determining uncertain tax positions and the related estimated amounts requires judgment and carry estimation risk. If future tax law changes or interpretations should come to light, or additional information should become known, our conclusions regarding unrecognized tax benefits may change.

NOTE 10 – RELATED PARTY TRANSACTIONS

We sell installation services to other companies related through common or affiliated ownership. We also purchase services and materials and pay rent to companies with common or related ownership.

We lease our headquarters and other facilities from certain related parties. Refer to Note 11, Commitments and Contingencies, for future minimum lease payments to be paid to these related parties.

(in thousands, except share amounts)

For the six months ended June 30, 2012 and 2013, the amount of sales to common or related parties as well as the purchases from and rent paid to these common or related parties are as follows:

	Six months ended June 30,	
	2012	2013
Sales	$ 819	$ 584
Purchases	30	6,714
Rent	93	345

Pursuant to an Individual Guaranty Agreement and a Guaranty Agreement, each dated as of October 22, 2012, certain of our investors guaranteed our letter of credit reimbursement obligations to Bank of America, N.A. in connection with letters of credit issued by Bank of America, N.A. to support our workers compensation policies. Such letters of credit are currently issued under our existing credit facility and these guarantees were terminated on July 30, 2013. In addition, one of our investors guaranteed certain reimbursement obligations of ours under certain performance and licensing bonds issued by sureties on behalf of us in the ordinary course of business. These bonds are being replaced as they expire with bonds that do not require any guarantee. These obligations were not direct guarantees of the company.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Leases

We are obligated under capital leases covering vehicles and certain equipment. Total assets relating to capital leases were $39,364 and $48,864 as of December 31, 2012 and June 30, 2013, respectively, and a total of $23,033 and $21,903 were fully depreciated as of December 31, 2012 and June 30, 2013, respectively. The vehicles and equipment leases generally have terms ranging from four to six years. The net book value of assets under capital leases was $12,694 and $21,087 as of December 31, 2012 and June 30, 2013, respectively, net of accumulated depreciation of $26,670 and $27,777, respectively. Amortization of assets held under capital leases is included with depreciation expense on the Consolidated Statements of Operations.

We also have several noncancellable operating leases, primarily for buildings, improvements, equipment and certain vehicles. These leases generally contain renewal options for periods ranging from one to five years and require the Company to pay all executory costs such as property taxes, maintenance and insurance.

Future minimum lease payments under noncancellable operating leases (with initial or remaining lease terms in excess of one year) and future minimum capital lease payments as of June 30, 2013 are as follows:

	Capital leases	Operating Leases		
		Related party	Other	Total Operating
2013	$ 4,463	$ 255	$ 2,316	$ 2,571
2014	6,920	510	3,852	4,362
2015	5,477	394	2,462	2,856
2016	3,606	248	1,626	1,874
2017	1,765	159	976	1,135
Thereafter	405	34	2,737	2,771
	22,636	$ 1,600	$13,969	$ 15,569
Less: Amounts representing interest	(2,711)			
Total obligation under capital leases	19,925			
Less: Current portion of capital leases	(6,671)			
Long-term capital lease obligation	$ 13,254			

(in thousands, except share amounts)

Total rent expense under these operating leases for the six months ended June 30, 2012 and 2013 was $2,935 and $3,554, respectively, which is included in the Consolidated Statements of Operations as follows:

	Six months ended	
	June 30, 2012	June 30, 2013
Cost of sales	$ 173	$ 286
Selling	57	19
Administrative	2,705	3,249
Total	$2,935	$3,554

Supply Contract Commitments

As of December 31, 2012 and June 30, 2013, we had two product supply contracts with minimum purchase requirements at market rates. The terms of the contracts extend through December 31, 2014 and August 31, 2017. The contract commitments are disclosed in the table below. We expect our quantity purchases to exceed the minimum quantity commitments for all years covered by the contracts. Actual purchases made under the contracts for the six months ended June 30, 2012 and June 30, 2013 were $4,056 and $13,894, respectively. Purchase obligations under the contracts as of June 30, 2013 were as follows:

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Purchase Obligations	$7,161	$ 4,661	$ 2,500	$ —	$ —

Other Commitments and Contingencies

A class action lawsuit was filed on February 11, 2013 and an amended complaint was filed on May 15, 2013 in the Superior Court of King County, Washington, against us, alleging violations of Washington State wage and hour laws for failure to pay prevailing and minimum wage and overtime wages. The plaintiffs are former insulation installers for Installed Building Products II, LLC, one of our subsidiaries, in Washington who seek to represent all similarly situated workers. They seek all unpaid wages, along with litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

A lawsuit was filed on July 23, 2013 in federal court in the Middle District of Tennessee against one of our subsidiaries, TCI Contracting, LLC (“TCI”) d/b/a Installed Building Products of Nashville, alleging unpaid overtime and failure to pay lawful wages under federal law, Tennessee common law and in unjust enrichment and in breach of an alleged contract. The named plaintiffs are former insulation installers in Nashville. The plaintiffs seek to have this case certified as a collective action under the Federal Fair Labor Standards Act and as a class action under Tennessee law. They seek reimbursement of the overtime wages for all time worked over forty hours each week, as well as liquidated damages and litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

The ultimate liabilities, if any, with respect to the two employment-related cases disclosed above cannot be determined at this time, and we are currently unable to estimate a range of reasonably possible losses associated with the litigation. As such, we have not accrued a liability relating to these matters as of June 30, 2013.

From time to time, various claims and litigation are asserted or commenced against us principally arising from contractual matters and personnel and employment disputes. In determining loss contingencies, management

(in thousands, except share amounts)

considers the likelihood of loss as well as the ability to reasonably estimate the amount of such loss or liability. An estimated loss is recorded when it is considered probable that such a liability has been incurred and when the amount of loss can be reasonably estimated. It is not certain that we will prevail in these matters. However, we do not believe that the ultimate outcome of any pending matters will have a material adverse effect on our consolidated financial position, results of operations or cash flows.

NOTE 12 – BUSINESS COMBINATIONS

As part of our ongoing strategy to increase market share in certain markets, we acquired Ace Insulation ("Ace") during the six months ended June 30, 2013.

The estimated fair values of the assets acquired and liabilities assumed for the Ace acquisition approximated the following:

	Ace
Accounts receivable	$ 213
Inventory	14
Property and equipment	263
Intangibles	1,106
Accounts payable and accrued expenses	(609)
Total purchase price	$ 987
Seller notes and obligations	300
Cash paid	687
Total purchase price	$ 987

Estimates of acquired intangible assets related to the acquisition are as follows:

	Ace	
Acquired Intangible Assets	Estimated Fair Value	Weighted Average Estimated Useful Life (yrs)
Customer relationships	$ 826	10
Trademarks and trade names	280	15

Pro Forma Information (unaudited)

The unaudited pro forma information has been prepared as if the acquisition had taken place on January 1, 2012. The unaudited pro forma information is not necessarily indicative of the results that we would have achieved had the transactions actually taken place on January 1, 2012, and the unaudited pro forma information does not purport to be indicative of future financial operating results.

	Pro forma for the six months ended June 30,	
	2012	2013
Net revenue	$131,178	$197,289
Net (loss) income	(7,947)	581
Net loss attributable to common stockholders	(10,630)	(2,438)
Net loss per share attributable to common stockholders (basic and diluted)	(10.63)	(2.16)

(in thousands, except share amounts)

Unaudited pro forma net income has been calculated after adjusting the combined results of the Company to reflect additional intangible asset amortization expense of $51 and $17, for the six months ended June 30, 2012 and 2013, respectively.

NOTE 13 – DISCONTINUED OPERATIONS

During the six months ended June 30, 2012 and 2013, we made the decision to discontinue operations in several markets. The customers associated with closed branches and other operations will not be served by other branches. A summary of operations we discontinued in these markets for the six months ended June 30, 2012 and 2013 is as follows:

	Six months ended June 30,	
	2012	2013
Net revenue	$ 2,163	$ 723
Loss from discontinued operations, before income taxes	(320)	(773)
Income tax benefit	121	276
Loss from discontinued operations, after tax	$ (199)	$ (497)

NOTE 14 – LOSS PER COMMON SHARE

Basic net loss per share is calculated by dividing net loss attributable to common stockholders by the weighted average shares outstanding during the period, without consideration for common stock equivalents.

Diluted net loss per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common share equivalents outstanding for the period, determined using the treasury stock method. There were no common stock equivalents with a dilutive effect during the six months ended June 30, 2012 and 2013 and therefore, basic and diluted net loss per share were the same for all periods presented.

NOTE 15 – SUBSEQUENT EVENTS

We have evaluated events and transactions occurring subsequent to the balance sheet date of June 30, 2013 through December 9, 2013, the date on which the financial statements were issued, for items that should be recognized or disclosed in these Consolidated Financial Statements.

Effective November 30, 2013, the Employee Puts between Jeffrey Edwards and our other executive officers were terminated.

The Management Services and Fee Agreement, dated as of December 18, 2012, among the Company, Littlejohn Managers, LLC, Jeffrey Edwards, IBP Holding Company and TCI Holdings, LLC was terminated on November 22, 2013.

INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except for par value and share amounts)
(unaudited)

	As of December 31, 2012	As of September 30, 2013
ASSETS		
Current assets		
Cash	$ 3,898	$ 5,270
Restricted cash	1,803	1,708
Accounts receivable (less allowance for doubtful accounts of $1,412 and $1,633 as of December 31, 2012 and September 30, 2013, respectively)	46,100	60,673
Accounts receivable, related parties	774	329
Inventories	16,718	19,538
Deferred income taxes	726	138
Prepaid expenses, related parties	396	—
Other current assets	5,353	6,077
Total current assets	75,768	93,733
Property and equipment, net	17,931	29,524
Other non-current assets		
Goodwill	49,146	49,146
Intangibles, net	15,023	13,934
Other non-current assets	2,884	3,350
Total non-current assets	67,053	66,430
Total assets	$ 160,752	$ 189,687
LIABILITIES, REDEEMABLE INSTRUMENTS AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 186	$ 254
Current maturities of capital lease obligations	3,822	7,606
Accounts payable	34,330	42,142
Accounts payable, related parties	2,133	3,171
Income taxes payable	2,562	106
Accrued compensation	7,562	10,040
Other current liabilities	2,202	3,231
Total current liabilities	52,797	66,550
Long-term debt	17,705	24,259
Capital lease obligations, less current maturities	8,362	14,671
Put option – Series A Preferred Stock	782	505
Deferred income taxes	12,101	10,858
Other long-term liabilities	9,626	9,802
Total liabilities	101,373	126,645
Commitments and contingencies (Note 9)		
Series A Preferred Stock; $0.01 par value: 1,000 authorized, issued and outstanding as of December 31, 2012, and September 30, 2013, respectively	49,615	54,212
Redeemable Common Stock; $0.01 par value: 300,000 authorized, issued and outstanding as of December 31, 2012, and September 30, 2013, respectively	17,246	50,354
Stockholders' equity		
Common Stock; $0.01 par value: 1,394,916 shares authorized and 829,944 shares issued and outstanding as of December 31, 2012 and September 30, 2013, respectively	8	8
Additional paid in capital	3,983	—
Accumulated deficit	(11,473)	(41,532)
Total stockholders' equity	(7,482)	(41,524)
Total liabilities, redeemable instruments and stockholders' equity	$ 160,752	$ 189,687

See accompanying notes to condensed consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)
(unaudited)

	Nine months ended September 30,	
	2012	2013
Net revenue	$ 209,855	$ 312,599
Cost of sales	157,616	234,121
Gross profit	52,239	78,478
Operating expenses		
Selling	14,443	18,454
Administrative	41,274	49,183
Amortization	2,300	2,301
Other	(960)	—
Operating (loss) profit	(4,818)	8,540
Other expense (income)		
Interest expense	1,476	1,657
Other	(135)	(24)
	1,341	1,633
(Loss) income before income taxes	(6,159)	6,907
Income tax provision	510	2,646
Net (loss) income from continuing operations	(6,669)	4,261
Discontinued operations		
Loss from discontinued operations	530	960
Income tax benefit	(200)	(362)
Loss from discontinued operations, net of income taxes	330	598
Net (loss) income	$ (6,999)	$ 3,663
Accretion charges on Series A Redeemable Preferred Stock	(4,085)	(4,597)
Net loss attributable to common stockholders	$ (11,084)	$ (934)
Weighted average shares outstanding (basic and diluted)	1,015,176	1,129,944
Net loss per share (basic and diluted)		
Loss per share from continuing operations attributable to common stockholders (basic and diluted)	$ (10.59)	$ (0.30)
Loss per share from discontinued operations attributable to common stockholders (basic and diluted)	(0.33)	(0.53)
Loss per share attributable to common stockholders (basic and diluted)	$ (10.92)	$ (0.83)

See accompanying notes to condensed consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS
(in thousands, except share amounts)
(unaudited)

	Common Stock		Additional Paid In Capital	Accumulated Deficit	Stockholders' Equity	Pre-Recapitalization Redeemable Preferred Stock		Post-Recapitalization Redeemable Common Stock	
	Shares	Amount				Shares	Amount	Shares	Amount
January 1, 2012	700,000	$ 7	$ —	$ (9,567)	$ (9,560)	1,000	$ 44,086	300,000	$ 15,501
Issuance of common stock	129,944	1	4,099		4,100				
Stock-based compensation			4,647		4,647				
Net loss				(6,999)	(6,999)				
Accretion of Redeemable									
Preferred to Redemption Value			(4,085)		(4,085)		4,085		
Adjustments to Redeemable									
Common Stock fair value measurement			663		663				(663)
September 30, 2012	829,944	$ 8	$ 5,324	$ (16,566)	$ (11,234)	1,000	$ 48,171	300,000	$ 14,838

	Common Stock		Additional Paid In Capital	Accumulated Deficit	Stockholders' Equity	Redeemable Preferred Stock		Redeemable Common Stock	
	Shares	Amount				Shares	Amount	Shares	Amount
BALANCE – January 1, 2013	829,944	$ 8	$ 3,983	$ (11,473)	$ (7,482)	1,000	$49,615	300,000	$17,246
Net income				3,663	3,663				
Accretion of Redeemable Preferred to Redemption Value			(3,983)	(614)	(4,597)		4,597		
Adjustments to Redeemable Common Stock Value				(33,108)	(33,108)				33,108
BALANCE – September 30, 2013	829,944	$ 8	$ —	$ (41,532)	$ (41,524)	1,000	$54,212	300,000	$50,354

See accompanying notes to condensed consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Nine months ended September 30, 2012	2013
Cash flows from operating activities		
Cash provided by operations	$ (2,173)	$ 2,617
Net cash (used in) provided by operating activities	(2,173)	2,617
Cash flows from investing activities		
Restricted cash	—	95
Purchases of property and equipment	(1,381)	(2,072)
Acquisitions of businesses, net of cash acquired of $317 in 2012	317	(687)
Proceeds from sale of property and equipment	125	1,113
Proceeds from insurance	833	—
Net cash used in investing activities	(106)	(1,551)
Cash flows from financing activities		
(Payments) proceeds from revolving lines of credit, net	7,348	6,484
Payments on capital lease obligations	(1,938)	(4,595)
Principal payments on long-term debt	(15)	(473)
Payment for deferred offering costs	—	(1,110)
Net cash provided by financing activities	5,395	306
Net change in cash	3,116	1,372
Cash at beginning of year	2,528	3,898
Cash at end of year	$ 5,644	$ 5,270
Supplemental disclosure of noncash investing and financing activities		
Vehicles capitalized under capital leases and related lease obligations	$ 5,807	$ 15,374
Common stock issued for acquisition of business	4,100	—
Note payable issued in connection with acquisition of business	—	300
Unpaid deferred offering costs	—	899

See accompanying notes to condensed consolidated financial statements.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)
(unaudited)

NOTE 1 – ORGANIZATION

Installed Building Products, Inc. ("IBP", formerly CCIB Holdco, Inc.), a Delaware corporation formed on October 28, 2011, and its wholly owned subsidiaries (collectively referred to as the "Company" and "we", "us" and "our"), primarily install insulation, garage doors, rain gutters, shower doors, closet shelving and mirrors for residential and commercial builders located in the continental United States. IBP operates in over 100 locations within the continental United States and its corporate office is located in Columbus, Ohio.

We have one operating segment and a single reportable segment. Substantially all of our sales come from service based installation of various products in the existing and new residential and commercial construction end markets. Our branches has the capacity to serve all of our markets. For the nine months ended September 30, 2012, 85.6% of our net revenue was attributable to new and existing residential construction, whereas 14.4% was attributable to commercial construction. For the nine months ended September 30, 2013, 88.8% of our net revenue was attributable to new and existing residential construction, with the remaining 11.2% attributable to commercial construction. The Company has no international sales. All of the Company's identifiable assets are in the United States.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The Company prepares its condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The accompanying condensed consolidated financial statements include all wholly owned subsidiaries and majority owned subsidiaries. The non-controlling interest relating to majority owned subsidiaries is not significant for presentation. All significant intercompany accounts and transactions have been eliminated. In our opinion, the accompanying unaudited condensed consolidated financial statements contain all adjustments, of a normal recurring nature, necessary to present fairly its financial position as of September 30, 2013 and the results of operations for nine months ended September 30, 2013 and 2012 and cash flows for the nine months ended September 30, 2013 and 2012. The condensed consolidated balance sheet as of December 31, 2012 was derived from audited financial statements. The results of operations for the interim periods are not necessarily indicative of the results for the entire fiscal year. The interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements, including the notes thereto, included elsewhere in this prospectus.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was $1,493 and $1,099 for the nine months ended September 30, 2012 and 2013, respectively, and is included in selling expense on the Condensed Consolidated Statements of Operations.

Recently Issued Accounting Pronouncements Not Yet Adopted

As of September 30, 2013, there are no recently issued accounting standards not yet adopted that would have a material effect on the Company's financial statements.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)
(unaudited)

NOTE 3 – GOODWILL AND INTANGIBLES

The Company's goodwill was tested for impairment as of December 31, 2012. Going forward we have moved our goodwill impairment assessment date to October 1. No impairment was recognized in either period.

Intangibles, net

The following table provides the gross carrying amount and accumulated amortization for each major class of intangibles:

	As of December 31, 2012			As of September 30, 2013		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Amortized intangibles:						
Customer relationships	$20,439	$ 12,425	$ 8,014	$21,268	$ 13,914	$ 7,354
Non-competition agreements	1,021	761	260	1,053	835	218
Trademarks and trade names	11,545	4,796	6,749	11,825	5,463	6,362
	$33,005	$ 17,982	$15,023	$34,144	$ 20,212	$13,934

Amortization expense on intangible assets totalled $2,300 and $2,301 for the nine months ended September 30, 2012 and 2013. Remaining estimated aggregate annual amortization expense is as follows:

2013	754
2014	2,636
2015	2,433
2016	2,090
2017	1,501
Thereafter	4,520

NOTE 4 – LONG-TERM DEBT

Debt consists of the following:

	As of December 31, 2012	As of September 30, 2013
Revolving Lines of Credit	$ 17,231	$ 23,715
Various notes payable, maturing through December 2016; payable in various monthly installments, including interest rates ranging from 1.0% to 8.5%	660	798
	17,891	24,513
Less: current maturities	(186)	(254)
Long-term debt, less current maturities	$ 17,705	$ 24,259

We are a party to a revolving loan and security agreement with a lender (the "Credit Agreement"). The Credit Agreement provides for a Revolving Line of Credit (the "LOC") with a maximum limit of $50,000. The LOC is due May 4, 2016 with interest at either 1) the Eurodollar rate ("LIBOR") or 2) the Alternate Base Rate (which

approximates the Prime Rate), plus a margin based on the type of rate applied. The Company had $16,000 outstanding on the LOC at 1-month LIBOR including margin (2.25%-3.75%) as of December 31, 2012. The Company had $23,000 outstanding on the LOC at 1-month LIBOR including margin (2.25%) as of September 30, 2013. The Company had $1,231 and $715 outstanding on the LOC at the Alternate Base Rate including margin (4.25%) as of December 31, 2012 and September 30, 2013, respectively.

The LOC permits borrowings based on a stated percentage of eligible accounts receivable and inventories. The borrowings on the LOC are also subject to a minimum availability reserve. The Company had available borrowings of $15,492 and $19,008 under its LOC as of December 31, 2012 and September 30, 2013, respectively. In addition, the Company is required to pay a monthly fee of 0.375% per annum on the average unused commitment under the LOC. Amounts outstanding under the Credit Agreement are collateralized by a first lien security position on all assets, including, but not limited to, all real estate, property, equipment, receivables, and inventories.

The Credit Agreement also contains various restrictive non-financial covenants that include more frequent borrowing base reporting if the minimum availability falls below a certain threshold, and several limitations on specific changes that would result in incurring additional debts or pledging the Company's assets, including restrictions on distributions to be made to our stockholders. The Credit Agreement also contains a provision that upon a change in control or an event of default (as defined within the Credit Agreement), amounts outstanding under the LOC would bear interest at the rate as determined above plus 2%.

The Credit Agreement also allows the Company to issue Letters of Credit not to exceed $10,000 in the aggregate. To support the Company's insurance programs, there were outstanding Letters of Credit of $7,278 as of December 31, 2012 and September 30, 2013.

NOTE 5 – FAIR VALUE MEASUREMENTS

Fair Values

Fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The standard establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

(in thousands, except share amounts)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. During the periods presented, there were no transfers between fair value hierarchical levels.

	Balance as of December 31, 2012	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 782	$ —	$ —	$ 782
Redeemable Common Stock	17,246	—	—	17,246
Total items measured at fair value on a recurring basis	$ 18,028	$ —	$ —	$ 18,028

	Balance as of September 30, 2013	Quoted prices in active markets Level 1	Significant other observable inputs Level 2	Significant unobservable inputs Level 3
Put option – Series A Preferred Stock	$ 505	$ —	$ —	$ 505
Redeemable Common Stock	50,354	—	—	50,354
Total items measured at fair value on a recurring basis	$ 50,859	$ —	$ —	$ 50,859

The following is a general description of the valuation methodologies used for liabilities and mezzanine equity (which includes preferred redeemable and common stock) items measured at fair value:

Put option – Series A Preferred Stock – The Company identified a certain embedded feature in the Series A Preferred Stock that was required to be bifurcated and accounted for as a derivative. The identified put option allows Series A Preferred stockholders to put their shares upon a change in control. The estimated fair value of the put option on Series A Preferred Stock is determined using our estimates of the probability of a change in control during each period the option is outstanding in combination with the accreted fair value of the Series A Preferred Stock during the option period. Those resulting probabilities are then calculated at net present value. An increase in the probability of the change in control would increase the fair value of the embedded derivative.

Redeemable Common Stock – The estimated fair value of the redeemable feature of certain shares of our outstanding common stock is determined using a combination of discounted cash flows and market multiple approach modeling. The fair value is estimated using this method to mark the Redeemable Common Stock to market at each period end. The weighted average cost of capital (“WACC”) used was 13% and 16% for the year ended December 31, 2012 and the nine months ended September 30, 2013, respectively, and an increase in the WACC would decrease the fair value of the Redeemable Common Stock.

Changes in the fair value of recurring fair value measurements using significant unobservable inputs (Level 3) for the nine months ended September 30, 2013 were as follows (in thousands):

Balance as of January 1, 2012	$16,426
Adjustments to fair value measurement impacting the Statement of Stockholders' Equity and Redeemable Instruments	(663)
Adjustments to fair value measurement impacting the Statement of Operations	(120)
Balance as of September 30, 2012	$15,643
Balance as of January 1, 2013	$18,028
Adjustments to fair value measurement impacting the Statement of Stockholders' Equity and Redeemable Instruments	$33,108
Adjustments to fair value measurement impacting the Statement of Operations	(277)
Balance as of September 30, 2013	$50,859

The unrealized gain related to the put option liabilities is recorded within other expense (income) on the Condensed Consolidated Statements of Operations.

NOTE 6 – STOCKHOLDERS' EQUITY AND REDEEMABLE INSTRUMENTS

As of December 31, 2012, and September 30, 2013 we had 1,694,916 shares of common stock authorized, 1,129,944 shares of common stock issued and outstanding and 1,000 shares of Series A Preferred Stock, authorized, issued and outstanding, all with par value of $0.01.

NOTE 7 – INCOME TAXES

Our effective tax rate on income from continuing operations was 38.3% for the nine months ended September 30, 2013. The difference between the statutory rate and the effective tax rate is primarily due to the deduction for domestic production activities and the effect of state and local income taxes.

The effective tax rate on loss from continuing operations was 8.3% for the nine months ended September 30, 2012. The difference between the statutory rate and the effective rate was primarily due to non-deductible stock compensation and the deduction for the domestic production activity.

As of September 30, 2013, we have federal and state income tax net operating loss (NOL) carryforwards of $688.

We assess the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets on a jurisdiction and by tax filing entity. A significant piece of objective negative evidence evaluated was the cumulative loss incurred over the three year period ended December 31, 2012 for the tax filing entities with a deferred tax asset. Such objective evidence limits the ability to consider other subjective evidence such as our projections for future growth.

Based on this evaluation, a valuation allowance of $352 has been recorded as of September 30, 2013 in order to realize only the portion of the deferred tax asset that more likely than not will be realized for certain tax filing entities. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period change of if objective negative evidence in the form of cumulative losses is no longer present and additional weight may be given to subjective evidence such as our projections for growth.

(in thousands, except share amounts)

After the evaluation of all our tax filing positions, both federal and state, we have recorded a long-term liability of $559 for uncertain tax positions as of September 30, 2013. If future tax law changes or interpretations should come to light, or additional information should become known, this conclusion may change.

The Company is subject to taxation in the United States and various state jurisdictions. As of September 30, 2013 the Company's tax years for 2010, 2011 and 2012 are subject to examination by the tax authorities.

NOTE 8 – RELATED PARTY TRANSACTIONS

We sell installation services to other companies related through common or affiliated ownership. We also purchase services and materials and pay rent to companies with common or related ownership.

We lease our headquarters and other facilities from certain related parties. Refer to Note 9, Commitments and Contingencies, for future minimum lease payments to be paid to these related parties.

For the nine months ended September 30, 2012 and 2013, the amount of sales to common or related parties as well as the purchases from and rent paid to these common or related parties are as follows:

	Nine months ended September 30,	
	2012	2013
Sales	$ 1,347	$ 901
Purchases	661	9,622
Rent	181	518

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Leases

We are obligated under capital leases covering vehicles and certain equipment. Total assets relating to capital leases were $39,364 and $52,697 as of December 31, 2012 and September 30, 2013, respectively, and a total of $23,033 and $21,771 were fully depreciated as of December 31, 2012 and September 30, 2013, respectively. The vehicles and equipment leases generally have terms ranging from four to six years. The net book value of assets under capital leases was $12,694 and $23,707 as of December 31, 2012 and September 30, 2013, respectively, net of accumulated depreciation of $26,670 and $28,990, respectively. Amortization of assets held under capital leases is included within depreciation expense on the Condensed Consolidated Statements of Operations.

We also have several noncancellable operating leases, primarily for buildings, improvements, equipment and certain vehicles. These leases generally contain renewal options for periods ranging from one to five years and require the Company to pay all executory costs such as property taxes, maintenance and insurance.

(in thousands, except share amounts)

Total rent expense under these operating leases for the nine months ended September 30, 2012 and 2013 was $4,538 and $5,320 respectively, which is included in the Condensed Consolidated Statements of Operations as follows:

	Nine Months Ended	
	September 30, 2012	September 30, 2013
Cost of Sales	$ 310	$ 445
Selling	86	24
Administrative	4,142	4,851
Total	$ 4,538	$ 5,320

Supply Contract Commitments

As of December 31, 2012 and September 30, 2013, we had two product supply contracts with minimum purchase requirements at market rates. The terms of the contracts extend through December 31, 2014 and August 31, 2017. The contract commitments are disclosed in the table below. We expect our quantity purchases to exceed the minimum quantity commitments for all years covered by the contracts. Actual purchases made under the contracts for the nine months ended September 30, 2012 and 2013 were $7,445 and $20,393, respectively. Purchase obligations under the contracts as of September 30, 2013 were as follows:

	Payments due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Purchase Obligations	$6,033	$ 4,782	$ 1,250	$ —	$ —

Other Commitments and Contingencies

A class action lawsuit was filed on February 11, 2013 and an amended complaint was filed on May 15, 2013 in the Superior Court of King County, Washington, against us, alleging violations of Washington State wage and hour laws for failure to pay prevailing and minimum wage and overtime wages. The plaintiffs are former insulation installers for Installed Building Products II, LLC, one of our subsidiaries, in Washington who seek to represent all similarly situated workers. They seek all unpaid wages, along with litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

A lawsuit was filed on July 23, 2013 in federal court in the Middle District of Tennessee against one of our subsidiaries, TCI Contracting, LLC (“TCI”) d/b/a Installed Building Products of Nashville, alleging unpaid overtime and failure to pay lawful wages under federal law, Tennessee common law and in unjust enrichment and in breach of an alleged contract. The named plaintiffs are former insulation installers in Nashville. The plaintiffs seek to have this case certified as a collective action under the Federal Fair Labor Standards Act and as a class action under Tennessee law. They seek reimbursement of the overtime wages for all time worked over forty hours each week, as well as liquidated damages and litigation costs and fees. We believe we have meritorious defenses to the allegations and intend to vigorously defend against the case.

The ultimate liabilities, if any, with respect to the two employment-related cases disclosed above cannot be determined at this time, and we are currently unable to estimate a range of reasonably possible losses associated with the litigation. As such, we have not accrued a liability relating to these matters as of September 30, 2013.

(in thousands, except share amounts)

NOTE 10 – BUSINESS COMBINATIONS

As part of our ongoing strategy to increase market share in certain markets, we acquired TCI during the nine months ended September 30, 2012, and we acquired Ace Insulation ("Ace") during the nine months ended September 30, 2013. The revenue and net income of TCI since the date of acquisition included in the Company's Condensed Consolidated Statement of Operations for the nine months ended September 30, 2012 were $3,024 and $148, respectively.

The estimated fair values of the assets acquired and liabilities assumed for both the TCI and Ace acquisitions approximated the following:

	TCI	Ace
Cash	$ 317	$ —
Accounts receivable	3,880	213
Inventory	1,984	14
Other current assets	244	—
Property and equipment	285	263
Intangibles	4,390	1,106
Goodwill	834	—
Accounts payable and accrued expenses	(5,815)	(609)
Deferred tax liability	(1,387)	—
Long-term debt	(61)	—
Total purchase price	4,671	987
Value of common stock issued	4,100	—
Seller notes and obligations	571	300
Cash paid	—	687
Total purchase price	$ 4,671	$ 987

Estimates of acquired intangible assets related to the acquisitions are as follows:

	TCI		Ace	
Acquired Intangible Assets	Estimated fair value	Weighted average estimated useful life (yrs)	Estimated fair value	Weighted average estimated useful life (yrs)
Customer relationships	$ 2,500	10	$ 826	10
Trademarks and trade names	1,820	8	280	15
Non-competition agreements	70	2	—	—

(in thousands, except share amounts)

Pro Forma Information

The unaudited pro forma information has been prepared as if the acquisition had taken place on January 1, 2012. The unaudited pro forma information is not necessarily indicative of the results that we would have achieved had the transactions actually taken place on January 1, 2012, and the unaudited pro forma information does not purport to be indicative of future financial operating results.

	Pro forma for the nine months ended September 30,	
	2012	2013
Net revenue	$ 241,752	$ 313,239
Net (loss) income	(8,495)	3,548
Net loss attributable to common stockholders	(12,580)	(1,049)
Net loss per share attributable to common stockholders (basic and diluted)	(11.13)	(0.93)

Unaudited pro forma net income has been calculated after adjusting the combined results of the Company to reflect additional intangible asset amortization expense of $(494) and $(17) for the nine months ended September 30, 2012 and 2013, respectively.

NOTE 11 – DISCONTINUED OPERATIONS

During the nine months ended September 30, 2012 and 2013, we made the decision to discontinue operations in several markets. The customers associated with closed branches and other operations will not be served by other branches. A summary of operations we discontinued in these markets for the nine months ended September 30, 2012 and 2013 is as follows:

	Nine months ended September 30,	
	2012	2013
Net revenue	$ 3,056	$ 765
Loss from discontinued operations, before income taxes	(530)	(960)
Income tax benefit	200	362
Loss from discontinued operations, after tax	$ (330)	$ (598)

NOTE 12 – LOSS PER COMMON SHARE

Basic net loss per share is calculated by dividing net loss attributable to common stockholders by the weighted average shares outstanding during the period, without consideration for common stock equivalents.

Diluted net loss per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common share equivalents outstanding for the period, determined using the treasury stock method. There were no common stock equivalents with a dilutive effect during the nine months ended September 30, 2012 and 2013 and therefore, basic and diluted net loss per share were the same for all periods presented.

INSTALLED BUILDING PRODUCTS, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share amounts)
(unaudited)

NOTE 13 – SUBSEQUENT EVENTS

We have evaluated events and transactions occurring subsequent to the balance sheet date of September 30, 2013 through December 9, 2013, the date on which the financial statements were issued, for items that should be recognized or disclosed in these Condensed Consolidated Financial Statements.

Effective November 30, 2013, the Employee Puts between Jeffrey Edwards and our other executive officers were terminated.

The Management Services and Fee Agreement, dated as of December 18, 2012, among the Company, Littlejohn Managers, LLC, Jeffrey Edwards, IBP Holding Company and TCI Holdings, LLC was terminated on November 22, 2013.

Dealer Prospectus Delivery Obligation

Until , 2014 (the 25th day after the date of this prospectus), all dealers that buy, sell, or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligations of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Joint Bookrunning Managers

Deutsche Bank Securities **UBS Investment Bank**

Lead Manager

Zelman Partners LLC

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the costs and expenses, other than the underwriting discount, payable in connection with the sale of common stock being registered. All amounts shown are estimates, except the Securities and Exchange Commission registration fee, the Financial Industry Regulatory Authority filing fee and the New York Stock Exchange listing fee.

Securities and Exchange Commission registration fee	$	*
Financial Industry Regulatory Authority filing fee		*
New York Stock Exchange listing fee		*
Legal fees and expenses		*
Accountants' fees and expenses		*
Printing expenses		*
Transfer agent and registrar fees and expenses		*
Blue Sky fees and expenses		*
Miscellaneous		*
Total	$	*

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers.

We are incorporated under the laws of the state of Delaware. Section 145 of the Delaware General Corporation Law provides that a Delaware corporation may indemnify any persons who are, or are threatened to be made, parties to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person was an officer, director, employee or agent of such corporation, or is or was serving at the request of such person as an officer, director, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was illegal. A Delaware corporation may indemnify any persons who are, or are threatened to be made, a party to any threatened, pending or completed action or suit by or in the right of the corporation by reason of the fact that such person was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit provided such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests except that no indemnification is permitted without judicial approval if the officer or director is adjudged to be liable to the corporation. Where an officer or director is successful on the merits or otherwise in the defense of any action referred to above, the corporation must indemnify him or her against the expenses that such officer or director has actually and reasonably incurred. Our charter and amended and restated bylaws provide for the indemnification of our directors and officers to the fullest extent permitted under the Delaware General Corporation Law.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duties as a director, except for liability for:

- any breach of the director's duty of loyalty to us or our stockholders;

- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- any act related to unlawful stock repurchases, redemptions or other distributions or payment of dividends; or
- any transaction from which the director derived an improper personal benefit.

These limitations of liability do not affect the availability of equitable remedies such as injunctive relief or rescission. Our charter also authorizes us to indemnify our officers, directors and other agents to the fullest extent permitted under Delaware law.

As permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws provide that:

- we may indemnify our directors, officers and employees to the fullest extent permitted by the Delaware General Corporation Law, subject to limited exceptions;
- we may advance expenses to our directors, officers and employees in connection with a legal proceeding to the fullest extent permitted by the Delaware General Corporation Law, subject to limited exceptions; and
- the rights provided in our amended and restated bylaws are not exclusive.

Section 174 of the Delaware General Corporation Law provides, among other things, that a director who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption may be held liable for such actions. A director who was either absent when the unlawful actions were approved, or dissented at the time, may avoid liability by causing his or her dissent to such actions to be entered in the books containing minutes of the meetings of the board of directors at the time such action occurred or immediately after such absent director receives notice of the unlawful acts.

As permitted by the Delaware General Corporation Law, we have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by our board of directors. Under the terms of our indemnification agreements, we are required to indemnify each of our directors and officers, to the fullest extent permitted by the laws of the state of Delaware, if the basis of the indemnitee's involvement was by reason of the fact that the indemnitee is or was a director, or officer, of the Company or any of its subsidiaries or was serving at the Company's request in an official capacity for another entity. We must indemnify our officers and directors against (1) attorneys' fees and (2) all other costs of any type or nature whatsoever, including any and all expenses and obligations paid or incurred in connection with investigating, defending, being a witness in, participating in (including on appeal), or preparing to defend, be a witness or participate in any completed, actual, pending or threatened action, suit, claim or proceeding, whether civil, criminal, administrative or investigative, or establishing or enforcing a right to indemnification under the indemnification agreement. The indemnification agreements also set forth certain procedures that will apply in the event of a claim for indemnification thereunder. These indemnification provisions and the indemnification agreements may be sufficiently broad to permit indemnification of our officers and directors for liabilities, including reimbursement of expenses incurred, arising under the Securities Act of 1933, as amended, or the Securities Act.

In addition, we have purchased a policy of directors' and officers' liability insurance that insures our directors and officers against the cost of defense, settlement or payment of a judgment in some circumstances.

The form of Underwriting Agreement, to be filed as Exhibit 1.1 hereto, provides for indemnification by the underwriters of us and our officers who sign this Registration Statement and directors for specified liabilities, including matters arising under the Securities Act.

Item 15. Recent Sales of Unregistered Securities.

During the three-year period preceding the date of filing of this registration statement, we have issued securities in the transactions described below without registration under the Securities Act.

1. On November 4, 2011 and in connection with our recapitalization, we issued (i) 19,600 shares of our common stock to IBP Management Holdings, LLC; (ii) 300,000 shares of our common stock to Cetus Capital II, LLC; (iii) 680,400 shares of our common stock to IBP Investment Holdings, LLC; and (iv) 1,000 shares of our Series A preferred stock to Cetus Capital II, LLC. Pursuant to the terms of the recapitalization, these securities were issued in exchange for the cancellation of indebtedness of approximately $126.5 million and contributions from stockholders of approximately $12.0 million.

2. On August 31, 2012, we issued an aggregate of 129,944 shares of our common stock to TCI Holdings, LLC in connection with our acquisition of TCI Contracting, LLC. The total purchase price for TCI Contracting, LLC was $4.7 million, consisting of the 129,944 shares of our common stock, valued in the aggregate at $4.1 million, and $0.6 million in cash.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering, and the Registrant believes each transaction was exempt from the registration requirements of the Securities Act in reliance upon Section 4(2) of the Securities Act or Regulation D promulgated under the Securities Act. Furthermore, the Registrant affixed appropriate legends to the share certificates and instruments issued in each foregoing transaction setting forth that the securities had not been registered and the applicable restrictions on transfer.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits. See the Exhibit Index attached to this Registration Statement, which is incorporated by reference herein.

(b) Financial Statement Schedules. Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or the notes thereto.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) for purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this registration statement as of the time it was declared effective; and

(2) for the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Columbus, in the State of Ohio, on this day of , 2014.

INSTALLED BUILDING PRODUCTS, INC.

By: _____
Jeffrey W. Edwards
President and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jeffrey W. Edwards and Michael T. Miller his true and lawful attorneys-in-fact and agents, with full power to act separately and full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement on Form S-1 has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
Jeffrey W. Edwards	President, Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	, 2014
Michael T. Miller	Executive Vice President, Chief Financial Officer and Director (Principal Financial Officer and Principal Accounting Officer)	, 2014
Robert E. Davis	Director	, 2014
Steven G. Raich	Director	, 2014
J. Michael Nixon	Director	, 2014

INDEX TO EXHIBITS

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
3.1	Certificate of Incorporation of Installed Building Products, Inc., as amended, currently in effect.
3.2*	Form of Amended and Restated Certificate of Incorporation of Installed Building Products, Inc., to be in effect immediately prior to the completion of this offering.
3.3	Bylaws of Installed Building Products, Inc., currently in effect.
3.4*	Form of Amended and Restated Bylaws of Installed Building Products, Inc., to be in effect immediately prior to the completion of this offering.
4.1*	Form of Common Stock Certificate.
4.2	Rights Agreement, dated as of November 4, 2011, by and among OCM IBP Holdings, Inc., CCIB Holdco, Inc. and Cetus Capital II, LLC.
4.3*	Form of Registration Rights Agreement dated as of November 6, 2013 by and among Installed Building Products, Inc., Cetus Capital II, LLC, IBP Investment Holdings, LLC, IBP Management Holdings, LLC and TCI Holdings, LLC.
4.4	Stockholders Agreement, dated as of November 4, 2011.
4.5	Omnibus Agreement to Stockholders' Agreement, dated as of August 31, 2012.
5.1*	Opinion of Proskauer Rose LLP.
10.1*	Form of Indemnification Agreement for directors and officers.
10.2	Loan and Security Agreement with Bank of America, N.A., dated as of November 4, 2011.
10.3	First Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of April 20, 2012.
10.4	Second Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of August 31, 2012.
10.5	Third Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of October 22, 2012.
10.6	Fourth Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of December 21, 2012.
10.7	Fifth Amendment to Loan and Security Agreement with Bank of America, N.A., dated as of July 30, 2013.
10. 8	Second Amended and Restated Management Agreement, dated as of April 30, 2010, among IBP Holding Company, Installed Building Products, LLC, OCM IBP Holdings, Inc., Stonehenge Opportunity Fund LLC, Primus IBP Investment, LLC and Primus Executive Fund V Limited Partnership.
10. 9	Amendment to Second Amended and Restated Management Agreement, dated as of November 4, 2011, among IBP Holding Company, Installed Building Products, LLC, OCM IBP Holdings, Inc., Stonehenge Opportunity Fund LLC, Primus IBP Investment, LLC and Primus Executive Fund V Limited Partnership and Cetus Capital II LLC as successor in interest to JP Morgan Chase Bank, N.A. as Agent.

Exhibit Number	Description
10.10	Management Agreement, dated as of October 29, 2007, by and among IBP Holding Company, Installed Building Products II, LLC, Stonehenge Opportunity Fund LLC, Mezzanine Opportunities LLC, Primus IBP Investment, LLC, Primus Executive Fund V Limited Partnership, OCM IBP Holdings II, Inc. and Fifth Third Bank.
10.11	Amendment to Management Agreement, dated as of November 4, 2011, by and among IBP Holding Company, Installed Building Products II, LLC, Stonehenge Opportunity Fund LLC, Mezzanine Opportunities LLC, Primus IBP Investment, LLC, Primus Executive Fund V Limited Partnership, OCM IBP Holdings II, Inc. and Fifth Third Bank.
10.12	Contribution and Exchange Agreement, dated as of November 4, 2011, by and among CCIB Holdco, Inc., IBHL A Holding Company, Inc., IBHL B Holding Company, Inc. and IBP Holdings, LLC.
10.13	Membership Interest Purchase Agreement, dated as of August 31, 2012, by and among Installed Building Products, LLC, CCIB Holdco, Inc., and GNV Holdings, LLC (now known as TCI Holdings, LLC).
10.14	Management Services and Fee Agreement, dated as of December 18, 2012, among Littlejohn Managers, LLC, Jeff Edwards, IBP Holding Company, GNV Holdings, LLC (now known as TCI Holdings, LLC) and CCIB Holdco, Inc. #
10.15	Termination of Management Services and Fee Agreement, dated November 22, 2013. #
10.16	Employment Agreement, dated as of March 7, 2002, by and between Installed Building Products, Inc. and Jay Elliott. #
10.17	Termination Agreement, dated October 1, 2013, by and between Installed Building Products, LLC and Jay Elliott. #
10.18	Consulting Agreement, dated as of March 2004, by and between Installed Building Products, Inc. and Jeff Edwards. #
10.19	Employment Agreement, dated as of November 1, 2013, by and between Installed Building Products, Inc. and Jeff Edwards. #
10.20*	Installed Building Products, Inc. 2013 Omnibus Incentive Plan. #
21.1*	List of Subsidiaries of Installed Building Products, Inc.
23.1	Consent of independent registered public accounting firm (Deloitte & Touche LLP).
23.2	Consent of independent registered public accounting firm (Crowe Horwath LLP).
23.4*	Consent of Proskauer Rose LLP (included in Exhibit 5.1).
24.1*	Power of Attorney. Reference is made to the signature page to the Registration Statement.

* To be filed by amendment.
\# Indicates management contract or compensatory plan.

Exhibit 3.1

CERTIFICATE OF AMENDMENT
OF CERTIFICATE OF INCORPORATION
OF
CCIB HOLDCO, INC.

CCIB HOLDCO, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of said corporation, by the unanimous written consent of its members, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of said corporation:

RESOLVED, that ARTICLE FIRST of the Certificate of Incorporation of CCIB HOLDCO, INC., shall be amended and restated to read in its entirety as follows:

"The name of this corporation shall be Installed Building Products, Inc."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders have given written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Section 242 and 228 of the General Corporation Law of the State of Delaware.

[Signature Page to Follow]

IN WITNESS WHEREOF, said CCIB HOLDCO, INC. has caused this certificate to be duly executed this 21st day of June, 2013.

CCIB HOLDCO, INC.

By: /s/ Shelley A. McBride
Name: Shelley A. McBride
Title: Secretary

CERTIFICATE OF AMENDMENT
OF CERTIFICATE OF INCORPORATION
OF
CCIB HOLDCO, INC.

CCIB HOLDCO, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of said corporation, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of said corporation:

RESOLVED, that Section 1 of ARTICLE FOURTH of the Certificate of Incorporation of CCIB HOLDCO, INC., shall be amended and restated to read in its entirety as follows:

> "Section 1. The aggregate number of shares of capital stock which the Corporation is authorized to issue is 1,695,916, consisting of (i) 1,694,916 shares of common stock, par value $0.01 per share (the "Common Stock"), and (ii) 1,000 shares of preferred stock, par value $0.01 per share (the "Preferred Stock"), all of which are designated as "Series A Preferred Stock". The shares of Common Stock and the shares of Series A Preferred Stock are referred to herein as the "Stock".

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders have given written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Section 242 and 228 of the General Corporation Law of the State of Delaware.

[Signature Page to Follow]

IN WITNESS WHEREOF, said CCIB HOLDCO, INC. has caused this certificate to be duly executed this day of August, 2012.

CCIB HOLDCO, INC.

By: /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: President and CEO

CERTIFICATE OF AMENDMENT
OF CERTIFICATE OF INCORPORATION
OF
CCIB HOLDCO, INC.

CCIB HOLDCO, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of said corporation, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of said corporation:

RESOLVED, that Section 1 of ARTICLE FOURTH of the Certificate of Incorporation of CCIB HOLDCO, INC., shall be amended and restated to read in its entirety as follows:

"Section 1. The aggregate number of shares of capital stock which the Corporation is authorized to issue is 1,501,000, consisting of (i) 1,500,000 shares of common stock, par value $0.01 per share (the "Common Stock") and (ii) 1,000 shares of preferred stock, par value $0.01 per share (the "Preferred Stock"), all of which are designated as "Series A Preferred Stock"). The shares of Common Stock and the shares of Series A Preferred Stock are referred to herein as the "Stock"."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders have given written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said CCIB HOLDCO, INC. has caused this certificate to be duly executed this 20th day of April, 2012.

CCIB HOLDCO, INC.

By: /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: President and CEO

CERTIFICATE OF AMENDMENT
OF CERTIFICATE OF INCORPORATION
OF
CCIB HOLDCO, INC.

CCIB HOLDCO, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware,

DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of said corporation, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of said corporation:

RESOLVED, that the Certificate of Incorporation of CCIB HOLDCO, INC. be amended by changing the definition of Series A Preferred Original Issue Price contained in Section 1 of ARTICLE FIFTH thereof so that, as amended, said definition shall read as follows:

"Series A Preferred Original Issue Price" shall mean $25,245.2862 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock.

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders have given written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said CCIB HOLDCO, INC. has caused this certificate to be duly executed this day of November, 2011.

CCIB HOLDCO, INC.

By: /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: President and CEO

CERTIFICATE OF INCORPORATION

OF

CCIB HOLDCO, INC.

ARTICLE FIRST

The name of this corporation shall be CCIB Holdco, Inc. (the "Corporation").

ARTICLE SECOND

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The name of the Corporation's registered agent at such address is The Corporation Trust Company.

ARTICLE THIRD

The purpose or purposes of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law (the "DGCL").

ARTICLE FOURTH

Section 1. The aggregate number of shares of capital stock which the Corporation is authorized to issue is 1,001,000, consisting of (i) 1,000,000 shares of common stock, par value $0.01 per share (the "Common Stock") and (ii) 1,000 shares of preferred stock, par value $0.01 per share (the "Preferred Stock"), all of which are designated as "Series A Preferred Stock"). The shares of Common Stock and the shares of Series A Preferred Stock are referred to herein as the "Stock".

Section 2. All shares of Stock shall be issued in accordance with applicable law as fully paid and non-assessable shares, and absent further agreement to the contrary between the Corporation and the holder thereof, the holder thereof shall not be liable to the Corporation for any further payments in respect thereof.

Section 3. The preferences, privileges, designations, voting power and relative rights of the shares of each class of Stock and the qualifications, limitations or restrictions thereof shall be as set forth in this Article Fourth.

Section 4. Common Stock. Subject to and qualified by the rights, powers and preferences of the holders of shares of Series A Preferred Stock, the holders of shares of Common Stock shall have the voting, dividend and liquidation rights set forth below:

(a) Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings).

(b) Dividends. Except as may otherwise be prohibited by law or the terms hereof, the holders of shares of Common Stock shall be entitled to receive dividends out of surplus at such times and in such amounts as the Board may determine in its sole discretion.

(c) Liquidation. In connection with a Liquidation Event, after the payment or provision for payment of all debts and liabilities of the Corporation and the Series A Preferred Liquidation Amount to which the holders of shares of Series A Preferred Stock are entitled with respect to the distribution of assets in liquidation, the holders of shares of Common Stock shall be entitled to share ratably in the remaining assets of the Corporation available for distribution.

Section 5. Series A Preferred Stock. The holders of shares of Series A Preferred Stock shall have the rights, powers and preferences set forth below:

(a) Dividends. Except as may otherwise be prohibited by law or the terms hereof, the holders of shares of Series A Preferred Stock shall be entitled to receive dividends out of surplus at such times and in such amounts as the Board may determine in its sole discretion. Notwithstanding the foregoing, in the event that the Corporation does not redeem all of the shares of Series A Preferred Stock on or prior to the Optional Redemption Date, dividends shall accrue on each outstanding share of Series A Preferred Stock that was not redeemed (the "Accruing Dividends") from and after the Optional Redemption Date at the rate of 25% of (i) the product of three (3) times the Series A Original Issue Price plus (ii) the amount of declared and unpaid dividends on such share of Series A Preferred Stock, if any. Such Accruing Dividends shall begin to accrue and be cumulative from the Optional Redemption Date and shall compound on each subsequent anniversary thereof.

(b) Liquidation. The shares of Series A Preferred Stock shall also have the following rights:

(i) In connection with a Liquidation Event, after the payment or provision for payment of all debts and liabilities of the Corporation, the holders of shares of Series A Preferred Stock then outstanding shall be entitled to be paid in cash or other consideration, to the extent available, out of the assets available for distribution to the Corporation's stockholders, whether such assets are capital, surplus or earnings, and whether as a liquidating distribution or other payment, before any payment shall be made to the holders of shares of Common Stock or the holders of any other class or series of stock ranking as to liquidation junior to the shares of Series A Preferred Stock with respect to the distribution of assets in connection with a Liquidation Event, an amount per share equal to the Series A Preferred Liquidation Amount. If more than one form of consideration is received in connection with a Liquidation Event, each Series A Preferred Holder shall be entitled to receive such form of consideration with respect to each Series A Preferred Share thereunder as it may elect in its sole discretion.

(ii) If in connection with a Liquidation Event, after the payment or provision for payment of all debts and liabilities of the Corporation, the assets available to be

distributed to the holders of shares of Series A Preferred Stock shall be insufficient to permit the payment to such stockholders of the full Series A Preferred Liquidation Amount as set forth above in satisfaction of this Section 5(b), then such assets shall be distributed ratably among the holders of shares of Series A Preferred Stock, based on the Series A Preferred Liquidation Amount for the number of shares of Series A Preferred Stock held by each such holder.

(iii) After the payment to the holders of shares of Series A Preferred Stock of the full Series A Preferred Liquidation Amount specified above, no further payments shall be made to the holders of shares of Series A Preferred Stock by reason thereof, and any remaining assets of the Corporation shall be distributed with equal priority and pro rata among the holders of the shares of Common Stock or any other class or series of stock ranking as to liquidation junior to the shares of Series A Preferred Stock.

(c) Redemption.

(i) Optional Redemption. At anytime on or after July 31, 2016 but prior to July 31, 2021, upon the election of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding, the Corporation shall redeem all, but not less than all, of the Series A Preferred Stock in accordance with the terms of this Section 5(c). The redemption of the Series A Preferred Stock will occur on a date (the "Optional Redemption Date") within ninety (90) days of the date the Corporation receives written notice requesting the redemption of all shares of Series A Preferred Stock then outstanding pursuant hereto. The shares of Series A Preferred Stock shall be redeemed by the Corporation at a price per share equal to the Redemption Price and the Corporation shall apply all of its assets to any such redemption, and to no other corporate purpose, except to the extent (A) prohibited by applicable provisions of the DGCL governing distributions to stockholders or redemptions of stock or (B) the existence of any of the following conditions: (x) the Corporation is prohibited from redeeming any shares of Series A Preferred Stock by any credit agreement, guarantee, financing or security agreement or other agreements or instruments governing indebtedness of the Corporation or any of its Affiliates or by applicable law, (y) the redemption of any shares of Series A Preferred Stock would result in the occurrence of an event of default under any financing document referred to in clause (x) above, or (z) the Corporation and its subsidiaries are unable to obtain (after using best efforts to obtain) sufficient assets to consummate the redemption of the Series A Preferred Stock (the remaining assets required to be applied to such redemption is referred to herein as "Available Assets"). If on the Optional Redemption Date, the Corporation does not have Available Assets to redeem all shares of Series A Preferred Stock to be redeemed, the Corporation shall ratably redeem the maximum number of shares of Series A Preferred Stock that it may redeem out of its Available Assets, and shall redeem the remaining shares of Series A Preferred Stock as soon as it has Available Assets. The Corporation shall send written notice of such redemption (the "Optional Redemption Notice") to each holder of record of Series A Preferred Stock not less than twenty (20) days prior to the Optional Redemption Date. The Optional Redemption Notice shall state:

(A) the number of shares of Series A Preferred Stock held by the holder that the Corporation shall redeem on the Optional Redemption Date;

(B) the Optional Redemption Date and the Redemption Price; and

(C) that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Series A Preferred Stock to be redeemed.

(ii) Redemption at Election of Corporation. The Corporation may, at its election any time and from time to time prior to the Optional Redemption Date, redeem shares of Series A Preferred Stock at the Redemption Price. The Corporation shall send written notice of such redemption (the "Early Redemption Notice") to each holder of record of Series A Preferred Stock not less than twenty (20) days prior to the date on which shares of Series A Preferred Stock shall be redeemed (the "Early Redemption Date"), as set forth on the Early Redemption Notice. Each Early Redemption Notice shall state:

(A) the number of shares of Series A Preferred Stock held by the holder that the Corporation shall redeem on the Early Redemption Date;

(B) the Early Redemption Date and the Redemption Price; and

(C) that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Series A Preferred Stock to be redeemed.

(iii) Surrender of Certificates. On or before the Optional Redemption Date or Early Redemption Date, as applicable (the "Redemption Date"), each holder of shares of Series A Preferred Stock to be redeemed on such Redemption Date, shall surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Optional Redemption Notice or Early Redemption Notice, as applicable (the "Redemption Notice"), and thereupon the Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof. In the event less than all of the shares of Series A Preferred Stock represented by a certificate are redeemed, a new certificate representing the unredeemed shares of Series A Preferred Stock shall promptly be issued to such holder.

(iv) Effect of Tendering Payment. If the Redemption Notice shall have been duly given, and if on the applicable Redemption Date the Redemption Price payable upon redemption of the shares of Series A Preferred Stock to be redeemed on such Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor in a timely manner, then notwithstanding that the certificates evidencing any of the shares of Series A Preferred Stock so called for redemption shall not have been surrendered, Accruing Dividends (if any) with respect to such shares of Series A Preferred Stock shall cease to accrue after such Redemption Date and all rights with respect to such shares of Series A Preferred Stock shall forthwith after the Redemption Date terminate, except only the right of the holders of shares of Series A Preferred Stock to receive the Redemption Price without interest upon surrender of their certificate or certificates therefor.

(v) Cancellation of Redeemed Shares. Any shares of Series A Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Series A Preferred Stock following redemption.

(vi) Waiver. Any of the rights, powers, preferences and other terms of the Series A Preferred Stock set forth herein may be waived on behalf of all holders of Series A Preferred Stock by the affirmative written consent or vote of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding.

(vii) Notice. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Series A Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the DGCL, and shall be deemed sent upon such mailing or electronic transmission.

(d) Voting. The holders of the Series A Preferred Stock are entitled to one vote for each share of Series A Preferred Stock held at all meetings of stockholders (and written actions in lieu of meetings) for the election of one or more directors of the Corporation, and shall vote together with the holders of Common Stock as a single class thereon. Other than as provided by law, including without limitation the DGCL, the Stockholders Agreement or Section 5(b), Section 5(e) or the first sentence of this Section 5(d), the holders of Series A Preferred Stock, as such, shall not have the right to vote on any matter presented to the stockholders of the Corporation generally for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting).

(e) Series A Preferred Stock Protective Provisions. For so long as any shares of Series A Preferred Stock are outstanding, without the affirmative written consent or vote of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding, the Corporation shall not, whether by merger, consolidation or otherwise, and shall not permit or cause any direct or indirect subsidiary to, whether by merger, consolidation or otherwise, and shall not enter into any commitment to (each a "Reserved Matter"):

(i) create, or authorize the creation of, or issue shares of, any class or series of capital stock or any rights, warrants, options, bonds, debentures, notes or other obligations directly or indirectly convertible into or exercisable or exchangeable for, any shares of capital stock of the Corporation of any class or series, whether at the time of issuance or upon the passage of time or the occurrence of some future event, or increase the authorized number of shares of a class or series of capital stock;

(ii) reclassify, alter or amend the designations, powers, preferences, rights or qualifications of any class or series of capital stock;

(iii) except for Accruing Dividends, pay or declare any dividend or make any distribution on, any shares of capital stock, or set aside any funds therefor;

(iv) other than (A) redemptions of the Series A Preferred Stock in accordance with this Certificate of Incorporation or (B) repurchases of shares of Common Stock in connection with the cessation of employment or service of an employee or consultant at the price per share provided for in any agreement by and between the Corporation and such employee or consultant, redeem or repurchase (or permit any subsidiary to redeem or repurchase) any shares of capital stock;

(v) amend, modify or waive any provision of the Certificate of Incorporation or By-laws;

(vi) authorize any merger, consolidation, recapitalization, restructuring, exchange, dissolution or liquidation or approve the conveyance, sale, transfer, assignment or disposal of a majority (based on the fair market value) of its assets (excluding sales of inventory and other dispositions of assets in the ordinary course of business), except for mergers of subsidiaries into subsidiaries, mergers of subsidiaries into the Corporation, intercompany sales of assets, and dissolutions of subsidiaries in the ordinary course of business, provided such mergers, intercompany sales and dissolutions do not result in an adverse impact to the Corporation, including negative tax and/or accounting implications;

(vii) enter into any transaction, contract, agreement or other arrangement with any Affiliate or related party that requires payments, individually or in the aggregate, in excess of $100,000, except in accordance with the terms in effect on the date hereof of the Management Agreement dated March 29, 2004 by and among IBP Holding Company, Installed Building Products, LLC and certain other parties, as amended and/or restated to date, and of the Management Agreement dated as of October 29, 2007 by and among IBP Holding Company, Installed Building Products II, LLC and certain other parties, as amended and/or restated to date, through and until December 31, 2011, projects involving the installation of building materials, inter-Affiliate benefit plans, and the extension and/or renewal of real estate leases in existence as of the date hereof, in each case so long as they are no less favorable to the Corporation than could be obtained on an arm’s length basis from an unrelated third party;

(viii) increase or decrease the authorized number of directors constituting the Board;

(ix) enter into, renew or guarantee any debt instrument that requires or may require payments in excess of $250,000 individually or $1,000,000 in the aggregate, except for insurance premium financing, intercompany debt among the Corporation and its subsidiaries or among subsidiaries of the Corporation, letters of credit, contracts and transactions otherwise excepted in subsection (vii) or any debt instrument the proceeds of which will be used solely to redeem the Series A Preferred Stock as required by Section 5(c)(i);

(x) (A) operate other than in material compliance with the then-effective annual budget, annual financial plan or operating budget of the Corporation; or (B) make any material change to the nature of the Corporation’s business, other than as expressly contemplated

by the then effective annual budget and except to engage in activities incidental thereto, similar, related or complimentary businesses, or businesses not substantially different from the lines of the Corporation's business as conducted on the date of this Certificate of Incorporation;

(xi) appoint or remove (with or without cause), enter into or amend any material term of (i) any employment agreement or arrangement with, (ii) the compensation (including salary, bonus, deferred compensation or otherwise) or benefits of, (iii) any stock option, employee stock purchase or similar equity-based award to, (iv) any benefit, severance or other similar plan (except for benefit plans available to employees generally) of, or (v) any bonus payments to, any officer;

(xii) create, authorize, adopt or amend any stock option plan, other equity-based compensation arrangement, equity incentive compensation plan, or any individual non-equity incentive compensation plan or arrangement under which the value of the incentive under the plan or arrangement is expected to exceed $500,000 in any fiscal year, except amendments necessary to comply with law;

(xiii) change the tax status of the Corporation or make any material tax election;

(xiv) appoint or remove the Corporation's auditors or make any changes in the accounting methods or policies of the Corporation (other than as required by United States generally acceptable accounting principles);

(xv) make any loan, advance or capital contribution to any Person in excess of $100,000 individually or $500,000 in the aggregate, except for any loan, advance or capital contribution made in the ordinary course of business to a direct or indirect wholly-owned subsidiary of the Corporation or Suburban Insulation, Inc.; or

(xvi) make any investment in any other Person in excess of $100,000 individually or $1,000,000 in the aggregate, except for any investment made in the ordinary course of business to a direct or indirect wholly-owned subsidiary of the Corporation or Suburban Insulation, Inc.

(f) Conversion. The shares of Series A Preferred Stock shall not be convertible into shares of Common Stock.

(g) No Impairment. The Corporation will not, by amendment of the Certificate of Incorporation or through reorganization, consolidation, merger, dissolution, sale of assets or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of the Certificate of Incorporation, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of the holders of shares of capital stock of the Corporation against impairment.

ARTICLE FIFTH

Section 1. As used in this Certificate of Incorporation, the following terms shall have the following meanings:

"Accruing Dividends" has the meaning set forth in Article Fourth, Section 5(a).

"Affiliate" means, with respect to any specified Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer or director of such Person or any investment fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person. The terms "controls," "controlled" and "common control with" mean the ability, by ownership of voting securities, contract, agreement or otherwise, directly or indirectly, to direct the managerial and operating policies of a Person.

"Available Assets" has the meaning set forth in Article Fourth, Section 5(c)(i).

"Board" means the Board of Directors of the Corporation.

"Certificate of Incorporation" means this Certificate of Incorporation.

"Common Stock" has the meaning set forth in Article Fourth, Section 1.

"Corporation" has the meaning set forth in Article First.

"DGCL" has the meaning set forth in Article Third.

"Early Redemption Date" has the meaning set forth in Article Fourth, Section 5(c)(ii).

"Early Redemption Notice" has the meaning set forth in Article Fourth, Section 5(c)(ii).

"Liquidation Event" means (i) the Corporation or a third-party consummates a transaction or series of transactions in which more than 50% of the Common Stock voting power (including any securities that vote together with the Common Stock on any matter presented to the stockholders of the Corporation generally for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting)) of the Corporation is disposed of to a single Person or group of Affiliated Persons; (ii) the Corporation consolidates or merges with or into any other corporation or entity in a transaction or series of transactions in which the Corporation is not the surviving Person; (iii) the Corporation sells, licenses or otherwise transfers all or substantially all of its assets to a third party; or (iv) a liquidation, dissolution or winding-up of the Corporation occurs.

"Optional Redemption Date" has the meaning set forth in Article Fourth, Section 5(c)(i).

"Optional Redemption Notice" has the meaning set forth in Article Fourth, Section 5(c)(i).

"Person" means any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

"Preferred Stock" has the meaning set forth in Article Fourth, Section 1.

"Proceeding" has the meaning set forth in Article Sixth, Section 2.

"Redemption Date" has the meaning set forth in Article Fourth, Section 5(c)(iii).

"Redemption Notice" has the meaning set forth in Article Fourth, Section 5(c)(iii).

"Redemption Price" means an amount per share equal to the sum of (a) three times the Series A Preferred Original Issue Price, plus (b) any Accruing Dividends that have accrued thereon, plus (c) any other dividends declared but unpaid thereon, payable to each holder of Series A Preferred Stock pursuant to Article Fourth, Section 5(c) on the Redemption Date.

"Reserved Matter" has the meaning set forth in Article Fourth, Section 5(e).

"Series A Preferred Liquidation Amount" means an amount per share equal to (a) three (3) times the Series A Preferred Original Issue Price, plus (b) any Accruing Dividends that have accrued thereon, plus (c) any other dividends declared but unpaid thereon, payable to each holder of Series A Preferred Stock, upon the occurrence of a Liquidation Event.

"Series A Preferred Original Issue Price" shall mean $25,263.251 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock.

"Series A Preferred Stock" has the meaning set forth in Article Fourth, Section 1.

"Stock" has the meaning set forth in Article Fourth, Section 1.

"Stockholders Agreement" means that certain Stockholders Agreement dated on or about October 31, 2011, by and among the Corporation and the holders of capital stock of the Corporation signatory thereto.

"subsidiary" or "subsidiaries" means with respect to any Person, any other Person or Persons of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

Section 2. The following rules of interpretation shall apply to this Certificate of Incorporation:

(a) unless the context otherwise requires, (i) words of any gender include each other gender; (ii) words using the singular or plural number also include the plural or singular number, respectively; (iii) the terms "Article" or "Section" refer to the specified Article or Section to, this Certificate of Incorporation; (iv) each defined term has its defined meaning throughout this Certificate of Incorporation, whether the definition of such term appears before or after such term is used; (v) the word "including" shall mean "including, without limitation,"; (vi) the word "will" shall be construed to have the same meaning and effect as the word "shall"; (vii) any references herein to any Person shall be construed to include such Person's successors and assigns; (viii) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Certificate of Incorporation in its entirety and not to any particular provision hereof; and (ix) the word "or" shall be disjunctive but not exclusive;

(b) references to agreements and other documents shall be deemed to include all subsequent amendments, supplements and other modifications thereto (subject to any restrictions on such amendments, supplements or modifications set forth herein); and

(c) references to statutes shall include all regulations promulgated thereunder and references to statutes or regulations shall be construed as including all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation.

ARTICLE SIXTH

Section 1. The personal liability of the directors to the Corporation or to any of its holders of Stock for monetary damages for breach of fiduciary duty as a director of the Corporation is hereby eliminated to the fullest extent permitted by the DGCL, as the same exists or may hereafter be amended. Any repeal or modification of this Article Sixth shall not adversely affect any right or protection of a director of the Corporation existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

Section 2. Each person who was or is a party or is made a party, threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative or otherwise (a "Proceeding"), by reason of the fact that he or she is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such Proceeding is alleged action in an official capacity as a director, officer or representative or in any other capacity while serving as a director, officer or representative, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment to the fullest extent permitted by law, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expenses, liability and loss (including attorneys' fees, judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement and all interest, assessments and other charges paid or payable in connection with or in respect of such expense, liability and loss (which expenses shall also include without limitation any expenses of establishing a right of indemnification or advancement under this Article Sixth) reasonably incurred or suffered by him or her in connection therewith and such

indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors, and administrators. No amendment or repeal of the provisions of this Article Sixth shall deprive a director or officer of the benefit hereof with respect to any act or failure to act occurring prior to such amendment or repeal. Such right shall be a contract right and shall include the right to be paid by the Corporation expenses incurred in defending any such Proceeding in advance of its final disposition; provided, however, if the DGCL requires, the payment of such expenses shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such person, to repay all amounts so advanced if it should be determined ultimately that such person is not entitled to be indemnified under this Article Sixth or otherwise. The Corporation may, by action of the Board, provide indemnification to employees and/or agents with the same scope and effect as the foregoing indemnification of directors and officers.

Section 3. If a claim under this Article Sixth is not paid in full by the Corporation within thirty (30) days after a written claim has been received by the Corporation (provided, however, that in the case of an indemnification it is after the final disposition of such Proceeding), the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and if successful, in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim to the fullest extent permitted by law. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any Proceeding in advance of its final disposition where the undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the DGCL for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including the Board, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including the Board, independent legal counsel, or its stockholders) that the claimant had not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant had not met the applicable standard of conduct.

Section 4. The rights conferred by this Article Sixth shall not be exclusive of any other right which such persons may have or hereafter acquire under any statute, provision, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

Section 5. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, or representative against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify him against such expense, liability or loss under the DGCL.

Section 6. If this Article Sixth or any portion hereof shall be modified or invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each Person entitled to indemnification hereunder against expenses, liability and loss (including attorneys' fees, judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by him or her with respect to any Proceeding to the full extent permitted by any applicable portion of this Article Sixth that shall not have been modified or invalidated or by any other applicable law.

ARTICLE SEVENTH

Section 1. In furtherance and not in limitation of the rights, powers, privileges and discretionary authority granted or conferred by the DGCL or other statutes or laws of the State of Delaware, the Board is expressly authorized to make, alter, amend or repeal the By-Laws of the Corporation, without any action on the part of the stockholders, except as otherwise provided in Article Fourth, Section 5(e), but the stockholders may make additional By-Laws and may alter, amend or repeal any by-law, whether adopted by them or otherwise. The Corporation may in its By-Laws confer powers upon the Board in addition to the foregoing and in addition to the powers and authorities expressly conferred upon the Board by applicable law.

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IN WITNESS WHEREOF, the undersigned, a duly authorized officer of the Corporation, has executed this Certificate of Incorporation of CCIB Holdco, Inc. on behalf of the Corporation this October 28, 2011.

CCIB HOLDCO, INC.

By: /s/ Giselle Rivers
Name: Giselle Rivers
Title: Sole Incorporator

BY-LAWS

OF

CCIB HOLDCO, INC.,
a Delaware corporation

October 28, 2011

BY-LAWS
OF
CCIB HOLDCO, INC.
a Delaware corporation (the "Corporation")

Article I Meetings of Stockholders

1.1. Place of Meetings. Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the board of directors of the Corporation (collectively, the "Board of Directors" or "Directors" and, each individually a "Director"), provided, the Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as authorized in Section 1.1(a). In the absence of any express designation, stockholders' meetings shall be held at the registered office of the Corporation.

If authorized by the Board of Directors, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication: (i) participate in a meeting of stockholders, and (ii) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (A) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder, (B) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (B) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

1.2. Annual Meetings. The annual meeting of stockholders shall be held each year on a date and at a time designated by the Board of Directors. At the meeting, Directors shall be elected and any other proper business may be transacted.

1.3. Special Meetings. Subject to the immediately following sentence, a special meeting of the stockholders may be called at any time by the chief executive officer of the Corporation (the "Chief Executive Officer"), if one is elected, or, if there is no Chief Executive Officer, the president of the Corporation (the "President"), the Board of Directors or the Chairman (as defined in Section 4.1). Additionally, any stockholder holding not less than ten percent (10%) of the Corporation's issued and outstanding shares of capital stock may call a special meeting of the stockholders to effect any nominations and elections of the Board of Directors. Except as set forth in this Section 1.3, no other person or persons may call a special meeting.

If a special meeting is called by any person or persons other than the Board of Directors, the request shall be in writing, or by electronic transmission or transmissions, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other form of electronic

transmission to the Corporation's Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, the President, or the secretary of the Corporation (the "Secretary"). No business may be transacted at such special meeting otherwise than specified in such notice. The officer receiving the request shall cause notice to be promptly given to the stockholders entitled to vote, in accordance with the provisions of Sections 1.4 and 1.5 of this **Article I**, that a meeting will be held at the time requested by the person or persons who called the meeting, not less than ten (10) nor more than sixty (60) days after the receipt of the request. Nothing contained in this paragraph of this Section 1.3 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

For purposes of these by-laws, "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

1.4. Notice of Stockholders' Meetings. All notices of meetings of stockholders shall be in writing and shall be sent or otherwise given to each stockholder entitled to vote at such meeting in accordance with Section 1.5 of these by-laws not less than ten (10) nor more than sixty (60) days before the date of the meeting. The notice shall specify the place, if any, date, and hour of the meeting, the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called.

1.5. Manner of Giving Notice; Affidavit of Notice. Written notice of any meeting of stockholders shall be deemed given: (1) if mailed, when deposited in the mail, postage prepaid, directed to a stockholder at such stockholder's address as it appears in the records of the Corporation, (2) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice; (3) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (4) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and (5) if by any other form of electronic transmission, when directed to the stockholder. An affidavit of the Secretary or an assistant Secretary (each, an "Assistant Secretary") or of the transfer agent or other agent of the Corporation that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

1.6. Quorum. The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or, when authorized, by means of remote communication or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by the General Corporation Law of the State of Delaware (the "DGCL") or by the Corporation's certificate of incorporation (as the same may be amended or amended and restated, from time to time, the "Certificate of Incorporation"). If, however, such quorum is not present or represented at any meeting of the stockholders, then either (i) the chairman of the meeting or (ii) the stockholders entitled to vote thereat, present in person or, when authorized, by means of remote communication or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

1.7. Adjourned Meeting; Notice. When a meeting is adjourned to another time or place, if any, unless these by-laws otherwise require, notice need not be given of the adjourned meeting, unless the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

1.8. Conduct of Business. The Board of Directors may adopt by resolution such rules, regulations and procedures for conduct of the meeting of the stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules, regulations and procedures as adopted by the Board of Directors, the presiding Director or officer of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding Director or officer, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding Director of officer of the meeting may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting, (ii) rules, regulations and procedures for maintaining order at the meeting and the safety of those present, (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the presiding Director or officer of the meeting shall determine, (iv) restrictions on entry to the meeting after the time fixed for commencement thereof, and (v) limitations on the time allotted to questions or comments by meeting participants. Unless to the extent determined by the Board of Directors or the presiding Director or officer of the meeting, stockholder meetings shall not be required to be held in accordance with the rules of parliamentary procedure.

1.9. Voting. The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 1.12 of these by-laws, subject to the provisions of Sections 217 and 218 of the DGCL (relating to voting rights of fiduciaries, pledgors and joint owners of stock and to voting trusts and other voting agreements). Voting at meetings of stockholders need not be by written ballot and, unless otherwise required by applicable law, need not be conducted by inspectors of election. Except as may be otherwise provided in the Certificate of Incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder which has voting power upon the matter in question. At all meetings of stockholders, except as may be otherwise provided for by the DGCL, the Certificate of Incorporation or these by-laws (with respect to a question which, by express provision of the DGCL, the Certificate of Incorporation or these by-laws, a different vote is required, in which case such express provision shall govern and control the decision of the question), (i) in all matters other than the election of Directors, the affirmative vote of a majority of shares present in person or represented by proxy at the meeting and entitled to vote on such matters shall be the act of the stockholders and (ii) Directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of Directors.

1.10. Waiver of Notice. Whenever notice is required to be given under any provision of the DGCL or of the Certificate of Incorporation or these by-laws, a written waiver thereof, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice unless so required by the Certificate of Incorporation or these by-laws.

1.11. Stockholder Action by Written Consent without a Meeting. Unless otherwise provided in the Certificate of Incorporation, any action required by this **Article I** to be taken at any annual or special meeting of stockholders of the Corporation, or any action that may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote if a consent or consents in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing as provided under Section 228(d) of the DGCL. If the action which is consented to is such as would have required the filing of a certificate under any section of the DGCL if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written notice and written consent have been given as provided in Section 228 of the DGCL.

A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this **Article I**, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the Corporation can determine (i) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder or proxyholder and (ii) the date on which such stockholder or proxyholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the Corporation by delivery to its registered office in this State, its principal place of business or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation’s registered office shall be made by hand or by certified or registered mail, return receipt requested.

Notwithstanding the foregoing, no written consent, in any form, shall be effective unless, within sixty (60) days of the earliest dated consent delivered to the Corporation pursuant to these by-laws, written consents signed by a sufficient number of stockholders entitled to take action are delivered to the Corporation in the manner set forth in these by-laws.

1.12. Record Date for Stockholder Notice; Voting; Giving Consents. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action.

If the Board of Directors does not so fix a record date:

(i) The record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

(ii) The record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent is delivered to the Corporation.

(iii) The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, provided, that the Board of Directors may fix a new record date for the adjourned meeting.

1.13. Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by a written proxy, or electronic transmission, signed by the stockholder and filed with the Secretary of the Corporation, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period or is irrevocable and is coupled with an interest. A proxy shall be deemed signed if the stockholder's name is placed on the proxy (whether by manual signature, typewritten, telegraphic or facsimile transmission or otherwise) by the stockholder or the stockholder's attorney-in-fact.

1.14. List of Stockholders Entitled to Vote. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Nothing contained in this Section 1.14 shall require the Corporation to include electronic mail addresses or other electronic contact information on

such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

1.15. Consent to Electronic Transmission of Notice. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provision of this **Article I**, the Certificate of Incorporation, or these by-laws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the Corporation. Any such consent shall be deemed revoked if (i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (ii) such inability becomes known to the Secretary or an Assistant Secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice, provided, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Article II Directors

2.1. Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors who may exercise all powers of the Corporation except as otherwise provided by applicable law, the Certificate of Incorporation or these by-laws.

2.2. Number of Directors. Unless otherwise provided in the Certificate of Incorporation or in these by-laws, the Board of Directors shall consist of seven (7) Directors. Within the limits specified in the immediately preceding sentence, the number of Directors shall be determined by resolution of the Board of Directors or by the stockholders at the annual meeting or a special meeting, as the case may be.

2.3. Election, Qualification and Term of Office of Directors. Except as otherwise provided in these by-laws, Directors shall be elected at each annual meeting of stockholders to hold office until the next annual meeting. Directors need not be stockholders unless so required by the Certificate of Incorporation or these by-laws, wherein other qualifications for Directors may be prescribed. Each Director, including a Director elected to fill a vacancy, shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal.

All elections of Directors shall be by written ballot, unless otherwise provided in the Certificate of Incorporation; if authorized by the Board of Directors, such requirement of a written ballot shall be satisfied by a ballot submitted by electronic transmission, provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder or proxyholder.

2.4. Resignation and Vacancies. Unless otherwise provided in the Certificate of Incorporation or these by-laws:

(i) Vacancies and newly created directorships resulting from any increase in the authorized number of Directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the Directors then in office, although less than a quorum, or by a sole remaining Director.

(ii) Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more Directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the Directors elected by such class or classes or series thereof then in office, or by a sole remaining Director so elected.

2.5. Place of Meetings; Meetings by Telephone. The Board of Directors may hold meetings, both regular and special, either within or outside the State of Delaware. Unless otherwise restricted by the Certificate of Incorporation or these by-laws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

2.6. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and at such place, if any, as shall from time to time be determined by the Board of Directors.

2.7. Special Meetings; Notice. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, the President, the Chairman or by two (2) or more Directors.

Notice of the time and place, if any, of special meetings shall be delivered personally or by telephone or electronic transmission to each Director or sent by first-class mail, charges prepaid, addressed to each Director at that Director’s address as it is shown on the records of the Corporation. If the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. If the notice is delivered personally or by telephone or electronic transmission, it shall be delivered personally or by telephone or by electronic transmission at least forty-eight (48) hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the

Director or to a person at the office of the Director who the person giving the notice has reason to believe will promptly communicate it to the Director. The notice need not specify the purpose or the place of the meeting, if the meeting is to be held at the principal executive office of the Corporation.

2.8. Quorum. At all meetings of the Board of Directors, a majority of the authorized number of Directors shall constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by applicable law, by the Certificate of Incorporation or these by-laws. If a quorum is not present at any meeting of the Board of Directors, then the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

2.9. Waiver of Notice. Whenever notice is required to be given under any provision of the DGCL or of the Certificate of Incorporation or these by-laws, a written waiver thereof, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor other purpose of, any regular or special meeting of the Directors, or a committee of Directors, need be specified in any written waiver of notice unless so required by the Certificate of Incorporation or these by-laws.

2.10. Board of Directors Action by Written Consent Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation or by-laws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, or by electronic transmission or transmissions and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee, as the case may be. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

2.11. Fees and Compensation of Directors. Unless otherwise restricted by the Certificate of Incorporation or these by-laws, the Board of Directors shall have the authority to fix the compensation of Directors.

2.12. Removal of Directors. Unless otherwise restricted by applicable law, by the Certificate of Incorporation or by these by-laws, any Director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of the votes of the issued and outstanding stock then entitled to vote at an election of Directors.

Article III Committees

3.1. Committees of Directors. The Board of Directors may, by resolution, designate one or more committees, with each committee to consist of one or more members of the Board of Directors. The Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors or in these by-laws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve, adopt or recommend to the stockholders any action or matter that the DGCL expressly requires be submitted to stockholders for approval, or (ii) adopt, amend or repeal these by-laws. All members of such committees shall hold their committee offices at the pleasure of the Board of Directors, and the Board of Directors may abolish any committee at any time.

3.2. Committee Minutes. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

3.3. Meetings and Action of Committees. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of **Article II** of these by-laws, Section 2.5 (place of meetings and meetings by telephone), Section 2.6 (regular meetings), Section 2.7 (special meetings and notice), Section 2.8 (quorum), Section 2.9 (waiver of notice), and Section 2.10 (action by written consent without a meeting), with such changes in the context of those by-laws as are necessary to substitute the committee and its members for the Board of Directors and its members, provided, that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee, that special meetings of committees may also be called by resolution of the Board of Directors and that notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but, in the absence of such rules, its business shall be conducted so far as possible in the same manner as is provided in these by-laws for the Board of Directors.

Article IV Officers

4.1. Officers. The officers of the Corporation shall consist of a Chief Executive Officer, a President, a treasurer of the Corporation (the "Treasurer"), the Secretary, and such other officers, including, without limitation, one or more vice presidents of the Corporation ("Vice-President") (including Executive Vice Presidents or Senior Vice Presidents), assistant Vice Presidents (each an "Assistant Vice Presidents"), assistant Treasurers (each an "Assistant Treasurer") and Assistant Secretaries, and any such other officers as may be appointed in accordance with the provisions of Section 4.3 of these by-laws. The Board of Directors may elect from its members a Chairman of the Board of Directors (the "Chairman") and a Vice Chairman of the Board of Directors (the "Vice Chairman").

4.2. Election of Officers. The President, Treasurer, and Secretary shall be elected annually by the Board of Directors at their first annual meeting following the annual meeting of stockholders. Other officers may be chosen by the Board of Directors at such meeting or at any other meeting.

4.3. Subordinate Officers. The Board of Directors may appoint, or may empower the Chairman or, in the absence of the Chairman, the Vice Chairman or, in the absence of a Vice Chairman, the President to appoint, such other officers as the business of the Corporation may require, each of whom shall hold offices for such period, have such authority, and perform such duties as are provided in these by-laws or as the Board of Directors may from time to time determine.

4.4. Qualification. No officer need be a Director. Any number of offices may be held by the same person.

4.5. Removal and Resignation of Officers. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board of Directors at any regular or special meeting of the Board of Directors. Any officer may resign at any time by giving written notice or electronic transmission to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

4.6. Vacancies in Offices. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

4.7. Chairman and Vice Chairman. The Chairman, if one shall be elected, shall, if present, preside at all meetings of the stockholders and the Board of Directors and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board of Directors or as may be prescribed by these by-laws.

Unless otherwise provided by the Board of Directors, in the absence of the Chairman, the Vice Chairman, if one shall be elected, shall, if present, preside at all meetings of the stockholders and the Board of Directors and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board of Directors or as may be prescribed by these by-laws.

4.8. Chief Executive Officer. The Chief Executive Officer shall have such powers and perform such duties as from time to time may be prescribed by the Board of Directors or these by-laws. If there is no Chairman or Vice Chairman, the Chief Executive Officer shall, if present, preside at all meetings of the stockholders and at all meetings of the Board of Directors.

4.9. President. Subject to the control of the Board of Directors, the President shall have general supervision, direction, and control of the business and the officers of the Corporation. If there is no Chairman, Vice Chairman or Chief Executive Officer, the President shall, if present, preside at all meetings of the stockholders and at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the office of President of a Corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or these by-laws.

4.10. Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, the Chairman, the Vice Chairman, or, if there is neither a Chairman nor a Vice Chairman, the Chief Executive Officer, the President or these by-laws.

4.11. Secretary. The Secretary shall keep or cause to be kept, at the principal executive office of the Corporation or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of Directors, committees of Directors, and stockholders. The minutes shall show the time and place, if any, of each meeting, whether regular or special (and, if special, how authorized and the notice given), the names of those present at Directors' meetings or committee meetings, the number of shares present or represented at stockholders' meetings, and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal executive office of the Corporation or at the office of the Corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates evidencing such shares, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required to be given by applicable law or by these by-laws. He shall keep the seal of the Corporation, if one be adopted, in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these by-laws.

4.12. Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any member of the Board of Directors.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall

render to the President and Directors, whenever they request it, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or these by-laws.

4.13. Assistant Vice President. The Assistant Vice President, or, if more than one, the Assistant Vice Presidents in the order determined by the stockholders or Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the Vice President or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Vice President and shall perform such other duties and have such other powers as may be prescribed by the Board of Directors or these by-laws.

4.14. Assistant Secretary. The Assistant Secretary, or, if more than one, the Assistant Secretaries in the order determined by the stockholders or Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the Secretary or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as may be prescribed by the Board of Directors or these by-laws.

4.15. Assistant Treasurer. The Assistant Treasurer, or, if more than one, the Assistant Treasurers, in the order determined by the stockholders or Board of Directors (or if there be no such determination, then in the order of their election), shall, in the absence of the Treasurer or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as may be prescribed by the Board of Directors or these by-laws.

Article V Indemnity

5.1. Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative, investigative or otherwise (collectively, a "Proceeding"), by reason of being or having been a Director or officer of the Corporation or serving or having served at the request of the Corporation as a director or officer of another corporation or as its representative in a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, (collectively, an "Indemnitee"), whether the basis of the Proceeding is alleged action in an official capacity as a director, officer or representative, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL (but with respect to any amendment thereto, only to the extent such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expenses, liability and loss (including, without limitation, attorneys' fees, judgments, fines, penalties, amounts paid or to be paid in settlement and all interest, assessments and other charges paid or payable in connection with or in respect of such expense, liability and loss) (collectively "Expenses", which expenses shall also include without limitation any expenses of establishing a right to indemnification or advancement under this **Article V**) reasonably incurred or suffered by such Indemnitee in connection therewith and such indemnification shall continue as to an Indemnitee who has ceased to be a Director or an officer of the Corporation or a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise and shall inure to the benefit of his or her heirs, executors and administrators.

5.2. Right of Advancement. Expenses incurred by or on behalf of any Indemnitee in defending any Proceeding shall be advanced by the Corporation prior to the final disposition of such Proceeding, provided, that if the DGCL requires, the payment of such Expenses shall be made only upon delivery to the Corporation of an undertaking by or on behalf of such director or officer to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section 5.2 or otherwise.

5.3. Right of Claimant to Bring Suit. If a claim under either Section 5.1 or Section 5.2 is not paid in full by the Corporation within thirty (30) days after a written claim has been received by the Corporation (provided, however, that in the case of an indemnification it is after the final disposition of such Proceeding), an Indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the Indemnitee shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any Proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the Indemnitee has not met the standards of conduct which make it permissible under the DGCL for the Corporation to indemnify the Indemnitee for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including the Board of Directors, independent legal counsel or the stockholders) to have made a determination prior to the commencement of such action that indemnification of the Indemnitee is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including the Board of Directors, independent legal counsel or the stockholders) that the Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

5.4. Non-Exclusivity of Rights. The indemnification and advancement of Expenses provided by or granted pursuant to this **Article V** shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of Expenses may be entitled under any by-law, agreement, vote of stockholders or disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office.

5.5. Indemnification of Other Persons. The provisions of this **Article V** shall not be deemed to preclude the indemnification of any person who is not a Director or officer of the Corporation or is not serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, but whom the corporation has the power or obligation to indemnify under the provisions of the DGCL or otherwise. The Corporation may, in its sole discretion, indemnify an employee, trustee or other agent as permitted by the DGCL.

5.6. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any person who is or was a Director, officer, employee, agent or fiduciary of the

Corporation or who is or was serving at the request of the Corporation as a director, officer, employee, agent or fiduciary of another corporation or of a partnership, joint venture, trust or other enterprise against any Expenses incurred in a Proceeding, whether or not the Corporation would have the power to indemnify such person against such Expenses under the DGCL.

5.7. Savings Clause. If this **Article V** or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each person entitled to indemnification hereunder against Expenses, judgments, fines and amounts paid in settlement with respect to any Proceeding to the full extent permitted by any applicable portion of this **Article V** that shall not have been invalidated, or by any other applicable law.

Article VI Records and Reports

6.1. Maintenance and Inspection of Records. The Corporation shall, either at its principal executive office or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these by-laws as amended to date, accounting books, and other records.

6.2. Inspection by Stockholders. Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the Corporation's stock ledger, a list of its stockholders, and its other books and records and to make copies or extracts therefrom at such stockholder's expense. A proper purpose shall mean a purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent of the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing that authorizes the attorney or other agent so to act on behalf of the stockholder. The demand under oath shall be directed to the Corporation at its registered office in Delaware or at its principal place of business.

6.3. Inspection by Directors. Any Director shall have the right to examine the Corporation's stock ledger, a list of its stockholders, and its other books and records for a purpose reasonably related to his or her position as a Director.

Article VII General Matters

7.1. Checks. From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the Corporation, and only the persons so authorized shall sign or endorse those instruments.

7.2. Execution of Corporate Contracts and Instruments. All contracts, agreements, instruments or other obligations to be entered into by the Corporation in the ordinary course of business, which do not require any action of the Board of Directors, may be executed on behalf of the Corporation by the Chief Executive Officer, the President, any Vice President or the Treasurer, or any other officer, employee or agent of the Corporation as the Board of Directors may authorize.

7.3. Stock Certificates. The shares of the Corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Notwithstanding the adoption of such a resolution by the Board of Directors, every holder of stock represented by certificates and upon request every holder of uncertificated shares shall be entitled to have a certificate signed by, or in the name of the Corporation by the Chairman or Vice Chairman or the President or Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as required by applicable law.

7.4. Lost Certificates. Except as provided in this Section 7.4, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation and cancelled at the same time. The Corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or his or her legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

7.5. Transfer of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate, and record the transaction in its books.

7.6. Conflict of Interest. No contract or transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are Directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorized the contract or transaction, or solely because his, her or their votes are counted for such purpose, if: (i) the material facts as to his, her or their relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested Directors be less than a quorum, or (ii) the material facts as to his, her or their relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders of the Corporation entitled to vote thereon, and the contract or

transaction as specifically approved in good faith by vote of such stockholders, or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee or the stockholders. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

7.7. Dividends. The Board of Directors may, subject to any restrictions contained in (i) the DGCL or (ii) the corporation's Certificate of Incorporation, declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property, or in shares of the Corporation's capital stock.

7.8. Fiscal Year. Except as otherwise determined by the Board of Directors, the fiscal year of the Corporation shall end on December 31 of each year.

7.9. Seal. The Board of Directors shall have the power to adopt and alter the seal of the Corporation.

7.10. Construction; Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these by-laws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

7.11. Voting of Securities. Unless the Board of Directors otherwise provides, the Chief Executive Officer, the President, any Vice President or the Treasurer may waive notice of and act on behalf of this Corporation, or appoint another person or persons to act as proxy or attorney-in-fact for this Corporation with or without discretionary power and/or power of substitution, at any meeting of the stockholders or shareholders of any other corporation or organization, any of whose securities are held by the Corporation.

7.12. Stock Transfer Agreements. The Corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

7.13. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the DGCL.

Article VIII Amendments

By-laws may be adopted, amended or repealed by a majority of the stockholders entitled to vote, provided, that the Corporation may, in its Certificate of Incorporation, confer the power to adopt, amend or repeal by-laws upon the Directors. The fact that such power has been so conferred upon the Directors shall not divest the stockholders of the power nor limit their power, to adopt, amend or repeal by-laws.

Exhibit 4.2

RIGHTS AGREEMENT

THIS RIGHTS AGREEMENT (this "Agreement") is made as of November 4, 2011, by and among OCM IBP HOLDINGS, INC., a Delaware corporation ("OCM"), CCIB Holdco, Inc., a Delaware corporation ("CCIB"), and CETUS CAPITAL II, LLC, a Delaware limited liability company ("Cetus"). Initially capitalized terms used in this Agreement have the meanings assigned to them throughout this Agreement and in Exhibit A attached hereto.

BACKGROUND

A. In connection with the restructuring (the "Restructuring") of IBP Holdings, LLC, a Delaware limited liability company ("IBHL") and IBP Holdings II, LLC, a Delaware limited liability company ("IBHL II"), OCM and other members of IBHL and IBHL II have contributed their membership interests in IBHL and IBHL II to a newly formed limited liability company ("SPE"). Upon consummation of the Restructuring, IBHL and IBHL II will be indirect wholly owned Subsidiaries of CCIB and the SPE will own approximately sixty-eight percent (68%) of the common stock, par value $.01 per share (the "Common Stock"), of CCIB, Cetus will own thirty percent (30%) of the Common Stock of CCIB and IBP Management Holdings, LLC will own approximately two percent (2%) of the Common Stock of CCIB, each on a fully-diluted basis.

B. To induce OCM to consent to the Restructuring, to contribute its membership interests in IBHL and IBHL II to the SPE and to enter into the operating agreement of the SPE dated as of November 3, 2011, as the same may be amended, modified or restated from time to time (the "SPE Operating Agreement"), CCIB and Cetus have agreed to provide OCM with the rights set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

NEGATIVE COVENANTS

Section 1.1 Indebtedness. Without the prior written consent of the holders of at least 50% of the Series A Preferred Units (as defined in the SPE Operating Agreement) then held beneficially and of record by OCM and all Permitted Transferees (as defined in Section 1.4) and subject to Section 2.1, CCIB shall not, and shall not permit any direct or indirect Subsidiary to, create, incur, assume or permit to exist any Indebtedness other than Permitted Indebtedness, including, without limitation, through the use of any direct or indirect Subsidiary of CCIB.

Section 1.2 No Amendments. The terms of any Indebtedness existing as of the date of this Agreement or incurred in connection with the provisions hereof may not be amended, modified or supplemented unless such amended, modified or supplemented terms are at market rates and on other customary terms as reasonably determined by the Board of Directors of CCIB.

Section 1.3 Equity Prohibition. Without the prior written consent of the holders of more than 50% of the Series A Preferred Units then held by OCM and/or any Permitted Transferee (as defined in Section 1.4), CCIB will not:

(a) Create or authorize the creation of any additional class or series of shares of stock that ranks senior to the CCIB Common Stock as to the distribution of assets on the liquidation, dissolution or winding up of CCIB, or increase the authorized amount of shares of CCIB Series A Preferred Stock, par value $.01 per share ("Series A Preferred Stock"), or create or authorize any obligation or security convertible into shares of stock that ranks senior to the CCIB Common Stock as to the distribution of assets on the liquidation, dissolution or winding up of CCIB, whether any such creation, authorization or increase shall be by means of amendment to the CCIB Certificate of Incorporation (as defined below) or by merger, consolidation or otherwise;

(b) Amend the Certificate of Incorporation of CCIB in any manner that would have the effect of making any of the rights, privileges, preferences or limitations of any of the terms of the CCIB Series A Preferred Stock more favorable to the holders thereof than such rights, privileges, preferences or limitations are as of the date hereof, including, without limitation, any amendment which would have the effect of increasing the voting rights of the Series A Preferred Stock or increasing the amount of the "Series A Preferred Liquidation Amount" (as defined in the CCIB Certificate of Incorporation), whether any such rights, privileges, preferences or limitations shall be by means of amendment to the CCIB Certificate of Incorporation or by merger, consolidation or otherwise; or

(c) Take any action that would reasonably be expected to cause any of the prohibited actions listed in clauses (a) and (b) above, including, without limitation, through the use of any direct or indirect Subsidiary of CCIB.

Section 1.4 Limited Assignment of Rights. The rights of OCM set forth in Sections 1.1, 1.2 and 1.3 above may be assigned, directly or indirectly, voluntarily or involuntarily, by OCM only to a Permitted Transferee. For the avoidance of doubt, the conversion of OCM from a corporation to a limited liability company or other entity shall not constitute an "assignment" for purposes of this Section.

ARTICLE II

RIGHT OF FIRST REFUSAL

Section 2.1 Right of First Refusal. For so long as OCM and/or any Permitted Transferee (collectively, the "Series A Holders") holds beneficially and of record any Series A Preferred Units and subject to the terms and conditions of this Section 2.1, if CCIB or any of its direct or indirect Subsidiaries intends to incur any ROFR Indebtedness, then CCIB shall, not less than 15 Business Days prior to incurring or permitting the incurrence of such ROFR Indebtedness, offer, by notice describing the proposed terms of the ROFR Indebtedness (a "Proposal Notice"), to each of the Series A Holders the right to provide all or a portion of such Indebtedness on terms no less favorable than as described in the Proposal Notice; provided, however, if (x) such ROFR Indebtedness is provided by a Third Party and the Series A Holders

collectively elect to provide at least 75% of such ROFR Indebtedness pursuant to the terms hereof, then such Series A Holders will be obligated to provide 100% of such ROFR Indebtedness pursuant to the terms set forth in the Proposal Notice, (y) if more than one Series A Holder elects to provide any of such ROFR Indebtedness, all consents or waivers under, and any modifications, amendments, or restatements of, such ROFR Indebtedness may be given or approved by any Series A Holder(s) that provide(s) at least a majority of such ROFR Indebtedness and (z) if the Series A Holder(s) provide less than all of such ROFR Indebtedness, and the Board of Directors of CCIB requests that it do so, the Series A Holder(s) providing such portion of the ROFR Indebtedness will agree that all consents or waivers under, and any modifications, amendments, or restatements of, such ROFR Indebtedness will require the approval of any third party providing the balance of such ROFR Indebtedness.

(a) In order to exercise its rights hereunder, the Series A Holders must deliver a written notice to CCIB describing its election hereunder within 10 Business Days after receipt of the Proposal Notice from CCIB, and provide such ROFR Indebtedness on substantially the terms contained in such Proposal Notice within 10 Business Days thereafter.

(b) If more than one of the Series A Holders elects to provide the ROFR Indebtedness subject to a Proposal Notice, such ROFR Indebtedness will be provided by such Series A Holders on a pro rata basis, based on the number of Series A Preferred Units owned by each such Holder, or in such amounts as the Series A Holders otherwise unanimously agree.

(c) If all of the Series A Holders fail, within either of such 10 Business Day periods, to either elect to provide, or close on providing, such ROFR Indebtedness, as the case may be, then CCIB shall have 90 days thereafter to incur or permit the incurrence of the ROFR Indebtedness, upon general terms not materially more favorable to the lender than those specified in the Proposal Notice.

Section 2.2 Limited Assignment of Rights. The rights of OCM set forth in Section 2.1 may be assigned, directly or indirectly, voluntarily or involuntarily, by OCM only to a Permitted Transferee. For the avoidance of doubt, the conversion of OCM from a corporation to a limited liability company or other entity shall not constitute an "assignment" for purposes of this Section.

ARTICLE III

MISCELLANEOUS PROVISIONS

Section 3.1 Duration of Agreements. Notwithstanding anything contained herein to the contrary, the rights and benefits afforded to OCM or any Permitted Transferee hereunder will terminate immediately, and without the need for any further action by any party hereto, at such time as OCM and/or such Permitted Transferees cease to hold beneficially and of record any Series A Preferred Units.

Section 3.2 No Inconsistent Agreements. Neither CCIB nor Cetus shall hereafter enter into any agreement that is in any way inconsistent with or in any manner limits, restricts or violates the rights granted to OCM or any Permitted Transferee in this Agreement.

Section 3.3 Remedies. Any Person having rights under any provisions of this Agreement shall be entitled to enforce such rights specifically, to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

Section 3.4 Amendments; Waivers and Consents. Except as otherwise provided herein, changes in or additions to this Agreement may be made, termination of this Agreement may occur, and compliance with any covenant or provision set forth herein may be omitted or waived upon prior written consent of Cetus, CCIB (after having been approved by the Board of Directors of CCIB) and the holders of more than 50% of the Series A Preferred Units then held by OCM and/or any Permitted Transferee. Any waiver or consent may be given subject to satisfaction of conditions stated therein and any waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 3.5 Successors and Assigns. Subject to Sections 1.4 and 2.2, all covenants and agreements in this Agreement by or on behalf of any party shall bind and inure to the benefit of the respective successors and assigns, whether so expressed or not. Any attempt to assign, directly or indirectly, voluntarily or involuntarily, any Person's rights herein in violation of this Agreement will be null and void.

Section 3.6 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

Section 3.7 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same Agreement.

Section 3.8 Descriptive Headings; Interpretation; No Strict Construction. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns, and verbs shall include the plural and vice versa. Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. The use of the words "include" or "including" in this Agreement shall be by way of example rather than by limitation. The use of the words "or", "either" or "any" shall not be

exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

Section 3.9 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware exclusive of the conflict of law principles thereof. As long as service of process is by notice as provided in Section 3.10 hereof or as required by any such court, all objections to improper service of process are hereby waived. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any litigation arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 3.10 Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when (a) delivered personally to the recipient, (b) telecopied to the recipient upon electronic confirmation of receipt of such transmission, or (c) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid). Such notices, demands and other communications shall be sent to the party at the address set forth below, or at such address or to the attention of such Person as the recipient party has specified by prior written notice to the sending party:

CCIB:

495 South High Street, Suite 50
Columbus, OH 43214
Facsimile: (614) 221-3214

Cetus:

8 Sound Shore Drive, Suite 303
Greenwich, CT 06830
Facsimile: (203) 552-3550

OCM:

c/o OCM Mezzanine Fund, L.P.
1301 Avenue of the Americas, 34th Floor
New York, NY 10019
Facsimile: (212) 284-1969
Attention: William B. Sacher and Raj Makam

Section 3.11 Business Days. If any time period for giving notice or taking action hereunder expires on a day that is not a Business Day, the time period shall automatically be extended to the immediately following Business Day.

Section 3.12 Signatures. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or other electronic means, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto and thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or other electronic means to deliver a signature or other fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

Section 3.13 Entire Agreement. This Agreement, the Credit Facility, the SPE Operating Agreement, CCIB's Certificate of Incorporation and the Stockholders Agreement among the SPE, Cetus and IBP Management Holdings, LLC, as the same may be amended, modified, supplemented or waived from time to time, contain the entire understanding between or among the parties hereto with respect to the subject matter hereof and supersede any prior understandings and agreements among them respecting the subject matter of this Agreement.

* * * * * *

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

CCIB HOLDCO, INC.

By: /s/ Robert E. Davis

Name: Robert E. Davis

Title: President

OCM IBP HOLDINGS, INC.

By: /s/ William B. Sacher

Name: William B. Sacher

Title: Authorized Signatory

CETUS CAPITAL II, LLC

By: /s/ Robert E. Davis

Name: Robert E. Davis

Title: Managing Director

By: /s/ Raj Makam

Name: Raj Makam

Title: Authorized Signatory

[COUNTERPART SIGNATURE PAGE FOR RIGHTS AGREEMENT]

EXHIBIT A

DEFINED TERMS

The following terms shall have the following meanings when used in the Rights Agreement, dated as of November 4, 2011 (the "Agreement"), by and among CCIB Holdco, Inc., Cetus Capital II, LLC and OCM IBP Holdings, Inc.

"Acquisition" means any transaction or series of related transactions for the direct or indirect (a) acquisition of any Equity Interest in any Person (whether by purchase, merger, consolidation, joint venture, amalgamation or otherwise) or (b) acquisition of all or substantially all of the Property or business of any Person, or of any business unit, line of business or division of any Person or Property constituting a business unit, line of business or division of any other Person.

"Affiliate" means, with respect to any Person: (i) any Person directly or indirectly Controlling, Controlled by or under common Control with such Person; (ii) any person owning or Controlling 10% or more of the outstanding Equity Interests of such Person; (iii) any officer, director, manager, trustee or general partner of such Person; or (iv) any Person who is an officer, director, manager, trustee or general partner or holder of 10% or more of the Equity Interests of any Person described in clauses (i) through (ii).

"Business Day" means any day other than a Saturday or a Sunday on which trading occurs on the New York Stock Exchange.

"CCIB" has the meaning set forth in the Preamble of the Agreement.

"Cetus" has the meaning set forth in the Preamble of the Agreement.

"Control", "Controls", "Controlled" or **"Controlling"** as applicable, means the ability, whether by the direct or indirect ownership of shares or other Equity Interests, by contract or otherwise, to elect the majority of directors of a corporation, to select the managing partner of a partnership, or otherwise to select, or have the power to remove and then select, fifty percent (50%) or more of those Persons exercising governing authority over any particular entity. In the case of a limited partnership, the sole general partner, each of the general partners to the extent each has equal management control and authority, or the managing general partner or managing general partners thereof (or any Person or entity in Control of such general partner or managing general partner) shall be deemed to have Control of such partnership and, in the case of a trust, any trustee thereof or any Person having the right to select any such trustee shall be deemed to have Control of such trust. In the case of a limited liability company, the sole manager, each of the managers to the extent each has equal management control or authority as the managing member or managing members (or any Person or entity in Control of such manager or managing member), or if there shall be no manager or managing members, any Person who directly or indirectly owns more than fifty percent (50%) of the interests of the company shall be deemed to Control such limited liability company.

"Credit Facility" means that certain Loan and Security Agreement to be entered into among IBL, IBL II, each borrowing Subsidiary party thereto, certain guarantying Subsidiaries

party thereto, the financial institutions party thereto from time to time, and Bank of America, N.A., a national banking association, as agent for the lenders, in connection with the Restructuring, as the same may be amended, modified, restated, extended, renewed, refinanced or replaced from time to time; provided, however, that the maximum amount of Indebtedness that is, or is permitted to be, outstanding under such amended, modified, restated, extended, renewed, refinanced or replaced documentation does not exceed $40 million.

"Equity Interest" means the interest of any (a) shareholder in a corporation; (b) partner in a partnership whether general, limited, limited liability or joint venture; (c) member in a limited liability company; or (d) other Person having any other form of equity security or ownership interest.

"IBHL" has the meaning set forth in the Background of the Agreement.

"IBHL II" has the meaning set forth in the Background of the Agreement.

"IBL" means Installed Building Products, LLC, a Delaware limited liability company.

"IBL II" means Installed Building Products II, LLC, a Delaware limited liability company.

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) any intercompany debt among such Person and its Subsidiaries or among Subsidiaries of such Person, (d) any capital lease or operating lease obligations, (e) any obligations under any letters of credit, (e) any obligations incurred to make any non-compete payments that such Person or any of their direct or indirect Subsidiaries are obligated to make, (f) any obligations incurred to finance payment of any insurance, (g) the assumption of any obligations of any Person or (h) obligations under conditional sale or other title retention agreements relating to the Property.

"OCM" has the meaning set forth in the Preamble of the Agreement.

"Ordinary Course Indebtedness" means (a) any intercompany debt among CCIB and its wholly-owned Subsidiaries (or Suburban Insulation, Inc.) or among any such Subsidiaries of CCIB (or Suburban Insulation, Inc.) in each case incurred in the ordinary course of business, (b) any capital lease or operating lease obligations incurred in the ordinary course of business, (c) any obligations under any letters of credit incurred in the ordinary course of business, (d) any obligations incurred to make any non-compete payments that IBHL, IBHL II or any of their direct or indirect Subsidiaries are obligated to make in the ordinary course of business, (e) any obligations incurred to finance payment of any insurance premiums incurred in the ordinary course of business, (f) the assumption of any obligations of any Person other than CCIB or any of its direct or indirect Subsidiaries, directly or indirectly, in connection with an Acquisition that exist on the effective date of such Acquisition, provided, that such Person shall not have created or incurred such obligations for the sole purpose of permitting CCIB or any of its direct or indirect Subsidiaries to assume Indebtedness that would not qualify as Permitted Indebtedness, (g) obligations under conditional sale or other title retention agreements relating to the Property acquired incurred in the ordinary course of business or (h) Indebtedness existing as of the date of

this Agreement; provided, however, that (i) each of items (a) – (g) are incurred at market rates and on other customary terms as reasonably determined by the Board of Directors of CCIB and (ii) each of items in clauses (b), (e), (f) and (g) are provided by Third Parties; provided, in the case of clause (f), the determination as to whether the Person whose obligations are being assumed satisfies the definition of "Third Party" hereunder will be made immediately prior to the closing of the Acquisition in which such obligations are assumed.

"Permitted Indebtedness" means

(a) Specified Indebtedness;

(b) Ordinary Course Indebtedness;

(c) Indebtedness, at market rates and on other customary terms as reasonably determined by the Board of Directors of CCIB, provided by a Third Party (which for purposes of this definition may include OCM as a Third Party) to extend, renew or refinance any Specified Indebtedness; provided, that such amount that is extended, renewed or refinanced does not exceed the maximum amount of such Indebtedness that was, or was permitted to be, outstanding under this Agreement, plus customary closing costs incurred in connection with such extension renewal or refinancing; and

(d) Indebtedness, incurred in the ordinary course of business at market rates and on other customary terms as reasonably determined by the Board of Directors of CCIB, provided by a Third Party (which for purposes of this definition may include OCM as a Third Party) to extend, renew or refinance any of the Ordinary Course Indebtedness.

"Permitted Transferee" means (i) a Person who executes a counterpart signature page hereto thereby agreeing to be bound by the terms and conditions hereof and (ii)(a) for purposes of Section 1.4, (1) an Affiliate of OCM and (2) no more than three Persons who are permitted transferees of Series A Preferred Units pursuant to the SPE Operating Agreement (excluding any Affiliate of OCM), and in the case of clauses (1) and (2), who is not, in the reasonable determination of the Board of CCIB, a Person who is, or who is an Affiliate of, or otherwise associated with, a Person who is engaged in a business in competition with CCIB or any of its direct or indirect subsidiaries; and (b) for purposes of Section 2.2, (1) an Affiliate of OCM and (2) no more than three Persons who are permitted transferees of Series A Preferred Units pursuant to the SPE Operating Agreement (excluding any Affiliate of OCM), and in the case of clauses (1) and (2), who is not, in the reasonable determination of the Board of CCIB (X) a Person who is, or who is an Affiliate of, or otherwise associated with, a Person who is engaged in a business in competition with CCIB or any of its direct or indirect subsidiaries, (Y) primarily engaged in the business of distressed investing or (Z) providing capital financing for a Person who is primarily engaged in business competition with CCIB or any of its direct or indirect Subsidiaries.

"Person" means any natural person, corporation, limited liability company, trust, partnership, joint venture, joint stock company, unincorporated organization, association, or any other entity including a governmental entity or any department, agency or political subdivision thereof.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"ROFR Indebtedness" means (i) each of the items listed in the definition of Specified Indebtedness other than clause (a) of such definition and (ii) Indebtedness described in clause (c) of the definition of Permitted Indebtedness.

"Series A Preferred Units" has the meaning set forth in the SPE Operating Agreement.

"SPE" has the meaning set forth in the Background of the Agreement.

"SPE Operating Agreement" has the meaning set forth in the Background of the Agreement.

"Specified Indebtedness" means each of the following:

(a) Indebtedness under the Credit Facility but only to the extent that such Indebtedness is provided by one or more Third Parties;

(b) Indebtedness, at market rates and on other customary terms as reasonably determined by the Board of Directors of CCIB, of up to $10 million provided by any Person for working capital or liquidity purposes *provided* that there is $6 million or less of Availability (as defined in the Credit Facility) under the Credit Facility at the time such Indebtedness is created, incurred, assumed or permitted to exist;

(c) Indebtedness, at market rates and on other customary terms as reasonably determined by the Board of Directors of CCIB, provided by any Person to finance an Acquisition (which for avoidance of doubt will not preclude or limit the assumption of any obligations of any Person in connection with an Acquisition as provided by clause (f) of the definition of Ordinary Course Indebtedness);

(d) Indebtedness, at market rates and on other customary terms as reasonably determined by the Board of Directors of CCIB, provided by any Third Party solely to redeem shares of Series A Preferred Stock, par value $0.01 per share, of CCIB pursuant to the terms of the certificate of incorporation of CCIB, as the same may be amended, modified, supplemented or restated from time to time ("CCIB's Certificate of Incorporation") in accordance therewith and in accordance with this Agreement; and

(e) Indebtedness, at market rates and on other customary terms as reasonably determined by the Board of Directors of CCIB, which shall, notwithstanding anything contained herein to the contrary, be in addition to any of the Indebtedness described in any of the preceding clauses (a) – (d) of this definition, that is provided by any Person which is not Cetus, CCIB, the SPE, any member of the SPE, or any Affiliate of any them (such Person, a "Third Party") and the aggregate principal amount of which does not exceed $25 million; provided, however, for purposes of this definition OCM will not be deemed to be an Affiliate of Cetus, CCIB or the SPE.

"Subsidiary" means with respect to any Person, any other Person of which a majority of the outstanding shares or other Equity Interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

STOCKHOLDERS AGREEMENT

BY AND AMONG

CCIB HOLDCO, INC.

AND

THE STOCKHOLDERS SIGNATORY HERETO OR WHO HEREAFTER ACQUIRE CAPITAL STOCK OF THE COMPANY

DATED AS OF

NOVEMBER 4, 2011

STOCKHOLDERS AGREEMENT

This Stockholders Agreement (this "Agreement"), dated as of November 4, 2011, is entered into by and among CCIB Holdco, Inc., a Delaware corporation (the "Company"), and each holder of capital stock of the Company signatory hereto (the "Initial Stockholder Parties") and each other Person who after the date hereof acquires capital stock of the Company and becomes a party to or bound by this Agreement, whether by executing a Joinder Agreement or otherwise (such Persons, collectively with the Initial Stockholder Parties, the "Stockholder Parties").

RECITALS

WHEREAS, the Initial Stockholder Parties and the other parties hereto deem it in their best interests and in the best interests of the Company to set forth in this Agreement their respective rights and obligations in connection with their investment in the Company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings given to them in this Article I.

"ABL Facility" means that certain Loan and Security Agreement dated as of November 4, 2011, among Installed Building Products, LLC, a Delaware limited liability company, Installed Building Products II, LLC, a Delaware limited liability company, each borrowing Subsidiary party thereto as Borrowers, certain guarantying Subsidiaries party thereto as Guarantors, the financial institutions party thereto from time to time as Lenders, and Bank of America, N.A., a national banking association, as Agent for the Lenders, as amended from time to time, or any successor facility.

"Affiliate" means, with respect to any specified Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer or director of such Person or any investment fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person. The terms "controls," "controlled" and "common control with" mean the ability, by ownership of voting securities, contract, agreement or otherwise, directly or indirectly, to direct the managerial and operating policies of a Person.

"Agreement" is defined in the Preamble.

"Annual Budget" is defined in Section 2.5(b).

"Applicable Law" means all applicable provisions of (i) constitutions, treaties, statutes, laws (including the common law), rules, regulations, decrees, ordinances, codes, proclamations, declarations or orders of any Governmental Entity, (ii) any consents or approvals of any Governmental Entity and (iii) any orders, decisions, advisory or interpretative opinions, injunctions, judgments, awards, decrees of, or agreements with, any Governmental Entity.

"Board" is defined in Section 2.1(a).

"Board Take Over Event" means the occurrence of any of (i) a Put Default; (ii) a Redemption Default; (iii) Jeff Edwards (or a successor acceptable to Cetus in its sole reasonable discretion) shall cease to be the Chief Executive Officer of the Company for any reason; (iv) the Company fails to achieve the Projected EBITDA for any Fiscal Year, as certified by the Company's chief financial officer within ninety (90) days after the end of such Fiscal Year; or (v) the Company or any Subsidiary receives notice of an Event of Default (as defined in the ABL Facility) under Section 11.1(a) of the ABL Facility that remains uncured or not waived for ten (10) days or there is any acceleration of the Company's or any Subsidiary's obligations thereunder; *provided*, *however*, that in the event that the Company achieves EBITDA of at least $22,500,000 for a Fiscal Year, then the Board Take Over Event described in clause (iv) above shall no longer apply and shall thereafter be of no further force and effect.

"Board Take Over Right" is defined in Section 2.1(d).

"Business" means the manufacturing, distribution, sale and installation of building products for the residential and commercial building industry in the United States.

"Business Day" means any day of the year on which national banking institutions in the State of New York are open to the public for conducting business and are not required to close.

"By-laws" means the by-laws of the Company, as amended, modified, supplemented or restated from time to time in accordance with Applicable Law and the terms of this Agreement.

"Certificate of Incorporation" means the certificate of incorporation of the Company, as filed on October 28, 2011 with the Secretary of State of the State of Delaware and as amended, modified, supplemented or restated from time to time in accordance with the terms of this Agreement.

"Cetus" means Cetus Capital II, LLC, and its Permitted Transferees.

"Cetus Directors" is defined in Section 2.1(a)(i).

"Common Stock" means the shares of common stock, par value $0.01 per share, of the Company and any securities issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or similar reorganization.

"Company" is defined in the preamble.

"Company Sale" means any transaction or series of related transactions (as a result of a tender offer, merger, consolidation or otherwise) that results in, or that is in connection with, (i) any Third Party Purchaser or "group" (within the meaning of Section 13(d)(3) of the Exchange Act) of Third Party Purchasers acquiring beneficial ownership, directly or indirectly, of a majority of the then issued and outstanding Common Stock or (ii) the sale, lease, exchange, conveyance, transfer or other disposition (for cash, shares of stock, securities or other consideration) of all or substantially all of the property and assets of the Company and its Subsidiaries (if any), on a consolidated basis, to any Third Party Purchaser or "group" (within the meaning of Section 13(d)(3) of the Exchange Act) of Third Party Purchasers (including any liquidation, dissolution or winding up of the affairs of the Company, or any other distribution made, in connection therewith).

"Company Stock" means the Common Stock and the Series A Preferred Stock and any other shares of capital stock or Share Equivalents of the Company.

"Competitor" means any Person that directly competes with the Company in the Business (or any portion thereof), as determined in the good faith determination of the Board.

"Delay Condition" mean any of the following: (i) the Company is prohibited from purchasing any First Lien Shares by any Financing Document or by Applicable Law; (ii) the purchase of any First Lien Shares would result in the occurrence of an event of default under any Financing Documents; or (iii) the Company and its Subsidiaries are unable to obtain (after using best efforts to obtain) sufficient assets to consummate the purchase of the Put First Lien Shares.

"Delay Condition Notice" is defined in Section 3.2(b)(iv).

"Director" is defined in Section 2.1(a).

"Drag-along Notice" is defined in Section 3.3(a).

"Drag-along Sale" is defined in Section 3.3(a).

"Drag-along Stockholder" is defined in Section 3.3(a).

"Dragging Stockholder" is defined in Section 3.3(a).

"EBITDA" has the meaning ascribed to such term in the ABL Facility.

"Edwards Director" is defined in Section 2.1(a).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

"Exchange Agreement" means the Recapitalization and Exchange Agreement by and between the Company and Cetus dated as of even date herewith, and the schedules and exhibits thereto.

"Excluded Issuances" means any issuance of shares of Company Stock or Share Equivalents (i) to an employee, officer, director, consultant or agent of the Company or any of its Subsidiaries pursuant to a stock option plan, equity-based employee benefit plan or other equity-based compensation arrangement approved by the Board; (ii) pursuant to a stock split, subdivision or similar transaction or dividend applicable to all of the Common Stock or Series A Preferred Stock, as applicable; (iii) as payment-in-kind dividends; (iv) pursuant to an Initial Public Offering; (v) pursuant to a reclassification of shares of Company Stock or Share Equivalents; (vi) pursuant to the exercise of any option, warrant or other derivative securities issued pursuant to clause (i) above; (vii) as consideration for an acquisition of another business or Person (including pursuant to a merger or reorganization) approved by the Board (including specifically the Cetus Directors); or (viii) to a lender or any one or more of its Affiliates solely in connection with any debt financing transaction involving the Company approved by the Board (including specifically the Cetus Directors), in each case above, approved in accordance with Applicable Law and the provisions of this Agreement, including, to the extent applicable, Section 2.3.

"Exercise Period" is defined in Section 4.1(c).

"Exercising Stockholder" is defined in Section 4.1(d).

"Fair Market Value" with respect to the First Lien Shares, means as of any date of determination the amount that the holder of such First Lien Shares would receive in respect of such First Lien Shares if the Company and its Subsidiaries were sold as a going concern for its then fair market value, as determined in good faith by a nationally recognized investment banking, accounting or valuation firm (mutually agreeable to the holders of a majority of the outstanding First Lien Shares and the Majority Holders holding at least a majority of the shares of Common Stock held by the Majority Holders), taking into account such factors as such firm deems appropriate, including the earnings and other financial information of the Company and its Subsidiaries for such time period as such firm deems is appropriate, the potential value of the Company and its Subsidiaries as a whole, the prospects of the Company and its Subsidiaries and the industries in which they compete and the general condition of the securities markets, and, after payment of all indebtedness and reasonable reserves for contingent liabilities and obligations, the remaining proceeds were distributed to the stockholders in accordance with the distribution priorities specified in the Certificate of Incorporation. For the avoidance of doubt, in determining the Fair Market Value hereunder, no discount for minority ownership or illiquidity of First Lien Shares shall be applied since Fair Market Value shall be determined based on the fair market value of the Company and its Subsidiaries as a private going concern as described in this definition, and not on the value of such First Lien Shares if they were sold separately.

"Family Group" means for any individual, such individual's spouse, parents, descendants (including adoptive relationships and stepchildren) and the spouses of each such persons, any trust for the sole benefit of such individual, such individual's spouse, parents, descendants (including adoptive relationships and stepchildren) or the spouses of each such persons, or any corporation, partnership or limited liability company in which the direct and beneficial owner of all of the equity interest is such individual or such individual's spouse, parent, descendants (including adoptive relationships and stepchildren) or the spouses of each such persons.

"Financing Document" means any credit agreement, guarantee, financing or security agreement or other agreements or instruments governing indebtedness of the Company or any of its Subsidiaries.

"First Lien Director" is defined in Section 2.1(d).

"First Lien Holder" means each Stockholder Party identified on Schedule 2 hereto as a First Lien Holder, and its Permitted Transferees.

"First Lien Shares" means shares of Common Stock held by a First Lien Holder, and its Permitted Transferees.

"Fiscal Year" means for financial accounting purposes, January 1 to December 31.

"GAAP" means United States generally accepted accounting principles in effect from time to time.

"Government Approval" means any authorization, consent, approval, waiver, exception, variance, order, exemption, publication, filing, declaration, concession, grant, franchise, agreement, permission, permit, or license of, from or with any Governmental Entity, the giving notice to, or registration with, any Governmental Entity or any other action in respect of any Governmental Entity.

"Governmental Entity" means any (i) federal, state, local, foreign or other government authority, including any nation, state, commonwealth, province, territory, county, municipality, district or other juridical or political body; (ii) public primary, secondary or higher educational institution; or (iii) other governmental, self-regulatory or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, instrumentality, official, organization, unit, body or entity and any court or other tribunal).

"Housing Completions" shall mean the number of Housing Completions for a particular Fiscal Year as reported in the New Residential Construction Report issued by the United States Census Bureau on or about the third week of January following a particular Fiscal Year.

"Initial Public Offering" means the first offering of Common Stock pursuant to a registration statement filed in accordance with the Securities Act.

"Initial Stockholder Parties" is defined in the preamble.

"Information" is defined in Section 5.1(a).

"Issuance Notice" is defined in Section 4.1(b).

"Joinder Agreement" means the joinder agreement in substantially the form of Exhibit A attached hereto.

"Lien" means any lien, pledge, mortgage, deed of trust, security interest, retention of title or lease for security purposes, claim, license, charge, option, right of first refusal, easement, right

of way, covenant, condition, restriction, reservation, servitude, proxy, voting trust or agreement, transfer restriction under any stockholder or similar agreement, or encumbrance of any nature whatsoever of any kind.

"Majority Holder" means each Stockholder Party identified on Schedule 1 hereto as a Majority Holder, and its Permitted Transferees.

"Management Holder" means each Stockholder Party who holds Management Shares, and his or her Permitted Transferees.

"Management Shares" means shares of Common Stock now or hereafter acquired by an employee of the Company or one of its Subsidiaries.

"New Securities" is defined in Section 4.1(a).

"Non-Exercising Stockholder" is defined in Section 4.1(d).

"Organizational Documents" means the By-laws and the Certificate of Incorporation.

"Over-allotment Exercise Period" is defined in Section 4.1(d).

"Over-allotment New Securities" is defined in Section 4.1(d).

"Over-allotment Notice" is defined in Section 4.1(d).

"Permitted Transferee" means a Transferee of any Company Stock pursuant to a Transfer that is permitted or made in accordance with this Agreement.

"Person" means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Entity or other entity.

"Pre-emptive Pro Rata Portion" is defined in Section 4.1(c).

"Pre-emptive Stockholder" is defined in Section 4.1(a).

"Proposed Budget" is defined in Section 2.5(a).

"Projected EBITDA" means, for any period of determination, the projected consolidated EBITDA of the Company and its Subsidiaries as set forth on Exhibit B; provided, however, if there has been a material adverse change in the factors affecting the Company's ability to achieve EBITDA, the Company and the Series A Preferred Holders will review the terms of Exhibit B and may revise them as they mutually agree.

"Put Default" is defined in Section 3.2(b)(iv).

"Put First Lien Shares" is defined in Section 3.2(b).

"Put Notice" is defined in Section 3.2(b).

"Put Purchase Price" is defined in Section 3.2(a).

"Put Right Closing Date" is defined in Section 3.2(b)(iii).

"Put Right Date" is defined in Section 3.2(a).

"Redemption Default" means the failure of the Company to redeem the Series A Preferred Stock on the Optional Redemption Date (as defined in the Certificate of Incorporation).

"Representative" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"Second Lien Holder" means each Stockholder Party identified on Schedule 3 hereto as a Second Lien Holder, and its Permitted Transferees.

"Second Lien Shares" means shares of Common Stock held by a Second Lien Holder.

"Securities Act" means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

"Series A Preferred Holder" means each Stockholder Party that holds Series A Preferred Stock, and its permitted Transferees.

"Series A Preferred Stock" means the shares of Series A Preferred Stock, par value $0.01 per share, of the Company and any securities issued in respect thereof, or in substitution therefor, in connection with any stock split, dividend or combination, or any reclassification, recapitalization, merger, consolidation, exchange or similar reorganization.

"Share Equivalents" means any rights, warrants, options, bonds, debentures, notes or other obligations directly or indirectly convertible into or exercisable or exchangeable for, any shares of capital stock of the Company of any class or series, whether at the time of issuance or upon the passage of time or the occurrence of some future event.

"Stockholder Group" means a group consisting of one or more stockholders (of the same class or series or different classes or series) that have collective rights under this Agreement with respect to the Company Stock held by the stockholders of such group, including each of Cetus, the Majority Holders, the First Lien Holders, the Management Holders, the Second Lien Holders and the Series A Preferred Holders.

"Stockholder Parties" is defined in the Preamble.

"Subsidiary" means with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

"Third Party Purchaser" means any Person who, immediately prior to the contemplated transaction, (i) does not directly or indirectly own or have the right to acquire any outstanding Company Stock or (ii) is not a Permitted Transferee of any Person who directly or indirectly owns or has the right to acquire any Company Stock.

"Transfer" means to, directly or indirectly, sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of, either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of, any Company Stock owned by a Person or any interest (including a beneficial interest) in any Company Stock owned by a Person.

ARTICLE II
MANAGEMENT AND OPERATION OF THE COMPANY

Section 2.1 Board of Directors.

(a) The Stockholder Parties agree that the business and affairs of the Company shall be managed through a board of directors (the "Board") and that the size of the Board shall be set and remain at seven (7) directors (each, a "Director"), and shall have two (2) vacancies, except that (i) upon the exercise of the Board Take Over Right or (ii) if at any time the First Lien Holders shall hold at least a majority of the issued and outstanding shares of Common Stock, in which case such vacancies shall be filled in the manner set forth in Section 2.1(d). Subject to Section 2.1(b), Section 2.1(c) and Section 2.1(d), the Directors shall be elected to the Board in accordance with the following procedures:

(i) (A) for so long as Cetus holds, directly or indirectly, beneficially or of record, at least ten percent (10%) of the issued and outstanding shares of Common Stock, Cetus shall have the right to designate two (2) Directors, who shall initially be Robert Davis and Steven Raich; and (B) for so long as Cetus holds, directly or indirectly, beneficially or of record, at least five percent (5%) of the issued and outstanding shares of Common Stock, Cetus shall have the right to designate one (1) Director (the Directors designated pursuant to this Section 2.1(a)(i), the "Cetus Directors"); and

(ii) (A) for so long as the Majority Holders hold, directly or indirectly, beneficially or of record, in the aggregate at least forty percent (40%) of the issued and outstanding shares of Common Stock, the Majority Holders shall have the right to designate three (3) Directors, who shall initially be Jeffrey Edwards, Michael Miller and Douglas Hill; (B) for so long as the Majority Holders hold, directly or indirectly, beneficially or of record, in the aggregate at least ten percent (10%) of the issued and outstanding shares of Common Stock, the Majority Holders shall have the right to designate two (2) Directors; and (C) for so long as the Majority Holders hold, directly or indirectly, beneficially or of record, in the aggregate at least five percent (5%) of the issued and outstanding shares of Common Stock, the Majority Holders shall have the right to designate one (1) Director (the Directors designated pursuant to this Section 2.1(a)(ii), the "Edwards Directors").

(b) Subject to Section 2.1(d), (i) in the event that Cetus ceases to hold, directly or indirectly, beneficially or of record, at least five percent (5%) of the issued and outstanding shares of Common Stock, then (x) Cetus shall cease to have the right to designate any Directors

pursuant to Section 2.1(a), (y) Cetus shall immediately cause all of the Cetus Directors to resign, and (z) the holders of a majority of the Common Stock shall have the right to designate two (2) Directors to fill such resulting vacancies; and (ii) in the event that Cetus ceases to hold, directly or indirectly, beneficially or of record, at least ten percent (10%) of the issued and outstanding shares of Common Stock but holds at least five percent (5%) of the issued and outstanding shares of Common Stock, then (x) Cetus shall immediately cause one (1) of the Cetus Directors to resign, and (y) the holders of a majority of the Common Stock shall have the right to designate one (1) Director to fill such resulting vacancy.

(c) Subject to Section 2.1(d), (i) in the event the Majority Holders cease to hold, directly or indirectly, beneficially or of record, in the aggregate at least five percent (5%) of the issued and outstanding shares of Common Stock, then (x) the Majority Holders shall cease to have the right to designate any Directors pursuant to Section 2.1(a), (y) the Majority Holders shall cause all of the Edwards Directors to resign, and (z) the holders of a majority of the Common Stock shall have the right to designate three (3) Directors to fill such resulting vacancies; (ii) in the event that the Majority Holders cease to hold, directly or indirectly, beneficially or of record, in the aggregate at least ten percent (10%) of the issued and outstanding shares of Common Stock but hold, directly or indirectly, beneficially or of record, at least five percent (5%) of the issued and outstanding shares of Common Stock, then (x) the Majority Holders shall immediately cause two (2) of the Edwards Directors to resign, and (y) the holders of a majority of the Common Stock shall have the right to designate two (2) Directors to fill such resulting vacancies; and (iii) in the event that the Majority Holders cease to hold, directly or indirectly, beneficially or of record, in the aggregate at least forty percent (40%) of the issued and outstanding shares of Common Stock but hold, directly or indirectly, beneficially or of record, at least ten percent (10%) of the issued and outstanding shares of Common Stock, then (x) the Majority Holders shall immediately cause one (1) of the Edwards Directors to resign, and (y) the holders of a majority of the Common Stock shall have the right to designate one (1) Director to fill such resulting vacancy.

(d) Notwithstanding Section 2.1(a), Section 2.1(b) and Section 2.1(c), (x) for so long as Cetus holds, directly or indirectly, beneficially or of record, at least ten percent (10%) of the issued and outstanding shares of Common Stock, then from and after the occurrence of a Board Take Over Event, or (y) if at any time the First Lien Holders shall hold at least a majority of the issued and outstanding shares of Common Stock, in either such case, the First Lien Holders may, at their election, require that the two (2) vacancies on the Board shall be filled and that the Directors be elected to the Board in accordance with the following procedures (the "Board Take Over Right"):

(i) the holders of a majority of the First Lien Shares shall have the right to designate four (4) Directors, the two (2) vacancies and the two (2) Cetus Directors (the "First Lien Directors"); and

(ii) the remaining three (3) Directors shall be designated in accordance with Section 2.1(a)(ii) and Section 2.1(c).

In the event that Cetus ceases to hold at least ten percent (10%) of the issued and outstanding shares of Common Stock, then the Board Take Over Right shall terminate and be of no further

force and effect, and if at such time the First Lien Holders previously had elected to exercise the Board Take Over Right, then Section 2.1(b) shall apply and the First Lien Holders shall immediately cause the First Lien Directors filling the two (2) vacancies to resign.

(e) Each Stockholder Party shall vote all shares of Company Stock over which such Stockholder Party has voting control and shall take all other necessary or desirable actions within such Stockholder Party's control (including in its capacity as stockholder or, subject to applicable fiduciary duties, director, member of a board committee or officer of the Company or otherwise, and whether at a regular or special meeting of the stockholders or by written consent in lieu of a meeting) to both cause the nomination of any such individual designated pursuant to this Section 2.1 and to elect to the Board any individual designated pursuant to Section 2.1(a), Section 2.1(b), Section 2.1(c) and/or Section 2.1(d).

(f) Each Stockholder Group shall have the right at any time to remove (with or without cause) any Director designated by such Stockholder Group for election to the Board and each other Stockholder Party shall vote all shares of Company Stock over which such Stockholder Party has voting control and shall take all other necessary or desirable actions within such Stockholder Group's control (including in its capacity as stockholder or, subject to applicable fiduciary duties, director, member of a board committee or officer of the Company or otherwise, and whether at a regular or special meeting of the Stockholders or by written consent in lieu of a meeting) to remove from the Board any individual designated by such Stockholder Group that such Stockholder Group desires to remove pursuant to this Section 2.1. Except as provided in the preceding sentence, unless a Stockholder Group shall otherwise consent in writing, no other Stockholder Group shall take any action to cause the removal of any Directors designated by a Stockholder Group.

(g) Subject to Section 2.1(b), Section 2.1(c) and Section 2.1(d), in the event a vacancy is created on the Board at any time and for any reason (whether as a result of death, disability, retirement, resignation or removal pursuant to Section 2.1(f)), the Stockholder Group who designated such individual shall have the right to designate a different individual to replace such Director and each other Stockholder Party shall vote all shares of Company Stock over which such Stockholder Party has voting control and shall take all other necessary or desirable actions within such Stockholder's control (including in its capacity as stockholder or, subject to applicable fiduciary duties, director, member of a board committee or officer of the Company or otherwise, and whether at a regular or special meeting of the stockholders or by written consent in lieu of a meeting) to elect to the Board any individual designated by such Stockholder Group.

(h) The Board shall have the right to establish any committee of Directors as the Board shall deem appropriate from time to time. Subject to this Agreement, the Organizational Documents and Applicable Law, committees of the Board shall have the rights, powers and privileges granted to such committee by the Board from time to time. Any delegation of authority to a committee of Directors to take any action must be approved in the same manner as would be required for the Board to approve such action directly. Any committee of Directors shall be composed of the same proportion of Directors as each Stockholder Group shall then be entitled to appoint to the Board pursuant to this Section 2.1; provided, that for so long as Cetus or the First Lien Holders have the right to designate a Director to the Board, any committee composed of Directors shall consist of at least one Cetus Director or First Lien Director, as applicable.

Section 2.2 Meetings of the Board of Directors.

(a) The Board will meet no less frequently than 5 times each year at such times and in such places as the Board shall designate from time to time. In addition to the regular meetings contemplated by the foregoing sentence, special meetings of the Board may be called by any Director or Initial Stockholder Party holding at least ten percent (10%) of the issued and outstanding shares of Common Stock.

(b) The Directors may participate in any meeting of the Board by means of video conference, teleconference or other similar communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute such Director's presence in person at the meeting.

(c) The presence of a majority of Directors then in office shall constitute a quorum; provided, that at least one Cetus Director is present at such meeting. If a quorum is not achieved at any duly called meeting, such meeting may be postponed to a time no earlier than 48 hours after written notice of such postponement has been given to the Directors.

(d) Unless otherwise restricted by this Agreement, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all directors or members of such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writings or electronic transmissions are filed with the minutes of proceedings of the Board of Directors or committee.

(e) The Company shall pay all actual and reasonable out-of-pocket fees, charges and expenses (including reasonable travel and related expenses) incurred by each Director in connection with (i) attending the meetings of the Board and all committees thereof, and (ii) conducting any other Company business requested by the Company.

Section 2.3 Approval Rights. So long as either (i) any shares of Series A Preferred Stock are issued and outstanding or (ii) Cetus holds at least ten percent (10%) of the issued and outstanding shares of Common Stock, in addition to any vote or consent of the Board or the stockholders of the Company required by Applicable Law, without the affirmative vote or written consent of holders of (x) a majority of the issued and outstanding shares of Series A Preferred Stock (if any) and (y) a majority of the issued and outstanding First Lien Shares, the Corporation shall not, whether by merger, consolidation or otherwise, and shall not permit or cause any direct or indirect Subsidiary to, whether by merger, consolidation or otherwise, and shall not enter into any commitment to:

(a) create, or authorize the creation of, or issue shares of, any class or series of capital stock or any rights, warrants, options, bonds, debentures, notes or other obligations directly or indirectly convertible into or exercisable or exchangeable for, any shares of capital stock of any class or series, whether at the time of issuance or upon the passage of time or the occurrence of some future event, or increase the authorized number of shares of a class or series of capital stock;

(b) reclassify, alter or amend the designations, powers, preferences, rights or qualifications of any class or series of capital stock;

(c) except for Accruing Dividends (as defined in the Certificate of Incorporation), pay or declare any dividend or make any distribution on, any shares of capital stock, or set aside any funds therefor;

(d) other than (A) redemptions of the Series A Preferred Stock in accordance with the Certificate of Incorporation or (B) repurchases of shares of Common Stock in connection with the cessation of employment or service of an employee or consultant at the price per share provided for in any agreement by and between the Company and such employee or consultant, redeem or repurchase (or permit any subsidiary to redeem or repurchase) any shares of capital stock;

(e) amend, modify or waive any provision of the Certificate of Incorporation or By-laws;

(f) authorize any merger, consolidation, recapitalization, restructuring, exchange, dissolution or liquidation or approve the conveyance, sale, transfer, assignment or disposal of a majority (based on the fair market value) of its assets (excluding sales of inventory and other dispositions of assets in the ordinary course of business), except for mergers of Subsidiaries into Subsidiaries, mergers of Subsidiaries into the Company, intercompany sales of assets, and dissolutions of Subsidiaries in the ordinary course of business, provided such mergers, intercompany sales and dissolutions do not result in an adverse impact to the Company, including negative tax and/or accounting implications;

(g) enter into any transaction, contract, agreement or other arrangement with any Affiliate or related party that requires payments, individually or in the aggregate, in excess of $100,000, except in accordance with the terms in effect on the date hereof of the Management Agreement dated March 29, 2004 between IBP Holding Company and Installed Building Products, LLC through and until December 31, 2011 and of the Management Agreement dated as of October 29, 2007 by and among IBP Holding Company, Installed Building Products II, LLC and certain other parties through and until December 31, 2011, projects involving the installation of building materials, inter-Affiliate benefit plans, and the extension and/or renewal of real estate leases in existence as of the date hereof, in each case so long as they are no less favorable to the Company than could be obtained on an arm’s length basis from an unrelated third party;

(h) enter into any contract that requires payments in excess of $250,000 per annum, except for contracts with vendors and suppliers, insurance premiums and the financing thereof, licensing and performance bonds obtained in the ordinary course of business, benefit plans, and contracts and transactions otherwise excepted in subsections (g), (j), (k) and (m);

(i) increase or decrease the authorized number of directors constituting the Board;

(j) enter into, renew or guarantee any debt instrument that requires or may require payments in excess of $250,000 individually or $1,000,000 in the aggregate, except for insurance premium financing, intercompany debt among the Company and its Subsidiaries or among

Subsidiaries of the Company, letters of credit, contracts and transactions otherwise excepted in subsections (g), (h), (k) and (m) or any debt instrument the proceeds of which will be used solely to redeem the Series A Preferred Stock as required by Article Fourth, Section 5(c)(i) of the Certificate of Incorporation;

(k) enter into any new rental agreements, sub-lease and lease-back, in each case after the date of this Agreement, that requires or may require annual payments in excess of $100,000 individually or $1,000,000 in the aggregate, except for lease renewals, capital leases in compliance with subsection (m) below and contracts and transactions otherwise excepted in subsection (h);

(l) (A) approve or adopt the Annual Budget, and any material amendments and supplements thereto, or operate other than in material compliance with such Annual Budget and annual financial plan; (B) make any material change to the nature of the Company's business; or (C) enter into any business other than such business, in each case, except as expressly contemplated by the then-effective Annual Budget of the Company and except to engage in activities incidental thereto, similar, related or complimentary businesses, or businesses not substantially different from the lines of the Company's business as conducted on the date of this Agreement;

(m) increase the capital expenditure amounts contained in the Annual Budget by more than 15% and incur any individual capital expenditure items (including multiple payments for the same item) totaling more than $200,000 per year, except for existing operating leases and rents that may be converted to capital leases in order to comply with proposed GAAP pronouncements which may be issued in the future;

(n) appoint or remove (with or without cause), enter into or amend any material term of (i) any employment agreement or arrangement with, (ii) the compensation (including salary, bonus, deferred compensation or otherwise) or benefits of, (iii) any stock option, employee stock purchase or similar equity-based award to, (iv) any benefit, severance or other similar plan (except for benefit plans available to employees generally) of, or (v) any bonus payments to, any officer, or any employee with aggregate annual compensation in excess of $175,000 (other than commission-based salespersons);

(o) create, authorize, adopt or amend any stock option plan, other equity-based compensation arrangement, equity incentive compensation plan or any individual non-equity incentive compensation plan or arrangement under which the value of the incentive under the plan or arrangement is expected to exceed $500,000 in any fiscal year, except amendments necessary to comply with law**;**

(p) change the tax status of the Company or make any material tax election;

(q) appoint or remove the Company's auditors or make any changes in the accounting methods or policies of the Company (other than as required by GAAP);

(r) make any loan, advance or capital contribution to any Person in excess of $100,000 individually or $500,000 in the aggregate, except for any loan, advance or capital contribution made in the ordinary course of business to a direct or indirect wholly-owned subsidiary of the Company or Suburban Insulation, Inc.; or

(s) make any investment in any other Person in excess of $100,000 individually or $1,000,000 in the aggregate, except for any investment made in the ordinary course of business to a direct or indirect wholly-owned subsidiary of the Company or Suburban Insulation, Inc.

Notwithstanding anything to the contrary contained in Section 2.3(d) above or in Article Fourth, Section 5(e)(iv) of the Certificate of Incorporation, the Series A Preferred Holders hereby consent to repurchases of equity in connection with mandatory obligations to purchase in accordance with that certain Shareholders Agreement dated September 19, 2005 of Suburban Insulation, Inc., a Pennsylvania corporation.

Notwithstanding anything to the contrary contained in Section 2.3(n) above or in Article Fourth, Section 5(e)(xi) of the Certificate of Incorporation, the Series A Preferred Holders hereby consent to the payout of the bonuses no later than March 15, 2012 in the amounts listed on Schedule 2.3 hereto.

Notwithstanding anything to the contrary contained in Sections 2.3(b) or (e) or in Article Fourth, Section 5(e)(ii) or (v) of the Certificate of Incorporation, the Series A Preferred Holders hereby consent to the filing of a Certificate of Amendment to the Certificate of Incorporation immediately following the date hereof to delete the reference to "$25,263.251" in the definition of "Series A Preferred Original Issue Price" in the Certificate of Incorporation and replace it in its entirety with "$25,245.2862".

Section 2.4 Subsidiaries. With respect to any Subsidiary that is now existing or hereafter acquired or established in accordance with the terms of this Agreement, upon the written request of Cetus or the First Lien Holders holding at least a majority of the First Lien Shares (after consultation with the Company), the Stockholder Parties shall have the same management, voting and board of director representation rights with respect to such Subsidiary as the Stockholder Parties have with respect to the Company. The Stockholder Parties shall, and shall cause their Director designees to, take all such actions as may be necessary or desirable to give effect to this provision.

Section 2.5 Annual Budget.

(a) No later than twenty (20) days prior to the commencement of each Fiscal Year of the Company (except that for Fiscal Year 2012, such period shall be extended until thirty (30) days after the commencement of Fiscal Year 2012), the Chief Executive Officer shall prepare and deliver to each Series A Preferred Holder a proposed annual budget and financial plan for the next Fiscal Year of the Company and its Subsidiaries (as further described below, a "Proposed Budget"). Each Proposed Budget shall include with respect to the period covered thereby:

(i) an executive summary (A) outlining the business strategy and budgeted and forecasted financial information for the upcoming period and (B) containing a detailed statement setting forth the overall plan for the business of the Company and its Subsidiaries for the upcoming period, including proposed acquisitions, divestitures, financings and re-financings (in all cases, to the extent then known or reasonably anticipated);

(ii) a proposed annual budget and financial plan covering the Company and its Subsidiaries;

(iii) estimated financing needs and estimated financing costs; and

(iv) EBITDA projections.

(b) The Series A Preferred Holders shall promptly review the Proposed Budget and, if applicable, provide the Chief Executive Officer with any comments or requested changes to such Proposed Budget. The Chief Executive Officer shall thereafter promptly submit a revised Proposed Budget to the Series A Preferred Holders incorporating or otherwise addressing the requested changes. The Series A Preferred Holders holding at least a majority of the shares of Series A Preferred Stock shall approve or disapprove such revised Proposed Budget by no later than the first Business Day which is forty-five (45) days after its receipt of the initial Proposed Budget. Any Proposed Budget approved by the Series A Preferred Holders in accordance with this Section 2.5 shall become the annual plan for the next Fiscal Year of the Company and its Subsidiaries (any Proposed Budget approved in total by the Series A Preferred Holders for any Fiscal Year, an "Annual Budget").

(c) If the Company and the Series A Preferred Holders have not reached an agreement as to the Annual Budget for any Fiscal Year within thirty (30) days after the commencement of such Fiscal Year (except that for Fiscal Year 2012, such period shall be extended until eighty (80) days after the commencement of Fiscal Year 2012), then as to any disputed budget line item, such amount will be equal to the product of (i) a fraction, the numerator of which is the Annual Budget portion of the Annual Budget for the immediately preceding Fiscal Year (exclusive of any non-recurring capital expenditures or any items that were not ordinary course expenditures) and the denominator of which is the amount of sales of the Company for such preceding Fiscal Year and (ii) the projected sales for such disputed Fiscal Year, but only with respect to such disputed budget line item and only until such time as the Company and the Series A Preferred Holders reach an agreement on the amount to be allocated to such disputed budget line item; provided, however, if projected sales is the amount that the Company and the Series A Preferred Holders have not reached an agreement on as to the Annual Budget for any Fiscal Year, then one hundred three (103%) of the amount of actual sales of the Company for the immediately preceding Fiscal Year shall be controlling for projected sales until such time as the Company and the Series A Preferred Holders reach an agreement on the amount to be allocated to such disputed budget line item.

Section 2.6 Cessation of Dividends. Upon the exercise of the Board Take Over Right in accordance with Section 2.1(d), Cetus hereby agrees to provide its consent to waive any Accruing Dividends (as defined in the Certificate of Incorporation) pursuant to Article Fourth Section 5(a) of the Certificate of Incorporation from the date of such exercise.

ARTICLE III
TRANSFER OF INTERESTS

Section 3.1 General Restrictions on Transfer.

(a) Except as permitted pursuant to Section 3.1(b) or in accordance with the procedures described in Section 3.2 or Section 3.3, each Stockholder Party agrees that such Stockholder Party will not, directly or indirectly, voluntarily or involuntarily, Transfer any of its Company Stock.

(b) The provisions of Section 3.1(a), Section 3.1(f), Section 3.1(g), Section 3.2 and Section 3.3 shall not apply to any of the following Transfers by any Stockholder Party of any of its Company Stock, (i) in the case of any Stockholder Party, to an Affiliate of such Stockholder Party as long as such Affiliate is not a Competitor or an Affiliate of a Competitor, and (ii) in the case of a Stockholder Party that is an individual, to a member of the Family Group of such Stockholder Party for *bona fide* estate planning purposes provided that such Stockholder Party retains voting control over such Company Stock, in each case, so long as the Person to whom such Company Stock is Transferred executes a Joinder Agreement.

(c) In addition to any legends required by Applicable Law, each certificate representing the Company Stock shall bear a legend substantially in the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A STOCKHOLDERS AGREEMENT (A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY). NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH STOCKHOLDERS AGREEMENT AND (A) PURSUANT TO A REGISTRATION STATEMENT EFFECTIVE UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION THEREUNDER. THE HOLDER OF THIS CERTIFICATE, BY ACCEPTANCE OF THIS CERTIFICATE, AGREES TO BE BOUND BY ALL OF THE PROVISIONS OF SUCH STOCKHOLDERS AGREEMENT."

(d) Prior notice shall be given to the Company by a Stockholder Party of any Transfer (whether or not to a Permitted Transferee) of any Company Stock. Prior to consummation of any Transfer by any Stockholder Party of any of its Company Stock, such party shall cause the transferee thereof to execute and deliver to the Company a Joinder Agreement and agree to be bound by the terms and conditions of this Agreement. Upon any Transfer by any Stockholder Party of any of its Company Stock, in accordance with the terms of this Agreement, the transferee thereof shall be substituted for, and shall assume all the rights and obligations under this Agreement of, the transferor thereof, whether or not such transferee executes and delivers a Joinder Agreement.

(e) Notwithstanding any other provision of this Agreement, each Stockholder Party agrees that it will not, directly or indirectly, Transfer any of its Company Stock (i) except as permitted under the Securities Act and other applicable federal or state securities laws, and then,

if reasonably requested by the Company, only upon delivery to the Company of an opinion of counsel in form and substance satisfactory to the Company to the effect that such Transfer may be effected without registration under the Securities Act; (ii) if it would cause the Company or any of its Subsidiaries to be required to register as an investment company under the Investment Company Act of 1940, as amended; or (iii) if it would cause the assets of the Company or any of its Subsidiaries to be deemed plan assets as defined under the Employee Retirement Income Security Act of 1974 or its accompanying regulations or result in any "prohibited transaction" thereunder involving the Company.

(f) Except for Transfers permitted by Section 3.1(b) above, for so long as either (i) Cetus holds at least ten percent (10%) of the issued and outstanding shares of Common Stock or (ii) there is any Series A Preferred Stock issued and outstanding, no Stockholder Party other than the Series A Preferred Holders and the First Lien Holders shall Transfer any Company Stock without the prior written consent of Cetus.

(g) No Series A Preferred Holder or First Lien Holder shall Transfer any Series A Preferred Stock or First Lien Shares, as applicable, to any Competitor or any Affiliate of a Competitor without the prior written consent of the Majority Holders holding at least a majority of the shares of Common Stock held by the Majority Holders; provided, however, that the restriction contained in this Section 3.1(g) shall not apply from and after the occurrence of a Redemption Default or a Put Default or in connection with a Drag-along Sale pursuant to Section 3.3.

(h) Any Transfer or attempted Transfer of any Company Stock in violation of this Agreement shall be null and void *ab initio*, no such Transfer shall be recorded on the Company's books and the purported transferee in any such Transfer shall not be treated (and the purported transferor shall continue be treated) as the owner of such Company Stock for all purposes of this Agreement.

(i) The Company shall not (i) issue any shares of Common Stock upon the exercise of any stock options granted to any Person pursuant to any stock option plan, employee benefit plan or other compensation arrangement approved by the Board, unless such Person shall have executed and delivered to the Company, as a condition precedent to such issuance, a Joinder Agreement accepting the rights and obligations set forth in this Agreement, and designating an address for notices to such Person required or permitted hereunder; or (ii) register a Transfer of shares of Company Stock by any Stockholder Party, unless the transferee of such transferred Company Stock shall have executed and delivered to the Company, as a condition precedent to such Transfer, a Joinder Agreement accepting the rights and obligations set forth in this Agreement to the extent applicable to the transferor of such transferred Company Stock, and designating an address for notices to such transferee required or permitted hereunder.

Section 3.2 First Lien Shares Put Right.

(a) Right to Sell. At any time and from time to time after April 30, 2019 (each, a "Put Right Date"), subject to the other provisions of this Section 3.2, the First Lien Holders may, upon the election of the holders of a majority of the First Lien Shares, which election shall be binding on all First Lien Holders, elect to sell to the Company, and to obligate the Company to

purchase, all or at least five percent (5%) of the First Lien Shares held by such First Lien Holders (on a *pro rata* basis in proportion to the number of First Lien Shares held by such First Lien Holders) at a price equal to the Fair Market Value thereof as of such Put Right Date (the "Put Purchase Price").

(b) Procedures.

(i) If such First Lien Holders elect to sell all or any portion of the First Lien Shares pursuant to this Section 3.2, the First Lien Holders shall deliver to the Company as promptly as reasonably practicable after such election by the First Lien Holders a written notice (the "Put Notice") specifying the number of First Lien Shares to be sold to the Company (the "Put First Lien Shares").

(ii) Upon receipt of a Put Notice, the Company shall apply all of its assets to any such repurchase, and to no other corporate purpose, subject to the existence of a Delay Condition.

(iii) Subject to the existence of a Delay Condition, the closing of any sale of Put First Lien Shares pursuant to this Section 3.2 shall take place as soon as reasonably practicable following receipt by the Company of the Put Notice. The Company shall give each First Lien Holder at least ten (10) days' written notice of the date of closing (the "Put Right Closing Date").

(iv) If a Delay Condition exists, the Company shall notify the First Lien Holders in writing as soon as practicable of such Delay Condition (the "Delay Condition Notice"), and the Company may defer the closing and pay the Put Purchase Price at the earliest practicable date on which no Delay Condition exists; provided, that if the Put Right Closing Date has not occurred prior to the date that is one hundred eighty (180) days after the Put Notice (a "Put Default") (which shall constitute a Board Take Over Event), then the Put Notice shall be deemed rescinded and the First Lien Holders shall have the right to cause a Company Sale in accordance with Section 3.3.

(c) Closing. On the Put Right Closing Date, the Company shall pay the Put Purchase Price for the Put First Lien Shares by certified or official bank check or by wire transfer of immediately available United States funds and the First Lien Holders shall deliver to the Company a certificate or certificates representing the Put First Lien Shares to be sold, accompanied by stock powers against receipt of the Put Purchase Price.

Section 3.3 Drag-along Rights.

(a) At any time after the occurrence of a Put Default or Redemption Default, the holders of at least a majority of the issued and outstanding First Lien Shares (the "Dragging Stockholders") shall have the right to cause a Company Sale (a "Drag-along Sale"). The Dragging Stockholders shall have the right to require that each other Stockholder Party (each, a "Drag-along Stockholder") participate in such Company Sale in the manner set forth in this Section 3.3. The Dragging Stockholders shall exercise the rights pursuant to this Section 3.3 by delivering a written notice (the "Drag-along Notice") to the Company and each Drag-along Stockholder of such election. Notwithstanding anything to the contrary in this Agreement, at any

time after the occurrence of a Put Default or Redemption Default, each Drag-along Stockholder shall authorize the First Lien Holders to initiate a Company Sale process and direct and control all decisions in connection therewith (including the hiring or termination of any investment bank or professional adviser) and making all decisions regarding valuation and consideration).

(b) If the Drag-along Sale is structured as a Transfer of Company Stock, then, subject to Section 3.3(c), (i) the Dragging Stockholders shall be entitled to Transfer all Series A Preferred Stock then held by them and (ii) the Dragging Stockholder and each Drag-along Stockholder shall Transfer the number of shares equal to the product of (x) the aggregate number of shares of Common Stock the Third Party Purchaser proposes to buy and (y) a fraction (A) the numerator of which is equal to the number of shares of Common Stock then held by such Dragging Stockholders or Drag-along Stockholder, as the case may be, and (B) the denominator of which is equal to the number of shares then held by all of the Stockholder Parties.

(c) Subject to clause (x) below, each Stockholder Party, to the extent such Stockholder Party is receiving any consideration in a Drag-along Sale, shall receive the same form of consideration as each other Stockholder Party, and the aggregate consideration payable upon consummation of such Drag-along Sale to all Stockholder Parties in respect of their Company Stock shall be apportioned and distributed (subject to adjustment for Company expenses, purchase price adjustments, escrow amounts, purchase price holdbacks, indemnity obligations and other similar items) as between the different classes or series of capital stock in accordance with the following order of priority and amounts: (x) first, to the Series A Preferred Holders in the amount of the aggregate liquidation preference of the Series A Preferred Stock set forth in the Certificate of Incorporation that are Transferred in such Drag-along Sale (and, if more than one form of consideration is to be received, in such form as each Series A Preferred Holder may elect with respect to each Series A Preferred Share transferred hereunder in its sole discretion) and (y) second, to the remaining stockholders, the total consideration less the amount set forth in clause (x) above, to be distributed as set forth in the Certificate of Incorporation. Each Drag-along Stockholder (i) shall not be required to make affirmative representations or warranties except as to such Drag-along Stockholder's due organization, if applicable, due power and authority, non-contravention and ownership of Company Stock, free and clear of all liens; (ii) shall be either (1) severally and not jointly liable for indemnification obligations resulting therefrom as among the indemnitors pro rata based on the consideration received by the Stockholder Parties or (2) if requested by the Third Party Purchaser, jointly and severally liable for indemnification obligations resulting therefrom as among the indemnitors, in which case the indemnitors hereby agree to enter into a contribution or similar agreement governing their respective contributions resulting from any such liability contemporaneously with the consummation of the Drag-along Sale; provided that no Drag-along Stockholder shall be obligated in connection with such Drag-Along Sale to agree to indemnify with respect to an amount in excess of the aggregate net cash proceeds which such Drag-along Stockholder has received in such Drag-Along Sale, or to make indemnity payments in excess of the aggregate net cash proceeds paid to such Drag-along Stockholder in connection with such Drag-Along Sale.

(d) The fees and expenses of the Dragging Stockholders incurred in connection with a Drag-along Sale and for the benefit of all Stockholder Parties (it being understood that costs incurred by or on behalf of a Dragging Stockholder for its sole benefit will not be considered to be for the benefit of all Stockholder Parties), to the extent not paid or reimbursed by the

Company or the Third Party Purchaser, shall be shared by all the Stockholder Parties on a pro rata basis, based on the aggregate consideration received by each Stockholder but shall not exceed the aggregate net cash proceeds received by such Stockholder; provided, that no Stockholder Party shall be obligated to make or reimburse any out-of-pocket expenditure prior to the consummation of the Drag-along Sale.

(e) Each Stockholder Party shall take all actions as may be reasonably necessary to consummate the Drag-along Sale, including without limitation:

(i) voting all of the shares of company capital stock beneficially owned by such Stockholder Party in favor of such Drag-along Sale;

(ii) attending meetings in person or by proxy for the purpose of obtaining a quorum;

(iii) executing written consents in lieu of meetings and refraining from exercising appraisal rights with respect to any such Drag-along Sale;

(iv) agreeing to or approving or causing the Company to approve, as the case may be, all necessary amendments to the Organizational Documents of the Company or its Subsidiaries; provided, however, that such amendments are not inconsistent with or in conflict with Section 3.3(c);

(v) taking all necessary steps to cause each Director that is designated by such Stockholder Party (including as part of a Stockholder Group) serving on the Board to consent to and approve the Drag-long Sale, should the Drag-along Sale require the consent of the Board;

(vi) agreeing to make amendments to this Agreement and any other agreements that govern the Stockholder Parties' investments in the Company and agreeing to or approving or causing the Company to approve, as the case may be, all actions necessary to restructure, recapitalize or reorganize the Company or the ownership therein, as may be necessary to effectuate the Drag-along Sale; provided, however, that such amendments are not inconsistent with or in conflict with Section 3.3(c);

(vii) cooperating in good faith in connection with the consummation of a Company Sale, including executing an agreement or any other kind of document containing customary representations, warranties, indemnities and agreements as required in connection with the Drag-along Sale (subject to the limitations on representations, warranties, liability and covenants set forth in Section 3.3(c)); and

(viii) taking any and all other reasonable and necessary actions within such Stockholder's reasonable control to cause the approval and otherwise effect such Drag-along Sale.

ARTICLE IV
PRE-EMPTIVE RIGHTS

Section 4.1 Pre-emptive Right.

(a) Subject to the terms and conditions of this Section 4.1 and applicable securities laws, the Company hereby grants to (i) each Initial Stockholder Party, (ii) each Management Holder and (iii) each other Person who hereafter becomes a Stockholder Party that holds at least 10,000 shares of Common Stock, in each case that is at the time of the proposed issuance or sale covered by this Section 4.1 an "accredited investor" within the meaning of the Securities Act and Rule 501 promulgated thereunder (each, a "Pre-emptive Stockholder"), the right to purchase up to its pro rata portion of any new Company Stock (other than any Excluded Issuances) (the "New Securities") that the Company may from time to time propose to issue or sell to any party.

(b) The Company shall give written notice (an "Issuance Notice") of any proposed issuance or sale described in subsection (a) above to each Pre-emptive Stockholder within ten (10) Business Days following any approval of such issuance or sale in accordance with Applicable Law and this Agreement. The Issuance Notice shall set forth the material terms and conditions of the proposed issuance, including:

(i) the number of New Securities proposed to be issued and the percentage of the Company's outstanding Common Stock, on a fully diluted basis, that such issuance would represent;

(ii) the proposed issuance date, which shall be at least thirty (30) days from the date of the Issuance Notice;

(iii) the number of New Securities that such Pre-emptive Stockholder is entitled to purchase pursuant to Section 4.1(c); and

(iv) the proposed purchase price per share.

(c) Each Pre-emptive Stockholder shall for a period of thirty-five (35) Business Days following the receipt of an Issuance Notice (the "Exercise Period") have the right to elect irrevocably to purchase, at the purchase price set forth in the Issuance Notice, up to the amount of New Securities equal to the product of (x) the total number of New Securities to be issued by the Company on the issuance date and (y) a fraction determined by dividing (A) the number of shares of Common Stock owned by such Pre-emptive Stockholder immediately prior to such issuance by (B) the total number of shares of Common Stock outstanding on such date immediately prior to such issuance (the "Pre-emptive Pro Rata Portion") by delivering a written notice to the Company. Such Pre-emptive Stockholder's election to purchase New Securities shall be binding and irrevocable.

(d) No later than five (5) Business Days following the expiration of the Exercise Period, the Company shall notify each Pre-emptive Stockholder in writing of the number of New Securities that each Pre-emptive Stockholder has agreed to purchase (including, for the avoidance of doubt, where such number is zero) (the "Over-allotment Notice"). Each Pre-emptive Stockholder exercising its right to purchase its Pre-emptive Pro Rata Portion of the New

Securities in full (an "Exercising Stockholder") shall have a right of over-allotment such that if any other Pre-emptive Stockholder fails to exercise its right under this Section 4.1 to purchase its Pre-emptive Pro Rata Portion of the New Securities (each, a "Non-Exercising Stockholder"), such Exercising Stockholder may purchase all or any portion of such Non-Exercising Stockholder's allotment (the "Over-allotment New Securities") by giving written notice to the Company setting forth the number of Over-allotment New Securities that such Exercising Stockholder is willing to purchase within three (3) Business Days of receipt of the Over-allotment Notice (the "Over-allotment Exercise Period"). Such Exercising Stockholder's election to purchase Over-allotment New Securities shall be binding and irrevocable. If more than one Exercising Stockholder elects to exercise its right of over-allotment, each Exercising Stockholder shall have the right to purchase the number of Over-allotment New Securities it elected to purchase in its written notice; provided, that if the Over-allotment New Securities are over-subscribed, each Exercising Stockholder shall purchase its pro rata portion of the available Over-allotment New Securities based upon the relative Pre-emptive Pro Rata Portions of the Exercising Stockholders. No later than three (3) Business Days prior to the closing of the issuance of the New Securities pursuant to an Issuance Notice, the Company shall give a written notice (the "Over-allotment Allocation") informing each Exercising Stockholder who has elected to purchase any of the Over-allotment New Securities of the exact number of Over-allotment New Securities that each such Exercising Stockholder is obligated to purchase hereunder.

(e) The Company shall be free to complete the proposed issuance or sale of New Securities described in the Issuance Notice with respect to any New Securities not elected to be purchased pursuant to Section 4.1(c) and Section 4.1(d) above in accordance with the terms and conditions set forth in the Issuance Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced) so long as such issuance or sale is closed within sixty (60) days after the expiration of the Over-allotment Exercise Period (subject to the extension of such sixty (60)-day period for a reasonable time not to exceed an additional 60 days to the extent reasonably necessary to obtain any Government Approvals). In the event the Company has not sold such New Securities within such time period, the Company shall not thereafter issue or sell any New Securities without first again offering such securities to the Stockholders in accordance with the procedures set forth in this Section 4.1.

(f) Upon the consummation of the issuance of any New Securities in accordance with this Section 4.1, the Company shall deliver to each Exercising Stockholder certificates (if any) evidencing the New Securities, which New Securities shall be issued free and clear of any Liens (other than those arising hereunder and those attributable to the actions of the purchasers thereof), and the Company shall so represent and warrant to the purchasers thereof, and further represent and warrant to such purchasers that such New Securities shall be, upon issuance thereof to the Exercising Stockholders and after payment therefor, duly authorized, validly issued, fully paid and non-assessable. Each Exercising Stockholder shall deliver to the Company the purchase price for the New Securities purchased by it by certified or official bank check or wire transfer of immediately available funds. Each party to the purchase and sale of New Securities shall take all such other actions as may be reasonably necessary to consummate the purchase and sale including entering into such additional agreements as may be necessary or appropriate.

(g) Notwithstanding anything contained herein to the contrary, in lieu of complying with the provisions of Article IV, the Company may issue a Pre-emptive Pro Rata Portion of the New Securities to any one or more Pre-emptive Stockholders, provided that each other Pre-emptive Stockholder will have the right to purchase up to its Pre-emptive Pro Rata Portion of any New Securities following such issuance, upon the terms and subject to the conditions contained in this Article IV, *mutatis mutandis*.

ARTICLE V
OTHER AGREEMENTS

Section 5.1 Confidentiality.

(a) Each Stockholder Party shall and shall cause its Representatives to, keep confidential and not divulge any information (including all budgets, business plans and analyses) concerning the Company, including its assets, business, operations, financial condition or prospects and any notes, summaries and other material derived therefrom ("Information"), and to use, and cause its Representatives to use, such Information only in connection with the operation of the Company; provided, that nothing herein shall prevent any Stockholder Party from disclosing such Information: (i) upon the order of any court or administrative agency; (ii) upon the request or demand of any regulatory agency or authority having jurisdiction over such Stockholder Party; (iii) to the extent compelled by legal process or required or requested pursuant to subpoena, interrogatories or other discovery requests; (iv) to the extent necessary in connection with the exercise of any remedy hereunder; (v) to other Stockholder Parties; (vi) to such Stockholder Party's Representatives that in the reasonable judgment of such Stockholder Party need to know such Information; or (vii) to any potential Permitted Transferee in connection with a proposed Transfer of Company Stock from such Stockholder as long as (A) at the time of such disclosure such potential transferee is a Permitted Transferee, (B) such potential transferee agrees to be bound by the provisions of this Section 5.1 as if a Stockholder Party and (C) such potential transferee agrees to either return or destroy all information provided to them, and any notes, summaries, analyses and other materials derived therefrom; provided, further, that in the case of clause (i), (ii) or (iii), such Stockholder Party shall notify the other parties hereto of the proposed disclosure as far in advance of such disclosure as practicable, disclose only so much of such Information as in the opinion of its counsel it is compelled to disclose, and use reasonable efforts to ensure that any Information so disclosed is accorded confidential treatment, when and if available.

(b) The restrictions of Section 5.1(a) shall not apply to information that (i) is or becomes generally available to the public other than as a result of a disclosure by a Stockholder Party or any of its Representatives in violation of this Agreement; (ii) is or becomes available to a Stockholder Party or any of its Representatives on a non-confidential basis prior to its disclosure to the receiving Stockholder Party and any of its Representatives; (iii) is or has been independently developed or conceived by such Stockholder Party without use of the Company's Information or (iv) becomes available to the receiving Stockholder Party or any of its Representatives on a non-confidential basis from a source other than the Company, any other Stockholder Party or any of their respective Representatives; provided, that such source is not known by the recipient of the information to be bound by a confidentiality agreement with the disclosing Stockholder Party or any of its Representatives.

Section 5.2 No Inconsistent Agreements. The Company will not hereafter enter into any agreements with respect to its securities which are inconsistent with or violate in any material respects the provisions in this Agreement.

Section 5.3 Insurance. The Company shall obtain Directors and Officers liability insurance from financially sound and reputable insurers, in an amount and on terms and conditions satisfactory to the Board (including specifically the Cetus Directors), and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board (including specifically the Cetus Directors) determines that such insurance should be discontinued.

Section 5.4 Registration Rights. In the event that the Board authorizes the Company to pursue an Initial Public Offering, prior to the consummation of such Initial Public Offering, the Company shall enter into an agreement with the First Lien Holders and Second Lien Holders granting such First Lien Holders and Second Lien Holders customary demand, piggyback and Form S-3 (or any successor form) registration rights with respect to all shares of Company Stock then held by such First Lien Holders and Second Lien Holders. The Company shall not enter into any other agreement granting any other Person any registration rights without the prior written consent of the holders of a majority of the issued and outstanding First Lien Shares and a majority of the issued and outstanding Second Lien Shares.

ARTICLE VI
INFORMATION RIGHTS

Section 6.1 Financial Statements. In addition to, and without limiting any rights that a Stockholder Party may have with respect to inspection of the books and records of the Company under Applicable Laws, the Company shall furnish to each Stockholder Party, the following information:

(a) As soon as available, and in any event within ninety (90) days after the end of each Fiscal Year (commencing with the Fiscal Year ending December 31, 2011), the audited balance sheet of the Company as at the end of each such Fiscal Year and the audited statements of income, cash flows and changes in stockholders' equity for such year, accompanied by the certification of independent certified public accountants of recognized national standing selected by the Board in accordance with Section 2.3, to the effect that, except as set forth therein, such financial statements have been prepared in accordance with GAAP, applied on a basis consistent with prior years and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of its operations and changes in its cash flows and stockholders' equity for the periods covered thereby; provided, however, that for the Fiscal Year ending December 31, 2011, such financial statements will cover such period of time within calendar year 2011 as the Company's auditors determine following consultation with the Series A Preferred Holders, and subject to the consent of holders of at least a majority of the issued and outstanding Series A Preferred Stock, which consent shall not be unreasonably withheld or delayed.

(b) As soon as available, and in any event within forty-five (45) days after the end of each fiscal quarter, the unaudited balance sheet of the Company at the end of such quarter and

the statements of income, cash flows and changes in stockholders' equity for such quarter, all in reasonable detail and all prepared in accordance with GAAP, consistently applied, and certified by the principal financial officer, chief executive officer or president of the Company.

(c) To the extent the Company is required by Applicable Law or pursuant to the terms of any outstanding indebtedness of the Company to prepare such reports, any annual reports, quarterly reports and other periodic reports (without exhibits) actually prepared by the Company delivered at the same time as required by Applicable Law or to the holders of indebtedness.

Section 6.2 Inspection Rights.

(a) The Company shall, and shall cause its officers, Directors and employees to, (i) afford each Stockholder Party that owns any Series A Preferred Stock or at least five percent (5%) of the issued and outstanding shares of Common Stock and the Representatives of each such Stockholder Party, during normal business hours and upon reasonable notice, reasonable access at all reasonable times to its officers, employees, auditors, properties, offices, plants and other facilities and to all books and records, and (ii) afford such Stockholder Party the opportunity to consult with its officers from time to time regarding the Company's affairs, finances and accounts as each such Stockholder Party may reasonably request upon reasonable notice.

(b) The right set forth in Section 6.2(a) above shall not and is not intended to limit any rights which the Stockholder Parties may have with respect to the books and records of the Company, or to inspect its properties or discuss its affairs, finances and accounts under the laws of the jurisdiction in which the Company is incorporated.

Section 6.3 Correspondence with Lenders. In addition to, and without limiting any rights that a Stockholder Party may have with respect to inspection of the books and records of the Company under Applicable Laws and hereunder, the Company shall furnish promptly to each Series A Preferred Holder a copy of the financial and other information delivered to the Agent or any Lender under Section 10.1.2 of the ABL Facility, any Borrowing Base Certificate (as defined in the ABL Facility) delivered to the Agent under the ABL Facility, any notice of Default or Event of Default delivered to the Agent and/or the Lenders under Section 10.1.3(d) of the ABL Facility and any notice of Default or Event of Default delivered by the Agent and/or the Lenders under the ABL Facility or any document or agreement executed in connection with such a Default or Event of Default.

ARTICLE VII
REPRESENTATIONS AND WARRANTIES; COVENANT

Section 7.1 Representations and Warranties. Each Stockholder Party, severally and not jointly, represents and warrants to the Company and each other Stockholder Party that:

(a) With respect to each Stockholder Party that is an entity, such Stockholder Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation. Such Stockholder Party has full power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions

contemplated hereby. The execution and delivery of this Agreement, the performance of its obligations hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of such Stockholder Party.

(b) With respect to each Stockholder Party that is an individual, such Stockholder Party has the necessary legal capacity to execute and deliver this Agreement, to perform his or her obligations hereunder and to consummate the transactions contemplated hereby.

(c) Such Stockholder Party has duly executed and delivered this Agreement.

(d) This Agreement constitutes the legal, valid and binding obligation of such Stockholder Party, enforceable against such Stockholder Party in accordance with its terms except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law). The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, require no action by or in respect of, or filing with, any Governmental Entity.

(e) The execution, delivery and performance by such Stockholder Party of this Agreement and the consummation of the transactions contemplated hereby do not: (i) in the case of each Stockholder Party that is an entity, conflict with or result in any violation or breach of any provision of any of the organizational documents of such Stockholder Party; (ii) conflict with or result in any violation or breach of any provision of any Applicable Law; or (iii) require any consent or other action by any Person under any provision of any material agreement or other instrument to which the Stockholder Party is a party.

(f) Except for this Agreement and the Exchange Agreement, such Stockholder Party has not entered into or agreed to be bound by any other agreements or arrangements of any kind with any other party with respect to the Company Stock, including agreements or arrangements with respect to the acquisition or disposition of the Company Stock or any interest therein or the voting of the Company Stock (whether or not such agreements and arrangements are with the Company or any other Stockholder).

Section 7.2 No Inconsistent Agreements. The Stockholder Parties will not hereafter enter into any agreements with respect to its securities which are inconsistent with or violate in any material respects the provisions in this Agreement.

ARTICLE VIII
TERM AND TERMINATION

Section 8.1 Termination. This Agreement shall terminate upon the earliest of:

(a) the consummation of an Initial Public Offering;

(b) the consummation of a merger or other business combination involving the Company whereby the Common Stock becomes a security that is listed or admitted to trading on the NASDAQ Stock Market, the New York Stock Exchange or another national securities exchange;

(c) the date on which none of the Initial Stockholder Parties holds any Company Stock;

(d) the dissolution, liquidation, or winding up of the Company;

(e) prior to the occurrence of any Board Take Over Event, upon the written consent of the holders of at least a majority of the issued and outstanding Series A Preferred Stock and the holders of at least eighty percent (80%) of the outstanding Common Stock; and

(f) from and after the occurrence of any Board Take Over Event, upon the written consent of the holders of at least a majority of the issued and outstanding Series A Preferred Stock and the holders of at least a majority of the issued and outstanding First Lien Shares.

Section 8.2 Effect of Termination.

(a) The termination of this Agreement shall terminate all further rights and obligations of the Stockholders under this Agreement except that such termination shall not effect:

(i) the existence of the Company;

(ii) the obligation of any Party to pay any amounts arising on or prior to the date of termination, or as a result of or in connection with such termination;

(iii) the rights which any Stockholder may have by operation of law as a stockholder of the Company; or

(iv) the rights contained herein which, but their terms are intended to survive termination of this Agreement.

(b) The following provisions shall survive the termination of this Agreement: this Section 8.2, and Section 5.1, Section 9.3, Section 9.11, and Section 9.12.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 9.2 Release of Liability. In the event any Stockholder Party shall Transfer all of the Company Stock held by such Stockholder Party in compliance with the provisions of this Agreement without retaining any interest therein, then such Stockholder Party shall cease to be a party to this Agreement and shall be relieved and have no further liability arising hereunder for events occurring from and after the date of such Transfer.

Section 9.3 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given and received if properly addressed: (a) if delivered personally, by commercial delivery service or by facsimile (with acknowledgment of a complete transmission), on the day of delivery; (b) if delivered by internationally recognized courier (appropriately marked for next day delivery), one (1) Business Day after sending; or (c) if delivered by first class, registered or certified mail (return receipt requested), three (3) Business Days after mailing. Notices shall be deemed to be properly addressed to any party hereto if addressed to the addresses (or at such other address for a party as shall be specified by like notice) set forth on the signature page hereto of the party or parties to receive such notice.

Section 9.4 Construction.

(a) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

(b) Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) The words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.”

(d) The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(e) References to “dollars” and “$” mean dollars in lawful currency of the United States of America.

Section 9.5 Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other Persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

Section 9.6 Entire Agreement. This Agreement, each of the other agreements, certificates or documents contemplated by the Exchange Agreement, the schedules and exhibits hereto and thereto, and the documents and instruments and other agreements among the parties hereto referenced herein constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. In the event of any

inconsistency or conflict between this Agreement and any Organizational Document, the Stockholder Parties and the Company shall, to the extent permitted by Applicable Law, amend such Organizational Document to comply with the terms of this Agreement.

Section 9.7 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 9.8 No Third-party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 9.9 Amendment and Modification; Waiver. Subject to Section 8.1, neither this Agreement nor any provision hereof may be waived, modified, amended or terminated except by a written agreement signed by the Company, the holders of at least a majority of the issued and outstanding Series A Preferred Stock and (i) prior to the occurrence of any Board Take Over Event, the holders of at least eighty percent (80%) of the issued and outstanding Common Stock; or (ii) from and after the occurrence of any Board Take Over Event the holders of at least a majority of the issued and outstanding First Lien Shares; provided, however, that no amendment or waiver of Sections 2.1, 2.3, 2.6, 3.1 or 5.1 hereof shall be effective except by the written consent of Cetus and the Majority Holders holding at least a majority of the shares of Common Stock held by the Majority Holders; provided, further, that no waiver, modification, amendment or termination which would materially and disproportionately adversely affect the rights of any Stockholder Party shall be effective as to such Stockholder Party if such Stockholder Party shall not have consented in writing thereto. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 9.10 Governing Law; Consent to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware. Each Stockholder Party irrevocably and unconditionally submit, for itself and its property, to the exclusive jurisdiction of the courts of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each Holder irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding shall be heard and determined only in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. Each Stockholder Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Stockholder Party waives in all disputes any objection that it may have to the location of jurisdiction of the court designated to consider such dispute in accordance with the first sentence of this Section 9.10. Each of the

parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any action, proceeding or investigation in any court or before any Governmental Entity arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 9.11 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state or foreign jurisdiction having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

Section 9.12 Other Remedies. Except as otherwise expressly provided herein, any and all remedies herein expressly conferred upon a party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy.

Section 9.13 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission (including in the form of a PDF file) shall be binding to the same extent as an original signature page. Any party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other party that requests such original counterpart.

Section 9.14 Recapitalizations, Etc. The provisions of this Agreement shall apply to the full extent set forth herein with respect to (i) the capital stock and any Share Equivalents and (ii) any and all shares of capital stock of the Company or any successor or assign of the Company (whether by merger, consolidation, sale of assets or otherwise) which may be issued in respect of, in exchange for, or in substitution for any Company Stock, by combination, recapitalization, reclassification, merger, consolidation or otherwise. In the event of any stock dividend, stock split, stock combination or other similar recapitalization with respect the Company Stock or any class or series thereof, the provisions of this Agreement which refer to an amount or number of shares of Company Stock shall be deemed appropriately adjusted.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, each of the parties to this Agreement has executed and delivered this Agreement, or caused this Agreement to be executed and delivered by its duly authorized representative(s), as of the date first written above.

COMPANY:

CCIB HOLDCO, INC.

By /s/ Michael T. Miller
Name: Michael T. Miller
Title: EVP - Finance

Address:

CCIB HOLDCO, INC.
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Michael T. Miller
Telephone: (614) 221-3224
Telecopy: (614) 221-3214

INITIAL STOCKHOLDER PARTIES:

Address:

CETUS CAPITAL II, LLC
8 Sound Shore Drive, Suite 303
Greenwich, CT 06830
Attention: Robert Davis
Telephone: (203) 552-3586
Telecopy: (203) 552-3550

CETUS CAPITAL II, LLC

By /s/ Robert E. Davis
Name: Robert E. Davis
Title: Managing Director

Address:

IBP INVESTMENT HOLDINGS, LLC
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Michael T. Miller
Telephone: (614) 221-3224
Telecopy: (614) 221-3214

IBP INVESTMENT HOLDINGS, LLC

By /s/ Michael T. Miller
Name: Michael T. Miller
Title: Member

Address:

IBP MANAGEMENT HOLDINGS, LLC
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Michael T. Miller
Telephone: (614) 221-3224
Telecopy: (614) 221-3214

IBP MANAGEMENT HOLDINGS, LLC

By /s/ Michael T. Miller
Name: Michael T. Miller
Title: EVP - Finance

EXHIBIT A

JOINDER AGREEMENT

Reference is hereby made to the Stockholders Agreement, dated as , 2011 (as amended from time to time, the "Stockholders Agreement"), by and among CCIB HOLDCO, Inc., a Delaware corporation (the "Company"), and each holder of capital stock of the Company signatory thereto and each other Person who after the date thereof acquires capital stock of the Company and becomes a party to or bound by the Stockholders Agreement. Pursuant to and in accordance with Section 3.1(d) of the Stockholders Agreement, the undersigned hereby agrees that upon the execution of this Joinder Agreement, it shall become a party to the Stockholders Agreement and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Stockholders Agreement as though an original party thereto and shall be deemed to be a Stockholder Party [and a(n) Majority Holder/First Lien Holder/Management Holder/Series A Preferred Holder][1] for all purposes thereof.

Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Stockholders Agreement.

IN WITNESS WHEREOF, the undersigned hereto has executed and delivered this Agreement, or caused this Agreement to be executed and delivered by its duly authorized representative(s), as of [DATE].

[STOCKHOLDER]

Address:

By: _____
Name:
Title:

1 Select appropriate group.

EXHIBIT B

Projected EBITDA

A. In the event Housing Completions for a particular Fiscal Year are less than 500,000, Projected EBITDA for such Fiscal Year shall equal $(7,000,000).

B. In the event Housing Completions for a particular Fiscal Year are equal to or greater than 500,000 and less than 600,000, Projected EBITDA for such Fiscal Year shall equal:

$(7,000,000) plus (y) multiplied by $4,400,000

where:

(x) = the actual number of Housing Completions for such Fiscal Year greater than 500,000; and

(y) = (x) divided by 99,999

C. In the event Housing Completions for a particular Fiscal Year are equal to or greater than 600,000 and less than 750,000, Projected EBITDA for such Fiscal Year shall equal:

$(2,600,000) plus (y) multiplied by $5,600,000

where:

(x) = the actual number of Housing Completions for such Fiscal Year greater than 600,000; and

(y) = (x) divided by 149,999

D. In the event Housing Completions for a particular Fiscal Year are equal to or greater than 750,000 and less than 1,000,000, Projected EBITDA for such Fiscal Year shall equal:

$3,000,000 plus (y) multiplied by $10,500,000

where:

(x) = the actual number of Housing Completions for such Fiscal Year greater than 750,000; and

(y) = (x) divided by 249,999

E. In the event Housing Completions for a particular Fiscal Year are equal to or greater than 1,000,000 and less than 1,150,000, Projected EBITDA for such Fiscal Year shall equal:

$13,500,000 plus (y) multiplied by $4,500,000

where:

(x) = the actual number of Housing Completions for such Fiscal Year greater than 1,000,000; and

(y) = (x) divided by 149,999

F. In the event Housing Completions for a particular Fiscal Year are equal to or greater than 1,150,000 and less than 1,300,000, Projected EBITDA for such Fiscal Year shall equal:

$18,000,000 plus (y) multiplied by $2,000,000

where:

(x) = the actual number of Housing Completions for such Fiscal Year greater than 1,150,000; and

(y) = (x) divided by 149,999

G. In the event Housing Completions for a particular Fiscal Year are equal to or greater than 1,300,000, Projected EBITDA for such Fiscal Year shall equal the lesser of (i) $22,500,000 and (ii):

$18,000,000 plus (y) multiplied by $2,000,000

where

(x) = the actual number of Housing Completions for such Fiscal Year greater than 1,150,000; and

(y) = (x) divided by 150,000

For example, if Housing Completions for a particular Fiscal Year are 1,225,000, Projected EBITDA for such Fiscal Year shall equal $19,000,006.66.

[$18,000,000 plus (75,000 divided by 149,999) multiplied by $2,000,000]

Schedule 1

Majority Holders

IBP Investment Holdings, LLC

Schedule 2

First Lien Holders

Cetus Capital II, LLC

Schedule 2.3

Bonus Payments to be made no later than March 15, 2012

	Amount of Bonus Payment
	$ 1,720,222.93

Schedule 3

Second Lien Holders

IBP Investment Holdings, LLC

IBP Management Holdings, LLC

Exhibit 4.5

Execution Copy

OMNIBUS AGREEMENT

TO

STOCKHOLDERS' AGREEMENT

This Omnibus Agreement to Stockholders' Agreement (this "Agreement"), dated as of August 31, 2012, is entered into by and among CCIB Holdco, Inc., a Delaware corporation (the "Company"), Cetus Capital II, LLC, a Delaware limited liability company ("Cetus"), IBP Investment Holdings, LLC, a Delaware limited liability company ("IIH"), IBP Management Holdings, LLC, a Delaware limited liability company ("Management Holdings"), and GNV Holdings, LLC, a Georgia limited liability company ("GNV").

WHEREAS, the Company, Cetus, IIH and Management Holdings are parties to a Stockholders Agreement, dated as of November 4, 2011 (the "Original Agreement" and together with the amendments set forth below, the "Stockholders Agreement");

WHEREAS, GNV, the Company and Installed Building Products, LLC, a Delaware limited liability company ("IBP"), are parties to a Membership Interest Purchase Agreement, dated as of the date hereof (the "GNV Purchase Agreement"), pursuant to which, among other things, IBP will purchase 100% of the issued and outstanding membership interests of TCI Contracting, LLC, a Georgia limited liability company, and GNV will be issued certain shares of the Company's common stock, par value $0.01 per share (the "Common Stock"); and

WHEREAS, it is a condition to the closing of the transactions contemplated by the GNV Purchase Agreement that the Original Agreement be amended on the terms contained herein and that GNV become a party to the Original Agreement, as amended hereby.

NOW, THEREFORE, in consideration of the mutual covenants and premises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Capitalized terms not otherwise defined herein, will have the meaning given to them in the Original Agreement.

ARTICLE II

AMENDMENTS

The Company, Cetus (as the holder of a at least a majority of the issued and outstanding shares of Series A Preferred Stock as of the date hereof) and Cetus and IIH (as the holders of at least eighty percent (80%) of the issued and outstanding shares of Common Stock as of the date hereof), hereby amend the Original Agreement as follows:

Section 2.1 Definitions. Article I of the Original Agreement is amended by adding the following defined terms in alphabetical order therein:

(a) ""GNV" means GNV Holdings, LLC, a Georgia limited liability company."

(b) ""GNV Purchase Agreement" means the Membership Interest Purchase Agreement, dated as of the 31st day of August, 2012, by and among, IBP, the Company and GNV.

(c) ""IBP" means Installed Building Products, LLC, a Delaware limited liability company."

(d) ""IBP Stockholder" means IBP Investment Holdings, LLC, a Delaware limited liability company, and any Permitted Transferee of IBP Investment Holdings, LLC.

Section 2.2 Transfer Restrictions. Section 3.1(b) of the Original Agreement is hereby amended by adding the following as an additional sentence to the end of such Section:

"Notwithstanding anything contained herein to the contrary, except as contemplated by Section 3.3 and Section 3.4, for so long as the Company and IBP may make an indemnification claim, or there is an unresolved indemnification claim by the Company and IBP, against GNV under the GNV Purchase Agreement, GNV may not Transfer any Company Stock without the prior written consent of the Company."

Section 2.3 Amendments and Modifications; Waiver. The first sentence of Section 9.9 of the Original Agreement is hereby deleted and replaced in its entirety with the following:

"Subject to Section 8.1, neither this Agreement nor any provision hereof may be waived, modified, amended or terminated except by a written agreement signed by the Company, the holders of at least a majority of the issued and outstanding Series A Preferred Stock and (i) prior to the occurrence of any Board Take Over Event, the holders of at least eighty percent (80%) of the issued and outstanding Common Stock; or (ii) from and after the occurrence of any Board Take Over Event the holders of at least a majority of the issued and outstanding First Lien Shares; provided, however, that no amendment or waiver of Sections 2.1, 2.3, 2.6, 3.1 or 5.1 hereof shall be effective except by the written consent of Cetus and the Majority Holders holding at least a majority of the shares of Common Stock held by the Majority Holders; provided, further, that no amendment or waiver of the last sentence of Section 3.1(b) hereof shall be

effective except by the written consent of Cetus and the Majority Holders holding at least a majority of the shares of Common Stock held by the Majority Holders and GNV; provided, further, that no waiver, modification, amendment or termination which would adversely affect the rights of any Stockholder Party without similarly affecting the rights of all other Stockholder Parties in a proportionate manner shall be effective as to such Stockholder Party if such Stockholder Party shall not have consented in writing thereto."

NOTE: AMENDMENT TO SECTION 9.9 TO BE CONFORMED TO LANGUAGE IN AMENDED AND RESTATED STOCKHOLDERS AGREEMENT.

Section 2.4 GNV Tag-along Rights. The Original Agreement is hereby amended by adding the following as a new Section 3.4:

"Section 3.4 GNV Tag-along Rights.

(a) In the event of a proposed sale of Common Stock (other than pursuant to a Company Sale pursuant to Section 3.3 or to a Permitted Transferee) by an IBP Stockholder (the "Selling IBP Stockholder"), the result of which is that such Selling IBP Stockholder will no longer be the single largest holder of (or at any time when such Selling IBP Stockholder is not the single largest holder of) the issued and outstanding shares of Common Stock, then the Selling IBP Stockholder shall, at least thirty (30) days prior to such sale, deliver to GNV written notice (the "Selling IBP Stockholder's Notice") thereof describing the number of shares of Common Stock subject to the sale and the terms and conditions of such sale. Upon receipt of a Selling IBP Stockholder's Notice, GNV, by giving written notice to the Selling IBP Stockholder of its election to participate in such proposed sale not later than ten (10) days following receipt of the Selling IBP Stockholder's Notice, may participate in such sale by including therein up to a number of shares of Common Stock equal to the product of (i) the number of shares of Common Stock to be sold by the Selling IBP Stockholder in connection with such sale and (ii) a fraction, the numerator of which is the number of shares of Common Stock then owned by GNV immediately prior to giving effect to such sale and the denominator of which is the aggregate number of shares of Common Stock then owned by the Selling IBP Stockholder and GNV immediately prior to giving effect to such sale. Such sale shall be made on the same terms and conditions of the sale described in the Selling IBP Stockholder's Notice. The number of shares of Common Stock to be sold by the Selling IBP Stockholder in connection with such sale shall be reduced by the number of shares of Common Stock GNV elects to sell pursuant to this Section 3.4.

(b) If GNV timely elects to participate in any sale pursuant to this Section 3.4, GNV and the Selling IBP Stockholder shall sell to such prospective purchaser or purchasers the number of shares of Common Stock that each is entitled to sell pursuant to Section 3.4(a) on terms and conditions not more favorable to such purchaser or purchasers than those contained in the Selling IBP Stockholder's Notice.

(c) To the extent that any prospective purchaser or purchasers refuses to purchase shares of Common Stock from GNV hereunder, the Selling IBP Stockholder shall not sell to such prospective purchaser or purchasers any shares of Common Stock unless and until,

simultaneously with such sale, the Selling IBP Stockholder shall purchase such shares of Common Stock from such GNV for the same consideration and on the same terms and conditions of the sale of the Selling IBP Stockholder to the prospective purchaser or purchasers."

ARTICLE III

RATIFICATION

Except as provided specifically herein, the Original Agreement is ratified, confirmed and approved in all respects by the Company, Cetus, IIH and Management Holdings.

ARTICLE IV

CONSENT OF SERIES A PREFERRED HOLDERS

Notwithstanding anything contained in the Original Agreement to the contrary, including, without limitation, Sections 2.3(a), 2.3(e) and 2.3(s) thereof, the Series A Preferred Holders and the First Lien Holders hereby consent to (i) the Company entering into, and consummating the transactions contemplated by, the GNV Purchase Agreement in the form of Exhibit A hereto and (ii) amending the Company's Certificate of Incorporation as contemplated by the Amendment in the form of Exhibit B hereto.

ARTICLE V

JOINDER

The parties hereto hereby agree that upon the execution of this Agreement, GNV shall become a party to the Original Agreement (as amended hereby) and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Original Agreement (as amended hereby) as though an original party thereto and shall be deemed to be a Stockholder Party for all purposes thereof.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Expenses. All costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 6.2 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given and received if properly addressed: (a) if delivered personally, by commercial delivery service or by facsimile (with acknowledgment of a complete transmission), on the day of delivery; (b) if delivered by internationally recognized courier (appropriately marked for next day delivery), one (1) Business Day after sending; or (c) if delivered by first class, registered or certified mail (return receipt requested), three (3) Business

Days after mailing. Notices shall be deemed to be properly addressed to any party hereto if addressed to the addresses (or at such other address for a party as shall be specified by like notice) set forth on the signature page hereto of the party or parties to receive such notice.

Section 6.3 Construction.

(a) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

(b) Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) The words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.”

(d) The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 6.4 Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other Persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

Section 6.5 Entire Agreement. The Original Agreement, as amended by this Agreement, the exhibits hereto, and the documents and instruments and other agreements among the parties hereto referenced herein constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. In the event of any inconsistency or conflict between the Original Agreement, as amended by this Agreement, and any Organizational Document, the parties hereto and the Company shall, to the extent permitted by Applicable Law, amend such Organizational Document to comply with the terms of the Original Agreement, amended by this Agreement.

Section 6.6 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Section 6.7 No Third-party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 6.8 Amendment and Modification; Waiver. Neither this Agreement nor any provision hereof may be waived, modified, amended or terminated except by a written agreement signed by the Company, the holders of at least a majority of the issued and outstanding Series A Preferred Stock and (i) prior to the occurrence of any Board Take Over Event, the holders of at least eighty percent (80%) of the issued and outstanding Common Stock; or (ii) from and after the occurrence of any Board Take Over Event the holders of at least a majority of the issued and outstanding First Lien Shares; provided, however, that no waiver, modification, amendment or termination which would materially and disproportionately adversely affect the rights of any party shall be effective as to such party if such party shall not have consented in writing thereto. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 6.9 Governing Law; Consent to Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware. Each party irrevocably and unconditionally submit, for itself and its property, to the exclusive jurisdiction of the courts of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each party hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding shall be heard and determined only in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party hereto waives in all disputes any objection that it may have to the location of jurisdiction of the court designated to consider such dispute in accordance with the first sentence of this Section 6.9. Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any action, proceeding or investigation in any court or before any Governmental Entity arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 6.10 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state or foreign jurisdiction having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

Section 6.11 Other Remedies. Except as otherwise expressly provided herein, any and all remedies herein expressly conferred upon a party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy.

Section 6.12 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission (including in the form of a PDF file) shall be binding to the same extent as an original signature page. Any party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other party that requests such original counterpart.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, each of the parties to this Agreement has executed and delivered this Agreement, or caused this Agreement to be executed and delivered by its duly authorized representative(s), as of the date first written above.

COMPANY:

CCIB HOLDCO, INC.

By /s/ Michael T. Miller
Name: Michael T. Miller
Title: EVP - Finance

Address:

CCIB HOLDCO, INC.
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Michael T. Miller
Telephone: (614) 221-3224
Telecopy: (614) 221-3214

SERIES A PREFERRED HOLDER AND COMMON STOCK HOLDER:

Address:

CETUS CAPITAL II, LLC
8 Sound Shore Drive, Suite 303
Greenwich, CT 06830
Attention: Robert Davis
Telephone: (203) 552-3586
Telecopy: (203) 552-3550

CETUS CAPITAL II, LLC

By /s/ Robert E. Davis
Name: Robert E. Davis
Title: Managing Director

COMMON STOCK HOLDERS:

Address:

IBP INVESTMENT HOLDINGS, LLC
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Michael T. Miller
Telephone: (614) 221-3224
Telecopy: (614) 221-3214

IBP INVESTMENT HOLDINGS, LLC

By /s/ Michael T. Miller
Name: Michael T. Miller
Title: Member

Address:

IBP MANAGEMENT HOLDINGS, LLC
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Michael T. Miller
Telephone: (614) 221-3224
Telecopy: (614) 221-3214

IBP MANAGEMENT HOLDINGS, LLC

By /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: Manager

JOINDER PARTY:

GNV HOLDINGS, LLC

By /s/ J. Michael Nixon
Name: J. Michael Nixon
Title: Manager

Address:

4080 McGinnis Ferry Road, #1504
Alpharetta, Georgia
30005
Attention: J. Michael Nixon
Telephone: (678) 990-6014
Telecopy: (678) 990-5659

Exhibit A

GNV Purchase Agreement

Exhibit B

Amendment to Certificate of Incorporation

Exhibit 10.2

$40,000,000

LOAN AND SECURITY AGREEMENT

Dated as of November 4, 2011

INSTALLED BUILDING PRODUCTS, LLC,

INSTALLED BUILDING PRODUCTS II, LLC

and

CERTAIN BORROWING SUBSIDIARIES,
as Borrowers,

CCIB HOLDCO, INC.

and

CERTAIN GUARANTYING SUBSIDIARIES,
as Guarantors

CERTAIN FINANCIAL INSTITUTIONS,

as Lenders

and

BANK OF AMERICA, N.A.,

as Agent

TABLE OF CONTENTS

LIST OF EXHIBITS AND SCHEDULES

LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT (this "Agreement") is dated as of November 4, 2011, among **INSTALLED BUILDING PRODUCTS, LLC**, a Delaware limited liability company ("IBP, LLC"), **INSTALLED BUILDING PRODUCTS II, LLC**, a Delaware limited liability company ("IBP II, LLC" and together with IBP,LLC, collectively, the "Companies" and each, individually, the "Company"), **EACH BORROWING SUBSIDIARY NOW OR HEREAFTER PARTY HERETO** (collectively with the Companies, the "Borrowers"), **CCIB HOLDCO, INC.**, a Delaware corporation ("Parent") and **CERTAIN GUARANTYING SUBSIDIARIES NOW OR HEREAFTER PARTY HERETO** (together with Parent, the "Initial Guarantors"), the financial institutions party to this Agreement from time to time as lenders (collectively, "Lenders"), and **BANK OF AMERICA, N.A.**, a national banking association, as agent for the Lenders ("Agent").

R E C I T A L S:

Borrowers have requested that Lenders provide a credit facility to Borrowers to finance their mutual and collective business enterprise. Lenders are willing to provide the credit facility on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS; RULES OF CONSTRUCTION

1.1. Definitions. As used herein, the following terms have the meanings set forth below:

Account: as defined in the UCC, including all rights to payment for goods sold or leased, or for services rendered.

Account Debtor: a Person who is obligated under an Account, Chattel Paper or General Intangible.

Accounts Formula Amount: 85% of the Value of Eligible Accounts.

Acquisition: any transaction or series of related transactions for the direct or indirect (a) acquisition of all or substantially all of the Property or business of any Person, or of any business unit, line of business or division of any Person or Property constituting a business unit, line of business or division of any other Person, (b) acquisition of in excess of 50% of the Equity Interests of any Person or otherwise causing a person to become a subsidiary of the acquiring Person, or (c) merger, consolidation or amalgamation, whereby a Person becomes a subsidiary of the acquiring Person, or any other consolidation with any Person, whereby a Person becomes a subsidiary of the acquiring Person.

Affiliate: with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have correlative meanings.

Agent Indemnitees: Agent and its officers, directors, employees, Affiliates, agents and attorneys.

Agent Professionals: attorneys, accountants, appraisers, auditors, business valuation experts, environmental engineers or consultants, turnaround consultants, and other professionals and experts retained by Agent.

Allocable Amount: as defined in **Section 5.11.3**.

Anti-Terrorism Laws: any laws relating to terrorism or money laundering, including the Patriot Act.

Applicable Law: all laws, rules, regulations and governmental guidelines applicable to the Person, conduct, transaction, agreement or matter in question, including all applicable statutory law, common law and equitable principles, and all provisions of constitutions, treaties, statutes, rules, regulations, orders and decrees of Governmental Authorities.

Applicable Margin: with respect to any Type of Loan, the margin set forth below, as determined by the Fixed Charge Coverage Ratio and EBITDA levels set forth below for the most recently ended Measurement Period:

Level	Ratio / EBITDA	Base Rate Revolver Loans	LIBOR Revolver Loans	Unused Line Fee
I	Fixed Charge Coverage Ratio ³ 1.10 and EBITDA ³ $5,000,000	1.50%	2.50%	0.375%
II		1.75%	2.75%	0.375%
III	Fixed Charge Coverage Ratio < 1.10 or EBITDA < $5,000,000	2.25%	3.25%	0.375%

Margins shall be determined as if Level II were applicable until delivery of the financial statements and corresponding Compliance Certificate required pursuant to **Section 10.1.2(a)** for the Measurement Period ending December 31, 2012 (and upon receipt thereof, the margins shall be adjusted based on the above, effective the first day of the month following receipt). Thereafter, the margins shall be subject to increase or decrease upon receipt by Agent pursuant to **Section 10.1.2** of the financial statements and corresponding Compliance Certificate for the most recent month end corresponding to the end of a Fiscal Quarter, which change shall be effective on the first day of the calendar month following receipt. If, by the first day of a month, any financial statement or Compliance Certificate due in the preceding month has not been received, then, at the option of Agent or Required Lenders, the margins shall be determined as if Level III were applicable, from such day until the first day of the calendar month following actual receipt.

Approved Fund: any Person (other than a natural person) that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in its ordinary course of activities, and is administered or managed by a Lender, an entity that administers or manages a Lender, or an Affiliate of either.

Asset Disposition: a sale, lease, license, consignment, transfer or other disposition of Property of an Obligor, including a disposition of Property in connection with a sale-leaseback transaction or synthetic lease.

Assignment and Acceptance: an assignment agreement between a Lender and Eligible Assignee, in the form of **Exhibit B**.

Availability: the Borrowing Base minus the principal balance of all Revolver Loans.

Availability Reserve: the sum (without duplication of any other Reserve or items that are otherwise addressed or excluded through eligibility criteria) of (a) the Rent and Charges Reserve; (b) the LC Reserve; (c) the Bank Product Reserve; (d) the Mechanic's Lien Reserve, (e) the aggregate amount of liabilities at any time secured by Liens upon Collateral that are senior to Agent's Liens (but imposition of any such reserve shall not waive an Event of Default arising therefrom); (f) amounts which Agent and Lenders may be required to pay in connection with this Agreement or for which claims may be reasonably expected to be asserted against the Collateral, Agent or Lenders (but imposition of any such reserve shall not waive an Event of Default arising therefrom) and (g) such additional reserves, in such amounts and with respect to such matters, as Agent in its Credit Judgment may elect to impose from time to time.

Bank of America: Bank of America, N.A., a national banking association, and its successors and assigns.

Bank of America Indemnitees: Bank of America and its officers, directors, employees, Affiliates, agents and attorneys.

Bank Product: any of the following products, services or facilities extended to Parent or any Subsidiary by a Lender or any of its Affiliates: (a) Cash Management Services; (b) products under Hedging Agreements; (c) commercial credit card and merchant card services; and (d) leases and other banking products or services as may be requested by Parent or any Subsidiary, other than Letters of Credit.

Bank Product Debt: Debt and other obligations of an Obligor relating to Bank Products.

Bank Product Reserve: the aggregate amount of reserves established by Agent from time to time in its discretion in respect of Secured Bank Product Obligations.

Bankruptcy Code: Title 11 of the United States Code.

Base Rate: for any day, a per annum rate equal to the greater of (a) the Prime Rate for such day; (b) the Federal Funds Rate for such day, plus 0.50%; or (c) LIBOR for a 30 day interest period as determined on such day, plus 1.0%.

Base Rate Loan: any Loan that bears interest based on the Base Rate.

Base Rate Revolver Loan: a Revolver Loan that bears interest based on the Base Rate.

Board of Governors: the Board of Governors of the Federal Reserve System.

Borrowed Money: with respect to any Obligor, without duplication, its (a) Debt that (i) arises from the lending of money by any Person to such Obligor, (ii) is evidenced by notes, drafts, bonds, debentures, credit documents or similar instruments, (iii) accrues interest or is a type upon which interest charges are customarily paid (excluding trade payables incurred in the Ordinary Course of Business), or (iv) was issued or assumed as full or partial payment for Property; (b) Capital Leases; (c) reimbursement obligations with respect to letters of credit; and (d) guaranties of any Debt of the foregoing types owing by another Person.

Borrower Agent: as defined in **Section 4.4**.

Borrowing: a group of Loans of one Type that are made on the same day or are converted into Loans of one Type on the same day.

Borrowing Base: on any date of determination, an amount equal to the lesser of (a) the aggregate amount of Commitments, minus the Availability Reserve; or (b) the sum of the Accounts Formula Amount, plus the Inventory Formula Amount, minus the Borrowing Base Reserve.

Borrowing Base Certificate: a certificate, in form and substance satisfactory to Agent, by which Borrower Agent certifies calculation of the Borrowing Base.

Borrowing Base Reserve: the sum (without duplication of any other Reserve or items that are otherwise addressed or excluded through eligibility criteria, and without duplication of any of the factors taken into account in determining "Value") of (a) the Rent and Charges Reserve; (b) the LC Reserve; (c) the Bank Product Reserve; (d) the Inventory Reserve; (e) Mechanic's Lien Reserve, (f) the Dilution Reserve, (g) the aggregate amount of liabilities secured by Liens upon Collateral that are senior in priority to Agent's Liens (but imposition of any such reserve shall not waive an Event of Default arising therefrom); and (h) such additional reserves, in such amounts and with respect to such matters, as Agent in its reasonable Credit Judgment may elect to impose from time to time (other than with respect to matters affecting only Accounts or Inventory that are not Eligible Accounts or Eligible Inventory).

Business Day: any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, North Carolina and New York, and if such day relates to a LIBOR Loan, any such day on which dealings in Dollar deposits are conducted between banks in the London interbank Eurodollar market.

Capital Expenditures: all liabilities incurred or expenditures made by Parent or any Subsidiary for the acquisition of fixed assets, or any improvements, replacements, substitutions or additions thereto with a useful life of more than one year that are capitalized in accordance with GAAP on the Parent's financial statements, but excluding:

(i) expenditures made in connection with the replacement, substitution, restoration or repair of assets to the extent financed with (x) insurance or warranty proceeds paid on account of the loss of or damage to the assets being replaced, restored or repaired;

(ii) the purchase price of Equipment that is purchased simultaneously with the trade-in of existing Equipment to the extent that the gross amount of such purchase price is reduced by the credit granted by the seller of such Equipment for the Equipment being traded in at such time;

(iii) expenditures made with the proceeds of substantially contemporaneous sales or issuances of Equity Interests of any Company or any direct or indirect parent of any Company, to the extent any such sale or issuance does not result in a Change of Control.

(iv) to the extent included in the foregoing definition, expenditures that constitute Permitted Acquisitions; and

(v) to the extent included in the foregoing definition, expenditures for leasehold improvements made (wholly or partly) with the proceeds of landlord allowance or contributions (to the extent of such contributions).

Capital Lease: any lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

Cash Collateral: cash, and any interest or other income earned thereon, that is delivered to Agent to Cash Collateralize any Obligations.

Cash Collateral Account: a demand deposit, money market or other account established by Agent at such financial institution as Agent may select in its discretion, which account shall be subject to Agent's Liens for the benefit of Secured Parties.

Cash Collateralize: the delivery of cash to Agent, as security for the payment of Obligations, in an amount equal to (a) with respect to LC Obligations, 105% of the aggregate LC Obligations, and (b) with respect to any inchoate, contingent or other Obligations (including Secured Bank Product Obligations), Agent's good faith estimate of the amount due or to become due, including all fees and other amounts relating to such Obligations. "Cash Collateralization" has a correlative meaning.

Cash Equivalents: (a) marketable obligations issued or unconditionally guaranteed by, and backed by the full faith and credit of, the United States government, maturing within 12 months of the date of acquisition; (b) certificates of deposit, time deposits and bankers' acceptances maturing within 12 months of the date of acquisition, and overnight bank deposits, in each case which are issued by Bank of America, any Lender or a commercial bank organized under the laws of the United States or any state or district thereof, rated A-1 (or better) by S&P or P-1 (or better) by Moody's at the time of acquisition, and (unless issued by a Lender) not subject to offset rights; (c) repurchase obligations with a term of not more than 30 days for underlying investments of the types described in clauses (a) and (b) entered into with any bank described in clause (b); (d) commercial paper issued by Bank of America, any Lender or rated A-1 (or better) by S&P or P-1 (or better) by Moody's, and maturing within nine months of the date of acquisition; and (e) shares of any money market fund that has substantially all of its assets invested continuously in the types of investments referred to above, has net assets of at least $500,000,000 and has the highest rating obtainable from either Moody's or S&P.

Cash Management Services: any services provided from time to time by Bank of America or any of its Affiliates to Parent or any Subsidiary in connection with operating, collections, payroll, trust, or other depository or disbursement accounts, including automated clearinghouse, e-payable, electronic funds transfer, wire transfer, controlled disbursement, overdraft, depository, information reporting, lockbox and stop payment services.

CERCLA: the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. § 9601 et seq.).

Change in Law: the occurrence, after the date hereof, of (a) the adoption, taking effect or phasing in of any law, rule, regulation or treaty; (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof; or (c) the making, issuance or application of any request, guideline, requirement or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

Change of Control: (a) the Control Group ceases to own and control, beneficially and of record, directly or indirectly, a majority of the Equity Interests of the Parent; (b) the Sponsor ceases to own and control, beneficially and of record, directly or indirectly, more than 25% of the Equity Interests of the

Parent consisting of common stock and 90% of the Sponsor Preferred Stock; provided that if in connection with one or more mergers or Acquisitions permitted hereunder, the Parent issues additional Equity Interests, that dilutes the Equity Interests of all holders pro rata, such resulting dilutive effect shall not be deemed to violate this clause (b) so long as the Sponsor shall own and control, beneficially and of record, directly or indirectly, more than 15% of the Equity Interests of the Parent consisting of common stock and a majority of the Sponsor Preferred Stock ; (c) a change in the majority of directors of the Parent**,** unless approved by the then majority of directors; (d) all or substantially all of a Borrower's assets are sold or transferred, other than sale or transfer to another Borrower, (e) the Parent ceases to own and control beneficially and of record, directly or indirectly, all of the Equity Interests in its Subsidiaries (except Suburban).

Claims: all claims, liabilities, obligations, losses, damages, penalties, judgments, proceedings, interest, costs and expenses of any kind (including remedial response costs, reasonable attorneys' fees and Extraordinary Expenses) at any time (including after Full Payment of the Obligations or replacement of Agent or any Lender) incurred by any Indemnitee or asserted against any Indemnitee by any Obligor or other Person, in any way relating to (a) any Loans, Letters of Credit, Loan Documents, or the use thereof or transactions relating thereto, (b) any action taken or omitted in connection with any Loan Documents, (c) the existence or perfection of any Liens, or realization upon any Collateral, (d) exercise of any rights or remedies under any Loan Documents or Applicable Law, or (e) failure by any Obligor to perform or observe any terms of any Loan Document, in each case including all costs and expenses relating to any investigation, litigation, arbitration or other proceeding (including an Insolvency Proceeding or appellate proceedings), whether or not the applicable Indemnitee is a party thereto.

Closing Date: as defined in **Section 6.1**.

Code: the Internal Revenue Code of 1986.

Collateral: all Property described in **Section 7.1**, all Property described in any Security Documents as security for any Obligations, and all other Property that now or hereafter secures (or is intended to secure) any Obligations.

Commitment: for any Lender, its obligation to make Revolver Loans and to participate in LC Obligations up to the maximum principal amount shown on **Schedule 1.1**, as hereafter modified pursuant to **Section 2.1.7 or** an Assignment and Acceptance to which it is a party. "Commitments" means the aggregate amount of such commitments of all Lenders.

Commitment Termination Date: the earliest to occur of (a) the Revolver Termination Date; (b) the date on which Borrowers terminate the Commitments pursuant to **Section 2.1.4**; or (c) the date on which the Commitments are terminated pursuant to **Section 11.2**.

Compliance Certificate: a certificate, in form and substance satisfactory to Agent, by which Borrower Agent certifies compliance with **Section 10.3**, and calculates the applicable Level for the Applicable Margin.

Consolidated Interest Charges: means, for any Measurement Period, the sum of (a) all interest, premium payments, debt discount, fees, and charges incurred in connection with Borrowed Money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent and at the times treated as interest in accordance with GAAP, including, without limitation, all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and net costs under Hedging Agreements, but excluding any non-cash or deferred interest financing costs, (b) all interest paid or payable with respect to discontinued operations and (c) the portion of rent expense with respect to such period under Capital Leases that is treated as interest in accordance with GAAP, in each case of or by the Parent and its Subsidiaries for the most recently completed Measurement Period, all as determined on a consolidated basis in accordance with GAAP.

Consolidated Net Income: determined on a consolidated basis in accordance with GAAP for any fiscal period of Parent and its Subsidiaries, net income (or loss), excluding (a) any gain (or loss) arising from the sale of capital assets; (b) any gain arising from write-up of assets; (c) income of (i) any entity (other than a Subsidiary) in which an Obligor has an ownership interest and (ii) any Person (including Suburban) the ability of which to make Distributions to an Obligor is restricted by any Restrictive Agreement, law, rule, regulation or court order, in each case unless such income has actually been received in cash by an Obligor; (d) except for determinations expressly required to be made on a pro forma basis, income of any Subsidiary accrued prior to the date it became a Subsidiary; (e) except for determinations expressly required to be made on a pro forma basis, income of any Person, substantially all the assets of which have been acquired by an Obligor, realized by such Person prior to the date of acquisition; (f) except for determinations expressly required to be made on a pro forma basis, income of any Person with which an Obligor has merged, consolidated or otherwise combined, prior to the date of such transaction; and (g) results of discontinued operations.

Contingent Obligation: any obligation of a Person arising from a guaranty, indemnity or other assurance of payment or performance of any Debt, lease, dividend or other obligation ("primary obligations") of another obligor ("primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person under any (a) guaranty, endorsement, co-making or sale with recourse of an obligation of a primary obligor; (b) obligation to make take-or-pay or similar payments regardless of nonperformance by any other party to an agreement; and (c) arrangement (i) to purchase any primary obligation or security therefor, (ii) to supply funds for the purchase or payment of any primary obligation, (iii) to maintain or assure working capital, equity capital, net worth or solvency of the primary obligor, (iv) to purchase Property or services for the purpose of assuring the ability of the primary obligor to perform a primary obligation, or (v) otherwise to assure or hold harmless the holder of any primary obligation against loss in respect thereof. The amount of any Contingent Obligation shall be deemed to be the stated or determinable amount of the primary obligation (or, if less, the maximum amount for which such Person may be liable under the instrument evidencing the Contingent Obligation) or, if not stated or determinable, the maximum reasonably anticipated liability with respect thereto.

Control Group: at any time, any combination of (i) the Sponsor (not including, however, any portfolio companies of the Sponsor), (ii) Jeffrey W. Edwards, Peter H. Edwards, Jr., Michael A. Edwards and Anne W. Edwards or any entity controlled by them collectively, and (iii) the directors, executive officers and other management personnel of the Companies, or any entity controlled by any of them, as the case may be, on the date hereof.

Credit Judgment: Agent's judgment exercised in good faith, based upon its consideration of any factor that it reasonably believes (a) could adversely affect the quantity, quality, mix or value of Collateral (including any Applicable Law that may inhibit collection of an Account), the enforceability or priority of Agent's Liens, or the amount that Agent and Lenders could receive in liquidation of any Collateral; (b) suggests that any collateral report or financial information delivered by any Obligor is incomplete, inaccurate or misleading in any material respect; (c) materially increases the likelihood of any Insolvency Proceeding involving an Obligor other than an Immaterial Obligor; or (d) creates or could result in a Default or Event of Default. In exercising such judgment, Agent may consider any factors that it reasonably believes could increase the credit risk of lending to Borrowers on the security of the Collateral.

CWA: the Clean Water Act (33 U.S.C. §§ 1251 et seq.).

Daily Reporting Trigger Period: the period (a) commencing on the day that (i) a written notice of an Event of Default is delivered pursuant to the terms hereof by the Agent or the Borrower Agent and Availability is less than $15,000,000 but greater than $5,000,000 or (ii) Availability is less than $5,000,000 at any time; and (b) continuing until, during the preceding 60 consecutive days, no Event of Default has existed and Availability has been greater than $5,000,000 at all times.

Debt: as applied to any Person, without duplication, (a) all items that would be included as liabilities on a balance sheet in accordance with GAAP, including Capital Leases, but excluding trade payables and accruals incurred in the Ordinary Course of Business; (b) all Contingent Obligations; (c) all reimbursement obligations in connection with letters of credit issued for the account of such Person; and (d) in the case of a Borrower, the Obligations. The Debt of a Person shall include any recourse Debt of any partnership in which such Person is a general partner and any recourse Debt of a joint venturer.

Default: an event or condition that, with the lapse of time or giving of notice, would constitute an Event of Default.

Default Rate: for any Obligation (including, to the extent permitted by law, interest not paid when due), 2% plus the interest rate otherwise applicable thereto.

Defaulting Lender: any Lender that, as determined by Agent, (a) has failed to perform any funding obligations hereunder, and such failure is not cured within three Business Days; (b) has notified Agent or any Borrower that such Lender does not intend to comply with its funding obligations hereunder or has made a public statement to the effect that it does not intend to comply with its funding obligations hereunder or under any other credit facility; (c) has failed, within three Business Days following request by Agent, to confirm in a manner satisfactory to Agent that such Lender will comply with its funding obligations hereunder; or (d) has, or has a direct or indirect parent company that has, become the subject of an Insolvency Proceeding or taken any action in furtherance thereof; provided, however, that a Lender shall not be a Defaulting Lender solely by virtue of a Governmental Authority's ownership of an equity interest in such Lender or parent company.

Deposit Account Control Agreements: the Deposit Account control agreements to be executed by each institution maintaining a Deposit Account for an Obligor, in favor of Agent, for the benefit of Secured Parties, as security for the Obligations.

Dilution Percent: the percent, determined through a Field Exam conducted by the Agent, for any measurement period, equal to (a) bad debt write-downs or write-offs, discounts, returns, promotions, credits, credit memos and other dilutive items with respect to Accounts, divided by (b) gross sales.

Dilution Reserve: at any date of determination, the percentage amount by which (a) then applicable Dilution Percent exceeds (b) 5% (rounded up to the nearest whole number), which excess percentage is then multiplied by the amount of Eligible Accounts of the Borrowers.

Distribution: any declaration or payment of a distribution, interest or dividend on any Equity Interest (other than payment-in-kind); any distribution, advance or repayment of Debt to a holder of Equity Interests; or any purchase, redemption, or other acquisition or retirement for value of any Equity Interest.

Dollars: lawful money of the United States.

Dominion Account: any account established by Borrowers at Bank of America or another bank acceptable to Agent, over which Agent has exclusive control for withdrawal purposes pursuant to a Deposit Account Control Agreement (or otherwise).

EBITDA: determined on a consolidated basis in accordance with GAAP for any Measurement Period of Parent and its Subsidiaries, an amount equal to:

(a) Consolidated Net Income for such Measurement Period; plus

(b) the following (without duplication) for such Measurement Period to the extent deducted in the calculation of Consolidated Net Income: (i) provision for Federal, state, local and foreign income and franchise taxes, (ii) Consolidated Interest Charges, (iii) depreciation and amortization expense, (iv) any extraordinary or non-recurring expenses or losses which, in each case, do not represent a cash item in such period or any future period, including without limitation stock based compensation expense, impairment of goodwill, non-cash loss attributable to the mark-to-market movement in the valuation of Hedging Agreements or other derivative instruments (to the extent the cash impact resulting from such loss has not been realized) pursuant to Fair Value Measurements and Disclosures of the Financial Accounting Standards Board (FASB) Accounting Standards Codification and non-cash charges in respect of rent (other than any such non-cash item to the extent it represents an accrual of or reserve for cash expenditures in any future period); (v) all other non-cash items (other than any non-cash expenditure, charge or loss relating to write-offs, write-downs or reserves with respect to accounts and inventory) decreasing Consolidated Net Income, including the amount of any compensation deduction as the result of any grant of Equity Interests to employees, officers, directors or consultants, and (vi) fees and expenses paid in connection with the Transaction in an amount not to exceed $3,500,000; minus

(c) the following (without duplication) for such Measurement Period to the extent included in calculating such Consolidated Net Income: (i) all non-cash items and extraordinary gains increasing Consolidated Net Income, (ii) Federal, state, local and foreign income tax credits and (iii) any gain from the forgiveness or extinguishment of debt.

Eligible Account: an Account owing to a Borrower that arises in the Ordinary Course of Business from the sale of goods or rendition of services, is payable in Dollars and is deemed by Agent, in its Credit Judgment, to be an Eligible Account. Without limiting the foregoing, no Account shall be an Eligible Account if (a) it is unpaid for more than 120 days after the original invoice date; (b) 50% or more of the Accounts owing by the Account Debtor are not Eligible Accounts under the foregoing clause; (c) when aggregated with other Accounts owing by the Account Debtor, it exceeds 15% of the aggregate Eligible Accounts (or such higher percentage as Agent may establish for the Account Debtor from time to time); (d) it does not conform with a covenant or representation contained in **Section 8.2**; (e) it is owing by a creditor or supplier, or is otherwise subject to a potential offset, counterclaim, dispute, deduction, discount, recoupment, reserve, defense, chargeback, credit or allowance (but ineligibility shall be limited to the amount thereof); (f) an Insolvency Proceeding has been commenced by or against the Account Debtor; or the Account Debtor has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs, or is not Solvent; or the Borrower is not able to bring suit or enforce remedies against the Account Debtor through judicial process; (g) the Account Debtor is organized or has its principal offices or assets outside the United States or Canada; (h) it is owing by a Governmental Authority and the Account has not been assigned to Agent in compliance with the federal Assignment of Claims Act or similar statutory requirement after the Agent has so requested; (i) it is not subject to a duly perfected, first priority Lien in favor of Agent, or is subject to any other Lien other than a Permitted Lien described in clause (c), (d) or (e) **Section 10.2.2**; (j) the goods giving rise to it have not been delivered to the Account Debtor, the services giving rise to it have not been accepted by the Account Debtor, or it otherwise does not represent a final sale; (k) it is evidenced by Chattel Paper or an Instrument of any kind, or has been reduced to judgment; (l) its payment has been extended in writing beyond its original term or

the Account Debtor has made a partial payment; (m) it arises from a sale to an Affiliate, from a sale on a cash-on-delivery, bill-and-hold, sale-or-return, sale-on-approval, consignment, or other repurchase or return basis, or from a sale for personal, family or household purposes; (n) it represents retainage (other than Eligible Retainage Accounts) or relates to services for which a performance, surety or completion bond or similar assurance has been issued; or (o) it includes a billing for interest, fees or late charges, but ineligibility shall be limited to the extent thereof. In calculating delinquent portions of Accounts under clauses (a) and (b), credit balances more than 120 days old will be excluded.

Eligible Assignee: a Person that is (a) a Lender, U.S.-based Affiliate of a Lender or Approved Fund; (b) any other financial institution approved by Agent and Borrower Agent (which approval by Borrower Agent shall not be unreasonably withheld or delayed, and shall be deemed given if no objection is made within two Business Days after notice of the proposed assignment), that is organized under the laws of the United States or any state or district thereof, has total assets in excess of $5 billion, extends asset-based lending facilities in its ordinary course of business and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of the Code or any other Applicable Law; and (c) during any Event of Default, any Person acceptable to Agent in its discretion. Neither any Obligor, the Sponsor nor any of their respective Affiliates shall be an Eligible Assignee.

Eligible Inventory: Inventory owned by a Borrower that Agent, in its Credit Judgment, deems to be Eligible Inventory. Without limiting the foregoing, no Inventory shall be Eligible Inventory unless it (a) is finished goods or raw materials, and not work-in-process, packaging or shipping materials, labels, samples, display items, bags, replacement parts or manufacturing supplies; (b) is not held on consignment, nor subject to any deposit or down payment; (c) is in new and saleable condition and is not damaged, defective, shopworn or otherwise unfit for sale; (d) is not slow-moving, perishable, obsolete or unmerchantable, and does not constitute returned or repossessed goods; (e) meets all standards imposed by any Governmental Authority, and does not constitute hazardous materials under any Environmental Law; (f) is subject to Agent's duly perfected, first priority Lien, and no other Lien other than a Permitted Lien described in clause (c), (d), (e), (f), (g) or (m) of **Section 10.2.2**; (g) is within the continental United States or Canada, is not at a job site or in transit except between locations of Borrowers, and is not consigned to any Person; (h) is not subject to any warehouse receipt or negotiable Document; (i) is not subject to any License or other arrangement that restricts such Borrower's or Agent's right to dispose of such Inventory, unless Agent has received an appropriate Lien Waiver; (j) is not located on leased premises or in the possession of a warehouseman, processor, repairman, mechanic, shipper, freight forwarder or other Person, unless the lessor or such Person has delivered a Lien Waiver or an appropriate Rent and Charges Reserve has been established and (k) is, at all times after September 30, 2011, reflected in the details of (x) a physical inventory taken within the 36 days prior to the date of the most recent Borrowing Base Certificate delivered to Agent or (y) a current perpetual inventory report.

Eligible Retainage Accounts: the amount of unpaid "retainage" owed to a Borrower to the extent that all goods and services relating to a contract or job with a retained amount have been provided by the Borrower and (i) the Borrower has fully performed and completed the contract or job, (ii) all subcontractors, suppliers or others providing goods and services to the Borrower with respect to such contract or job and all employees performing services at the job site have been fully paid, (iii) no claims or Liens have been or could be asserted by such subcontractors, suppliers, employees or other providers, (iv) the retained amounts are paid within 120 days after completion of the applicable contract or job and (v) there is no default or claim under any contract relating to such retained amount with respect to goods, services, or payments provided or made by a general contractor, real property owner or surety.

Enforcement Action: any action to enforce any Obligations (other than Secured Bank Product Obligations) or Loan Documents or to exercise any rights or remedies relating to any Collateral (whether by judicial action, self-help, notification of Account Debtors, exercise of setoff or recoupment, exercise of any right to vote or act in an Obligor's Insolvency Proceeding, or otherwise).

Environmental Agreement: each agreement of Obligors with respect to any Real Estate subject to a Mortgage, pursuant to which Obligors agree to indemnify and hold harmless Agent and Lenders from liability under any Environmental Laws.

Environmental Laws: all Applicable Laws (including all programs, permits and guidance promulgated by regulatory agencies), relating to public health (but excluding occupational safety and health, to the extent regulated by OSHA) or the protection or pollution of the environment, including CERCLA, RCRA and CWA.

Environmental Notice: a notice (whether written or oral) from any Governmental Authority or other Person of any possible noncompliance with, investigation of a possible violation of, litigation relating to, or potential fine or liability under any Environmental Law, or with respect to any Environmental Release, environmental pollution or hazardous materials, including any complaint, summons, citation, order, claim, demand or request for correction, remediation or otherwise.

Environmental Release: a release as defined in CERCLA or under any other Environmental Law.

Equity Interest: the interest of any (a) shareholder in a corporation; (b) partner in a partnership (whether general, limited, limited liability or joint venture); (c) member in a limited liability company; or (d) other Person having any other form of equity security or ownership interest.

ERISA: the Employee Retirement Income Security Act of 1974.

ERISA Affiliate: any trade or business (whether or not incorporated) under common control with an Obligor within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

ERISA Event: (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by any Obligor or ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by any Obligor or ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Section 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) the determination that any Pension Plan or Multiemployer Plan is considered an at risk plan or a plan in critical or endangered status within the meaning set forth in the Pension Funding Rules; (f) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or Multiemployer Plan; or (g) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Obligor or ERISA Affiliate.

Event of Default: as defined in **Section 11**.

Excluded Collateral: (a) any permit, lease or other agreement (other than relating to Accounts, Inventory or Deposit Accounts) to which any Obligor is a party, or any of its rights or interests thereunder, if and for so long as the grant of a security interest therein shall constitute or result in (i) the abandonment, invalidation or unenforceability of the right, title or interest of such Obligor therein, (ii) a breach or termination pursuant to the terms of, or a default under, such permit, lease or other agreement, or (iii) in the case of any permit, lease or other agreement of any Governmental Authority (or any Person acting on behalf of a Governmental Authority), the violation of any Applicable Law, or (b) any Equipment owned by any Obligor on the date hereof or hereafter acquired that is subject to a Purchase

Money Lien or a Lien securing a Capital Lease permitted to be incurred hereunder if the contract or other agreement (or the documentation providing for such Purchase Money Debt or Capital Lease) in which such Lien is granted validly prohibits the creation of any other Lien on such Equipment or the grant of such Lien shall constitute or result in a breach or termination pursuant to the terms or such contract or other agreement; provided, in each case that (i) no Accounts or Inventory shall be Excluded Collateral and no asset or property shall be considered Excluded Collateral to the extent the restriction described in the foregoing clauses (a) and (b) would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the UCC or any other applicable law or principles of equity, or to the extent that any necessary consents or waivers have been obtained to allow the security interest in such asset or property notwithstanding such restriction, and (ii) the inclusion of an asset as Excluded Collateral shall not limit, impair or otherwise affect the Agent's security interest in and Lien upon any rights or interests of any Obligor in or to (x) monies due or to become due under any permit, lease or other agreement to which any Obligor is a party, or (y) any proceeds from the sale, license, lease or other dispositions of any such permit, lease or other agreement, or (c) leasehold interests of any Obligor in any motor vehicles; provided that any proceeds from the sale, license, lease or other disposition of such leasehold interests shall constitute Collateral hereunder (other than proceeds of the disposition of vehicles leased by Obligors (as lessees) where the proceeds are remitted to or retained by the lessor of such vehicles).

Excluded Tax: with respect to Agent, any Lender, Issuing Bank or any other recipient of a payment to be made by or on account of any Obligation, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located; (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which Borrower Agent is located; (c) any backup withholding tax required by the Code to be withheld from amounts payable to a Lender that has failed to comply with **Section 5.10**; (d) in the case of a Foreign Lender, any United States withholding tax that is (i) required pursuant to laws in force at the time such Lender becomes a Lender (or designates a new Lending Office) hereunder, or (ii) attributable to such Lender's failure or inability (other than as a result of a Change in Law) to comply with **Section 5.10**, except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new Lending Office (or assignment), to receive additional amounts from Borrowers with respect to such withholding tax; (e) any U.S. federal withholding taxes imposed under FATCA.

Existing Debt Documents: (a) the Credit Agreement dated as of June 29,2005, as amended, and related loan documents, by and among IBP, LLC, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent and (b) the Second Amended and Restated Revolving Note dated as of March 25, 2011 and related loan documents, by and between IBP II, LLC and Fifth Third Bank.

Extraordinary Expenses: all costs, expenses or advances that Agent may incur during a Default or Event of Default, or during the pendency of an Insolvency Proceeding of an Obligor, including those relating to (a) any audit, inspection, repossession, storage, repair, appraisal, insurance, manufacture, preparation or advertising for sale, sale, collection, or other preservation of or realization upon any Collateral; (b) any action, arbitration or other proceeding (whether instituted by or against Agent, any Lender, any Obligor, any representative of creditors of an Obligor or any other Person) in any way relating to any Collateral (including the validity, perfection, priority or avoidability of Agent's Liens with respect to any Collateral), Loan Documents, Letters of Credit or Obligations, including any lender liability or other Claims; (c) the exercise, protection or enforcement of any rights or remedies of Agent in, or the monitoring of, any Insolvency Proceeding; (d) settlement or satisfaction of any taxes, charges or Liens with respect to any Collateral; (e) any Enforcement Action; (f) negotiation and documentation of any modification, waiver, workout, restructuring or forbearance with respect to any Loan Documents or Obligations; and (g) Protective Advances. Such costs, expenses and advances include transfer fees, Other

Taxes, storage fees, insurance costs, permit fees, utility reservation and standby fees, legal fees, appraisal fees, brokers' fees and commissions, auctioneers' fees and commissions, accountants' fees, environmental study fees, wages and salaries paid to employees of any Obligor or independent contractors in liquidating any Collateral, and travel expenses.

FATCA: Sections 1471 through 1474 of the Code, as of the date of hereof (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof.

Federal Funds Rate: (a) the weighted average of interest rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on the applicable Business Day (or on the preceding Business Day, if the applicable day is not a Business Day), as published by the Federal Reserve Bank of New York on the next Business Day; or (b) if no such rate is published on the next Business Day, the average rate (rounded up, if necessary, to the nearest 1/8 of 1%) charged to Bank of America on the applicable day on such transactions, as determined by Agent.

Field Exam: any visit and inspection of the properties, assets and records of any Obligor during the term of this Agreement, which shall include access to such properties, assets and records sufficient to permit the Agent or its representatives to examine, audit and make extracts from any Obligor's books and records, make examinations and audits of any Obligor's other financial matters and Collateral as Agent deems appropriate in its Credit Judgment, and discussions with its officers, employees, agents, advisors and independent accountants regarding such Obligor's business, financial condition, assets, prospects and results of operations; provided that, so long as no Default or Event of Default has occurred and is continuing, Borrower Agent shall be notified in advance of, and shall have the right to participate in, discussions with the advisors and independent accountants.

Fiscal Month: each calendar month of Parent and its Subsidiaries for accounting and tax purposes.

Fiscal Quarter: each period of three Fiscal Months, commencing on the first day of a Fiscal Year.

Fiscal Year: the fiscal year of Parent and its Subsidiaries for accounting and tax purposes, ending on December 31st of each year.

Fixed Charge Coverage Ratio: the ratio, determined on a consolidated basis for Parent and its Subsidiaries for the most recent Measurement Period, of (a) EBITDA minus Capital Expenditures (except those financed with Borrowed Money other than Revolver Loans), Distributions made and cash taxes paid, to (b) Fixed Charges.

Fixed Charges: the sum, determined on a consolidated basis for Parent and its Subsidiaries for the most recent Measurement Period, of (a) Consolidated Interest Charges paid (other than payment-in-kind) or accrued plus (b) principal payments paid or required to be paid on Borrowed Money (other than Revolver Loans) plus (c) payments made with respect to Non-Compete Agreements or with respect to Debt described in **Section 10.2.1(l)** or **10.2.1(m)**.

Fixed Charge Trigger Period: the period (a) commencing on the day that Availability is less than $5,000,000 for 5 consecutive days or less than $4,000,000 at any time and (b) continuing until the date that during the previous 30 consecutive days, Availability has been greater than $5,000,000 at all times during such period.

FLSA: the Fair Labor Standards Act of 1938.

Foreign Lender: any Lender that is organized under the laws of a jurisdiction other than the laws of the United States, or any state or district thereof.

Foreign Plan: any employee benefit plan or arrangement (a) maintained or contributed to by any Obligor or Subsidiary that is not subject to the laws of the United States; or (b) mandated by a government other than the United States for employees of any Obligor or Subsidiary.

Foreign Subsidiary: a Subsidiary that is a "controlled foreign corporation" under Section 957 of the Code, such that a guaranty by such Subsidiary of the Obligations or a Lien on the assets of such Subsidiary to secure the Obligations would result in material tax liability to Borrowers.

Fronting Exposure: a Defaulting Lender's Pro Rata share of LC Obligations or Swingline Loans, as applicable, except to the extent allocated to other Lenders under **Section 4.2**.

Full Payment: with respect to any Obligations, (a) the full and indefeasible cash payment thereof, including any interest, fees and other charges accruing during an Insolvency Proceeding (whether or not allowed in the proceeding); (b) if such Obligations are LC Obligations or inchoate or contingent in nature, Cash Collateralization thereof (or delivery of a standby letter of credit acceptable to Agent in its discretion, in the amount of required Cash Collateral); and (c) a release of any Claims of Obligors against Agent, Lenders and Issuing Bank arising on or before the payment date. No Loans shall be deemed to have been paid in full until all Commitments related to such Loans have expired or been terminated.

GAAP: generally accepted accounting principles in effect in the United States from time to time.

Governmental Approvals: all authorizations, consents, approvals, licenses and exemptions of, registrations and filings with, and required reports to, all Governmental Authorities.

Governmental Authority: any federal, state, local, foreign or other agency, authority, body, commission, court, instrumentality, political subdivision, or other entity or officer exercising executive, legislative, judicial, regulatory or administrative functions for any governmental, judicial, investigative, regulatory or self-regulatory authority.

Guarantor Payment: as defined in **Section 5.11.3**.

Guarantors: each Initial Guarantor and each other Person who guarantees payment or performance of any Obligations from time to time.

Guaranty: the Initial Guaranty and each guaranty agreement executed by a Guarantor in favor of Agent.

Hedging Agreement: an agreement relating to any swap, cap, floor, collar, option, forward, cross right or obligation, or combination thereof or similar transaction, with respect to interest rate, foreign exchange, currency, commodity, credit or equity risk.

Immaterial Obligor: any Obligor other than the Companies that (a) is immaterial to the Obligors taken as a whole and (b) does not own any assets with an aggregate value in excess of $400,000 included in the Borrowing Base; provided that at no time shall (i) the total assets of all Immaterial Obligors as of the end of the most recent Fiscal Quarter for which financial statements have been delivered hereunder, equal or exceed 1% of the consolidated total assets of Parent and its Subsidiaries or (ii) the gross revenues of all Immaterial Obligors (including any Immaterial Obligor dissolved, liquidated or otherwise disposed of during any Measurement Period) for any Measurement Period equal or exceed 1% of the consolidated gross revenues of Parent and its Subsidiaries for such Measurement Period, in each case as determined in accordance with GAAP.

Indemnified Taxes: Taxes other than Excluded Taxes.

Indemnitees: Agent Indemnitees, Lender Indemnitees, Issuing Bank Indemnitees and Bank of America Indemnitees.

Initial Guarantors: as defined in the preamble to this Agreement.

Initial Guaranty: as defined in **Section 15.1.1**.

Insurance Assignment: the Assignment of the Key-Man Life Insurance, among IBP, LLC, as the assignor, Agent, American General Life Insurance Company, as the insurer, and Jeffrey W. Edwards, as the insured, and each other agreement pursuant to which an Obligor shall assign an insurance policy to Agent as security for all or any portion of the Obligations.

Insolvency Proceeding: any case or proceeding commenced by or against a Person under any state, federal or foreign law for, or any agreement of such Person to, (a) the entry of an order for relief under the Bankruptcy Code, or any other insolvency, debtor relief or debt adjustment law; (b) the appointment of a receiver, trustee, liquidator, administrator, conservator or other custodian for such Person or any part of its Property; or (c) an assignment or trust mortgage for the benefit of creditors.

Intellectual Property: all intellectual and similar Property of a Person, including inventions, designs, patents, copyrights, trademarks, service marks, trade names, trade secrets, confidential or proprietary information, customer lists, know-how, software and databases; all embodiments or fixations thereof and all related documentation, applications, registrations and franchises; all licenses or other rights to use any of the foregoing; and all books and records relating to the foregoing.

Intellectual Property Claim: any claim or assertion (whether in writing, by suit or otherwise) that an Obligor's or Subsidiary's ownership, use, marketing, sale or distribution of any Inventory, Equipment, Intellectual Property or other Property violates another Person's Intellectual Property.

Interest Period: as defined in **Section 3.1.3**.

Inventory: as defined in the UCC, including all goods intended for sale, lease, display or demonstration; all work in process; and all raw materials, and other materials and supplies of any kind that are or could be used in connection with the manufacture, printing, packing, shipping, advertising, sale, lease or furnishing of such goods, or otherwise used or consumed in an Obligor's business (but excluding Equipment).

Inventory Formula Amount: the least of (i) 60% of the Value of Eligible Inventory; (ii) 85% of the NOLV Percentage of the Value of Eligible Inventory; or (iii) (a) $6,000,000 or (b) commencing on (and after) the first day the Fixed Charge Coverage Ratio for any Measurement Period after the Closing Date is greater than 1.1 to 1.0, as reflected in the financial statements and Compliance Certificate required under **Section 10.1.2** for such Measurement Period, $9,000,000.

Inventory Reserve: reserves established by Agent to reflect factors that may negatively impact the Value of Inventory, including change in salability, obsolescence, seasonality, theft, shrinkage, imbalance, change in composition or mix, markdowns and vendor chargebacks.

Investment: any acquisition of all or substantially all assets of a Person; any acquisition of record or beneficial ownership of any Equity Interests of a Person; or any loan, advance or capital contribution to or other investment in a Person.

IRS: the United States Internal Revenue Service.

Issuing Bank: Bank of America or any Affiliate of Bank of America, or any replacement issuer appointed pursuant to **Section 2.2.4**.

Issuing Bank Indemnitees: Issuing Bank and its officers, directors, employees, Affiliates, agents and attorneys.

Key-Man Life Insurance: life insurance policy number YH00079510 owned by IBP, LLC and issued by American General Life Insurance Company upon the life of Jeffrey W. Edwards and any supplementary or replacement contracts issued in connection therewith.

LC Application: an application by Borrower Agent to Issuing Bank for issuance of a Letter of Credit, in form and substance satisfactory to Issuing Bank.

LC Conditions: the following conditions necessary for issuance of a Letter of Credit: (a) each of the conditions set forth in **Section 6**; (b) after giving effect to such issuance, total LC Obligations do not exceed the Letter of Credit Subline, no Overadvance exists and, if no Revolver Loans are outstanding, the LC Obligations do not exceed the Borrowing Base (without giving effect to the LC Reserve for purposes of this calculation); (c) the expiration date of such Letter of Credit is (i) no more than 365 days from issuance, in the case of standby Letters of Credit, and (ii) no more than 120 days from issuance, in the case of documentary Letters of Credit; (d) the Letter of Credit and payments thereunder are denominated in Dollars; and (e) the purpose and form of the proposed Letter of Credit is satisfactory to Agent and Issuing Bank in their discretion (issuances of Letters of Credit for workers compensation insurance coverage shall be deemed to be a satisfactory purpose).

LC Documents: all documents, instruments and agreements (including LC Requests and LC Applications) delivered by Borrower Agent or any other Person to Issuing Bank or Agent in connection with any Letter of Credit.

LC Obligations: the sum (without duplication) of (a) all amounts owing by Borrowers for any drawings under Letters of Credit; and (b) the stated amount of all outstanding Letters of Credit.

LC Request: a request for issuance of a Letter of Credit, to be provided by Borrower Agent to Issuing Bank, in form satisfactory to Agent and Issuing Bank.

LC Reserve: the aggregate of all LC Obligations, other than those that have been Cash Collateralized by Borrowers.

Lender Indemnitees: Lenders and their officers, directors, employees, Affiliates, agents and attorneys.

Lenders: as defined in the preamble to this Agreement, including Agent in its capacity as a provider of Swingline Loans and any other Person who hereafter becomes a “Lender” pursuant to an Assignment and Acceptance.

Lending Office: the office designated as such by the applicable Lender at the time it becomes party to this Agreement or thereafter by notice to Agent and Borrower Agent.

Letter of Credit: any standby or documentary letter of credit issued by Issuing Bank for the account of a Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or Issuing Bank for the benefit of a Borrower.

Letter of Credit Subline: $10,000,000.

LIBOR: for any Interest Period with respect to a LIBOR Loan, the per annum rate of interest (rounded up, if necessary, to the nearest 1/8th of 1%), determined by Agent at approximately 11:00 a.m. (London time) two Business Days prior to commencement of such Interest Period, for a term comparable to such Interest Period, equal to (a) the British Bankers Association LIBOR Rate ("BBA LIBOR"), as published by Reuters (or other commercially available source designated by Agent); or (b) if BBA LIBOR is not available for any reason, the interest rate at which Dollar deposits in the approximate amount of the LIBOR Loan would be offered by Bank of America's London branch to major banks in the London interbank Eurodollar market. If the Board of Governors imposes a Reserve Percentage with respect to LIBOR deposits, then LIBOR shall be the foregoing rate, divided by 1 minus the Reserve Percentage.

LIBOR Loan: each set of LIBOR Revolver Loans having a common length and commencement of Interest Period.

LIBOR Revolver Loan: a Revolver Loan that bears interest based on LIBOR.

License: any license or agreement under which an Obligor is authorized to use Intellectual Property in connection with any manufacture, marketing, distribution or disposition of Collateral, any use of Property or any other conduct of its business.

Licensor: any Person from whom an Obligor obtains the right to use any Intellectual Property.

Lien: any Person's interest in Property securing an obligation owed to, or a claim by, such Person, whether such interest is based on common law, statute or contract, including liens, security interests, pledges, hypothecations, statutory trusts, reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases, and other title exceptions and encumbrances affecting Property.

Lien Waiver: an agreement, in form and substance reasonably satisfactory to Agent, by which (a) for any material Collateral located on leased premises, the lessor waives or subordinates any Lien it may have on the Collateral, and agrees to permit Agent to enter upon the premises and remove the Collateral or to use the premises to store or dispose of the Collateral; (b) for any Collateral held by a warehouseman, processor, shipper, customs broker or freight forwarder, such Person waives or subordinates any Lien it may have on the Collateral, agrees to hold any Documents in its possession relating to the Collateral as agent for Agent, and agrees to deliver the Collateral to Agent upon request; (c) for any Collateral held by a repairman, mechanic or bailee, such Person acknowledges Agent's Lien, waives or subordinates any Lien it may have on the Collateral, and agrees to deliver the Collateral to Agent upon request; and (d) for any Collateral subject to a Licensor's Intellectual Property rights, the Licensor grants to Agent the right, vis-à-vis such Licensor, to enforce Agent's Liens with respect to the Collateral, including the right to dispose of it with the benefit of the Intellectual Property, whether or not a default exists under any applicable License.

Loan: a Revolver Loan.

Loan Account: the loan account established by each Lender on its books pursuant to **Section 5.8**.

Loan Documents: this Agreement, Other Agreements and Security Documents.

Loan Year: each 12 month period commencing on the Closing Date and on each anniversary of the Closing Date.

Margin Stock: as defined in Regulation U of the Board of Governors.

Material Adverse Effect: the effect of any event or circumstance that, taken alone or in conjunction with other events or circumstances, (a) has or could be reasonably expected to have a material adverse effect on the business, operations, Properties, prospects or condition (financial or otherwise) of Parent and its Subsidiaries, taken as a whole, on the value of any material Collateral, on the enforceability of any Loan Documents, or on the validity or priority of Agent's Liens on any Collateral; (b) impairs the ability of an Obligor (other than an Immaterial Obligor) to perform its obligations under the Loan Documents, including repayment of any Obligations; or (c) otherwise impairs the ability of Agent or any Lender to enforce or collect any Obligations or to realize upon any Collateral.

Material Contract: any agreement or arrangement to which an Obligor or Subsidiary is party (other than the Loan Documents) (a) that is deemed to be a material contract under any securities law applicable to such Obligor, including the Securities Act of 1933; (b) for which breach, termination, nonperformance or failure to renew could reasonably be expected to have a Material Adverse Effect; or (c) Debt in an aggregate principal amount of $500,000 or more.

Measurement Period: at any date of determination, the most recently completed twelve (12) consecutive Fiscal Months of the Parent and its Subsidiaries; provided that for purposes of determining the Fixed Charge Coverage Ratio for **Sections 6.2(f)** and **10.3** only (and not for purposes of determining the Applicable Margin, the Inventory Formula Amount, a Permitted Acquisition or Pro Forma Fixed Charge Coverage Ratio or for any other purpose), for the first twelve months following the Closing Date, such calculations shall be made for the period of time since the Closing Date.

Mechanic's Lien Reserve: the aggregate amount of all mechanic's, materialmen's or similar liens that may be asserted against any Collateral for past due obligations or may adversely affect the value or collectability thereof.

Moody's: Moody's Investors Service, Inc., and its successors.

Mortgage: a mortgage, deed of trust or deed to secure debt in which an Obligor grants a Lien on its Real Estate to Agent, for the benefit of Secured Parties, as security for the Obligations.

Multiemployer Plan: any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which any Obligor or ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

Net Proceeds: with respect to an Asset Disposition, proceeds (including, when received, any deferred or escrowed payments) received by an Obligor or Subsidiary in cash from such disposition, net of (a) reasonable and customary costs and expenses actually incurred in connection therewith, including legal fees and sales commissions; (b) amounts applied to repayment of Debt secured by a Permitted Lien senior to Agent's Liens on Collateral sold; (c) transfer or similar taxes; (d) purchase price adjustments reasonably expected to be payable in connection therewith within 10 days of such disposition; and (e) reserves for indemnities, until such reserves are no longer needed.

NOLV Percentage: the net orderly liquidation value of Inventory, expressed as a percentage, expected to be realized at an orderly, negotiated sale held within a reasonable period of time, net of all liquidation expenses, as determined from the most recent appraisal of Borrowers' Inventory performed by an appraiser and on terms satisfactory to Agent.

Non-Compete Agreements: each of the Non-Compete Agreements existing and as in effect as of the date hereof and disclosed on **Schedule 10.2.1**.

Notes: each Revolver Note executed by a Borrower to evidence the Revolving Loans.

Notice of Borrowing: a Notice of Borrowing to be provided by Borrower Agent to request a Borrowing of Revolver Loans, in form satisfactory to Agent.

Notice of Conversion/Continuation: a Notice of Conversion/Continuation to be provided by Borrower Agent to request a conversion or continuation of any Loans as LIBOR Loans, in form satisfactory to Agent.

Noticed Hedge: Secured Bank Product Obligations arising under a Hedging Agreement.

Obligations: all (a) principal of and premium, if any, on the Loans, (b) LC Obligations and other obligations of Obligors with respect to Letters of Credit, (c) interest, expenses, fees, indemnification obligations, Extraordinary Expenses and other amounts payable by Obligors under Loan Documents, (d) Secured Bank Product Obligations, and (e) other Debts, obligations and liabilities of any kind owing by Obligors pursuant to the Loan Documents, whether now existing or hereafter arising, whether evidenced by a note or other writing, whether allowed in any Insolvency Proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether direct or indirect, absolute or contingent, due or to become due, primary or secondary, or joint or several.

Obligor: each Borrower, Guarantor, or other Person that is liable for payment of any Obligations or that has granted a Lien in favor of Agent on its assets to secure any Obligations.

Ordinary Course of Business: the ordinary course of business of Parent, any Borrower or Subsidiary, consistent with past practices and undertaken in good faith.

Organic Documents: with respect to any Person, its charter, certificate or articles of incorporation, bylaws, articles of organization, limited liability agreement, operating agreement, members agreement, shareholders agreement, partnership agreement, certificate of partnership, certificate of formation, voting trust agreement, or similar agreement or instrument governing the formation or operation of such Person.

OSHA: the Occupational Safety and Hazard Act of 1970.

Other Agreements: each Note; LC Document; Lien Waiver; Related Real Estate Document; Subordination Agreement; Borrowing Base Certificate, Compliance Certificate, financial statement or report delivered hereunder; or other document, instrument or agreement (other than this Agreement or a Security Document) now or hereafter delivered by an Obligor or other Person to Agent or a Lender in connection with any transactions relating hereto.

Other Taxes: all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document.

Overadvance: as defined in **Section 2.1.5**.

Overadvance Loan: a Base Rate Revolver Loan made when an Overadvance exists or is caused by the funding thereof.

Parent: CCIB Holdco, Inc., a Delaware corporation.

Participant: as defined in **Section 13.2**.

Patriot Act: the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272 (2001).

Payment Item: each check, draft or other item of payment payable to an Obligor, including those constituting proceeds of any Collateral.

PBGC: the Pension Benefit Guaranty Corporation.

Pension Act: the Pension Protection Act of 2006.

Pension Funding Rules: the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and Multiemployer Plans and set forth in, with respect to plan years beginning prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Sections 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

Pension Plan: any employee pension benefit plan (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by any Obligor or ERISA Affiliate or to which any Obligor or ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the preceding five plan years.

Permitted Acquisition: each Acquisition with respect to which:

(a) the Obligors and their Subsidiaries and any such newly created or acquired Subsidiary shall comply with the requirements of Section 10.1.9;

(b) the lines of business of the Person to be (or the property and assets of which are to be) so purchased or otherwise acquired shall not be substantially different from the lines of business of the Companies and their Subsidiaries or any similar, related, or complimentary business;

(c) such Acquisition shall be approved by the board of directors of the Person (or similar governing body if such Person is not a corporation) which is the subject of such Acquisition and such Person does not otherwise oppose such Acquisition;

(d) immediately after giving effect to any such Acquisition, (i) (x) Pro Forma Fixed Charge Coverage Ratio shall be at least 1.10 to 1.00 as of the most recently ended Measurement Period and (y) Pro Forma Availability immediately before and after making such Acquisition and the average Pro Forma Availability for the thirty (30) days prior to such Acquisition shall equal or exceed $5,000,000, or (ii) Pro Forma Availability immediately before and after making such Acquisition and average Pro Forma Availability for the thirty (30) days prior to such Acquisition shall equal or exceed $10,000,000;

(e) immediately before and immediately after giving effect to any such Acquisition, no Default or Event of Default shall have occurred and be continuing;

(f) the Borrower Agent shall have delivered to the Agent at least five (5) Business Days (or such lesser time as agreed to by the Agent in its sole discretion) prior to the date on which any such Acquisition is to be consummated, (i) a certificate of a Senior Officer, in form and substance reasonably satisfactory to the Agent, (x) certifying that all of the requirements set forth above will be satisfied on or prior to the consummation of such purchase or other acquisition and (y) a reasonably detailed calculation of item (d) above (and such certificate shall be updated as necessary to make it accurate as of the date the purchase or other acquisition is consummated) and (ii) copies of the relevant agreements and documents relating to such Acquisition; and

(g) none of the Accounts or Inventory so purchased or otherwise acquired shall be included in the calculation of the Borrowing Base until Agent has conducted Field Exams and appraisals

required by it with results reasonably satisfactory to the Agent (provided that Eligible Accounts or Eligible Inventory so acquired may be included in the calculation of the Borrowing Base without a Field Exam if the amount thereof would not add more than $500,000 to the Borrowing Base in any calendar year) and the Person owning such Accounts or Inventory shall be a (directly or indirectly) wholly-owned Subsidiary of the Companies and have become a Borrower.

Permitted Asset Disposition: an Asset Disposition that is (a) a sale of Inventory in the Ordinary Course of Business; (b) termination of a lease of real or personal Property that is not necessary for the Ordinary Course of Business, could not reasonably be expected to have a Material Adverse Effect and does not result from an Obligor's default; (c) is approved in writing by Agent and Required Lenders; (d) is permitted under **Section 10.2.17** or (e) as long as no Default or Event of Default exists and all Net Proceeds are remitted to Agent (other than proceeds of the disposition of vehicles leased by Obligors (as lessees) where the proceeds are remitted to or retained by the lessor of such vehicles), (i) a disposition of assets (other than Accounts and Inventory) that, in the aggregate during any 12 month period, has a book value of $1,000,000 or less, (ii) a disposition of Inventory that is obsolete, unmerchantable or otherwise unsalable in the Ordinary Course of Business; (iii) a disposition of property (other than Accounts or Inventory) that is no longer used or useful in the Obligors' business and (iv) a disposition of the Equity Interests of Suburban for fair value in an arms length transaction, of which at least 75% of the consideration received is cash.

Permitted Contingent Obligations: Contingent Obligations (a) arising from endorsements of Payment Items for collection or deposit in the Ordinary Course of Business; (b) arising from Hedging Agreements permitted hereunder; (c) existing on the Closing Date, and any extension or renewal thereof that does not increase the amount of such Contingent Obligation when extended or renewed; (d) incurred in the Ordinary Course of Business with respect to surety, appeal, licensing or performance bonds, or other similar obligations; (e) arising from customary indemnification obligations or obligations in respect of purchase price, earnouts or similar adjustments in connection with dispositions of Excluded Collateral or Collateral permitted hereunder; (f) arising under the Loan Documents, (g) arising from unsecured guarantees by an Obligor of the operating obligations of a Subsidiary of such Obligor in the Ordinary Course of Business (including guarantees on Capital Leases) or (h) in an aggregate amount of $500,000 or less at any time.

Permitted Lien: as defined in **Section 10.2.2**.

Permitted Purchase Money Debt: Purchase Money Debt of the Obligors and Subsidiaries that is unsecured or secured only by a Purchase Money Lien, as long as the aggregate amount does not exceed $500,000 at any time (excluding Capital Leases, which shall not exceed $10,000,000 at any time).

Person: any individual, corporation, limited liability company, partnership, joint venture, joint stock company, land trust, business trust, unincorporated organization, Governmental Authority or other entity.

Plan: any employee benefit plan (as such term is defined in Section 3(3) of ERISA) established or maintained by an Obligor or, with respect to any such plan that is subject to Section 412 of the Code or Title IV of ERISA, an ERISA Affiliate.

Pledged Interests: as defined in **Section 7.3.1**.

Prime Rate: the rate of interest announced by Bank of America from time to time as its prime rate. Such rate is set by Bank of America on the basis of various factors, including its costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

Pro Forma Availability: for any date of calculation, the pro forma Availability on such date determined as if the applicable transaction or payment had been consummated on such date; provided, however, none of the Inventory or Accounts of any Person acquired in an Acquisition shall be included in the Borrowing Base for such pro forma determination of Availability until the Agent has conducted appraisals, field audits and examinations required by it with results satisfactory to the Agent (provided that Eligible Accounts or Eligible Inventory so acquired may be included in the calculation of the Borrowing Base without a Field Exam if the amount thereof would not add more than $500,000 to the Borrowing Base in any calendar year) and the Person owning such Accounts or Inventory is (in the case of an asset acquisition) or shall be (in the case of a stock acquisition) immediately upon consummation a (directly or indirectly) wholly-owned Subsidiary of the Companies and is (in the case of an asset acquisition) or becomes (in the case of a stock acquisition) a Borrower immediately upon consummation of such Acquisition.

Pro Forma Fixed Charge Coverage Ratio: for any date of calculation, the Fixed Charge Coverage Ratio for the Measurement Period most recently ended prior to such date (or, if such date occurs within fifteen (15) days after the end of a Measurement Period, the immediately preceding Measurement Period), determined as if the applicable transaction or payment had been consummated as of the beginning of such Measurement Period

Pro Rata: with respect to any Lender, a percentage (rounded to the ninth decimal place) determined (a) while Commitments are outstanding, by dividing the amount of such Lender's Revolver Commitment by the aggregate amount of all Commitments; and (b) at any other time, by dividing the amount of such Lender's Loans and LC Obligations by the aggregate amount of all outstanding Loans and LC Obligations.

Properly Contested: with respect to any obligation of an Obligor, (a) the obligation is subject to a bona fide dispute regarding amount or the Obligor's liability to pay; (b) the obligation is being properly contested in good faith by appropriate proceedings promptly instituted and diligently pursued; (c) appropriate reserves have been established in accordance with GAAP; (d) non-payment could not have a Material Adverse Effect, nor result in forfeiture or sale of any assets of the Obligor; (e) no Lien is imposed on assets of the Obligor (other than automatic Tax Liens provided that such Tax Liens are at all times junior to the Liens of Agent and the Lenders), unless bonded and stayed to the satisfaction of Agent; and (f) if the obligation results from entry of a judgment or other order, such judgment or order is stayed pending appeal or other judicial review.

Property: any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

Protective Advances: as defined in **Section 2.1.6**.

Purchase Money Debt: (a) Debt (other than the Obligations) for payment of any of the purchase price of fixed assets; (b) Debt (other than the Obligations) incurred within 10 days before or after acquisition of any fixed assets, for the purpose of financing any of the purchase price thereof; and (c) any renewals, extensions or refinancings (but not increases) thereof.

Purchase Money Lien: a Lien that secures Purchase Money Debt, encumbering only the fixed assets acquired with such Debt and constituting a Capital Lease or a purchase money security interest under the UCC.

RCRA: the Resource Conservation and Recovery Act (42 U.S.C. §§ 6991-6991i).

Real Estate: all right, title and interest (whether as owner, lessor or lessee) in any real Property or any buildings, structures, parking areas or other improvements thereon.

Refinancing Conditions: the following conditions for Refinancing Debt: (a) it is in an aggregate principal amount that does not exceed the principal amount of the Debt being extended, renewed or refinanced; (b) it has (i) a final maturity no sooner than, a weighted average life no less than the Debt being extended, renewed or refinanced and (ii) a market rate of interest for such Debt; (c) it is subordinated to the Obligations at least to the same extent as the Debt being extended, renewed or refinanced; (d) the representations, covenants and defaults applicable to it are no less favorable to Obligors than those applicable to the Debt being extended, renewed or refinanced; (e) no additional Lien is granted to secure it; (f) no additional Person is obligated on such Debt; and (g) upon giving effect to it, no Default or Event of Default exists.

Refinancing Debt: Borrowed Money that is the result of an extension, renewal or refinancing of Debt permitted under **Section 10.2.1(b)**, **(d)** or **(f)**.

Reimbursement Date: as defined in **Section 2.2.2**.

Related Real Estate Documents: with respect to any Real Estate subject to a Mortgage, the following, in form and substance reasonably satisfactory to Agent and received by Agent for review at least 15 days prior to the effective date of the Mortgage: (a) a mortgagee title policy (or binder therefor) covering Agent's interest under the Mortgage, in a form and amount and by an insurer reasonably acceptable to Agent, which must be fully paid on such effective date; (b) such assignments of leases, estoppel letters, attornment agreements, consents, waivers and releases as Agent may reasonably require with respect to other Persons having an interest in the Real Estate; (c) a current, as-built survey of the Real Estate, containing a metes-and-bounds property description and certified by a licensed surveyor reasonably acceptable to Agent; (d) a life-of-loan flood hazard determination and, if the Real Estate is located in a flood plain, an acknowledged notice to borrower and flood insurance in an amount, with endorsements and by an insurer reasonably acceptable to Agent; and (e) an Environmental Agreement and such other documents, instruments or agreements as Agent may reasonably require with respect to any environmental risks regarding the Real Estate.

Rent and Charges Reserve: the aggregate of (a) all past due rent and other amounts owing by an Obligor to any landlord, warehouseman, processor, repairman, mechanic, shipper, freight forwarder, broker or other Person who possesses any Collateral or could assert a Lien on any Collateral; and (b) commencing 120 days after the Closing Date (or after an Event of Default, if sooner), a reserve at least equal to one month's rent and other charges that could be payable to any such Person, unless it has executed a Lien Waiver.

Report: as defined in **Section 12.2.3**.

Reportable Event: any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

Required Lenders: Lenders (subject to **Section 4.2**) having (a) Commitments in excess of 50% of the aggregate Commitments; and (b) if the Commitments have terminated, Loans in excess of 50% of all outstanding Loans; provided, however, that the Commitments and Loans of any Defaulting Lender shall be excluded from such calculation.

Reserve Percentage: the reserve percentage (expressed as a decimal, rounded up to the nearest 1/8th of 1%) applicable to member banks under regulations issued by the Board of Governors for determining the maximum reserve requirement for Eurocurrency liabilities.

Reserves: the Availability Reserves and Borrowing Base Reserves.

Restricted Investment: any Investment by an Obligor or Subsidiary, other than (a) Investments in Subsidiaries to the extent existing on the Closing Date; (b) Cash Equivalents that are subject to Agent's Lien and control, pursuant to documentation in form and substance satisfactory to Agent; and (c) loans and advances permitted under **Section 10.2.7**; (d) accounts receivable arising and trade credit granted in the Ordinary Course of Business and securities of account debtors received in satisfaction or partial satisfaction thereof from financially troubled account debtors or pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such account debtors; (e) Investments consisting of the deferred portion of the sales price received by any Obligor in connection with any Permitted Asset Disposition, (f) guarantees permitted under this Agreement; (h) Investments existing on the Closing Date and set forth on **Schedule 10.2.5**, (i) Investments consisting of Hedging Agreements permitted under this Agreement and (j) Investments resulting from pledges and deposits permitted under this Agreement.

Restrictive Agreement: an agreement (other than a Loan Document) that conditions or restricts the right of any Borrower, Subsidiary or other Obligor to incur or repay Borrowed Money, to grant Liens on any assets, to declare or make Distributions, to modify, extend or renew any agreement evidencing Borrowed Money, or to repay any intercompany Debt.

Restructuring: the Debt restructuring of the Companies and their Subsidiaries resulting from (i) the Sponsor's contribution of all existing senior secured Debt of IBP,LLC and its Subsidiaries under the Credit Agreement with JP Morgan Chase Bank, N.A., as Agent and the lenders party thereto, dated as of June 29, 2005 as modified, supplemented or amended (being all of the senior obligations and indebtedness under such Credit Agreement) to Parent in exchange for equity of Parent; (ii) the contribution of all such Debt of IBP, LLC and its Subsidiaries by Parent to IBHL A Holding Company, Inc. and IBHL B Holding Company, Inc. and the subsequent contribution of all such Debt to IBP Holdings, LLC and the cancellation and extinguishment of all such Debt; (ii) the cancellation and extinguishment of all the existing second lien Debt under the Credit Agreement with JP Morgan Chase Bank, N.A., as Agent and the lenders party thereto, dated as of June 29, 2005 as modified, supplemented or amended (such Debt, together with the Debt described in clause (i) above being all of the indebtedness and obligations of IBP, LLC, its Subsidiaries and any other obligors under such Credit Agreement)) by the holders thereof; (iii) the repayment of all the existing Debt and obligations of IBP II, LLC under the Second Amended and Restated Revolving Note by and between IBP II, LLC and Fifth Third Bank; (iv) the concurrent restructuring of the parent companies of the Borrowers, such that the Borrowers are all indirect Subsidiaries of Parent; and (v) the release of Liens securing or relating to the Existing Debt Documents and the Debt thereunder and termination of all commitments under the Existing Debt Documents.

Revolver Loan: a loan made pursuant to **Section 2.1**, and any Swingline Loan, Overadvance Loan or Protective Advance.

Revolver Note: a promissory note executed by Borrowers in favor of a Lender in the form of **Exhibit A**, in the amount of such Lender's Revolver Commitment.

Revolver Termination Date: May 4, 2016.

Royalties: all royalties, fees, expense reimbursement and other amounts payable by an Obligor under a License.

S&P: Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

Secured Bank Product Obligations: Bank Product Debt owing to a Secured Bank Product Provider, up to the maximum amount (in the case of any Secured Bank Product Provider other than Bank of America and its Affiliates) specified by such provider in writing to Agent, which amount may be established or increased (by further written notice to Agent from time to time) as long as no Default or Event of Default exists and no Overadvance would result from establishment of a Bank Product Reserve for such amount and all other Secured Bank Product Obligations.

Secured Bank Product Provider: (a) Bank of America or any of its Affiliates; and (b) any other Lender or Affiliate of a Lender that is providing a Bank Product, provided such provider delivers written notice to Agent, in form and substance satisfactory to Agent, by the later of the Closing Date or 10 days following creation of the Bank Product, (i) describing the Bank Product and setting forth the maximum amount to be secured by the Collateral and the methodology to be used in calculating such amount, and (ii) agreeing to be bound by **Section 12.13**.

Secured Parties: Agent, Issuing Bank, Lenders and Secured Bank Product Providers.

Security Documents: the Guaranties, Mortgages, Trademark Security Agreements, Insurance Assignments, Deposit Account Control Agreements, and all other documents, instruments and agreements now or hereafter securing (or given with the intent to secure) any Obligations.

Senior Officer: the chairman of the board, president, chief executive officer, chief financial officer, executive vice president, chief accounting officer or director of financial reporting of Parent or, if the context requires, a Borrower or other Obligor.

Settlement Report: a report summarizing Revolver Loans and participations in LC Obligations outstanding as of a given settlement date, allocated to Lenders on a Pro Rata basis in accordance with their Commitments.

Solvent: as to any Person, such Person (a) owns Property whose fair salable value is greater than the amount required to pay all of its debts (including contingent, subordinated, unmatured and unliquidated liabilities); (b) owns Property whose present fair salable value (as defined below) is greater than the probable total liabilities (including contingent, subordinated, unmatured and unliquidated liabilities) of such Person as they become absolute and matured; (c) is able to pay all of its debts as they mature; (d) has capital that is not unreasonably small for its business and is sufficient to carry on its business and transactions and all business and transactions in which it is about to engage; (e) is not "insolvent" within the meaning of Section 101(32) of the Bankruptcy Code; and (f) has not incurred (by way of assumption or otherwise) any obligations or liabilities (contingent or otherwise) under any Loan Documents, or made any conveyance in connection therewith, with actual intent to hinder, delay or defraud either present or future creditors of such Person or any of its Affiliates. "Fair salable value" means the amount that could be obtained for assets within a reasonable time, either through collection or through sale under ordinary selling conditions by a capable and diligent seller to an interested buyer who is willing (but under no compulsion) to purchase.

Sponsor: Littlejohn & Co., LLC and its Affiliates.

Sponsor Preferred Stock: the Series A preferred stock of Parent issued to the Sponsor in connection with the Restructuring, which does not provide for any Distributions on account thereof prior to the 5 year anniversary thereof and otherwise as in effect on the Closing Date.

Sponsor Subordinated Debt: any and all amounts owed by Obligors under any and all agreements, notes and related documentation evidencing any loans or advances made by the Sponsor to one or more Obligors after the Closing Date, which in all cases is subject to the Sponsor Subordination Agreement.

Sponsor Subordination Agreement: the subordination agreement in form and substance acceptable to Agent executed and delivered by the Sponsor and Borrower Agent to Agent upon the incurrence of the Sponsor Subordinated Debt.

Stockholders Agreement: the Stockholders Agreement dated as of the date hereof, by and among the holders of Equity Interests of the Parent, as in effect on the Closing Date.

Subordinated Debt: Debt incurred by an Obligor that is expressly subordinate and junior in right of payment to Full Payment of all Obligations, and is on terms (including maturity, interest, fees, repayment, covenants and subordination) reasonably satisfactory to Agent.

Subordination Agreement: any subordination agreement between a creditor of any Obligor and the Agent in which any Debt not previously subordinate and junior in right of payment to Full Payment of all Obligations becomes Subordinated Debt, including without limitation, the Sponsor Subordination Agreement.

Subsidiary: any entity a majority of whose voting securities or Equity Interests is owned by Parent, a Borrower or any combination of Parent and Borrowers (including indirect ownership by Parent or a Borrower through other entities in which Parent or the Borrower directly or indirectly owns a majority of the voting securities or Equity Interests).

Suburban: Suburban Insulation, Inc., a Pennsylvania corporation.

Suburban Shareholder Agreement: that certain Shareholders' Agreement dated as of September 19, 2005, by and among IPB, LLC, Ronald E. Reiner, and Suburban as in effect on the date hereof.

Swingline Loan: any Borrowing of Base Rate Revolver Loans funded with Agent's funds, until such Borrowing is settled among Lenders or repaid by Borrowers.

Taxes: all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

Trademark Security Agreement: a trademark security agreement in which an Obligor grants a Lien on its interests in trademarks to Agent, for the benefit of Secured Parties, as security for the Obligations.

Transaction: collectively, (a) the execution, delivery and performance by each Obligor of this Agreement and the Loan Documents, (b) the consummation of the Restructuring and (c) the payment of all fees and expenses in connection with the foregoing.

Transferee: any actual or potential Eligible Assignee, Participant or other Person acquiring an interest in any Obligations.

Type: any type of a Loan (i.e., Base Rate Loan or LIBOR Loan) that has the same interest option and, in the case of LIBOR Loans, the same Interest Period.

UCC: the Uniform Commercial Code as in effect in the State of New York or, when the laws of any other jurisdiction govern the perfection or enforcement of any Lien, the Uniform Commercial Code of such jurisdiction.

Unfunded Pension Liability: the excess of a Pension Plan's benefit liabilities under Section 4001(a)(16) of ERISA, over the current value of that Pension Plan's assets, determined in accordance with the assumptions used for funding the Pension Plan pursuant to the Pension Funding Rules for the applicable plan year.

Unused Line Fee: as defined in **Section 3.2.1**.

Upstream Payment: a Distribution by a Subsidiary of a Borrower to such Borrower.

Value: (a) for Inventory, its value determined on the basis of the lower of cost or market, calculated on a first-in, first-out basis, and excluding any portion of cost attributable to intercompany profit among Borrowers and their Affiliates; and (b) for an Account, its face amount, net of any returns, rebates, discounts (calculated on the shortest terms), credits, allowances or Taxes (including sales, excise or other taxes) that have been or could be claimed by the Account Debtor or any other Person and net of any deposits or down payments.

Weekly Reporting Trigger Period: the period (a) commencing (i) for any period during which Availability is at all times equal to or greater than $15,000,000, on the day that an Event of Default occurs, or (ii) on the day that Availability is less than $15,000,000 at any time; and (b) continuing until, during the preceding 60 consecutive days, no Event of Default has existed and Availability has been greater than $15,000,000 at all times.

1.2. Accounting Terms. Under the Loan Documents (except as otherwise specified herein), all accounting terms shall be interpreted, all accounting determinations shall be made, and all financial statements shall be prepared, in accordance with GAAP applied on a basis consistent with the most recent audited financial statements of Borrowers delivered to Agent before the Closing Date (it being acknowledged that the financial statements after the Closing Date will be financial statements of Parent and its Subsidiaries) and using the same inventory valuation method as used in such financial statements, except for any change required or permitted by GAAP if Borrowers' certified public accountants concur in such change, the change is disclosed to Agent, and **Section 10.3** is amended in a manner reasonably satisfactory to Required Lenders to take into account the effects of the change.

1.3. Uniform Commercial Code. As used herein, the following terms are defined in accordance with the UCC in effect in the State of New York from time to time: "Chattel Paper," "Commercial Tort Claim," "Deposit Account," "Document," "Equipment," "General Intangibles," "Goods," "Instrument," "Investment Property," "Letter-of-Credit Right" and "Supporting Obligation."

1.4. Certain Matters of Construction. The terms "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular section, paragraph or subdivision. Any pronoun used shall be deemed to cover all genders. In the computation of periods of time from a specified date to a later specified date, "from" means "from and including," and "to" and "until" each mean "to but excluding." The terms "including" and "include" shall mean "including, without limitation" and, for purposes of each Loan Document, the parties agree that the rule of *ejusdem generis* shall not be applicable to limit any provision. Section titles appear as a matter of convenience only and shall not affect the interpretation of any Loan Document. All references to (a) laws or statutes include all related rules, regulations, interpretations, amendments and successor provisions; (b) any document, instrument or agreement include any amendments, waivers and other modifications, extensions or renewals (to the extent permitted by the Loan Documents); (c) any section mean, unless the context otherwise requires, a section of this Agreement; (d) any exhibits or schedules mean, unless the context otherwise requires, exhibits and schedules attached hereto, which are hereby incorporated by reference;

(e) any Person include successors and assigns; (f) time of day mean time of day at Agent's notice address under **Section 14.3.1**; or (g) discretion of Agent, Issuing Bank or any Lender mean the commercially reasonable discretion of such Person. All calculations of Value, fundings of Loans, issuances of Letters of Credit and payments of Obligations shall be in Dollars and, unless the context otherwise requires, all determinations (including calculations of Borrowing Base and financial covenants) made from time to time under the Loan Documents shall be made in light of the circumstances existing at such time. Borrowing Base calculations shall be consistent with historical methods of valuation and calculation, and otherwise reasonably satisfactory to Agent (and not necessarily calculated in accordance with GAAP). Borrowers shall have the burden of establishing any alleged negligence, misconduct or lack of good faith by Agent, Issuing Bank or any Lender under any Loan Documents. No provision of any Loan Documents shall be construed against any party by reason of such party having, or being deemed to have, drafted the provision. Whenever the phrase "to the best of Borrowers' knowledge" or words of similar import are used in any Loan Documents, it means actual knowledge of a Senior Officer, or knowledge that a Senior Officer would have obtained if he or she had engaged in good faith and diligent performance of his or her duties, including reasonably specific inquiries of employees or agents and a good faith attempt to ascertain the matter to which such phrase relates.

SECTION 2. CREDIT FACILITIES

2.1. Commitment.

2.1.1. **Revolver Loans**. Each Lender agrees, severally on a Pro Rata basis up to its Commitment, on the terms set forth herein, to make Revolver Loans to Borrowers from time to time through the Commitment Termination Date. The Revolver Loans may be repaid and reborrowed as provided herein. In no event shall Lenders have any obligation to honor a request for a Revolver Loan if the unpaid balance of Revolver Loans outstanding at such time (including the requested Loan) would exceed the Borrowing Base.

2.1.2. **Revolver Notes**. The Revolver Loans made by each Lender and interest accruing thereon shall be evidenced by the records of Agent and such Lender. At the request of any Lender, Borrowers shall deliver a Revolver Note to such Lender.

2.1.3. **Use of Proceeds**. The proceeds of Revolver Loans shall be used by Borrowers solely (a) to satisfy existing Debt; (b) to pay fees and transaction expenses associated with the closing of this credit facility; (c) to pay Obligations in accordance with this Agreement; and (d) for working capital and other lawful corporate purposes of Borrowers.

2.1.4. **Voluntary Reduction or Termination of Commitments**.

(a) The Commitments shall terminate on the Revolver Termination Date, unless sooner terminated in accordance with this Agreement. Upon at least 60 days prior written notice to Agent, Borrowers may, at their option, terminate the Commitments and this credit facility. Any notice of termination given by Borrowers shall be irrevocable. On the termination date, Borrowers shall make Full Payment of all Obligations.

(b) Borrowers may permanently reduce the Commitments, on a Pro Rata basis for each Lender, upon at least 30 days prior written notice to Agent, which notice shall specify the amount of the reduction and shall be irrevocable once given. Each reduction shall be in a minimum amount of $500,000 or an increment of $1,000,000 in excess thereof.

2.1.5. **Overadvances**. If the aggregate Revolver Loans exceed the Borrowing Base ("Overadvance") at any time, the excess amount shall be payable by Borrowers **on demand** by

Agent, but all such Revolver Loans shall nevertheless constitute Obligations secured by the Collateral and entitled to all benefits of the Loan Documents. Agent, in its sole discretion, may require Lenders to honor requests for Overadvance Loans and to forbear from requiring Borrowers to cure an Overadvance, (a) when no other Event of Default is known to Agent, as long as (i) the Overadvance does not continue for more than 30 consecutive days (and no Overadvance may exist for at least five consecutive days thereafter before further Overadvance Loans are required), and (ii) the Overadvance is not known by Agent to exceed 10% of the Borrowing Base; and (b) regardless of whether an Event of Default exists, if Agent discovers an Overadvance not previously known by it to exist, as long as from the date of such discovery the Overadvance (i) is not increased by more than $5,000,000 (but not to exceed 10% of the Borrowing Base), and (ii) the Overadvance does not continue for more than 30 days from such date of discovery. In no event shall Overadvance Loans be required that would cause the outstanding Revolver Loans and LC Obligations to exceed the aggregate Commitments. Any funding of an Overadvance Loan or sufferance of an Overadvance shall not constitute a waiver by Agent or Lenders of the Event of Default caused thereby. In no event shall any Borrower or other Obligor be deemed a beneficiary of this Section nor authorized to enforce any of its terms.

2.1.6. **Protective Advances**. Agent shall be authorized, in its discretion, at any time that any of the conditions in **Section 6** are not satisfied, and without regard to the aggregate Commitments, to make Base Rate Revolver Loans ("Protective Advances") (a) up to an aggregate amount of $3,000,000 outstanding at any time, if Agent deems such Loans necessary or desirable to preserve or protect Collateral, or to enhance the collectibility or repayment of Obligations; or (b) to pay any other amounts chargeable to Obligors under any Loan Documents, including costs, fees and expenses. Each Lender shall participate in each Protective Advance on a Pro Rata basis. Required Lenders may at any time revoke Agent's authority to make further Protective Advances under clause (a) by written notice to Agent. Absent such revocation, Agent's determination that funding of a Protective Advance is appropriate shall be conclusive.

2.1.7. **Increase in Commitments**. Borrowers at any time may request an increase in Commitments equal to $5,000,000, upon notice to Agent, as long as (a) the requested increase is offered on the same terms as existing Commitments, except for a closing fee specified by Borrowers, (b) only one request for an increase may be made, and (c) no reduction in Commitments pursuant to **Section 2.1.4** has occurred prior to the requested increase. Agent shall promptly notify Lenders of the requested increase and, within 10 Business Days thereafter, each Lender shall notify Agent if and to what extent such Lender elects to commit to increase its Commitment (and, for the avoidance of doubt, no Lender shall be required to increase its Commitment). Any Lender not responding within such period shall be deemed to have declined an increase. If Lenders fail to commit to the full requested increase, Eligible Assignees may issue additional Commitments and become Lenders hereunder. Agent may allocate, in its discretion, the increased Commitments among committing Lenders and, if necessary, Eligible Assignees. Provided the conditions set forth in **Section 6.2** are satisfied, total Commitments shall be increased by the requested amount (or such lesser amount committed by Lenders and Eligible Assignees) on a date agreed upon by Agent and Borrower Agent, but no later than 45 days following Borrowers' increase request. Agent, Borrowers, and new and existing Lenders shall execute and deliver such documents and agreements as Agent deems appropriate to evidence the increase in and allocations of Commitments. On the effective date of an increase, all outstanding Revolver Loans, LC Obligations and other exposures under the Commitments shall be reallocated among Lenders, and settled by Agent if necessary, in accordance with Lenders' adjusted shares of such Commitments.

2.2. Letter of Credit Facility.

2.2.1. **Issuance of Letters of Credit**. Issuing Bank shall issue Letters of Credit from time to time until 30 days prior to the Revolver Termination Date (or until the Commitment Termination Date, if earlier), on the terms set forth herein, including the following:

(a) Each Borrower acknowledges that Issuing Bank's issuance of any Letter of Credit is conditioned upon Issuing Bank's receipt of a LC Application with respect to the requested Letter of Credit, as well as such other instruments and agreements as Issuing Bank may customarily require for issuance of a letter of credit of similar type and amount. Issuing Bank shall have no obligation to issue any Letter of Credit unless (i) Issuing Bank receives a LC Request and LC Application at least three Business Days prior to the requested date of issuance; (ii) each LC Condition is satisfied; and (iii) if a Defaulting Lender exists, such Lender or Borrowers have entered into arrangements satisfactory to Agent and Issuing Bank to eliminate any Fronting Exposure associated with such Lender. If, in sufficient time to act, Issuing Bank receives written notice from Required Lenders that a LC Condition has not been satisfied, Issuing Bank shall not issue the requested Letter of Credit. Prior to receipt of any such notice, Issuing Bank shall not be deemed to have knowledge of any failure of LC Conditions.

(b) Letters of Credit may be requested by a Borrower to support obligations incurred in the Ordinary Course of Business, or as otherwise approved by Agent. The renewal or extension of any Letter of Credit shall be treated as the issuance of a new Letter of Credit, except that delivery of a new LC Application shall be required at the discretion of Issuing Bank.

(c) Borrowers assume all risks of the acts, omissions or misuses of any Letter of Credit by the beneficiary. In connection with issuance of any Letter of Credit, none of Agent, Issuing Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any Documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any Documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a Letter of Credit or Documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of Issuing Bank, Agent or any Lender, including any act or omission of a Governmental Authority. The rights and remedies of Issuing Bank under the Loan Documents shall be cumulative. Issuing Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any Letter of Credit.

(d) In connection with its administration of and enforcement of rights or remedies under any Letters of Credit or LC Documents, Issuing Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by Issuing Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Issuing Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Issuing Bank may employ agents and attorneys-in-fact in connection with any matter relating to Letters of Credit or LC Documents, and shall not be liable for the negligence or misconduct of agents and attorneys-in-fact selected with reasonable care.

2.2.2. **Reimbursement; Participations**.

(a) If Issuing Bank honors any request for payment under a Letter of Credit, Borrowers shall pay to Issuing Bank, on the same day ("Reimbursement Date"), the amount paid by Issuing Bank under such Letter of Credit, together with interest at the interest rate for Base Rate Revolver Loans from the Reimbursement Date until payment by Borrowers. The obligation of Borrowers to reimburse Issuing Bank for any payment made under a Letter of Credit shall be absolute, unconditional, irrevocable, and joint and several, and shall be paid without regard to any lack of validity or enforceability of any Letter of Credit or the existence of any claim, setoff, defense or other right that Borrowers may have at any time against the beneficiary. Whether or not Borrower Agent submits a Notice of Borrowing, Borrowers shall be deemed to have requested a Borrowing of Base Rate Revolver Loans in an amount necessary to pay all amounts due Issuing Bank on any Reimbursement Date and each Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in **Section 6** are satisfied.

(b) Upon issuance of a Letter of Credit, each Lender shall be deemed to have irrevocably and unconditionally purchased from Issuing Bank, without recourse or warranty, an undivided Pro Rata interest and participation in all LC Obligations relating to the Letter of Credit. If Issuing Bank makes any payment under a Letter of Credit and Borrowers do not reimburse such payment on the Reimbursement Date, Agent shall promptly notify Lenders and each Lender shall promptly (within one Business Day) and unconditionally pay to Agent, for the benefit of Issuing Bank, the Lender's Pro Rata share of such payment. Upon request by a Lender, Issuing Bank shall furnish copies of any Letters of Credit and LC Documents in its possession at such time.

(c) The obligation of each Lender to make payments to Agent for the account of Issuing Bank in connection with Issuing Bank's payment under a Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Obligor may have with respect to any Obligations. Issuing Bank does not assume any responsibility for any failure or delay in performance or any breach by any Borrower or other Person of any obligations under any LC Documents. Issuing Bank does not make to Lenders any express or implied warranty, representation or guaranty with respect to the Collateral, LC Documents or any Obligor. Issuing Bank shall not be responsible to any Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any LC Documents; the validity, genuineness, enforceability, collectibility, value or sufficiency of any Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Obligor.

(d) No Issuing Bank Indemnitee shall be liable to any Lender or other Person for any action taken or omitted to be taken in connection with any LC Documents except as a result of its actual gross negligence or willful misconduct. Issuing Bank shall not have any liability to any Lender if Issuing Bank refrains from any action under an Letter of Credit or LC Documents until it receives written instructions from Required Lenders.

2.2.3. **Cash Collateral**. If any LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that Availability is less than zero, (c) after the Commitment Termination Date, or (d) within 20 Business Days prior to the Revolver Termination Date, then Borrowers shall, at Issuing Bank's or Agent's request, Cash Collateralize the stated amount of all outstanding Letters of Credit and pay to Issuing Bank the amount of all other LC Obligations. Borrowers shall, on demand by Issuing Bank or Agent from time to time, Cash Collateralize the Fronting Exposure of any Defaulting Lender. If

Borrowers fail to provide any Cash Collateral as required hereunder, Lenders may (and shall upon direction of Agent) advance, as Revolver Loans, the amount of the Cash Collateral required (whether or not the Commitments have terminated, an Overadvance exists or the conditions in **Section 6** are satisfied).

2.2.4. **Resignation of Issuing Bank**. Issuing Bank may resign at any time upon notice to Agent and Borrowers. On the effective date of such resignation, Issuing Bank shall have no further obligation to issue, amend, renew, extend or otherwise modify any Letter of Credit, but shall continue to have all rights and obligations of an Issuing Bank hereunder, including under **Sections 2.2**, **12.6** and **14.2**, relating to any Letter of Credit issued prior to such date. Agent shall promptly appoint a replacement Issuing Bank, which, as long as no Default or Event of Default exists, shall be reasonably acceptable to Borrowers.

SECTION 3. INTEREST, FEES AND CHARGES

3.1. Interest.

3.1.1. **Rates and Payment of Interest**.

(a) The Obligations shall bear interest (i) if a Base Rate Loan, at the Base Rate in effect from time to time, plus the Applicable Margin; (ii) if a LIBOR Loan, at LIBOR for the applicable Interest Period, plus the Applicable Margin; and (iii) if any other Obligation (including, to the extent permitted by law, interest not paid when due), at the Base Rate in effect from time to time, plus the Applicable Margin for Base Rate Revolver Loans. Interest shall accrue from the date the Loan is advanced or the Obligation is incurred or payable, until paid by Borrowers. If a Loan is repaid on the same day made, one day's interest shall accrue.

(b) During an Insolvency Proceeding with respect to any Borrower, or during any other Event of Default if Agent or Required Lenders in their discretion so elect upon written notice to the Borrower Agent, Obligations shall bear interest at the Default Rate (whether before or after any judgment). Each Borrower acknowledges that the cost and expense to Agent and Lenders due to an Event of Default are difficult to ascertain and that the Default Rate is a fair and reasonable estimate to compensate Agent and Lenders for this.

(c) Interest accrued on the Loans shall be due and payable in arrears, (i) on the first day of each month; (ii) on any date of prepayment, with respect to the principal amount of Loans being prepaid; and (iii) on the Commitment Termination Date. Interest accrued on any other Obligations shall be due and payable as provided in the Loan Documents and, if no payment date is specified, shall be due and payable **on demand**. Notwithstanding the foregoing, interest accrued at the Default Rate shall be due and payable **on demand**.

3.1.2. **Application of LIBOR to Outstanding Loans**.

(a) Borrowers may on any Business Day, subject to delivery of a Notice of Conversion/Continuation, elect to convert any portion of the Base Rate Loans to, or to continue any LIBOR Loan at the end of its Interest Period as, a LIBOR Loan. During any Default or Event of Default, Agent may (and shall at the direction of Required Lenders) declare that no Loan may be made, converted or continued as a LIBOR Loan.

(b) Whenever Borrowers desire to convert or continue Loans as LIBOR Loans, Borrower Agent shall give Agent a Notice of Conversion/Continuation, no later than 11:00 a.m. at least three Business Days before the requested conversion or continuation date. Promptly after receiving any

such notice, Agent shall notify each Lender thereof. Each Notice of Conversion/Continuation shall be irrevocable, and shall specify the amount of Loans to be converted or continued, the conversion or continuation date (which shall be a Business Day), and the duration of the Interest Period (which shall be deemed to be 30 days if not specified). If, upon the expiration of any Interest Period in respect of any LIBOR Loans, Borrowers shall have failed to deliver a Notice of Conversion/Continuation, they shall be deemed to have elected to convert such Loans into Base Rate Loans.

3.1.3. **Interest Periods**. In connection with the making, conversion or continuation of any LIBOR Loans, Borrowers shall select an interest period ("Interest Period") to apply, which interest period shall be 30, 60, or 90 days; provided, however, that:

(a) the Interest Period shall commence on the date the Loan is made or continued as, or converted into, a LIBOR Loan, and shall expire on the numerically corresponding day in the calendar month at its end;

(b) if any Interest Period commences on a day for which there is no corresponding day in the calendar month at its end or if such corresponding day falls after the last Business Day of such month, then the Interest Period shall expire on the last Business Day of such month; and if any Interest Period would expire on a day that is not a Business Day, the period shall expire on the next Business Day; and

(c) no Interest Period shall extend beyond the Revolver Termination Date.

3.1.4. **Interest Rate Not Ascertainable**. If Agent shall determine that on any date for determining LIBOR, due to any circumstance affecting the London interbank market, adequate and fair means do not exist for ascertaining such rate on the basis provided herein, then Agent shall immediately notify Borrowers of such determination. Until Agent notifies Borrowers that such circumstance no longer exists, the obligation of Lenders to make LIBOR Loans shall be suspended, and no further Loans may be converted into or continued as LIBOR Loans.

3.2. Fees.

3.2.1. **Unused Line Fee**. Borrowers shall pay to Agent, for the Pro Rata benefit of Lenders (other than a Defaulting Lender for any period during which it is a Defaulting Lender), a fee (the "Unused Line Fee") equal to the Applicable Margin for the Unused Line Fee times the amount by which the Commitments exceed the average daily balance of Revolver Loans and stated amount of Letters of Credit during any month. Such fee shall be payable in arrears, on the first day of each month and on the Commitment Termination Date.

3.2.2. **LC Facility Fees**. Borrowers shall pay (a) to Agent, for the Pro Rata benefit of Lenders, a fee equal to the Applicable Margin in effect for LIBOR Revolver Loans times the average daily stated amount of Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) to Agent, for its own account, a fronting fee equal to 0.25% per annum on the stated amount of each Letter of Credit, which fee shall be payable monthly in arrears, on the first day of each month; and (c) to Issuing Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Letters of Credit, which charges shall be paid as and when incurred. During an Event of Default, the fee payable under clause (a) shall be increased by 2% per annum.

3.2.3. **Closing Fee**. On the Closing Date, Borrowers shall pay to Agent, for the Pro Rata benefit of Lenders, a closing fee of $300,000 (net of any remaining deposits made by Borrowers with Agent against fees and expenses incurred in connection with this Agreement), which shall be earned and paid on the Closing Date.

3.3. Computation of Interest, Fees, Yield Protection. All interest, as well as fees and other charges calculated on a per annum basis, shall be computed for the actual days elapsed, based on a year of 360 days. Each determination by Agent of any interest, fees or interest rate hereunder shall be final, conclusive and binding for all purposes, absent manifest error. All fees shall be fully earned when due and shall not be subject to rebate, refund or proration. All fees payable under **Section 3.2** are compensation for services and are not, and shall not be deemed to be, interest or any other charge for the use, forbearance or detention of money. A certificate as to amounts payable by Borrowers under **Section 3.4, 3.6, 3.7, 3.9** or **5.9**, submitted to Borrower Agent by Agent or the affected Lender, as applicable, shall be final, conclusive and binding for all purposes, absent manifest error, and Borrowers shall pay such amounts to the appropriate party within 10 days following receipt of the certificate.

3.4. Reimbursement Obligations. Borrowers shall reimburse Agent for all Extraordinary Expenses. Borrowers shall also reimburse Agent for all legal, accounting, appraisal, consulting, and other fees, costs and expenses incurred by it in connection with (a) negotiation and preparation of any Loan Documents, including any amendment or other modification thereof; (b) administration of and actions relating to any Collateral, Loan Documents and transactions contemplated thereby, including any actions taken to perfect or maintain priority of Agent's Liens on any Collateral, to maintain any insurance required hereunder or to verify Collateral; and (c) subject to the limits of **Section 10.1.1(b)**, each inspection, audit or appraisal with respect to any Obligor or Collateral, whether prepared by Agent's personnel or a third party. All legal, accounting and consulting fees shall be charged to Borrowers by Agent's professionals at their full hourly rates, regardless of any reduced or alternative fee billing arrangements that Agent, any Lender or any of their Affiliates may have with such professionals with respect to this or any other transaction. If, for any reason (including inaccurate reporting on financial statements or a Compliance Certificate), it is determined that a higher Applicable Margin should have applied to a period than was actually applied, then the proper margin shall be applied retroactively and Borrowers shall immediately pay to Agent, for the Pro Rata benefit of Lenders, an amount equal to the difference between the amount of interest and fees that would have accrued using the proper margin and the amount actually paid. All amounts payable by Borrowers under this Section shall be due on demand.

3.5. Illegality. If any Lender determines that any Applicable Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund LIBOR Loans, or to determine or charge interest rates based upon LIBOR, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to Agent, any obligation of such Lender to make or continue LIBOR Loans or to convert Base Rate Loans to LIBOR Loans shall be suspended until such Lender notifies Agent that the circumstances giving rise to such determination no longer exist. Upon delivery of such notice, Borrowers shall prepay or, if applicable, convert all LIBOR Loans of such Lender to Base Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such LIBOR Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such LIBOR Loans. Upon any such prepayment or conversion, Borrowers shall also pay accrued interest on the amount so prepaid or converted.

3.6. Inability to Determine Rates. If Required Lenders notify Agent for any reason in connection with a request for a Borrowing of, or conversion to or continuation of, a LIBOR Loan that (a) Dollar deposits are not being offered to banks in the London interbank Eurodollar market for the applicable amount and Interest Period of such Loan, (b) adequate and reasonable means do not exist for determining LIBOR for the requested Interest Period, or (c) LIBOR for the requested Interest Period does not adequately and fairly reflect the cost to such Lenders of funding such Loan, then Agent will promptly

so notify Borrower Agent and each Lender. Thereafter, the obligation of Lenders to make or maintain LIBOR Loans shall be suspended until Agent (upon instruction by Required Lenders) revokes such notice. Upon receipt of such notice, Borrower Agent may revoke any pending request for a Borrowing of, conversion to or continuation of a LIBOR Loan or, failing that, will be deemed to have submitted a request for a Base Rate Loan.

3.7. Increased Costs; Capital Adequacy.

3.7.1. **Change in Law**. If any Change in Law shall:

(a) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in LIBOR) or Issuing Bank;

(b) subject any Lender or Issuing Bank to any Tax with respect to any Loan, Loan Document, Letter of Credit or participation in LC Obligations, or change the basis of taxation of payments to such Lender or Issuing Bank in respect thereof (except for Indemnified Taxes or Other Taxes covered by **Section 5.9** and the imposition of, or any change in the rate of, any Excluded Tax payable by such Lender or Issuing Bank); or

(c) impose on any Lender, Issuing Bank or interbank market any other condition, cost or expense affecting any Loan, Loan Document, Letter of Credit, participation in LC Obligations, or Commitment;

and the result thereof shall be to increase the cost to such Lender of making or maintaining any Loan or Commitment, or to increase the cost to such Lender or Issuing Bank of participating in, issuing or maintaining any Letter of Credit, or to reduce the amount of any sum received or receivable by such Lender or Issuing Bank hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or Issuing Bank, Borrowers will pay to such Lender or Issuing Bank, as applicable, such additional amount or amounts as will compensate such Lender or Issuing Bank, as applicable, for such additional costs incurred or reduction suffered.

3.7.2. **Capital Adequacy**. If any Lender or Issuing Bank determines that any Change in Law affecting such Lender or Issuing Bank or any Lending Office of such Lender or such Lender's or Issuing Bank's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's, Issuing Bank's or holding company's capital as a consequence of this Agreement, or such Lender's or Issuing Bank's Commitments, Loans, Letters of Credit or participations in LC Obligations, to a level below that which such Lender, Issuing Bank or holding company could have achieved but for such Change in Law (taking into consideration such Lender's, Issuing Bank's and holding company's policies with respect to capital adequacy), then from time to time Borrowers will pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate it or its holding company for any such reduction suffered.

3.7.3. **Compensation**. Failure or delay on the part of any Lender or Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of its right to demand such compensation, but Borrowers shall not be required to compensate a Lender or Issuing Bank for any increased costs incurred or reductions suffered more than nine months prior to the date that the Lender or Issuing Bank notifies Borrower Agent of the Change in Law giving rise to such increased costs or reductions and of such Lender's or Issuing Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

3.8. Mitigation. If any Lender gives a notice under **Section 3.5** or requests compensation under **Section 3.7**, or if Borrowers are required to pay additional amounts with respect to a Lender under **Section 5.9**, then such Lender shall use reasonable efforts to designate a different Lending Office or to assign its rights and obligations hereunder to another of its offices, branches or Affiliates, if, in the judgment of such Lender, such designation or assignment (a) would eliminate the need for such notice or reduce amounts payable or to be withheld in the future, as applicable; and (b) would not subject the Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to it or unlawful. Borrowers shall pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

3.9. Funding Losses. If for any reason (other than default by a Lender) (a) any Borrowing of, or conversion to or continuation of, a LIBOR Loan does not occur on the date specified therefor in a Notice of Borrowing or Notice of Conversion/Continuation (whether or not withdrawn), (b) any repayment or conversion of a LIBOR Loan occurs on a day other than the end of its Interest Period, (c) Borrowers fail to repay a LIBOR Loan when required hereunder, or (d) a Lender (other than a Defaulting Lender) is required to assign a LIBOR Loan prior to the end of its Interest Period pursuant to **Section 13.4**, then Borrowers shall pay to Agent its customary administrative charge and to each Lender all resulting losses and expenses, including loss of anticipated profits and any loss or expense arising from liquidation or redeployment of funds or from fees payable to terminate deposits of matching funds. Lenders shall not be required to purchase Dollar deposits in any interbank or offshore Dollar market to fund any LIBOR Loan, but this Section shall apply as if each Lender had purchased such deposits.

3.10. Maximum Interest. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by Applicable Law ("maximum rate"). If Agent or any Lender shall receive interest in an amount that exceeds the maximum rate, the excess interest shall be applied to the principal of the Obligations or, if it exceeds such unpaid principal, refunded to Borrowers. In determining whether the interest contracted for, charged or received by Agent or a Lender exceeds the maximum rate, such Person may, to the extent permitted by Applicable Law, (a) characterize any payment that is not principal as an expense, fee or premium rather than interest; (b) exclude voluntary prepayments and the effects thereof; and (c) amortize, prorate, allocate and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

SECTION 4. LOAN ADMINISTRATION

4.1. Manner of Borrowing and Funding Revolver Loans.

4.1.1. **Notice of Borrowing**.

(a) Whenever Borrowers desire funding of a Borrowing of Revolver Loans, Borrower Agent shall give Agent a Notice of Borrowing. Such notice must be received by Agent no later than 11:00 a.m. (i) on the Business Day of the requested funding date, in the case of Base Rate Loans, and (ii) at least three Business Days prior to the requested funding date, in the case of LIBOR Loans. Notices received after 11:00 a.m. shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (A) the amount of the Borrowing, (B) the requested funding date (which must be a Business Day), (C) whether the Borrowing is to be made as Base Rate Loans or LIBOR Loans, and (D) in the case of LIBOR Loans, the duration of the applicable Interest Period (which shall be deemed to be 30 days if not specified).

(b) Unless payment is otherwise timely made by Borrowers, the becoming due of any Obligations (whether principal, interest, fees or other charges, including Extraordinary Expenses, LC Obligations, Cash Collateral and Secured Bank Product Obligations) shall be deemed to be a request for Base Rate Revolver Loans on the due date, in the amount of such Obligations. The proceeds of such Revolver Loans shall be disbursed as direct payment of the relevant Obligation. In addition, Agent may, at its option, charge such Obligations against any operating, investment or other account of a Borrower maintained with Agent or any of its Affiliates.

(c) If Borrowers establish a controlled disbursement account with Agent or any Affiliate of Agent, then the presentation for payment of any check, ACH or electronic debit, or other payment item at a time when there are insufficient funds to cover it shall be deemed to be a request for Base Rate Revolver Loans on the date of such presentation, in the amount of such payment item. The proceeds of such Revolver Loans may be disbursed directly to the controlled disbursement account or other appropriate account.

4.1.2. **Fundings by Lenders**. Each Lender shall timely honor its Revolver Commitment by funding its Pro Rata share of each Borrowing of Revolver Loans that is properly requested hereunder. Except for Borrowings to be made as Swingline Loans, Agent shall endeavor to notify Lenders of each Notice of Borrowing (or deemed request for a Borrowing) by 12:00 noon on the proposed funding date for Base Rate Loans or by 3:00 p.m. at least two Business Days before any proposed funding of LIBOR Loans. Each Lender shall fund to Agent such Lender's Pro Rata share of the Borrowing to the account specified by Agent in immediately available funds not later than 2:00 p.m. on the requested funding date, unless Agent's notice is received after the times provided above, in which case Lender shall fund its Pro Rata share by 11:00 a.m. on the next Business Day. Subject to its receipt of such amounts from Lenders, Agent shall disburse the proceeds of the Revolver Loans as directed by Borrower Agent. Unless Agent shall have received (in sufficient time to act) written notice from a Lender that it does not intend to fund its Pro Rata share of a Borrowing, Agent may assume that such Lender has deposited or promptly will deposit its share with Agent, and Agent may disburse a corresponding amount to Borrowers. If a Lender's share of any Borrowing or of any settlement pursuant to **Section 4.1.3(b)** is not received by Agent, then Borrowers agree to repay to Agent on demand the amount of such share, together with interest thereon from the date disbursed until repaid, at the rate applicable to the Borrowing.

4.1.3. **Swingline Loans; Settlement**.

(a) Agent may, but shall not be obligated to, advance Swingline Loans to Borrowers, up to an aggregate outstanding amount of $5,000,000, unless the funding is specifically required to be made by all Lenders hereunder. Each Swingline Loan shall constitute a Revolver Loan for all purposes, except that payments thereon shall be made to Agent for its own account. The obligation of Borrowers to repay Swingline Loans shall be evidenced by the records of Agent and need not be evidenced by any promissory note.

(b) Settlement of Swingline Loans and other Revolver Loans among Lenders and Agent shall take place on a date determined from time to time by Agent (but at least weekly), in accordance with the Settlement Report delivered by Agent to Lenders. Between settlement dates, Agent may in its discretion apply payments on Revolver Loans to Swingline Loans, regardless of any designation by Borrower or any provision herein to the contrary. Each Lender's obligation to make settlements with Agent is absolute and unconditional, without offset, counterclaim or other defense, and whether or not the Commitments have terminated, an Overadvance exists or the conditions in **Section 6** are satisfied. If, due to an Insolvency Proceeding with respect to a Borrower or otherwise, any Swingline Loan may not be settled among Lenders hereunder, then each Lender shall be deemed to have purchased from Agent a Pro Rata participation in such Loan and shall transfer the amount of such participation to Agent, in immediately available funds, within one Business Day after Agent's request therefor.

4.1.4. **Notices**. Borrowers may request, convert or continue Loans, select interest rates and transfer funds based on telephonic or e-mailed instructions to Agent. Borrowers shall confirm each such request by prompt delivery to Agent of a Notice of Borrowing or Notice of Conversion/Continuation, if applicable, but if it differs materially from the action taken by Agent or Lenders, the records of Agent and Lenders shall govern. Neither Agent nor any Lender shall have any liability for any loss suffered by a Borrower as a result of Agent or any Lender acting upon its understanding of telephonic or e-mailed instructions from a person believed in good faith by Agent or any Lender to be a person authorized to give such instructions on a Borrower's behalf.

4.2. Defaulting Lender.

4.2.1. **Reallocation of Pro Rata Share; Amendments**.

For purposes of determining Lenders' obligations to fund or participate in Loans or Letters of Credit, Agent may exclude the Commitments and Loans of any Defaulting Lender(s) from the calculation of Pro Rata shares. A Defaulting Lender shall have no right to vote on any amendment, waiver or other modification of a Loan Document, except as provided in **Section 14.1.1(c)**.

4.2.2. **Payments; Fees**. Agent may, in its discretion, receive and retain any amounts payable to a Defaulting Lender under the Loan Documents, and a Defaulting Lender shall be deemed to have assigned to Agent such amounts until all Obligations owing to Agent, non-Defaulting Lenders and other Secured Parties have been paid in full. Agent may apply such amounts to the Defaulting Lender's defaulted obligations, use the funds to Cash Collateralize such Lender's Fronting Exposure, or readvance the amounts to Borrowers hereunder. A Lender shall not be entitled to receive any fees accruing hereunder during the period in which it is a Defaulting Lender, and the unfunded portion of its Commitment shall be disregarded for purposes of calculating the unused line fee under **Section 3.2.1**. If any LC Obligations owing to a Defaulted Lender are reallocated to other Lenders, fees attributable to such LC Obligations under **Section 3.2.2** shall be paid to such Lenders. Agent shall be paid all fees attributable to LC Obligations that are not reallocated.

4.2.3. **Cure**. Borrowers, Agent and Issuing Bank may agree in writing that a Lender is no longer a Defaulting Lender. At such time, Pro Rata shares shall be reallocated without exclusion of such Lender's Commitments and Loans, and all outstanding Revolver Loans, LC Obligations and other exposures under the Commitments shall be reallocated among Lenders and settled by Agent (with appropriate payments by the reinstated Lender) in accordance with the readjusted Pro Rata shares. Unless expressly agreed by Borrowers, Agent and Issuing Bank, no reinstatement of a Defaulting Lender shall constitute a waiver or release of claims against such Lender. The failure of any Lender to fund a Loan, to make a payment in respect of LC Obligations or otherwise to perform its obligations hereunder shall not relieve any other Lender of its obligations, and no Lender shall be responsible for default by another Lender.

4.3. Number and Amount of LIBOR Loans; Determination of Rate. Each Borrowing of LIBOR Loans when made shall be in a minimum amount of $1,000,000, plus any increment of $100,000 in excess thereof. No more than five Borrowings of LIBOR Loans may be outstanding at any time, and all LIBOR Loans having the same length and beginning date of their Interest Periods shall be aggregated together and considered one Borrowing for this purpose. Upon determining LIBOR for any Interest Period requested by Borrowers, Agent shall promptly notify Borrowers thereof by telephone or electronically and, if requested by Borrowers, shall confirm any telephonic notice in writing.

4.4. Borrower Agent. Each Borrower hereby designates IBP, LLC ("Borrower Agent") as its representative and agent for all purposes under the Loan Documents, including requests for Loans and Letters of Credit, designation of interest rates, delivery or receipt of communications, preparation and delivery of Borrowing Base and financial reports, receipt and payment of Obligations, requests for waivers, amendments or other accommodations, actions under the Loan Documents (including in respect of compliance with covenants), and all other dealings with Agent, Issuing Bank or any Lender. Borrower Agent hereby accepts such appointment. Agent and Lenders shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication (including any notice of borrowing) delivered by Borrower Agent on behalf of any Borrower. Agent and Lenders may give any notice or communication with a Borrower hereunder to Borrower Agent on behalf of such Borrower. Each of Agent, Issuing Bank and Lenders shall have the right, in its discretion, to deal exclusively with Borrower Agent for any or all purposes under the Loan Documents. Each Borrower agrees that any notice, election, communication, representation, agreement or undertaking made on its behalf by Borrower Agent shall be binding upon and enforceable against it.

4.5. One Obligation. The Loans, LC Obligations and other Obligations constitute one general obligation of Borrowers and are secured by Agent's Lien on all Collateral; provided, however, that Agent and each Lender shall be deemed to be a creditor of, and the holder of a separate claim against, each Borrower to the extent of any Obligations jointly or severally owed by such Borrower.

4.6. Effect of Termination. On the effective date of any termination of the Commitments, all Obligations shall be immediately due and payable, and any Lender may terminate its and its Affiliates' Bank Products (including, only with the consent of Agent, any Cash Management Services). All undertakings of Borrowers contained in the Loan Documents shall survive any termination, and Agent shall retain its Liens in the Collateral and all of its rights and remedies under the Loan Documents until Full Payment of the Obligations. Notwithstanding Full Payment of the Obligations, Agent shall not be required to terminate its Liens in any Collateral unless, with respect to any damages Agent may incur as a result of the dishonor or return of Payment Items applied to Obligations, Agent receives (a) a written agreement satisfactory to Agent, executed by Borrowers and any Person whose advances are used in whole or in part to satisfy the Obligations, indemnifying Agent and Lenders from such damages; and (b) such Cash Collateral as Agent, in its discretion, deems appropriate to protect against such damages. **Sections 2.3, 3.4, 3.6, 3.7, 3.9, 5.5, 5.9, 5.10, 12, 14.2** and this Section, and the obligation of each Obligor and Lender with respect to each indemnity given by it in any Loan Document, shall survive Full Payment of the Obligations and any release relating to this credit facility.

SECTION 5. PAYMENTS

5.1. General Payment Provisions. All payments of Obligations shall be made in Dollars, without offset, counterclaim or defense of any kind, free of (and without deduction for) any Taxes, and in immediately available funds, not later than 12:00 noon on the due date. Any payment after such time shall be deemed made on the next Business Day. Any payment of a LIBOR Loan prior to the end of its Interest Period shall be accompanied by all amounts due under **Section 3.9**. Any prepayment of Loans shall be applied first to Base Rate Loans and then to LIBOR Loans.

5.2. Repayment of Revolver Loans. Revolver Loans shall be due and payable in full on the Revolver Termination Date, unless payment is sooner required hereunder. Revolver Loans may be prepaid from time to time, without penalty or premium. If any Asset Disposition includes the disposition of Accounts or Inventory, then Net Proceeds equal to the greater of (a) the net book value of such Accounts and Inventory, or (b) the reduction in the Borrowing Base upon giving effect to such disposition, shall be applied to the Revolver Loans. Any proceeds of insurance received by Agent on account of the Insurance Assignment of the Key-Man Life Insurance shall be applied to the Revolver Loans, without any reduction in the Commitments; provided that any credit balance after such application

of the proceeds may be made available to the Borrowers in accordance with **Section 5.7**. Notwithstanding anything herein to the contrary, if an Overadvance exists, Borrowers shall, on the sooner of Agent's demand or the first Business Day after any Borrower has knowledge thereof, repay the outstanding Revolver Loans in an amount sufficient to reduce the principal balance of Revolver Loans to the Borrowing Base.

5.3. [Reserved].

5.4. Payment of Other Obligations. Obligations other than Loans, including LC Obligations and Extraordinary Expenses, shall be paid by Borrowers as provided in the Loan Documents or, if no payment date is specified, on demand.

5. 5. Marshaling; Payments Set Aside. None of Agent or Lenders shall be under any obligation to marshal any assets in favor of any Obligor or against any Obligations. If any payment by or on behalf of Borrowers is made to Agent, Issuing Bank or any Lender, or Agent, Issuing Bank or any Lender exercises a right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Agent, Issuing Bank or such Lender in its discretion) to be repaid to a trustee, receiver or any other Person, then to the extent of such recovery, the Obligation originally intended to be satisfied, and all Liens, rights and remedies relating thereto, shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

5.6. Post-Default Allocation of Payments.

5.6.1. **Allocation**. Notwithstanding anything herein to the contrary, during an Event of Default, the Agent may (and shall at the request of the Required Lenders) allocate all monies to the Obligations, whether arising from payments by Obligors, realization on Collateral, setoff or otherwise, as follows:

(a) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent;

(b) second, to all amounts owing to Agent on Swingline Loans;

(c) third, to all amounts owing to Issuing Bank;

(d) fourth, to all Obligations constituting fees (other than Secured Bank Product Obligations);

(e) fifth, to all Obligations constituting interest (other than Secured Bank Product Obligations);

(f) sixth, to Cash Collateralization of LC Obligations;

(g) seventh, to all Loans and Noticed Hedges, including Cash Collateralization of Noticed Hedges; and

(h) last, to all other Obligations.

Amounts shall be applied to each category of Obligations set forth above until Full Payment thereof and then to the next category. If amounts are insufficient to satisfy a category, they shall be applied on a pro rata basis among the Obligations in the category. Amounts distributed with respect to any Secured Bank Product Obligations shall be the lesser of the maximum Secured Bank Product Obligations last reported

to Agent or the actual Secured Bank Product Obligations as calculated by the methodology reported to Agent for determining the amount due. Agent shall have no obligation to calculate the amount to be distributed with respect to any Secured Bank Product Obligations, and may request a reasonably detailed calculation of such amount from the applicable Secured Party. If a Secured Party fails to deliver such calculation within five days following request by Agent, Agent may assume the amount to be distributed is zero. The allocations set forth in this Section are solely to determine the rights and priorities of Agent and Secured Parties as among themselves, and may be changed by agreement among them without the consent of any Obligor. This Section is not for the benefit of or enforceable by any Borrower.

5.6.2. **Erroneous Application**. Agent shall not be liable for any application of amounts made by it in good faith and, if any such application is subsequently determined to have been made in error, the sole recourse of any Lender or other Person to which such amount should have been made shall be to recover the amount from the Person that actually received it (and, if such amount was received by any Lender, such Lender hereby agrees to return it).

5.7. Application of Payments. The ledger balance in the main Dominion Account at Bank of America as of the end of a Business Day shall be applied to the Obligations at the beginning of the next Business Day. All other payments shall be applied to the Obligations upon Agent's receipt of good funds at an account designated by Agent. If, as a result of such application, a credit balance exists, the balance shall not accrue interest in favor of Borrowers and shall be made available to Borrowers and not be deemed a Revolving Loan (except that during the continuance of a Default or Event of Default, the Agent may retain an amount sufficient to Cash Collateralize the outstanding LC Obligations, Bank Product Debt and accrued interest, fees and expenses, if any). Each Borrower irrevocably waives the right to direct the application of any payments or Collateral proceeds, and agrees that Agent shall have the continuing, exclusive right to apply and reapply same against the Obligations, in such manner as Agent deems advisable.

5.8. Loan Account; Account Stated.

5.8.1. **Loan Account**. Agent shall maintain in accordance with its usual and customary practices an account or accounts ("Loan Account") evidencing the Debt of Borrowers resulting from each Loan or issuance of a Letter of Credit from time to time. Any failure of Agent to record anything in the Loan Account, or any error in doing so, shall not limit or otherwise affect the obligation of Borrowers to pay any amount owing hereunder. Agent may maintain a single Loan Account in the name of Borrower Agent, and each Borrower confirms that such arrangement shall have no effect on the joint and several character of its liability for the Obligations.

5.8.2. **Entries Binding**. Entries made in the Loan Account shall constitute presumptive evidence of the information contained therein. If any information contained in the Loan Account is provided to or inspected by any Person, then such information shall be conclusive and binding on such Person for all purposes absent manifest error, except to the extent such Person notifies Agent in writing within 30 days after receipt or inspection that specific information is subject to dispute.

5.9. Taxes.

5.9.1. **Payments Free of Taxes**. All payments by Obligors of Obligations shall be free and clear of and without reduction for any Taxes. If Applicable Law requires any Obligor or Agent to withhold or deduct any Tax (including backup withholding or withholding Tax), the withholding or deduction shall be based on information provided pursuant to **Section 5.10** and Agent shall pay the amount withheld or deducted to the relevant Governmental Authority. If the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable

by Borrowers shall be increased so that Agent, Lender or Issuing Bank, as applicable, receives an amount equal to the sum it would have received if no such withholding or deduction (including deductions applicable to additional sums payable under this Section) had been made. Without limiting the foregoing, Borrowers shall timely pay all Other Taxes to the relevant Governmental Authorities.

5.9.2. **Payment**. Borrowers shall indemnify, hold harmless and reimburse (within 10 days after demand therefor) Agent, Lenders and Issuing Bank for any Indemnified Taxes or Other Taxes (including those attributable to amounts payable under this Section) withheld or deducted by any Obligor or Agent, or paid by Agent, any Lender or Issuing Bank, with respect to any Obligations, Letters of Credit or Loan Documents, whether or not such Taxes were properly asserted by the relevant Governmental Authority, and including all penalties, interest and reasonable expenses relating thereto, as well as any amount that a Lender or Issuing Bank fails to pay in full to Agent under Section 5.10. A certificate as to the amount of any such payment or liability delivered to Borrower Agent by Agent, or by a Lender or Issuing Bank (with a copy to Agent), shall be conclusive, absent manifest error. As soon as practicable after any payment of Taxes by a Borrower, Borrower Agent shall deliver to Agent a receipt from the Governmental Authority or other evidence of payment satisfactory to Agent.

5.10. Lender Tax Information.

5.10.1. **Status of Lenders**. Each Lender shall deliver documentation and information to Agent and Borrower Agent, at the times and in form required by Applicable Law or reasonably requested by Agent or Borrower Agent, sufficient to permit Agent or Borrowers to determine (a) whether or not payments made with respect to Obligations are subject to Taxes, (b) if applicable, the required rate of withholding or deduction, and (c) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes for such payments or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction.

5.10.2. **Documentation**. If a Borrower is resident for tax purposes in the United States, any Lender that is a "United States person" within the meaning of section 7701(a)(30) of the Code shall deliver to Agent and Borrower Agent IRS Form W-9 or such other documentation or information prescribed by Applicable Law or reasonably requested by Agent or Borrower Agent to determine whether such Lender is subject to backup withholding or information reporting requirements. If any Foreign Lender is entitled to any exemption from or reduction of withholding tax for payments with respect to the Obligations, it shall deliver to Agent and Borrower Agent, on or prior to the date on which it becomes a Lender hereunder (and from time to time thereafter upon request by Agent or Borrower Agent, but only if such Foreign Lender is legally entitled to do so), (a) IRS Form W-8BEN claiming eligibility for benefits of an income tax treaty to which the United States is a party; (b) IRS Form W-8ECI; (c) IRS Form W-8IMY and all required supporting documentation; (d) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, IRS Form W-8BEN and a certificate showing such Foreign Lender is not (i) a "bank" within the meaning of section 881(c)(3)(A) of the Code, (ii) a "10 percent shareholder" of any Obligor within the meaning of section 881(c)(3)(B) of the Code, or (iii) a "controlled foreign corporation" described in section 881(c)(3)(C) of the Code; or (e) any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in withholding tax, together with such supplementary documentation necessary to allow Agent and Borrowers to determine the withholding or deduction required to be made.

5.10.3. **Lender Obligations**. Each Lender and Issuing Bank shall promptly notify Borrowers and Agent of any change in circumstances that would change any claimed Tax exemption or reduction. Each Lender and Issuing Bank shall indemnify, hold harmless and

reimburse (within 10 days after demand therefor) Borrowers and Agent for any Taxes, losses, claims, liabilities, penalties, interest and expenses (including reasonable attorneys' fees) incurred by or asserted against a Borrower or Agent by any Governmental Authority due to such Lender's or Issuing Bank's failure to deliver, or inaccuracy or deficiency in, any documentation required to be delivered by it pursuant to this Section. Each Lender and Issuing Bank authorizes Agent to set off any amounts due to Agent under this Section against any amounts payable to such Lender or Issuing Bank under any Loan Document.

5.10.4. **Payments on Account of Taxes**. If any payment made pursuant to this Agreement to any Lender, the Issuing Bank or any other recipient of any payment to be made by or on account of any obligation under this Agreement would be subject to U.S. federal withholding tax imposed by FATCA if such recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), each such Lender, the Issuing Bank or other recipient shall deliver to the Borrower Agent and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower Agent or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower Agent or the Agent as may be necessary for the Borrower Agent and the Agent to comply with their obligations under FATCA and to determine that such recipient has complied with such recipient's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (v), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

5.11. Nature and Extent of Each Borrower's Liability.

5.11.1. **Joint and Several Liability**. Each Borrower agrees that it is jointly and severally liable for, and absolutely and unconditionally guarantees to Agent and Lenders the prompt payment and performance of, all Obligations and all agreements under the Loan Documents. Each Borrower agrees that its guaranty obligations hereunder constitute a continuing guaranty of payment and not of collection, that such obligations shall not be discharged until Full Payment of the Obligations, and that such obligations are absolute and unconditional, irrespective of (a) the genuineness, validity, regularity, enforceability, subordination or any future modification of, or change in, any Obligations or Loan Document, or any other document, instrument or agreement to which any Obligor is or may become a party or be bound; (b) the absence of any action to enforce this Agreement (including this Section) or any other Loan Document, or any waiver, consent or indulgence of any kind by Agent or any Lender with respect thereto; (c) the existence, value or condition of, or failure to perfect a Lien or to preserve rights against, any security or guaranty for the Obligations or any action, or the absence of any action, by Agent or any Lender in respect thereof (including the release of any security or guaranty); (d) the insolvency of any Obligor; (e) any election by Agent or any Lender in an Insolvency Proceeding for the application of Section 1111(b)(2) of the Bankruptcy Code; (f) any borrowing or grant of a Lien by any other Borrower, as debtor-in-possession under Section 364 of the Bankruptcy Code or otherwise; (g) the disallowance of any claims of Agent or any Lender against any Obligor for the repayment of any Obligations under Section 502 of the Bankruptcy Code or otherwise; or (h) any other action or circumstances that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, except Full Payment of all Obligations.

5.11.2. **Waivers**.

(a) Each Borrower expressly waives all rights that it may have now or in the future under any statute, at common law, in equity or otherwise, to compel Agent or Lenders to marshal assets or to proceed against any Obligor, other Person or security for the payment or performance of any

Obligations before, or as a condition to, proceeding against such Borrower. Each Borrower waives all defenses available to a surety, guarantor or accommodation co-obligor other than Full Payment of all Obligations. It is agreed among each Borrower, Agent and Lenders that the provisions of this **Section 5.11** are of the essence of the transaction contemplated by the Loan Documents and that, but for such provisions, Agent and Lenders would decline to make Loans and issue Letters of Credit. Each Borrower acknowledges that its guaranty pursuant to this Section is necessary to the conduct and promotion of its business, and can be expected to benefit such business.

(b) Agent and Lenders may, in their discretion, pursue such rights and remedies as they deem appropriate, including realization upon Collateral or any Real Estate by judicial foreclosure or non-judicial sale or enforcement, without affecting any rights and remedies under this **Section 5.11**. If, in taking any action in connection with the exercise of any rights or remedies, Agent or any Lender shall forfeit any other rights or remedies, including the right to enter a deficiency judgment against any Borrower or other Person, whether because of any Applicable Laws pertaining to "election of remedies" or otherwise, each Borrower consents to such action and waives any claim based upon it, even if the action may result in loss of any rights of subrogation that any Borrower might otherwise have had. Any election of remedies that results in denial or impairment of the right of Agent or any Lender to seek a deficiency judgment against any Borrower shall not impair any other Borrower's obligation to pay the full amount of the Obligations. Each Borrower waives all rights and defenses arising out of an election of remedies, such as nonjudicial foreclosure with respect to any security for the Obligations, even though that election of remedies destroys such Borrower's rights of subrogation against any other Person. Agent may bid all or a portion of the Obligations at any foreclosure or trustee's sale or at any private sale, and the amount of such bid need not be paid by Agent but shall be credited against the Obligations. The amount of the successful bid at any such sale, whether Agent or any other Person is the successful bidder, shall be conclusively deemed to be the fair market value of the Collateral, and the difference between such bid amount and the remaining balance of the Obligations shall be conclusively deemed to be the amount of the Obligations guaranteed under this Section 5.11, notwithstanding that any present or future law or court decision may have the effect of reducing the amount of any deficiency claim to which Agent or any Lender might otherwise be entitled but for such bidding at any such sale.

5.11.3. **Extent of Liability; Contribution**.

(a) Notwithstanding anything herein to the contrary, each Borrower's liability under this **Section 5.11** shall be limited to the greater of (i) all amounts for which such Borrower is primarily liable, as described below, and (ii) such Borrower's Allocable Amount.

(b) If any Borrower makes a payment under this **Section 5.11** of any Obligations (other than amounts for which such Borrower is primarily liable) (a "Guarantor Payment") that, taking into account all other Guarantor Payments previously or concurrently made by any other Borrower, exceeds the amount that such Borrower would otherwise have paid if each Borrower had paid the aggregate Obligations satisfied by such Guarantor Payments in the same proportion that such Borrower's Allocable Amount bore to the total Allocable Amounts of all Borrowers, then such Borrower shall be entitled to receive contribution and indemnification payments from, and to be reimbursed by, each other Borrower for the amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Guarantor Payment. The "Allocable Amount" for any Borrower shall be the maximum amount that could then be recovered from such Borrower under this **Section 5.11** without rendering such payment voidable under Section 548 of the Bankruptcy Code or under any applicable state fraudulent transfer or conveyance act, or similar statute or common law.

(c) Nothing contained in this **Section 5.11** shall limit the liability of any Borrower to pay Loans made directly or indirectly to that Borrower (including Loans advanced to any other Borrower and then re-loaned or otherwise transferred to, or for the benefit of, such Borrower), LC Obligations

relating to Letters of Credit issued to support such Borrower's business, and all accrued interest, fees, expenses and other related Obligations with respect thereto, for which such Borrower shall be primarily liable for all purposes hereunder. Agent and Lenders shall have the right, at any time in their discretion, to condition Loans and Letters of Credit upon a separate calculation of borrowing availability for each Borrower and to restrict the disbursement and use of such Loans and Letters of Credit to such Borrower.

5.11.4. **Joint Enterprise**. Each Borrower has requested that Agent and Lenders make this credit facility available to Borrowers on a combined basis, in order to finance Borrowers' business most efficiently and economically. Borrowers' business is a mutual and collective enterprise, and the successful operation of each Borrower is dependent upon the successful performance of the integrated group. Borrowers believe that consolidation of their credit facility will enhance the borrowing power of each Borrower and ease administration of the facility, all to their mutual advantage. Borrowers acknowledge that Agent's and Lenders' willingness to extend credit and to administer the Collateral on a combined basis hereunder is done solely as an accommodation to Borrowers and at Borrowers' request.

5.11.5. **Subordination**. Each Borrower hereby subordinates any claims, including any rights at law or in equity to payment, subrogation, reimbursement, exoneration, contribution, indemnification or set off, that it may have at any time against any other Obligor, howsoever arising, to the Full Payment of all Obligations.

SECTION 6. CONDITIONS PRECEDENT

6.1. Conditions Precedent to Initial Loans. In addition to the conditions set forth in **Section 6.2**, Lenders shall not be required to fund any requested Loan, issue any Letter of Credit, or otherwise extend credit to Borrowers hereunder, until the date ("Closing Date") that each of the following conditions has been satisfied:

(a) Notes shall have been executed by Borrowers and delivered to each Lender that requests issuance of a Note. Each other Loan Document shall have been duly executed and delivered to Agent by each of the signatories thereto, and each Obligor shall be in compliance with all terms thereof.

(b) Agent shall have received acknowledgments of all filings or recordations necessary to perfect its Liens in the Collateral, as well as UCC and Lien searches and other evidence satisfactory to Agent that such Liens are the only Liens upon the Collateral, except Permitted Liens.

(c) [Reserved].

(d) Agent shall have received duly executed agreements establishing each Dominion Account and related lockbox, in form and substance, and with financial institutions, satisfactory to Agent.

(e) Agent shall have received certificates, in form and substance satisfactory to it, from a knowledgeable Senior Officer of Borrower Agent certifying that, after giving effect to the initial Loans and transactions hereunder, (i) the Obligors, taken as a whole, are Solvent; (ii) no Default or Event of Default exists; (iii) the representations and warranties set forth in **Section 9** are true and correct; and (iv) each Obligor has complied with all agreements and conditions to be satisfied by it under the Loan Documents.

(f) Agent shall have received a certificate of a duly authorized officer of each Obligor, certifying (i) that attached copies of such Obligor's Organic Documents are true and complete, and in full force and effect, without amendment except as shown; (ii) that an attached copy of resolutions authorizing execution and delivery of the Loan Documents is true and complete, and that such resolutions

are in full force and effect, were duly adopted, have not been amended, modified or revoked, and constitute all resolutions adopted with respect to this credit facility; and (iii) to the title, name and signature of each Person authorized to sign the Loan Documents. Agent may conclusively rely on this certificate until it is otherwise notified by the applicable Obligor in writing.

(g) Agent shall have received a written opinion of Calfee, Halter & Griswold LLP, as counsel to the Borrowers and the Guarantors, in form and substance satisfactory to Agent.

(h) Agent shall have received copies of the charter documents of each Obligor, certified by the Secretary of State or other appropriate official of such Obligor's jurisdiction of organization. Agent shall have received good standing certificates for each Obligor, issued by the Secretary of State or other appropriate official of such Obligor's jurisdiction of organization and each jurisdiction where such Obligor's conduct of business or ownership of Property necessitates qualification and where the failure to be so qualified could reasonably be expected to have a Material Adverse Effect.

(i) Agent shall have received certificates of insurance for the insurance policies carried by Obligors, all in form and substance satisfactory to Agent.

(j) Agent shall have received (a) unaudited consolidated financial statements of the Companies and their respective Subsidiaries for the month ended September 30, 2011 and the related consolidated statements of income or operations and cash flows and balance sheets for such month, for the Measurement Period ended on that date and for the portion of the Fiscal Year then elapsed, setting forth in comparative form corresponding figures for the preceding Fiscal Year, prepared by management of the Companies consistent with past practices, and (b) financial projections of Parent and its Subsidiaries, evidencing compliance with **Section 10.3**.

(k) Agent shall have completed its business, financial and legal due diligence of Obligors, including a Field Exam within 90 days of the Closing Date, and shall have received all documentation or other information that the Agent requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, with results satisfactory to Agent. No material adverse change in the financial condition of any Obligor (other than an Immaterial Obligor) or in the quality, quantity or value of any Collateral shall have occurred since December 31, 2010.

(l) Borrowers shall have paid all fees and expenses to be paid to Agent and Lenders on the Closing Date, including the reasonable fees and expenses of Agent's counsel. Agent acknowledges that the Borrowers have deposited with the Agent a deposit of $50,000 against all fees and expenses incurred in connection with the Transaction.

(m) Agent shall have received evidence that the Restructuring has occurred, and the Restructuring, the Sponsor Preferred Stock, and all other agreements between the Obligors and the Sponsor are on terms and conditions satisfactory to the Agent and that the capital structure of Parent and its Subsidiaries is satisfactory to the Agent.

(n) Agent shall have received a certificate, in form and substance satisfactory to it, from a knowledgeable Senior Officer of Borrower Agent, either (i) attaching copies of all consents, licenses and approvals required in connection with the execution, delivery and performance by each Obligor and the validity against each Obligor of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect or (ii) stating that no such consents, licenses or approvals are so required.

(o) Agent shall have received a Borrowing Base Certificate prepared as of October 31, 2011. Upon giving effect to the initial funding of Loans and issuance of Letters of Credit, and the payment by Borrowers of all fees and expenses incurred in connection herewith, Availability shall be at least $12,000,000.

(p) Agent shall have received evidence that the Debt incurred and outstanding pursuant to the Existing Debt Documents has been or concurrently with the Closing Date is being terminated and all Liens securing obligations under the Existing Debt Documents (and all Liens other than Permitted Liens) have been or concurrently with the Closing Date are being released.

6.2. Conditions Precedent to All Credit Extensions. Agent, Issuing Bank and Lenders shall not be required to fund any Loans, arrange for issuance of any Letters of Credit or grant any other accommodation to or for the benefit of Borrowers, unless the following conditions are satisfied:

(a) No Default or Event of Default shall exist at the time of, or result from, such funding, issuance or grant;

(b) The representations and warranties of each Obligor in the Loan Documents shall be true and correct in all material respects (except where any such representation or warranty is otherwise qualified by materiality, in which case such representation or warranty is true and correct in all respects) on the date of, and upon giving effect to, such funding, issuance or grant (except for representations and warranties that expressly relate to an earlier date);

(c) All conditions precedent in any other Loan Document shall be satisfied;

(d) No event shall have occurred or circumstance exist that has or could reasonably be expected to have a Material Adverse Effect;

(e) With respect to issuance of a Letter of Credit, the LC Conditions shall be satisfied; and

(f) If, giving effect thereto, Availability would be less than $5,000,000 for a fifth consecutive day or less than $4,000,000 at any time, either (i) the Borrowers shall have been in compliance with the covenant set forth in **Section 10.3** as of the last day of the Measurement Period most recently ended for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent or (ii) Borrowers have provided Agent with evidence satisfactory to Agent that as of the time of the requested Loan, Letter of Credit or other financial accommodation, the Borrowers are in compliance with the covenant set forth in **Section 10.3** for the most recently ended Measurement Period.

Each request (or deemed request) by Borrowers for funding of a Loan, issuance of a Letter of Credit or grant of an accommodation shall constitute a representation by Borrowers that the foregoing conditions are satisfied on the date of such request and on the date of such funding, issuance or grant. As an additional condition to any funding, issuance or grant, Agent shall have received such other information, documents, instruments and agreements as it deems appropriate in connection therewith.

SECTION 7. COLLATERAL

7.1. Grant of Security Interest. To secure the prompt payment and performance of all Obligations, each Obligor hereby grants to Agent, for the benefit of Secured Parties, a continuing security interest in and Lien upon all Property of such Obligor, including all of the following Property, whether now owned or hereafter acquired, and wherever located:

(a) all Accounts;

(b) all Chattel Paper, including electronic chattel paper;

(c) all Commercial Tort Claims, including those shown on **Schedule 9.1.16**;

(d) all Deposit Accounts;

(e) all Documents;

(f) all General Intangibles, including Intellectual Property;

(g) all Goods, including Inventory, Equipment and fixtures;

(h) all Instruments;

(i) all Investment Property;

(j) all Letter-of-Credit Rights;

(k) all Supporting Obligations;

(l) all monies, whether or not in the possession or under the control of Agent, a Lender, or a bailee or Affiliate of Agent or a Lender, including any Cash Collateral;

(m) all accessions to, substitutions for, and all replacements, products, and cash and non-cash proceeds of the foregoing, including proceeds of and unearned premiums with respect to insurance policies, and claims against any Person for loss, damage or destruction of any Collateral; and

(n) all books and records (including customer lists, files, correspondence, tapes, computer programs, print-outs and computer records) pertaining to the foregoing;

provided, that Collateral shall not include any Excluded Collateral.

7.2. Lien on Deposit Accounts; Cash Collateral.

7.2.1. **Deposit Accounts**. To further secure the prompt payment and performance of all Obligations, each Obligor hereby grants to Agent, for the benefit of Secured Parties, a continuing security interest in and Lien upon all amounts credited to any Deposit Account of such Obligor, including any sums in any blocked or lockbox accounts or in any accounts into which such sums are swept. Each Obligor hereby authorizes and directs each bank or other depository to deliver to Agent, upon request made in accordance with this Agreement and any applicable Deposit Account Control Agreement, all balances in any Deposit Account maintained by such Obligor, without inquiry into the authority or right of Agent to make such request.

7.2.2. **Cash Collateral**. Any Cash Collateral may be invested, at Agent's discretion (and with the consent of Obligors, as long as no Event of Default exists), but Agent shall have no duty to do so, regardless of any agreement or course of dealing with any Obligor, and shall have no responsibility for any investment or loss. Each Obligor hereby grants to Agent, for the benefit of Secured Parties and as security for the Obligations, a security interest in all Cash Collateral held from time to time and all proceeds thereof, whether held in a Cash Collateral Account or otherwise. Agent may apply Cash Collateral to the payment of Obligations (i) for which the Cash Collateral is being held as they become due, or (ii) during the continuance of a Default or

Event of Default, as Agent may elect. Each Cash Collateral Account and all Cash Collateral shall be under the sole dominion and control of Agent, and no Obligor or other Person shall have any right to any Cash Collateral, until Full Payment of all Obligations.

7.3. Investment Property and other Equity Interests.

7.3.1. **Delivery of Certificates**. All certificates or instruments representing or evidencing any Investment Property or other Equity Interests constituting Collateral (other than Excluded Collateral) hereunder ("Pledged Interests"), including the Pledged Interests as of the Closing Date, which are set forth on **Schedule 7.3.1** hereto and shall be delivered to and held by or on behalf of Agent pursuant hereto, shall be in suitable form for further transfer by delivery, and shall be accompanied by all necessary instruments of transfer or assignment, duly executed in blank. The Pledged Interests consisting of Equity Interests pledged hereunder have been duly authorized and validly issued and are fully paid and non assessable.

7.3.2. **Issuer Agreements**. Each Obligor that is the issuer of any Pledged Interests hereby (a) acknowledges the security interest and Lien of Agent in such Collateral granted by the Obligor owning such Pledged Interests and (ii) agrees that following the occurrence and during the continuance of an Event of Default, it will comply with the instructions originated by Agent without further consent of any other Obligor.

7.3.3. **Distributions on Investment Property and other Equity Interests**. In the event that any cash Distribution is permitted to be paid on any Pledged Interests of any Obligor at a time when no Event of Default has occurred and is continuing, such Distribution may be paid directly to the applicable Obligor. If an Event of Default has occurred and is continuing, then any such Distribution or payment shall be paid directly to Agent for the benefit of the Secured Parties.

7.3.4. **Voting Rights with respect to Equity Interests**. So long as no Event of Default has occurred and is continuing, Obligors shall be entitled to exercise any and all voting and other consensual rights pertaining to any of the Pledged Interests or any part thereof for any purpose not prohibited by the terms of this Agreement. If an Event of Default shall have occurred and be continuing and the Agent has provided one (1) Business Day's prior written notice to the Borrower Agent, all rights of Obligors to exercise the voting and other consensual rights that it would otherwise be entitled to exercise shall, at Agent's option, be suspended, and all such rights shall, at Agent's option, thereupon become vested in Agent for the benefit of the Secured Parties during the continuation of such Event of Default, and Agent shall, at its option, thereupon have the sole right to exercise such voting and other consensual rights and during the continuation of such Event of Default and Agent shall have the right to act with respect thereto as though it were the outright owner thereof. After all Events of Default have been waived in accordance with the provisions hereof, and so long as the Obligations shall not have been accelerated, each Obligor shall have the right to exercise the voting and other consensual rights and powers that it would have otherwise been entitled to pursuant to this **Section 7.3.4**.

7.3.5. **Securities Accounts**. Each Obligor irrevocably authorizes and directs each securities intermediary or other Person with which any securities account or similar investment property is maintained, if any, upon written instruction of the Agent (with a copy to the Borrower Agent), to dispose of such Collateral at the direction of the Agent and comply with the instructions originated by Agent without further consent of any Obligor. The Agent agrees with the Obligors that such instruction shall not be given by the Agent unless an Event of Default has occurred and is continuing.

7.4. Real Estate Collateral.

7.4.1. **Lien on Real Estate**. The Obligations shall also be secured by Mortgages upon all Real Estate owned by Obligors. The Mortgages shall be duly recorded, at Obligors' expense, in each office where such recording is required to constitute a fully perfected Lien on the Real Estate covered thereby. If any Obligor acquires Real Estate hereafter, Obligors shall, within 30 days, execute, deliver and record a Mortgage sufficient to create a first priority Lien in favor of Agent on such Real Estate, and shall deliver all Related Real Estate Documents.

7.4.2. **Collateral Assignment of Leases**. To further secure the prompt payment and performance of all Obligations, each Obligor hereby transfers and assigns to Agent, for the benefit of Secured Parties, all of such Obligor's right, title and interest in, to and under all now or hereafter existing leases of real Property to which such Obligor is a party, whether as lessor or lessee, and all extensions, renewals, modifications and proceeds thereof.

7.5. Other Collateral.

7.5.1. **Commercial Tort Claims**. Borrower Agent shall promptly notify Agent in writing if any Obligor has a Commercial Tort Claim (other than, as long as no Default or Event of Default exists, a Commercial Tort Claim for less than $100,000), shall promptly amend Schedule 9.1.16 to include such claim, and shall take such actions as Agent deems appropriate to subject such claim to a duly perfected, first priority Lien in favor of Agent (for the benefit of Secured Parties).

7.5.2. **Certain After-Acquired Collateral**. Borrower Agent shall promptly notify Agent in writing if, after the Closing Date, any Obligor obtains any interest in any Collateral consisting of Deposit Accounts, Chattel Paper, Documents, Instruments, Intellectual Property, Investment Property or Letter-of-Credit Rights and, upon Agent's request, shall promptly take such actions as Agent deems appropriate to effect Agent's duly perfected, first priority Lien upon such Collateral, including obtaining any appropriate possession, control agreement or Lien Waiver. If any Collateral is in the possession of a third party, at Agent's request, Obligors shall obtain an acknowledgment that such third party holds the Collateral for the benefit of Agent.

7.6. No Assumption of Liability. The Lien on Collateral granted hereunder is given as security only and shall not subject Agent or any Lender to, or in any way modify, any obligation or liability of Obligors relating to any Collateral.

7.7. Further Assurances. Promptly upon request, Obligors shall deliver such instruments, assignments, title certificates, or other documents or agreements, and shall take such actions, as Agent deems appropriate under Applicable Law to evidence or perfect its Lien on any Collateral, or otherwise to give effect to the intent of this Agreement. Each Obligor authorizes Agent to file any financing statement that indicates the Collateral as "all assets" or "all personal property" of such Obligor, or words to similar effect, and ratifies any action taken by Agent before the Closing Date to effect or perfect its Lien on any Collateral.

7.8. Foreign Subsidiary Stock. Notwithstanding **Section 7.1**, the Collateral shall include only 65% of the voting stock of any Foreign Subsidiary.

SECTION 8. COLLATERAL ADMINISTRATION

8.1. Borrowing Base Certificates. By the 15th day of each month**,** Borrower Agent shall deliver to Agent (and Agent shall promptly deliver same to Lenders), a Borrowing Base Certificate prepared as of the close of business of the previous month; provided that (i) during a Weekly Reporting Trigger Period, Borrower Agent shall deliver to Agent, a Borrowing Base Certificate by the third Business Day of each week, as of the prior week end and (ii) during a Daily Reporting Trigger Period,

Borrower Agent shall deliver to Agent, a Borrowing Base Certificate by 1:00 p.m. each Business Day, prepared as of the close of business of the prior Business Day, and at such other times as Agent may request. Borrower Agent may, at its discretion, provide a Borrowing Base Certificate prior to the date or time it is due and such certificate will update Availability whenever provided. All calculations of Availability in any Borrowing Base Certificate shall originally be made by Borrowers and certified by a Senior Officer of Borrower Agent, provided that Agent may adjust the Value of Accounts on a daily basis due to collections, credits or otherwise and may in the exercise of its Credit Judgment from time to time review and adjust any such calculation (a) to reflect its reasonable estimate of declines in value of any Collateral; (b) to adjust advance rates to reflect changes in dilution, quality, mix and other factors affecting Collateral; and (c) to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the Reserves.

8.2. Administration of Accounts.

8.2.1. **Records and Schedules of Accounts**. Each Borrower shall keep accurate and complete records of its Accounts, including all payments and collections thereon, and shall submit to Agent sales, collection, reconciliation and other reports in form satisfactory to Agent, on such periodic basis as Agent may request. Each Borrower shall also provide to Agent, on or before the 15th day of each month, a detailed aged trial balance of all Accounts as of the end of the preceding month, specifying each Account's Account Debtor name, amount and invoice date, showing any credit, authorized return or dispute, and, upon Agent's request, such proof of delivery, copies of invoices and invoice registers, copies of related documents, repayment histories, status reports and other information as Agent may reasonably request. If an Account in an aggregate face amount of $100,000 or more ceases to be an Eligible Account, Borrower Agent shall notify Agent of such occurrence promptly (and in any event within one Business Day) after any Borrower has knowledge thereof.

8.2.2. **Taxes**. If an Account of any Borrower includes a charge for any Taxes, Agent is authorized, in its discretion, to pay the amount thereof to the proper taxing authority for the account of such Borrower and to charge Borrowers therefor; provided, however, that neither Agent nor Lenders shall be liable for any Taxes that may be due from Borrowers or with respect to any Collateral.

8.2.3. **Account Verification**. Whether or not a Default or Event of Default exists, Agent shall have the right at any time, in the name of Agent, any designee of Agent or any Borrower, to verify the validity, amount or any other matter relating to any Accounts of Borrowers by mail, telephone or otherwise; provided, however, that so long as no Default or Event of Default exists, except for verifications made by mail in the name of a Person other than Agent, any such verification shall be in the name of the applicable Borrower with the participation of an employee of the Borrower Agent. Borrowers shall cooperate fully with Agent in an effort to facilitate and promptly conclude any such verification process.

8.2.4. **Maintenance of Dominion Account**. Borrowers shall maintain Dominion Accounts pursuant to lockbox or other arrangements acceptable to Agent. Borrowers shall obtain an agreement (in form and substance satisfactory to Agent) from each lockbox servicer and Dominion Account bank, establishing Agent's control over and Lien in the lockbox or Dominion Account, requiring immediate deposit of all remittances received in the lockbox to a Dominion Account, and waiving offset rights of such servicer or bank, except for customary administrative charges. If a Dominion Account is not maintained with Bank of America, Agent may require immediate transfer of all funds in such account to a Dominion Account maintained with Bank of America. Agent and Lenders assume no responsibility to Borrowers for any lockbox arrangement or Dominion Account, including any claim of accord and satisfaction or release with respect to any Payment Items accepted by any bank.

8.2.5. **Proceeds of Collateral**. Borrowers shall request in writing and otherwise take all necessary steps to ensure that all payments on Accounts or otherwise relating to Collateral are made directly to a Dominion Account (or a lockbox relating to a Dominion Account). If any Borrower or Subsidiary receives cash or Payment Items with respect to any Collateral, it shall hold same in trust for Agent and promptly, in the Ordinary Course of Business consistent with past practice not to exceed three Business Days, deposit same into a Dominion Account.

8.3. Administration of Inventory.

8.3.1. **Records and Reports of Inventory**. Each Borrower shall keep accurate and complete records of its Inventory, including costs, and shall submit to Agent inventory and reconciliation reports in form satisfactory to Agent, on such periodic basis as Agent may reasonably request. Commencing for the month ended October 31, 2011, each Borrower shall conduct a physical inventory (i) with respect to inventory not maintained on a perpetual inventory system, at least once per calendar month (and on a more frequent basis if requested by Agent during the occurrence and continuance of an Event of Default) consistent with past practices, and (ii) with respect to inventory maintained on a current perpetual inventory system, at least once per Fiscal Year (and on a more frequent basis if requested by Agent during the occurrence and continuance of an Event of Default), and in each case, upon request, shall provide to Agent a report based on each such inventory and count promptly upon completion thereof, together with such supporting information as Agent may request. Agent may participate in and observe any physical count upon reasonable notice.

8.3.2. **Returns of Inventory**. No Borrower shall return any Inventory to a supplier, vendor or other Person, whether for cash, credit or otherwise, unless (a) such return is in the Ordinary Course of Business; (b) no Default, Event of Default or Overadvance exists or would result therefrom; (c) Agent is promptly notified if the aggregate Value of all Inventory returned in any month exceeds $100,000; and (d) any payment received by a Borrower for a return is promptly remitted to Agent for application to the Obligations.

8.3.3. **Acquisition, Sale and Maintenance**. No Borrower shall acquire or accept any Inventory on consignment or approval. No Borrower shall sell any Inventory on consignment or approval or any other basis under which the customer may return or require a Borrower to repurchase such Inventory. Borrowers shall use, store and maintain all Inventory with reasonable care and caution, in accordance with applicable standards of any insurance and in conformity with all Applicable Law, and shall make current rent payments (within applicable grace periods provided for in leases) at all locations where any Collateral is located, unless a good faith dispute exists with the landlord that is being Properly Contested.

8.4. Administration of Equipment.

8.4.1. **Records and Schedules of Equipment**. Each Borrower shall keep accurate and complete records of its Equipment, including kind, quantity, cost, acquisitions and dispositions thereof, and shall submit to Agent, on such periodic basis as Agent may request, a current schedule thereof, in form satisfactory to Agent. Promptly upon request, Borrowers shall deliver to Agent evidence of their ownership or interests in any Equipment.

8.4.2. **Dispositions of Equipment**. No Borrower shall sell, lease or otherwise dispose of any Equipment, without the prior written consent of Agent, other than (a) a Permitted

Asset Disposition; (b) replacement of Equipment that is worn, damaged or obsolete with Equipment of like function, if the replacement Equipment is acquired substantially contemporaneously with such disposition and is free of Liens (other than Permitted Liens); (c) sales of Equipment leased by Borrowers at the end of the applicable lease term; and (d) transfers of Equipment between Borrowers.

8.4.3. **Condition of Equipment**. The Equipment shall be maintained in the Ordinary Course of Business, consistent with past practice.

8.5. Administration of Deposit Accounts. **Schedule 8.5** sets forth all Deposit Accounts maintained by Obligors, including all Dominion Accounts. Each Obligor shall take all actions necessary to establish Agent's control of each such Deposit Account (other than (a) an account exclusively used for payroll, payroll taxes or employee benefits, or (b) an account containing not more that $75,000 (or $150,000 in the aggregate for all such accounts) at any time (each of the accounts described in this clause (b), an "**Excluded Deposit Account**"); provided that all amounts in Excluded Deposit Accounts shall be held in trust for Agent and whenever balances on deposit in an Excluded Deposit Account exceed $20,000, all amounts then on deposit in such Excluded Deposit Account shall promptly but within 2 Business Days thereof be deposited into or transferred to a Deposit Account that is subject to a Deposit Account Control Agreement). Each Obligor shall be the sole account holder of each Deposit Account and shall not allow any other Person (other than Agent) to have control over a Deposit Account or any Property deposited therein. Each Obligor shall promptly notify Agent of any opening or closing of a Deposit Account and, with the consent of Agent, will amend **Schedule 8.5** to reflect same.

8.6. General Provisions.

8.6.1. **Location of Collateral**. All tangible items of Collateral, other than Inventory in transit, shall at all times be kept by Obligors at one or more of the business locations set forth in **Schedule 8.6.1**, except that Obligors may (a) make sales or other dispositions of Collateral in accordance with **Section 10.2.6**; and (b) move Collateral to another location in the United States, upon 30 Business Days written notice to Agent.

8.6.2. **Insurance of Collateral; Condemnation Proceeds**.

(a) Each Obligor shall maintain insurance with respect to the Collateral, covering casualty, hazard, theft, malicious mischief, flood and other risks, in amounts, with endorsements and with insurers (with a Best's Financial Strength Rating of at least A– VII, unless otherwise approved by Agent) satisfactory to Agent. All proceeds under each policy shall be payable to Agent. From time to time upon request, Obligors shall deliver to Agent the originals or certified copies of its insurance policies and updated flood plain searches. Unless Agent shall agree otherwise, each policy shall include satisfactory endorsements (i) showing Agent as loss payee; (ii) requiring 30 days prior written notice to Agent in the event of cancellation of the policy for any reason whatsoever; and (iii) specifying that the interest of Agent shall not be impaired or invalidated by any act or neglect of any Obligor or the owner of the Property, nor by the occupation of the premises for purposes more hazardous than are permitted by the policy. If any Obligor fails to provide and pay for any insurance, Agent may, at its option, but shall not be required to, procure the insurance and charge Obligors therefor. While no Event of Default exists, Obligors may settle, adjust or compromise any insurance claim, as long as the proceeds are delivered to Agent. If an Event of Default has occurred and is continuing, only Agent shall be authorized to settle, adjust and compromise such claims.

(b) Any proceeds of insurance (other than proceeds from workers' compensation or D&O insurance) and any awards arising from condemnation of any Collateral shall be paid to Agent. Any such proceeds or awards that relate to Inventory shall be applied to payment of the Revolver Loans, and then to any other Obligations outstanding. Subject to clause (c) below, any proceeds or awards that relate to Equipment or Real Estate shall be applied first to Revolver Loans and then to other Obligations.

(c) If requested by Borrower Agent in writing within 10 days after Agent's receipt of any insurance proceeds or condemnation awards relating to any loss or destruction of Equipment or Real Estate, Obligors may use such proceeds or awards to repair or replace such Equipment or Real Estate (and until so used, the proceeds shall be held by Agent as Cash Collateral for the Obligations or, at Agent's discretion, applied to the Obligations and a Reserve established against the Borrowing Base for the cost of repair or replacement) as long as (i) no Default or Event of Default exists; (ii) such repair or replacement is promptly undertaken and concluded, in accordance with plans satisfactory to Agent; (iii) replacement buildings are constructed on the sites of the original casualties and are of comparable size, quality and utility to the destroyed buildings; (iv) the repaired or replaced Property is free of Liens, other than Permitted Liens; (v) Obligors comply with disbursement procedures for such repair or replacement as Agent may reasonably require; and (vi) the aggregate amount of such proceeds or awards from any single casualty or condemnation does not exceed $1,000,000.

8.6.3. **Protection of Collateral**. All expenses of protecting, storing, warehousing, insuring, handling, maintaining and shipping any Collateral, all Taxes payable with respect to any Collateral (including any sale thereof), and all other payments required to be made by Agent to any Person to realize upon any Collateral, shall be borne and paid by Obligors. Agent shall not be liable or responsible in any way for the safekeeping of any Collateral, for any loss or damage thereto (except for reasonable care in its custody while Collateral is in Agent's actual possession), for any diminution in the value thereof, or for any act or default of any warehouseman, carrier, forwarding agency or other Person whatsoever, but the same shall be at Obligors' sole risk.

8.6.4. **Defense of Title to Collateral**. Each Obligor shall at all times defend its title to Collateral and Agent's Liens therein against all Persons, claims and demands whatsoever, except Permitted Liens.

8.7. Power of Attorney. Each Obligor hereby irrevocably constitutes and appoints Agent (and all Persons designated by Agent) as such Obligor's true and lawful attorney (and agent-in-fact) for the purposes provided in this Section. Agent, or Agent's designee, may, without notice and in either its or a Obligor's name, but at the cost and expense of Obligors:

(a) Endorse an Obligor's name on any Payment Item or other proceeds of Collateral (including proceeds of insurance) that come into Agent's possession or control; and

(b) During an Event of Default, (i) notify any Account Debtors of the assignment of their Accounts, demand and enforce payment of Accounts by legal proceedings or otherwise, and generally exercise any rights and remedies with respect to Accounts; (ii) settle, adjust, modify, compromise, discharge or release any Accounts or other Collateral, or any legal proceedings brought to collect Accounts or Collateral; (iii) sell or assign any Accounts and other Collateral upon such terms, for such amounts and at such times as Agent deems advisable; (iv) collect, liquidate and receive balances in Deposit Accounts or investment accounts, and take control, in any manner, of proceeds of Collateral; (v) prepare, file and sign an Obligor's name to a proof of claim or other document in a bankruptcy of an Account Debtor, or to any notice, assignment or satisfaction of Lien or similar document; (vi) receive, open and dispose of mail addressed to an Obligor, and notify postal authorities to deliver any such mail to an address designated by Agent; (vii) endorse any Chattel Paper, Document, Instrument, bill of lading, or other document or agreement relating to any Accounts, Inventory or other Collateral; (viii) use an Obligor's stationery and sign its name to verifications of Accounts and notices to Account Debtors; (ix) use information contained in any data processing, electronic or information systems relating to Collateral; (x) make and adjust claims under insurance policies; (xi) take any action as may be necessary or

appropriate to obtain payment under any letter of credit, banker's acceptance or other instrument for which an Obligor is a beneficiary; and (xii) take all other actions as Agent deems appropriate to fulfill any Obligor's obligations under the Loan Documents.

SECTION 9. REPRESENTATIONS AND WARRANTIES

9.1. General Representations and Warranties. To induce Agent and Lenders to enter into this Agreement and to make available the Commitments, Loans and Letters of Credit, each Obligor represents and warrants that:

9.1.1. **Organization and Qualification**. Each Obligor and Subsidiary is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Each Obligor and Subsidiary is duly qualified, authorized to do business and in good standing as a foreign corporation or other applicable entity in each jurisdiction where failure to be so qualified could reasonably be expected to have a Material Adverse Effect.

9.1.2. **Power and Authority**. Each Obligor is duly authorized to execute, deliver and perform the Loan Documents to which it is a party. The execution, delivery and performance of the Loan Documents have been duly authorized by all necessary action, and do not (a) require any consent or approval of any holders of Equity Interests of any Obligor, other than those already obtained; (b) contravene the Organic Documents of any Obligor; (c) violate or cause a default under any Applicable Law or Material Contract; or (d) result in or require the imposition of any Lien (other than Permitted Liens) on any Property of any Obligor.

9.1.3. **Enforceability**. Each Loan Document is a legal, valid and binding obligation of each Obligor party thereto, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general equitable principles relating to enforceability.

9.1.4. **Capital Structure**. **Schedule 9.1.4** shows, for each Obligor and Subsidiary, its name, its jurisdiction of organization, its authorized and issued Equity Interests, the holders of its Equity Interests, and all agreements binding on such holders with respect to their Equity Interests. Except as disclosed on **Schedule 9.1.4**, in the five years preceding the Closing Date, no Obligor or Subsidiary has acquired any substantial assets from any other Person nor been the surviving entity in a merger or combination. Each Obligor has good title to its Equity Interests in its Subsidiaries, subject only to Agent's Lien, and all such Equity Interests are duly issued, fully paid and non-assessable. There are no outstanding purchase options, warrants, subscription rights, agreements to issue or sell, convertible interests, phantom rights or powers of attorney relating to Equity Interests of any Obligor or Subsidiary.

9.1.5. **Title to Properties; Priority of Liens**. Each Obligor and Subsidiary has good and marketable title to (or valid leasehold interests in) all of its Real Estate, and good title to all of its personal Property, including all Property reflected in any financial statements delivered to Agent or Lenders, in each case free of Liens except Permitted Liens. Each Obligor and Subsidiary has paid and discharged all lawful claims that, if unpaid, could become a Lien on its Properties, other than Permitted Liens. All Liens of Agent in the Collateral are duly perfected, first priority Liens, subject only to Permitted Liens and, in the case of Accounts and Inventory, subject only to Permitted Liens that are expressly allowed to have priority over Agent's Liens; provided that, except to the extent requested by Agent pursuant to **Section 10.2.22**, no Obligor shall be required to record the Lender's lien on the certificate of title with respect to any motor vehicles, trailers, mobile homes, manufactured homes, boats or rolling stock that constitute Collateral.

9.1.6. **Accounts**. Agent may rely, in determining which Accounts are Eligible Accounts, on all statements and representations made by Borrowers with respect thereto. Borrowers warrant, with respect to each Account at the time it is shown as an Eligible Account in a Borrowing Base Certificate, that:

(a) it is genuine and in all material respects what it purports to be, and is not evidenced by a judgment;

(b) it arises out of a completed, *bona fide* sale and delivery of goods or rendition of services in the Ordinary Course of Business, and substantially in accordance with any purchase order, contract or other document relating thereto;

(c) it is for a sum certain, maturing as stated in the invoice covering such sale or rendition of services, a copy of which has been furnished or is available to Agent on request;

(d) it is not subject to any offset, Lien (other than Agent's Lien), deduction, defense, dispute, counterclaim or other adverse condition except as arising in the Ordinary Course of Business and properly reflected in a Borrowing Base Certificate; and it is absolutely owing by the Account Debtor, without contingency in any respect;

(e) no purchase order, agreement, document or Applicable Law restricts assignment of the Account to Agent (regardless of whether, under the UCC, the restriction is ineffective), and the applicable Borrower is the sole payee or remittance party shown on the invoice;

(f) no extension, compromise, settlement, modification, credit, deduction or return has been authorized with respect to the Account, except discounts or allowances granted in the Ordinary Course of Business for prompt payment that are reflected on the face of the invoice related thereto and in the reports submitted to Agent hereunder; and

(g) to the best of Borrowers' knowledge, without inquiry (except, as applicable, consistent with past practices), (i) there are no facts or circumstances that are reasonably likely to impair the enforceability or collectibility of such Account; (ii) the Account Debtor had the capacity to contract when the Account arose, continues to meet the applicable Borrower's customary credit standards, is Solvent, is not contemplating or subject to an Insolvency Proceeding, and has not failed, or suspended or ceased doing business; and (iii) there are no proceedings or actions threatened or pending against any Account Debtor that could reasonably be expected to have a material adverse effect on the Account Debtor's financial condition.

9.1.7. **Financial Statements**. The consolidated balance sheets, and related statements of income, cash flow and shareholder's equity, of Parent, the Companies and their Subsidiaries that have been and are hereafter delivered to Agent and Lenders, are prepared in accordance with GAAP, and fairly present in all material respects the financial positions and results of operations of Parent, the Companies and their Subsidiaries at the dates and for the periods indicated. All projections delivered from time to time to Agent and Lenders have been prepared in good faith, based on reasonable assumptions in light of the circumstances at such time, and reflect reasonable forecasts as to Parent and its Subsidiaries future operations and financial performance, it being recognized that projections as to future events are not to be viewed as facts and that actual results may differ materially from the projected results. Since December 31, 2010, there has been no change in the condition, financial or otherwise, of any Obligor or Subsidiary that could reasonably be expected to have a Material Adverse Effect. No financial statement delivered to Agent or Lenders at any time contains any untrue statement of a material fact, nor fails to disclose any material fact necessary to make such statement not materially misleading. Parent, the Borrowers and Subsidiaries, taken as a whole, are Solvent.

9.1.8. **Surety Obligations**. Except set forth on **Schedule 9.1.8**, no Obligor or Subsidiary is obligated as principal or indemnitor under any bond or other contract that assures payment or performance of any obligation of any Person, except as permitted hereunder pursuant to **Section 10.2.2(e)**.

9.1.9. **Taxes**. Each Obligor and Subsidiary has filed all federal, state and local tax returns and other reports that it is required by law to file, and has paid, or made provision for the payment of, all Taxes upon it, its income and its Properties that are due and payable, except to the extent being Properly Contested. The provision for Taxes on the books of each Obligor and Subsidiary is adequate for all years not closed by applicable statutes, and for its current Fiscal Year.

9.1.10. **Brokers**. Except as set forth on **Schedule 9.1.10**, there are no brokerage commissions, finder's fees or investment banking fees payable in connection with any transactions contemplated by the Loan Documents.

9.1.11. **Intellectual Property**. Each Obligor and Subsidiary owns or has the lawful right to use all Intellectual Property necessary for the conduct of its business, without conflict with any rights of others, except to the extent where such conflict could not reasonably be expected to have a Material Adverse Effect. There is no pending or, to any Obligor's knowledge, threatened Intellectual Property Claim with respect to any Obligor, any Subsidiary or any of their Property (including any Intellectual Property). Except as disclosed on **Schedule 9.1.11**, no Obligor or Subsidiary pays or owes any Royalty or other compensation to any Person with respect to any Intellectual Property. All Intellectual Property owned, used or licensed by, or otherwise subject to any interests of, any Obligor or Subsidiary is shown on **Schedule 9.1.11**.

9.1.12. **Governmental Approvals**. Each Obligor and Subsidiary has, is in compliance with, and is in good standing with respect to, all Governmental Approvals necessary to conduct its business and to own, lease and operate its Properties. All necessary import, export or other licenses, permits or certificates for the import or handling of any goods or other Collateral have been procured and are in effect, and Obligors and Subsidiaries have complied with all foreign and domestic laws with respect to the shipment and importation of any goods or Collateral, except where noncompliance could not reasonably be expected to have a Material Adverse Effect.

9.1.13. **Compliance with Laws**. Each Obligor and Subsidiary has duly complied, and its Properties and business operations are in compliance, in all material respects with all Applicable Law, except where noncompliance could not reasonably be expected to have a Material Adverse Effect. There have been no citations, notices or orders of noncompliance issued to any Obligor or Subsidiary under any Applicable Law, except as could not reasonably be expected to have a Material Adverse Effect. No Inventory has been produced by any Obligor in violation of the FLSA.

9.1.14. **Compliance with Environmental Laws**. Except as disclosed on **Schedule 9.1.14**, no Obligor's or Subsidiary's past or present operations, Real Estate or other Properties are subject to any federal, state or local investigation to determine whether any remedial action is needed to address any environmental pollution, hazardous material or environmental clean-up except as could not reasonably be expected to have a Material Adverse Effect. No Obligor or Subsidiary has received any Environmental Notice. No Obligor or Subsidiary has any contingent liability with respect to any Environmental Release, environmental pollution or hazardous material on any Real Estate now or previously owned, leased or operated by it that could reasonably be expected to have a Material Adverse Effect.

9.1.15. **Burdensome Contracts**. No Obligor or Subsidiary is a party or subject to any contract, agreement or charter restriction that could reasonably be expected to have a Material Adverse Effect. No Obligor or Subsidiary is party or subject to any Restrictive Agreement, except as shown on **Schedule 9.1.15**. No such Restrictive Agreement prohibits the execution, delivery or performance of any Loan Document by an Obligor except to the extent a consent or other agreement satisfactory to Agent has been obtained.

9.1.16. **Litigation**. Except as shown on **Schedule 9.1.16**, there are no proceedings or investigations pending or, to any Obligor's knowledge, threatened against any Obligor or Subsidiary, or any of their businesses, operations, Properties, prospects or conditions, that (a) relate to any Loan Documents or transactions contemplated thereby; or (b) could reasonably be expected to have a Material Adverse Effect. Each of the claims set forth on **Schedule 9.1.16** arose in the Ordinary Course of Business and, to the Obligors' knowledge, none of the claims set forth on such Schedule that are not covered by insurance could reasonably be expected to have a Material Adverse Effect. Except as shown on such Schedule, as of the Closing Date, no Obligor has a Commercial Tort Claim (other than, as long as no Default or Event of Default exists, a Commercial Tort Claim for less than $100,000). No Obligor or Subsidiary is in default with respect to any material order, injunction or judgment of any Governmental Authority.

9.1.17. **No Defaults**. No event or circumstance exists that constitutes a Default or Event of Default. No Obligor or Subsidiary is in default, and no event or circumstance exists that with the passage of time or giving of notice would constitute a default, under any Material Contract or in the payment of any Borrowed Money in excess of $500,000. There is no basis upon which any party (other than a Obligor or Subsidiary) could terminate a Material Contract prior to its scheduled termination date.

9.1.18. **ERISA**. Except as disclosed on **Schedule 9.1.18**:

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code, and other Applicable Law. Each Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination or opinion letter from the IRS or an application for such a letter is currently being processed by the IRS with respect thereto and, to the knowledge of Obligors, nothing has occurred which would prevent, or cause the loss of, such qualification. Each Obligor and ERISA Affiliate has met all applicable requirements under the Pension Funding Rules, and no application for a funding waiver of the minimum funding standards under the Pension Funding Rules has been made with respect to any Plan, for the current or five immediately preceding plan years.

(b) There are no pending or, to the knowledge of Obligors, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted in or could reasonably be expected to have a Material Adverse Effect.

(c) (i) No ERISA Event has occurred or is reasonably expected to occur; (ii) no Pension Plan has any Unfunded Pension Liability; (iii) no Obligor or ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Pension Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (iv) no Obligor or ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Section 4201 or 4243 of ERISA with respect to a Multiemployer Plan; and (v) no Obligor or ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or 4212(c) of ERISA.

(d) With respect to any Foreign Plan, (i) all employer and employee contributions required by law or by the terms of the Foreign Plan have been made, or, if applicable, accrued, in accordance with normal accounting practices; (ii) the fair market value of the assets of each funded Foreign Plan, the liability of each insurer for any Foreign Plan funded through insurance, or the book reserve established for any Foreign Plan, together with any accrued contributions, is sufficient to procure or provide for the accrued benefit obligations with respect to all current and former participants in such Foreign Plan according to the actuarial assumptions and valuations most recently used to account for such obligations in accordance with applicable generally accepted accounting principles; and (iii) it has been registered as required and has been maintained in good standing with applicable regulatory authorities.

9.1.19. **Trade Relations**. There exists no actual or threatened termination, limitation or modification of any business relationship between any Obligor or Subsidiary and any customer or supplier, or any group of customers or suppliers, who individually or in the aggregate are material to the business of such Obligor or Subsidiary, except where such termination, limitation or modification could not reasonably be expected to have a Material Adverse Effect. To the Obligors' knowledge, there exists no condition or circumstance that could reasonably be expected to materially impair the ability of any Obligor or Subsidiary to conduct its business at any time hereafter in substantially the same manner as conducted on the Closing Date.

9.1.20. **Labor Relations**. Except as described on **Schedule 9.1.20**, no Obligor or Subsidiary is party to or bound by any collective bargaining agreement, management agreement or material consulting agreement (excluding for accounting, legal or other similar professional services). There are no material grievances, disputes or controversies with any union or other organization of any Obligor's or Subsidiary's employees, or, to any Obligor's knowledge, any asserted or threatened strikes, work stoppages or demands for collective bargaining.

9.1.21. **Payable Practices**. No Obligor or Subsidiary has made any material change in its historical accounts payable practices from those in effect on the Closing Date other than to return to Obligors' past customary payables practices.

9.1.22. **Not a Regulated Entity**. No Obligor is (a) an "investment company" or a "person directly or indirectly controlled by or acting on behalf of an investment company" within the meaning of the Investment Company Act of 1940; or (b) subject to regulation under the Federal Power Act, the Interstate Commerce Act, any public utilities code or any other Applicable Law regarding its authority to incur Debt.

9.1.23. **Margin Stock**. No Obligor or Subsidiary is engaged, principally or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No Loan proceeds or Letters of Credit will be used by Obligors to purchase or carry, or to reduce or refinance any Debt incurred to purchase or carry, any Margin Stock or for any related purpose governed by Regulations T, U or X of the Board of Governors.

9.2. Complete Disclosure. No Loan Document contains any untrue statement of a material fact, nor fails to disclose any material fact necessary to make the statements contained therein not materially misleading. There is no fact or circumstance that any Obligor has failed to disclose to Agent in writing that could reasonably be expected to have a Material Adverse Effect.

SECTION 10. COVENANTS AND CONTINUING AGREEMENTS

10.1. Affirmative Covenants. As long as any Commitments or Obligations are outstanding, each Obligor shall, and shall cause each Subsidiary to:

10.1.1. **Inspections; Appraisals**.

(a) Permit Agent from time to time, subject (except when a Default or Event of Default exists) to reasonable notice and normal business hours, to visit and inspect the Properties of any Obligor or Subsidiary, inspect, audit and make extracts from any Obligor's or Subsidiary's books and records, and discuss with its officers, employees, agents, advisors and independent accountants such Obligor's or Subsidiary's business, financial condition, assets, prospects and results of operations. Lenders may participate in any such visit or inspection, at their own expense; provided that, so long as no Default or Event of Default has occurred and is continuing, (i) Borrower Agent shall be notified in advance of and shall have the right to participate in discussions with the advisors and independent accountants; and (ii) such visits and inspections shall occur no more frequently than once each Fiscal Quarter other than a Field Exam in connection with a Permitted Acquisition. Neither Agent nor any Lender shall have any duty to any Obligor to make any inspection, nor to share any results of any inspection, appraisal or report with any Obligor. Obligors acknowledge that all inspections, appraisals and reports are prepared by Agent and Lenders for their purposes, and Obligors shall not be entitled to rely upon them.

(b) Reimburse Agent for all charges, costs and reasonable out of pocket expenses of Agent in connection with (i) Field Exams of any Obligor's books and records or any other financial or Collateral matters as Agent deems appropriate, up to four times per Loan Year; and (ii) appraisals of Inventory up to three times per Loan Year; provided, however, that if an examination or appraisal is initiated during a Default or Event of Default (or solely with respect to Accounts or Inventory acquired in an Acquisition), such examination or appraisal shall not count towards such limits and all charges, costs and expenses therefor shall be reimbursed by Obligors without regard to such limits. Obligors agree to pay Agent's then standard charges for examination activities, including the standard charges of Agent's internal examination and appraisal groups, as well as the charges of any third party used for such purposes.

10.1.2. **Financial and Other Information**. Keep adequate records and books of account with respect to its business activities, in which proper entries are made in accordance with GAAP reflecting all financial transactions; and furnish to Agent and Lenders:

(a) as soon as available, and in any event within 120 days after the close of each Fiscal Year, balance sheets as of the end of such Fiscal Year and the related statements of income or operations, cash flow and shareholders' equity for such Fiscal Year, on a consolidated basis for Parent and its Subsidiaries, which consolidated statements shall be audited and certified (without qualification) by a firm of independent certified public accountants of recognized standing selected by Obligors and acceptable to Agent, and, except for the Fiscal Year ended December 31, 2011, shall set forth in comparative form corresponding figures for the preceding Fiscal Year and other information acceptable to Agent;

(b) as soon as available, and in any event within 30 days after the end of each month (but within 60 days after the last month in a Fiscal Year), unaudited balance sheets as of the end of such month and the related statements of income or operations and cash flow for such month and for the portion of the Fiscal Year then elapsed, on a consolidated basis for Parent and its Subsidiaries, setting forth in comparative form corresponding figures for the preceding Fiscal Year and certified by a Senior Officer of Borrower Agent as prepared in accordance with GAAP and fairly presenting in all material respects the financial position and results of operations for such month and period, subject to normal year-end adjustments and the absence of footnotes;

(c) a Compliance Certificate executed by a Senior Officer of Borrower Agent, which provides a reasonably detailed calculation of the Fixed Charge Coverage Ratio and which, as of the end of each Fiscal Month which is also the end of a Fiscal Quarter, also provides a reasonably detailed calculation of EBITDA for purposes of determining the Applicable Margin for the applicable Measurement Period, delivered (i) concurrently with delivery of financial statements under clause (a) and (b) above, whether or not a Fixed Charge Trigger Period then exists, (ii) on the first day of any Fixed Charge Trigger Period (certifying compliance as of the last day of the Measurement Period most recently ended prior to the start of such Fixed Charge Trigger Period) and for which the required financing statements have been delivered to Agent and (iii) as requested by Agent while an Event of Default exists;

(d) concurrently with delivery of financial statements under clause (a) above, copies of all management letters and other material reports submitted to Obligors by their accountants in connection with such financial statements;

(e) not later than 30 days after the end of each Fiscal Year, projections of Parent and its Subsidiaries' consolidated balance sheets, results of operations, cash flow and Availability for the next Fiscal Year, month by month;

(f) promptly at Agent's request, (i) a listing of each Borrower's trade payables, specifying the trade creditor and balance due, and a detailed trade payable aging, (ii) a report as to transactions with and services provided to Affiliates and Suburban along with amounts due therefrom and (iii) a list of the holders of Equity Interests of the Parent as of the date of such request, all in form satisfactory to Agent and;

(g) promptly after the sending or filing thereof, copies of any proxy statements, financial statements or reports that any Obligor has made generally available to its shareholders; copies of any regular, periodic and special reports or registration statements or prospectuses that any Obligor files with the Securities and Exchange Commission or any other Governmental Authority, or any securities exchange; and copies of any press releases or other statements made available by an Obligor to the public concerning material changes to or developments in the business of such Obligor;

(h) promptly upon the Agent's request, copies of any annual report to be filed in connection with each Plan or Foreign Plan; and

(i) such other reports and information (financial or otherwise) as Agent may request from time to time in connection with any Collateral or any Obligor's, Subsidiary's or other Obligor's financial condition or business.

10.1.3. **Notices**. Notify Agent and Lenders in writing, promptly after an Obligor's obtaining knowledge thereof, of any of the following that affects an Obligor: (a) the threat or commencement of any proceeding or investigation, whether or not covered by insurance, if an adverse determination could reasonably be expected to have a Material Adverse Effect; (b) any pending or threatened labor dispute, strike or walkout, or the expiration of any material labor contract; (c) any default under or termination of a Material Contract (other than an expiration in accordance with its terms); (d) the existence of any Default or Event of Default; (e) any judgment in an amount exceeding $100,000; (f) the assertion of any Intellectual Property Claim, if an adverse resolution could have a Material Adverse Effect; (g) any violation or asserted violation of any Applicable Law (including ERISA, OSHA, FLSA, or any Environmental Laws), if an adverse resolution could have a Material Adverse Effect; (h) any Environmental Release by an Obligor or on

any Property owned, leased or occupied by an Obligor; or receipt of any Environmental Notice; (i) the occurrence of any ERISA Event; (j) the discharge of or any withdrawal or resignation by Obligors' independent accountants; (k) any opening of a new office or place of business, within 30 days after such opening; (l) the receipt by any Obligor of a Put Notice or Drag-Along Notice (as those terms are defined in the Stockholder Agreement); or the occurrence or existence of a Redemption Default, a Put Default or a Board Take Over Event (as those terms are defined in the Stockholder Agreement).

10.1.4. **Landlord and Storage Agreements**. Upon request, provide Agent with copies of all existing agreements, and promptly after execution thereof provide Agent with copies of all future agreements, between an Obligor and any landlord, warehouseman, processor, shipper, bailee or other Person that owns any premises at which any Collateral may be kept or that otherwise may possess or handle any Collateral.

10.1.5. **Compliance with Laws**. Comply with all Applicable Laws, including ERISA, Environmental Laws, FLSA, OSHA, Anti-Terrorism Laws, and laws regarding collection and payment of Taxes, and maintain all Governmental Approvals necessary to the ownership of its Properties or conduct of its business, unless failure to comply (other than failure to comply with Anti-Terrorism Laws) or maintain could not reasonably be expected to have a Material Adverse Effect. Without limiting the generality of the foregoing, if any Environmental Release occurs at or on any Properties of any Obligor or Subsidiary, it shall act promptly and diligently to investigate and report to Agent and all appropriate Governmental Authorities the extent of, and to make appropriate remedial action to eliminate, such Environmental Release, whether or not directed to do so by any Governmental Authority, other than non-material Environmental Releases occurring in the Ordinary Course of Business and in material compliance with Environmental Laws.

10.1.6. **Taxes**. Pay and discharge all Taxes prior to the date on which they become delinquent or penalties attach, unless such Taxes are being Properly Contested.

10.1.7. **Insurance**. In addition to the insurance required hereunder with respect to Collateral, maintain insurance with insurers (with a Best Rating of at least A7, unless otherwise approved by Agent) satisfactory to Agent, (a) with respect to the Properties and business of Obligors and Subsidiaries of such type (including product liability, workers' compensation, larceny, embezzlement, or other criminal misappropriation insurance), in such amounts, and with such coverages and deductibles as are customary for companies similarly situated; and (b) business interruption insurance in an amount that is reasonably acceptable to Agent and reasonable and customary for businesses of this type and size, with deductibles and subject to an lender's loss payee endorsement satisfactory to Agent.

10.1.8. **Licenses**. Keep each License affecting any material Collateral (including the manufacture, distribution or disposition of Inventory) or any other material Property of Obligors and Subsidiaries in full force and effect; promptly notify Agent of any proposed modification to any such License, or entry into any new material License, in each case at least 30 days prior to its effective date (or such shorter period as Agent may allow); pay all Royalties when due; and notify Agent of any default or breach asserted by any Person to have occurred under any material License.

10.1.9. **Future Subsidiaries**. Promptly notify Agent upon any Person becoming a Subsidiary and, if such Person is not a Foreign Subsidiary, cause it to become a Borrower (if wholly owned and having Borrowing Base assets) or Guarantor hereunder in a manner satisfactory to Agent, and to execute and deliver such documents, instruments and agreements and to take such other actions as Agent shall require to evidence and perfect a Lien in favor of Agent (for the benefit of Secured Parties) on all assets of such Person, including delivery of such legal opinions, in form and substance satisfactory to Agent, as it shall deem appropriate.

10.1.10. **Depository Bank**. Establish, within 90 days of the Closing Date, and thereafter maintain, Bank of America as the principal depository bank used by the Obligors and their Subsidiaries, including for the maintenance of all operating, collection, disbursement and other deposit accounts and for all Cash Management Services.

10.2. Negative Covenants. As long as any Commitments or Obligations are outstanding, each Obligor shall not, and shall cause each Subsidiary not to:

10.2.1. **Permitted Debt**. Create, incur, guarantee or suffer to exist any Debt, except:

(a) the Obligations;

(b) Subordinated Debt, provided that Sponsor Subordinated Debt shall not exceed $10,000,000 at any one time outstanding;

(c) Permitted Purchase Money Debt (including Capital Leases not to exceed $10,000,000 at any time);

(d) Borrowed Money (other than the Obligations, Subordinated Debt and Permitted Purchase Money Debt), but only to the extent outstanding on the Closing Date and not satisfied with proceeds of the initial Loans and disclosed on **Schedule 10.2.1**;

(e) Bank Product Debt;

(f) Debt that is in existence when a Person becomes a Subsidiary or that is secured by an asset when acquired by an Obligor or Subsidiary, as long as such Debt was not incurred in contemplation of such Person becoming a Subsidiary or such acquisition, and does not exceed $500,000 in the aggregate at any time;

(g) Permitted Contingent Obligations;

(h) Refinancing Debt as long as each Refinancing Condition is satisfied;

(i) other Debt existing as of the date hereof and disclosed on **Schedule 10.2.1**;

(j) Debt incurred in connection with the financing of insurance premiums;

(k) intercompany Debt permitted under **Sections 10.2.5** and **10.2.7**;

(l) Debt incurred in respect of any purchase price adjustment, earn-out provision, noncompetition or consulting agreement or deferred compensation agreement owing to the seller or any Affiliate or employee thereof in connection with any Permitted Acquisition occurring after the Closing Date in an aggregate amount not to exceed $500,000 in any Fiscal Year; provided that such Debt is subject to a Subordination Agreement;

(m) Debt incurred in respect of non-compete agreements owing to officers, directors or employees of the Obligors that in an aggregate do not require or have scheduled payments in excess of $250,000 in any Fiscal Year;

(n) Debt that is not included in any of the preceding clauses of this Section, is not secured by a Lien (except to the extent permitted under **Section 10.2.2(o))** and does not exceed $1,000,000 in the aggregate at any time.

10.2.2. **Permitted Liens**. Create or suffer to exist any Lien upon any of its Property, except the following (collectively, "Permitted Liens"):

(a) Liens in favor of Agent;

(b) Purchase Money Liens securing Permitted Purchase Money Debt;

(c) Liens for Taxes not yet due or being Properly Contested;

(d) statutory Liens (other than Liens for Taxes or imposed under ERISA) arising in the Ordinary Course of Business, but only if (i) payment of the obligations secured thereby is not yet due or is being Properly Contested, and (ii) such Liens do not materially impair the value or use of the Property or materially impair operation of the business of any Obligor or Subsidiary; provided that no Eligible Account is subject to a mechanics' or materialmens' Lien or claim that is past due except to the extent included in the Mechanics' Lien Reserve;

(e) Liens incurred or deposits made in the Ordinary Course of Business to secure the performance of tenders, bids, leases, contracts (except those relating to Borrowed Money), performance bonds, licensing bonds, statutory obligations and other similar obligations, or arising as a result of progress payments under government contracts, as long as such Liens are at all times junior to Agent's Liens; provided that, any agreement pursuant to which an Obligor or Subsidiary is obligated as principal or indemnitor under any bond or contract that assures payment or performance of any obligation of any Obligor shall not be secured by any Lien on any property or asset of an Obligor or Subsidiary other than the Accounts and on-site Inventory related to the specific job under such bonded contract (or shall be subject to an intercreditor agreement reasonably satisfactory to Agent) unless the amount of potential claims thereunder against the Obligors is reserved from Availability;

(f) Liens arising in the Ordinary Course of Business that are subject to Lien Waivers;

(g) Liens arising by virtue of a judgment or judicial order against any Obligor or Subsidiary, or any Property of an Obligor or Subsidiary, as long as such Liens are (i) in existence for less than 20 consecutive days or being Properly Contested, and (ii) at all times junior to Agent's Liens;

(h) easements, rights-of-way, restrictions, covenants or other agreements of record, and other similar charges or encumbrances on Real Estate, that do not secure any monetary obligation and do not interfere with the Ordinary Course of Business;

(i) normal and customary rights of setoff upon deposits in favor of depository institutions, and Liens of a collecting bank on Payment Items in the course of collection; and

(j) existing Liens shown on **Schedule 10.2.2** and any replacements, renewals or extensions thereof; provided that (i) such Lien shall not apply to any other property or asset of an Obligor or Subsidiary other than after-acquired property affixed or incorporated thereto and proceeds or products thereof; (ii) such Lien shall secure only those obligations of those Obligors which it secures on the Closing Date and extensions, renewals, refinancings and replacements thereof that do not increase the outstanding principal amount thereof (except to the extent permitted under **Section 10.2.1**); and (iii) the direct or any contingent obligor with respect thereto is not changed;

(k) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the UCC in effect in the relevant jurisdiction covering only the items being collected upon;

(l) An agreement to transfer any property in an disposition permitted under **Section 10.2.6**, to the extent such an agreement may constitute a Lien and Liens on earnest money deposits of cash or cash equivalents made by the Obligors in connection with any Disposition permitted under **Section 10.2.6**;

(m) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by an Obligor or Subsidiary in the Ordinary Course of Business to the extent such Liens do not attach to any assets other than the goods subject to such arrangements or Liens of sellers of goods to the Obligors arising in the Ordinary Course of Business by the operation of law under Article 2 of the UCC in favor of a reclaiming seller and covering only the goods sold and securing only the unpaid purchase price for such goods and related expenses;

(n) any encumbrance or restriction with respect to the Equity Interests of any joint venture or similar arrangement created after the Closing Date and pursuant to the joint venture or similar agreements with respect to such joint venture or similar arrangements permitted under this Agreement; and

(o) other Liens attaching to assets other than Accounts and Inventory securing obligations incurred in the Ordinary Course of Business so long as the aggregate principal amount of the obligations so secured does not exceed $500,000 at any time outstanding.

10.2.3. **[Reserved.]**

10.2.4. **Distributions; Upstream Payments**. (a) Declare or make any Distributions, except (i) Upstream Payments, (ii) payments permitted under the Sponsor Subordination Agreement to the extent constituting Distributions and (iii) as required under the Suburban Shareholder Agreement; or (b) create or suffer to exist any encumbrance or restriction on the ability of a Subsidiary to make any Upstream Payment, except for (i) restrictions under the Loan Documents, (ii) restrictions under Applicable Law, (iii) restrictions embodied in joint venture agreements and other similar agreements relating only to joint ventures permitted hereunder and restricting only such joint venture, (iv) restrictions in effect on the Closing Date as shown on **Schedule 9.1.15**, (v) restrictions in effect at the time such Person becomes a Subsidiary so long as such restriction was not entered into in contemplation of such Person becoming a Subsidiary and restricts only such Subsidiary, and (vi) restrictions permitted under **Section 10.2.14**.

10.2.5. **Restricted Investments**. Make any Restricted Investment, other than (a) an Investment related to a Permitted Acquisition; and (b) Investments made when no Default or Event of Default has occurred and is continuing in an aggregate amount not to exceed $250,000 in the aggregate at any time outstanding for all Obligors.

10.2.6. **Disposition of Assets**. Make any Asset Disposition, except a Permitted Asset Disposition, a disposition of Equipment under **Section 8.4.2**, a transfer of Accounts or Inventory by a Borrower to another Borrower or a transfer of Property (other than Accounts or Inventory) by a Subsidiary or Obligor to a Borrower or an Obligor.

10.2.7. **Loans**. Make any loans or other advances of money to any Person, except (a) advances to an officer or employee for salary, travel expenses, commissions and similar items in the Ordinary Course of Business; (b) prepaid expenses and extensions of trade credit made in the

Ordinary Course of Business; (c) deposits with financial institutions permitted hereunder; (d) intercompany Loans by a Borrower to another Borrower; (e) intercompany loans or advances by an Obligor to another Obligor in the Ordinary Course of Business; and (f) additional loans in an aggregate principal amount not to exceed, when combined with Investments permitted by **Section 10.2.5(b)**, $500,000 at any time outstanding among all Obligors.

10.2.8. **Restrictions on Payment of Certain Debt**. Make any payments (whether voluntary or mandatory, or a prepayment, redemption, retirement, defeasance or acquisition) with respect to any (a) Subordinated Debt (other than Sponsor Subordinated Debt), except regularly scheduled payments of principal, interest and fees (including non-compete payments), but only to the extent permitted under any Subordination Agreement relating to such Debt; (b) Sponsor Subordinated Debt except to the extent permitted under the Sponsor Subordination Agreement; or (c) Borrowed Money (other than the Obligations) more than 30 days prior to its due date under the agreements evidencing such Debt as in effect on the Closing Date (or as amended thereafter with the consent of Agent).

10.2.9. **Fundamental Changes**. Merge, combine or consolidate with any Person, or liquidate, wind up its affairs or dissolve itself, in each case whether in a single transaction or in a series of related transactions, except for (a) in connection with a Permitted Acquisition, any Obligor may merge or consolidate with any other Person or permit any other Person to merge with or into or consolidate with any Obligor; provided that (i) in any merger or consolidation involving any Borrower, such Borrower is the surviving Person and (ii) in any merger or consolidation involving any Guarantor, such Guarantor is the surviving Person or the surviving Person becomes a Borrower or Guarantor immediately upon consummation of such merger or consolidation; and (b) mergers or consolidations of a wholly-owned Subsidiary with another wholly-owned Subsidiary or into a Borrower; change its name; change its tax, charter or other organizational identification number; or change its form or state of organization.

10.2.10. **Subsidiaries**. Form or acquire any Subsidiary after the Closing Date, except in accordance with **Sections 10.1.9** and **10.2.5**; or permit any existing Subsidiary to issue any additional Equity Interests except director's qualifying shares.

10.2.11. **Organic Documents**. Amend, modify or otherwise change any of its Organic Documents as in effect on the Closing Date.

10.2.12. **Tax Consolidation**. File or consent to the filing of any consolidated income tax return with any Person other than Parent and its Subsidiaries.

10.2.13. **Accounting Changes**. Make any material change in accounting treatment or reporting practices, except as required by GAAP and in accordance with **Section 1.2**; or change its Fiscal Year.

10.2.14. **Restrictive Agreements**. Become a party to any Restrictive Agreement, except a Restrictive Agreement (a) in effect on the Closing Date on set forth on **Schedule 9.1.15**, as renewed or otherwise reinstated from time to time so long as the terms of such renewal or reinstatement are no more restrictive to the Obligors or more adverse to the interests of the Lenders than those existing on the Closing Date; (b) relating to secured Debt permitted hereunder, as long as the restrictions apply only to collateral for such Debt; or (c) constituting customary restrictions on subletting or assignment in leases and other contracts, entered into in the Ordinary Course of Business.

10.2.15. **Hedging Agreements**. Enter into any Hedging Agreement, except to hedge risks arising in the Ordinary Course of Business and not for speculative purposes.

10.2.16. **Conduct of Business**. Engage in any business, other than its business as conducted on the Closing Date; any activities incidental thereto; similar, related or complimentary businesses; and businesses not substantially different from the lines of business of the Companies as conducted on the Closing Date.

10.2.17. **Affiliate Transactions**. Enter into or be party to any transaction with an Affiliate, except (a) transactions contemplated by the Loan Documents; (b) payment of reasonable compensation to officers and employees for services actually rendered, and loans and advances permitted by **Section 10.2.7**; (c) payment of customary directors' fees and indemnities; (d) transactions solely among Obligors not otherwise prohibited under this Agreement; (e) transactions with Affiliates that were consummated prior to the Closing Date, as shown on **Schedule 10.2.17**; (f) transactions with Affiliates in the Ordinary Course of Business, upon fair and reasonable terms fully disclosed to Agent and no less favorable than would be obtained in a comparable arm's-length transaction with a non-Affiliate; and (g) payments of interest and principal of Sponsor Subordinated Debt as permitted under the Sponsor Subordination Agreement.

10.2.18. **Plans**. Become party to any Multiemployer Plan or Foreign Plan, other than any in existence on the Closing Date.

10.2.19. **Amendments to Subordinated Debt**. Amend, supplement or otherwise modify (i) the Sponsor Subordinated Debt except as provided in the Sponsor Subordination Agreement; and (ii) any document, instrument or agreement relating to any other Subordinated Debt, if such modification (a) increases the principal balance of such Debt, or increases any required payment of principal or interest; (b) accelerates the date on which any installment of principal or any interest is due, or adds any additional redemption, put or prepayment provisions; (c) shortens the final maturity date or otherwise accelerates amortization; (d) increases the interest rate; (e) increases or adds any fees or charges; (f) modifies any covenant in a manner or adds any representation, covenant or default that is more onerous or restrictive in any material respect for any Obligor or Subsidiary, or that is otherwise materially adverse to any Obligor, any Subsidiary or Lenders; or (g) results in the Obligations not being fully benefited by the subordination provisions thereof.

10.2.20. **Holding Company**. None of Parent, IBHL A Holding Company, Inc., IBHL B Holding Company, Inc., IBHL II Holding Company, Inc., IBP Holdings, LLC or IBP Holdings II, LLC will at any time (a) own or acquire any material real or personal property or assets other than, directly or indirectly, the Equity Interests of the Borrowers and their respective Subsidiaries, (b) conduct any operations other than directly related to its ownership of the Equity Interests of the Borrowers and their respective Subsidiaries, respectively, and activities incidental thereto or necessary for the maintenance of its existence, (c) own or acquire Inventory or Equipment or create Accounts from the sale of goods, or (d) grant or incur any Liens, or otherwise encumber any of its assets, other than the Agent's Liens and other Permitted Liens.

10.2.21. **Purchasing Practices/Suburban**. The Obligors shall maintain purchasing practices consistent with past practices, including IBP, LLC and/or IBP II, LLC continuing to purchase substantially all fiberglass insulation Inventory for all other Borrowers. Notwithstanding anything to the contrary contained in **Sections 10.2.5, 10.2.6, 10.2.7** and **10.2.17**, the Obligors may continue to purchase inventory for, or sell inventory on credit to, Suburban and provide management, accounting, legal and other administrative support services to Suburban, in each case, in the Ordinary Course of Business on terms fully disclosed to Agent and no less favorable than would be obtained in a comparable arms-length transaction with an unaffiliated Person; provided,

however, that at all times collections of Accounts owned by Suburban and proceeds of other assets of Suburban (but not payments made by Suburban to any Obligor for goods or services) are maintained in a segregated Deposit Account and not commingled with proceeds of Collateral or used to repay the Loans.

10.2.22. **Post-Closing Deliveries**. Fail to deliver any post-closing delivery described on **Schedule 10.2.22** to Agent within the time period specified therein for such delivery.

10.3. Financial Covenants. As long as any Commitments or Obligations are outstanding, during a Fixed Charge Trigger Period, Obligors shall not permit the Fixed Charge Coverage Ratio to be less than 1.10 to 1.0 determined (i) for purposes of the date any Fixed Charge Trigger Period commences, as of the last day of the Measurement Period most recently ended for which the financial statements and Compliance Certificate required under Section 10.1.2 have been delivered to Agent and (ii) as of the last day of each Measurement Period thereafter ending during any Fixed Charge Trigger Period.

SECTION 11. EVENTS OF DEFAULT; REMEDIES ON DEFAULT

11.1. Events of Default. Each of the following shall be an "Event of Default" hereunder, if the same shall occur for any reason whatsoever, whether voluntary or involuntary, by operation of law or otherwise:

(a) A Borrower fails to pay any Obligations when due, whether at stated maturity, on demand, upon acceleration or otherwise (other than resulting solely from the failure by Agent to fund a deemed request for Base Rate Revolver Loans on the due date, as contemplated by Section 4.1.1 (b));

(b) Any representation, warranty or other written statement of an Obligor made in connection with any Loan Documents or transactions contemplated thereby is incorrect or misleading in any material respect when given;

(c) An Obligor breaches or fail to perform any covenant contained in **Section 8.1** (but only during a Daily Reporting Trigger Period), **7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 8.2.4, 8.2.5, 8.5, 10.2** or **10.3**;

(d) An Obligor breaches or fails to perform any covenant contained in **Section 8.1, 8.6.2, 10.1.1, 10.1.2,** and such breach or failure is not cured within 10 days or, in the case of **Section 8.1,** 1 day during a Weekly Reporting Trigger Period, after a Senior Officer of such Obligor has knowledge thereof or receives notice thereof from Agent, whichever is sooner; provided, however, that such notice and opportunity to cure shall not apply if the breach or failure to perform is not capable of being cured within such period or is a willful breach by an Obligor;

(e) An Obligor breaches or fails to perform any other covenant contained in any Loan Documents, and such breach or failure is not cured within 30 days after a Senior Officer of such Obligor has knowledge thereof or receives notice thereof from Agent, whichever is sooner; provided, however, that such notice and opportunity to cure shall not apply if the breach or failure to perform is not capable of being cured within such period or is a willful breach by an Obligor;

(f) A Guarantor repudiates, revokes or attempts to revoke its Guaranty; an Obligor denies or contests the validity or enforceability of any Loan Documents or Obligations, or the perfection or priority of any Lien granted to Agent; or any Loan Document ceases to be in full force or effect for any reason (other than a waiver or release by Agent and Lenders);

(g) Any breach or default of an Obligor occurs under any Hedging Agreement, or any document, instrument or agreement to which it is a party or by which it or any of its Properties is bound, relating to any Debt (other than the Obligations) in excess of $500,000, if the maturity of or any payment with respect to such Debt may be accelerated or demanded due to such breach;

(h) Any judgment or order for the payment of money is entered against an Obligor in an amount that exceeds, individually or cumulatively with all unsatisfied judgments or orders against all Obligors, $200,000 (net of any insurance coverage therefor), unless a stay of enforcement of such judgment or order is in effect, by reason of a pending appeal or otherwise, or such judgment is paid within 30 days as long as there has been no enforcement action taken against the Collateral of such Obligor

(i) A loss, theft, damage or destruction occurs with respect to any Collateral if, in the reasonable determination of a Senior Officer, the amount not covered by insurance (including any deductible thereunder) exceeds $100,000;

(j) An Obligor is enjoined, restrained or in any way prevented by any Governmental Authority from conducting any material part of its business; an Obligor suffers the loss, revocation or termination of any material license, permit, lease or agreement necessary to its business; there is a cessation of any material part of an Obligor's business for a material period of time; any material Collateral or Property of an Obligor is taken or impaired through condemnation; an Obligor agrees to or commences any liquidation, dissolution or winding up of its affairs; or the Obligors, taken as a whole, are not Solvent;

(k) An Insolvency Proceeding is commenced by an Obligor; an Obligor makes an offer of settlement, extension or composition to its unsecured creditors generally; a trustee is appointed to take possession of any substantial Property of or to operate any of the business of an Obligor; or an Insolvency Proceeding is commenced against an Obligor and: the Obligor consents to institution of the proceeding, the petition commencing the proceeding is not timely contested by the Obligor, the petition is not dismissed within 45 days after filing, or an order for relief is entered in the proceeding;

(l) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan that has resulted or could reasonably be expected to result in liability of an Obligor to a Pension Plan, Multiemployer Plan or PBGC, or that constitutes grounds for appointment of a trustee for or termination by the PBGC of any Pension Plan or Multiemployer Plan; an Obligor or ERISA Affiliate fails to pay when due any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan; or any event similar to the foregoing occurs or exists with respect to a Foreign Plan;

(m) An Obligor or any of its Senior Officers is criminally convicted for (i) a felony committed in the conduct of the Obligor's business, or (ii) violating any state or federal law (including the Controlled Substances Act, Money Laundering Control Act of 1986 and Illegal Exportation of War Materials Act) that could lead to forfeiture of any material Property or any material Collateral; or

(n) A Change of Control occurs; or any event occurs or condition exists that has a Material Adverse Effect.

11.2. Remedies upon Default. If an Event of Default described in **Section 11.1(j)** occurs with respect to any Obligor, then to the extent permitted by Applicable Law, all Obligations (other than Secured Bank Product Obligations) shall become automatically due and payable and all Commitments shall terminate, without any action by Agent or notice of any kind. In addition, or if any other Event of Default exists, Agent may in its discretion (and shall upon written direction of Required Lenders) do any one or more of the following from time to time:

(a) declare any Obligations (other than Secured Bank Product Obligations) immediately due and payable, whereupon they shall be due and payable without diligence, presentment, demand, protest or notice of any kind, all of which are hereby waived by Obligors to the fullest extent permitted by law;

(b) terminate, reduce or condition any Commitment, or make any adjustment to the Borrowing Base;

(c) require Obligors to Cash Collateralize LC Obligations, Secured Bank Product Obligations and other Obligations that are contingent or not yet due and payable, and, if Obligors fail promptly to deposit such Cash Collateral, Agent may (and shall upon the direction of Required Lenders) advance the required Cash Collateral as Revolver Loans (whether or not an Overadvance exists or is created thereby, or the conditions in **Section 6** are satisfied); and

(d) exercise any other rights or remedies afforded under any agreement, by law, at equity or otherwise, including the rights and remedies of a secured party under the UCC. Such rights and remedies include the rights to (i) take possession of any Collateral; (ii) require Obligors to assemble Collateral, at Obligors' expense, and make it available to Agent at a place designated by Agent; (iii) enter any premises where Collateral is located and store Collateral on such premises until sold (and if the premises are owned or leased by an Obligor, Obligors agree not to charge for such storage); and (iv) sell or otherwise dispose of any Collateral in its then condition, or after any further manufacturing or processing thereof, at public or private sale, with such notice as may be required by Applicable Law, in lots or in bulk, at such locations, all as Agent, in its discretion, deems advisable. Each Obligor agrees that 10 days notice of any proposed sale or other disposition of Collateral by Agent shall be reasonable. Agent shall have the right to conduct such sales on any Obligor's premises, without charge, and such sales may be adjourned from time to time in accordance with Applicable Law. Agent shall have the right to sell, lease or otherwise dispose of any Collateral for cash, credit or any combination thereof, and Agent may purchase any Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of the purchase price, may credit bid and set off the amount of such price against the Obligations.

11.3. License. Agent is hereby granted an irrevocable, non-exclusive license or other right to use, license or sub-license during the continuance of an Event of Default (without payment of royalty or other compensation to any Person) any or all Intellectual Property of Obligors, computer hardware and software, trade secrets, brochures, customer lists, promotional and advertising materials, labels, packaging materials and other Property, in advertising for sale, marketing, selling, collecting, completing manufacture of, or otherwise exercising any rights or remedies with respect to, any Collateral. Each Obligor's rights and interests under Intellectual Property shall inure to Agent's benefit.

11.4. Setoff. At any time during an Event of Default, Agent, Issuing Bank, Lenders, and any of their Affiliates are authorized, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by Agent, Issuing Bank, such Lender or such Affiliate to or for the credit or the account of an Obligor against any Obligations, irrespective of whether or not Agent, Issuing Bank, such Lender or such Affiliate shall have made any demand under this Agreement or any other Loan Document and although such Obligations may be contingent or unmatured or are owed to a branch or office of Agent, Issuing Bank, such Lender or such Affiliate different from the branch or office holding such deposit or obligated on such indebtedness. The rights of Agent, Issuing Bank, each Lender and each such Affiliate under this Section are in addition to other rights and remedies (including other rights of setoff) that such Person may have.

11.5. Remedies Cumulative; No Waiver.

11.5.1. **Cumulative Rights**. All agreements, warranties, guaranties, indemnities and other undertakings of Obligors under the Loan Documents are cumulative and not in derogation of each other. The rights and remedies of Agent and Lenders are cumulative, may be exercised at any time and from time to time, concurrently or in any order, and are not exclusive of any other rights or remedies available by agreement, by law, at equity or otherwise. All such rights and remedies shall continue in full force and effect until Full Payment of all Obligations.

11.5.2. **Waivers**. No waiver or course of dealing shall be established by (a) the failure or delay of Agent or any Lender to require strict performance by Obligors with any terms of the Loan Documents, or to exercise any rights or remedies with respect to Collateral or otherwise; (b) the making of any Loan or issuance of any Letter of Credit during a Default, Event of Default or other failure to satisfy any conditions precedent; or (c) acceptance by Agent or any Lender of any payment or performance by an Obligor under any Loan Documents in a manner other than that specified therein. It is expressly acknowledged by Obligors that any failure to satisfy a financial covenant on a measurement date shall not be cured or remedied by satisfaction of such covenant on a subsequent date.

SECTION 12. AGENT

12.1. Appointment, Authority and Duties of Agent.

12.1.1. **Appointment and Authority**. Each Secured Party appoints and designates Bank of America as Agent under all Loan Documents. Agent may, and each Secured Party authorizes Agent to, enter into all Loan Documents to which Agent is intended to be a party and accept all Security Documents, for the benefit of Secured Parties. Each Secured Party agrees that any action taken by Agent or Required Lenders in accordance with the provisions of the Loan Documents, and the exercise by Agent or Required Lenders of any rights or remedies set forth therein, together with all other powers reasonably incidental thereto, shall be authorized by and binding upon all Secured Parties. Without limiting the generality of the foregoing, Agent shall have the sole and exclusive authority to (a) act as the disbursing and collecting agent for Lenders with respect to all payments and collections arising in connection with the Loan Documents; (b) execute and deliver as Agent each Loan Document, including any intercreditor or subordination agreement, and accept delivery of each Loan Document from any Obligor or other Person; (c) act as collateral agent for Secured Parties for purposes of perfecting and administering Liens under the Loan Documents, and for all other purposes stated therein; (d) manage, supervise or otherwise deal with Collateral; and (e) take any Enforcement Action or otherwise exercise any rights or remedies with respect to any Collateral under the Loan Documents, Applicable Law or otherwise. The duties of Agent shall be ministerial and administrative in nature, and Agent shall not have a fiduciary relationship with any Secured Party, Participant or other Person, by reason of any Loan Document or any transaction relating thereto. Agent alone shall be authorized to determine whether any Accounts or Inventory constitute Eligible Accounts or Eligible Inventory, whether to impose or release any reserve, or whether any conditions to funding or to issuance of a Letter of Credit have been satisfied, which determinations and judgments, if exercised in good faith, shall exonerate Agent from liability to any Lender or other Person for any error in judgment.

12.1.2. **Duties**. Agent shall not have any duties except those expressly set forth in the Loan Documents. The conferral upon Agent of any right shall not imply a duty to exercise such right, unless instructed to do so by Lenders in accordance with this Agreement.

12.1.3. **Agent Professionals**. Agent may perform its duties through agents and employees. Agent may consult with and employ Agent Professionals, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by an Agent Professional. Agent shall not be responsible for the negligence or misconduct of any agents, employees or Agent Professionals selected by it with reasonable care.

12.1.4. **Instructions of Required Lenders**. The rights and remedies conferred upon Agent under the Loan Documents may be exercised without the necessity of joinder of any other party, unless required by Applicable Law. Agent may request instructions from Required Lenders or other Secured Parties with respect to any act (including the failure to act) in connection with any Loan Documents, and may seek assurances to its satisfaction from Secured Parties of their indemnification obligations against all Claims that could be incurred by Agent in connection with any act. Agent shall be entitled to refrain from any act until it has received such instructions or assurances, and Agent shall not incur liability to any Person by reason of so refraining. Instructions of Required Lenders shall be binding upon all Secured Parties, and no Secured Party shall have any right of action whatsoever against Agent as a result of Agent acting or refraining from acting in accordance with the instructions of Required Lenders. Notwithstanding the foregoing, instructions by and consent of specific parties shall be required to the extent provided in **Section 14.1.1**. In no event shall Agent be required to take any action that, in its opinion, is contrary to Applicable Law or any Loan Documents or could subject any Agent Indemnitee to personal liability.

12.2. Agreements Regarding Collateral and Field Examination Reports.

12.2.1. **Lien Releases; Care of Collateral**. Secured Parties authorize Agent to release any Lien with respect to any Collateral (a) upon Full Payment of the Obligations; (b) that is the subject of an Asset Disposition which Borrower Agent certifies in writing to Agent is a Permitted Asset Disposition or a Lien which Borrower Agent certifies is a Permitted Lien entitled to priority over Agent's Liens (and Agent may rely conclusively on any such certificate without further inquiry); (c) that does not constitute a material part of the Collateral; or (d) with the written consent of all Lenders. Secured Parties authorize Agent to subordinate its Liens to any Purchase Money Lien permitted hereunder. Agent shall have no obligation to assure that any Collateral exists or is owned by an Obligor, or is cared for, protected or insured, nor to assure that Agent's Liens have been properly created, perfected or enforced, or are entitled to any particular priority, nor to exercise any duty of care with respect to any Collateral.

12.2.2. **Possession of Collateral**. Agent and Secured Parties appoint each Lender as agent (for the benefit of Secured Parties) for the purpose of perfecting Liens in any Collateral held or controlled by such Lender, to the extent such Liens are perfected by possession or control. If any Lender obtains possession or control of any Collateral, it shall notify Agent thereof and, promptly upon Agent's request, deliver such Collateral to Agent or otherwise deal with it in accordance with Agent's instructions.

12.2.3. **Reports**. Agent shall promptly forward to each Lender, when complete, copies of any Field Exam or appraisal report prepared by or for Agent with respect to any Obligor or Collateral ("Report"). Each Lender agrees (a) that neither Bank of America nor Agent makes any representation or warranty as to the accuracy or completeness of any Report, and shall not be liable for any information contained in or omitted from any Report; (b) that the Reports are not intended to be comprehensive audits or examinations, and that Agent or any other Person performing any audit or examination will inspect only specific information regarding Obligations or the Collateral and will rely significantly upon Obligors' books and records as well as upon representations of Obligors' officers and employees; and (c) to keep all Reports confidential and strictly for such Lender's internal use, and not to distribute any Report (or the contents thereof) to any Person (except to such Lender's Participants, attorneys and accountants) or use any Report in any manner other than administration of the Loans and other Obligations. Each Lender shall indemnify and hold harmless Agent and any other Person preparing a Report from any action such Lender may take as a result of or any conclusion it may draw from any Report, as well as from any Claims arising as a direct or indirect result of Agent furnishing a Report to such Lender.

12.3. Reliance By Agent. Agent shall be entitled to rely, and shall be fully protected in relying, upon any certification, notice or other communication (including those by telephone, telex, telegram, telecopy or e-mail) believed by it to be genuine and correct and to have been signed, sent or made by the proper Person, and upon the advice and statements of Agent Professionals. Agent shall have a reasonable and practicable amount of time to act upon any instruction, notice or other communication under any Loan Document, and shall not be liable for any delay in acting.

12.4. Action Upon Default. Agent shall not be deemed to have knowledge of any Default or Event of Default, or of any failure to satisfy any conditions in **Section 6**, unless it has received written notice from Borrower Agent or Required Lenders specifying the occurrence and nature thereof. If any Lender acquires knowledge of a Default, Event of Default or failure of such conditions, it shall promptly notify Agent and the other Lenders thereof in writing. Each Secured Party agrees that, except as otherwise provided in any Loan Documents or with the written consent of Agent and Required Lenders, it will not take any Enforcement Action, accelerate Obligations (other than Secured Bank Product Obligations), or exercise any right that it might otherwise have under Applicable Law to credit bid at foreclosure sales, UCC sales or other similar dispositions of Collateral or to assert any rights relating to any Collateral.

12.5. Ratable Sharing. If any Lender shall obtain any payment or reduction of any Obligation, whether through set-off or otherwise, in excess of its share of such Obligation, determined on a Pro Rata basis or in accordance with **Section 5.6.1**, as applicable, such Lender shall forthwith purchase from Agent, Issuing Bank and the other Lenders such participations in the affected Obligation as are necessary to cause the purchasing Lender to share the excess payment or reduction on a Pro Rata basis or in accordance with **Section 5.6.1**, as applicable. If any of such payment or reduction is thereafter recovered from the purchasing Lender, the purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest. Notwithstanding the foregoing, if a Defaulting Lender obtains a payment or reduction of any Obligation, it shall immediately turn over the amount thereof to Agent for application under **Section 4.2.2** and it shall provide a written statement to Agent describing the Obligation affected by such payment or reduction. No Lender shall set off against any Dominion Account without the prior consent of Agent.

12.6. Indemnification. EACH LENDER SHALL INDEMNIFY AND HOLD HARMLESS AGENT INDEMNITEES AND ISSUING BANK INDEMNITEES, TO THE EXTENT NOT REIMBURSED BY OBLIGORS, ON A PRO RATA BASIS, AGAINST ALL CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY SUCH INDEMNITEE, PROVIDED THAT ANY CLAIM AGAINST AN AGENT INDEMNITEE RELATES TO OR ARISES FROM ITS ACTING AS OR FOR AGENT (IN THE CAPACITY OF AGENT). In Agent's discretion, it may reserve for any Claims made against an Agent Indemnitee or Issuing Bank Indemnitee, and may satisfy any judgment, order or settlement relating thereto, from proceeds of Collateral prior to making any distribution of Collateral proceeds to Secured Parties. If Agent is sued by any receiver, bankruptcy trustee, debtor-in-possession or other Person for any alleged preference or fraudulent transfer, then any monies paid by Agent in settlement or satisfaction of such proceeding, together with all interest, costs and expenses (including attorneys' fees) incurred in the defense of same, shall be promptly reimbursed to Agent by each Lender to the extent of its Pro Rata share.

12.7. Limitation on Responsibilities of Agent. Agent shall not be liable to any Secured Party for any action taken or omitted to be taken under the Loan Documents, except for losses directly and solely caused by Agent's gross negligence or willful misconduct. Agent does not assume any responsibility for any failure or delay in performance or any breach by any Obligor, Lender or other

Secured Party of any obligations under the Loan Documents. Agent does not make any express or implied representation, warranty or guarantee to Secured Parties with respect to any Obligations, Collateral, Loan Documents or Obligor. No Agent Indemnitee shall be responsible to Secured Parties for any recitals, statements, information, representations or warranties contained in any Loan Documents; the execution, validity, genuineness, effectiveness or enforceability of any Loan Documents; the genuineness, enforceability, collectibility, value, sufficiency, location or existence of any Collateral, or the validity, extent, perfection or priority of any Lien therein; the validity, enforceability or collectibility of any Obligations; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Obligor or Account Debtor. No Agent Indemnitee shall have any obligation to any Secured Party to ascertain or inquire into the existence of any Default or Event of Default, the observance by any Obligor of any terms of the Loan Documents, or the satisfaction of any conditions precedent contained in any Loan Documents.

12.8. **Successor Agent and Co-Agents**.

12.8.1. **Resignation; Successor Agent**. Subject to the appointment and acceptance of a successor Agent as provided below, Agent may resign at any time by giving at least 30 days written notice thereof to Lenders and Borrower Agent. Upon receipt of such notice, Required Lenders shall have the right to appoint a successor Agent which shall be (a) a Lender or an Affiliate of a Lender; or (b) a commercial bank that is organized under the laws of the United States or any state or district thereof, has a combined capital surplus of at least $500,000,000 and (provided no Default or Event of Default exists) is reasonably acceptable to Borrower Agent. If no successor agent is appointed prior to the effective date of the resignation of Agent, then Agent may appoint a successor agent from among Lenders or, if no Lender accepts such role, Agent may appoint Required Lenders as successor Agent. Upon acceptance by a successor Agent of an appointment to serve as Agent hereunder, or upon appointment of Required Lenders as successor Agent, such successor Agent shall thereupon succeed to and become vested with all the powers and duties of the retiring Agent without further act, and the retiring Agent shall be discharged from its duties and obligations hereunder but shall continue to have the benefits of the indemnification set forth in **Sections 12.6** and **14.2**. Notwithstanding any Agent's resignation, the provisions of this **Section 12** shall continue in effect for its benefit with respect to any actions taken or omitted to be taken by it while Agent. Any successor to Bank of America by merger or acquisition of stock or this loan shall continue to be Agent hereunder without further act on the part of the parties hereto, unless such successor resigns as provided above.

12.8.2. **Separate Collateral Agent**. It is the intent of the parties that there shall be no violation of any Applicable Law denying or restricting the right of financial institutions to transact business in any jurisdiction. If Agent believes that it may be limited in the exercise of any rights or remedies under the Loan Documents due to any Applicable Law, Agent may appoint an additional Person who is not so limited, as a separate collateral agent or co-collateral agent. If Agent so appoints a collateral agent or co-collateral agent, each right and remedy intended to be available to Agent under the Loan Documents shall also be vested in such separate agent. Secured Parties shall execute and deliver such documents as Agent deems appropriate to vest any rights or remedies in such agent. If any collateral agent or co-collateral agent shall die or dissolve, become incapable of acting, resign or be removed, then all the rights and remedies of such agent, to the extent permitted by Applicable Law, shall vest in and be exercised by Agent until appointment of a new agent.

12.9. **Due Diligence and Non-Reliance**. Each Lender acknowledges and agrees that it has, independently and without reliance upon Agent or any other Lenders, and based upon such documents, information and analyses as it has deemed appropriate, made its own credit analysis of each Obligor and its own decision to enter into this Agreement and to fund Loans and participate in LC Obligations

hereunder. Each Secured Party has made such inquiries as it feels necessary concerning the Loan Documents, Collateral and Obligors. Each Secured Party acknowledges and agrees that the other Secured Parties have made no representations or warranties concerning any Obligor, any Collateral or the legality, validity, sufficiency or enforceability of any Loan Documents or Obligations. Each Secured Party will, independently and without reliance upon any other Secured Party, and based upon such financial statements, documents and information as it deems appropriate at the time, continue to make and rely upon its own credit decisions in making Loans and participating in LC Obligations, and in taking or refraining from any action under any Loan Documents. Except for notices, reports and other information expressly requested by a Lender, Agent shall have no duty or responsibility to provide any Secured Party with any notices, reports or certificates furnished to Agent by any Obligor or any credit or other information concerning the affairs, financial condition, business or Properties of any Obligor (or any of its Affiliates) which may come into possession of Agent or its Affiliates.

12.10. **Remittance of Payments and Collections**.

12.10.1. **Remittances Generally**. All payments by any Lender to Agent shall be made by the time and on the day set forth in this Agreement, in immediately available funds. If no time for payment is specified or if payment is due on demand by Agent and request for payment is made by Agent by 11:00 a.m. on a Business Day, payment shall be made by Lender not later than 2:00 p.m. on such day, and if request is made after 11:00 a.m., then payment shall be made by 11:00 a.m. on the next Business Day. Payment by Agent to any Secured Party shall be made by wire transfer, in the type of funds received by Agent. Any such payment shall be subject to Agent's right of offset for any amounts due from such payee under the Loan Documents.

12.10.2. **Failure to Pay**. If any Secured Party fails to pay any amount when due by it to Agent pursuant to the terms hereof, such amount shall bear interest from the due date until paid at the rate determined by Agent as customary in the banking industry for interbank compensation. In no event shall Obligors be entitled to receive credit for any interest paid by a Secured Party to Agent, nor shall any Defaulting Lender be entitled to interest on any amounts held by Agent pursuant to **Section 4.2**.

12.10.3. **Recovery of Payments**. If Agent pays any amount to a Secured Party in the expectation that a related payment will be received by Agent from an Obligor and such related payment is not received, then Agent may recover such amount from each Secured Party that received it. If Agent determines at any time that an amount received under any Loan Document must be returned to an Obligor or paid to any other Person pursuant to Applicable Law or otherwise, then, notwithstanding any other term of any Loan Document, Agent shall not be required to distribute such amount to any Lender. If any amounts received and applied by Agent to any Obligations are later required to be returned by Agent pursuant to Applicable Law, each Lender shall pay to Agent, on demand, such Lender's Pro Rata share of the amounts required to be returned.

12.11. **Agent in its Individual Capacity**. As a Lender, Bank of America shall have the same rights and remedies under the other Loan Documents as any other Lender, and the terms "Lenders," "Required Lenders" or any similar term shall include Bank of America in its capacity as a Lender. Bank of America and its Affiliates may accept deposits from, lend money to, provide Bank Products to, act as financial or other advisor to, and generally engage in any kind of business with, Obligors and their Affiliates, as if Bank of America were not Agent hereunder, without any duty to account therefor to Lenders. In their individual capacities, Bank of America and its Affiliates may receive information regarding Obligors, their Affiliates and their Account Debtors (including information subject to confidentiality obligations), and each Secured Party agrees that Bank of America and its Affiliates shall be under no obligation to provide such information to any Secured Party, if acquired in such individual capacity.

12.12. Agent Titles. Each Lender, other than Bank of America, that is designated (on the cover page of this Agreement or otherwise) by Bank of America as an "Agent" or "Arranger" of any type shall not have any right, power, responsibility or duty under any Loan Documents other than those applicable to all Lenders, and shall in no event be deemed to have any fiduciary relationship with any other Lender.

12.13. Bank Product Providers. Each Secured Bank Product Provider, by delivery of a notice to Agent of a Bank Product, agrees to be bound by **Section 5.6** and this **Section 12**. Each Secured Bank Product Provider shall indemnify and hold harmless Agent Indemnitees, to the extent not reimbursed by Obligors, against all Claims that may be incurred by or asserted against any Agent Indemnitee in connection with such provider's Secured Bank Product Obligations.

12.14. No Third Party Beneficiaries. This **Section 12** is an agreement solely among Secured Parties and Agent, and shall survive Full Payment of the Obligations. This **Section 12** does not confer any rights or benefits upon Obligors or any other Person (except for **Section 12.8.1** to the extent expressly set forth therein). As between Obligors and Agent, any action that Agent may take under any Loan Documents or with respect to any Obligations shall be conclusively presumed to have been authorized and directed by Secured Parties.

SECTION 13. BENEFIT OF AGREEMENT; ASSIGNMENTS

13.1. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Obligors, Agent, Lenders, Secured Parties, and their respective successors and assigns, except that (a) no Obligor shall have the right to assign its rights or delegate its obligations under any Loan Documents; and (b) any assignment by a Lender must be made in compliance with **Section 13.3**. Agent may treat the Person which made any Loan as the owner thereof for all purposes until such Person makes an assignment in accordance with **Section 13.3**. Any authorization or consent of a Lender shall be conclusive and binding on any subsequent transferee or assignee of such Lender.

13.2. Participations.

13.2.1. **Permitted Participants; Effect**. Any Lender may, in the ordinary course of its business and in accordance with Applicable Law, at any time sell to a financial institution ("Participant") a participating interest in the rights and obligations of such Lender under any Loan Documents. Despite any sale by a Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for performance of such obligations, such Lender shall remain the holder of its Loans and Commitments for all purposes, all amounts payable by Borrowers shall be determined as if such Lender had not sold such participating interests, and Borrowers and Agent shall continue to deal solely and directly with such Lender in connection with the Loan Documents. Each Lender shall be solely responsible for notifying its Participants of any matters under the Loan Documents, and Agent and the other Lenders shall not have any obligation or liability to any such Participant. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of **Section 5.9** unless Borrowers agree otherwise in writing.

13.2.2. **Voting Rights**. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, waiver or other modification of any Loan Documents other than that which forgives principal, interest or fees, reduces the stated interest rate or fees payable with respect to any Loan or Commitment in which such Participant has an interest, postpones the Commitment Termination Date or any date fixed for any regularly scheduled payment of principal, interest or fees on such Loan or Commitment, or releases any Borrower, Guarantor or substantial portion of the Collateral.

13.2.3. **Benefit of Set-Off**. Obligors agree that each Participant shall have a right of set-off in respect of its participating interest to the same extent as if such interest were owing directly to a Lender, and each Lender shall also retain the right of set-off with respect to any participating interests sold by it. By exercising any right of set-off, a Participant agrees to share with Lenders all amounts received through its set-off, in accordance with **Section 12.5** as if such Participant were a Lender.

13.3. Assignments.

13.3.1. **Permitted Assignments**. A Lender may assign to an Eligible Assignee any of its rights and obligations under the Loan Documents, as long as (a) each assignment is of a constant, and not a varying, percentage of the transferor Lender's rights and obligations under the Loan Documents and, in the case of a partial assignment, is in a minimum principal amount of $10,000,000 (unless otherwise agreed by Agent in its discretion) and integral multiples of $1,000,000 in excess of that amount; (b) except in the case of an assignment in whole of a Lender's rights and obligations, the aggregate amount of the Commitments retained by the transferor Lender is at least $10,000,000 (unless otherwise agreed by Agent in its discretion); and (c) the parties to each such assignment shall execute and deliver to Agent, for its acceptance and recording, an Assignment and Acceptance. Nothing herein shall limit the right of a Lender to pledge or assign any rights under the Loan Documents to (i) any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors and any Operating Circular issued by such Federal Reserve Bank, or (ii) counterparties to swap agreements relating to any Loans; provided, however, that any payment by Obligors to the assigning Lender in respect of any Obligations assigned as described in this sentence shall satisfy Obligors' obligations hereunder to the extent of such payment, and no such assignment shall release the assigning Lender from its obligations hereunder.

13.3.2. **Effect; Effective Date**. Upon delivery to Agent of an assignment notice in the form of Exhibit C and a processing fee of $3,500 (unless otherwise agreed by Agent in its discretion), the assignment shall become effective as specified in the notice, if it complies with this **Section 13.3**. From such effective date, the Eligible Assignee shall for all purposes be a Lender under the Loan Documents, and shall have all rights and obligations of a Lender thereunder. Upon consummation of an assignment, the transferor Lender, Agent and Borrowers shall make appropriate arrangements for issuance of replacement and/or new Notes, as applicable. The transferee Lender shall comply with **Section 5.10** and deliver, upon request, an administrative questionnaire satisfactory to Agent.

13.3.3. **Certain Assignees**. No assignment or participation may be made to an Obligor, Affiliate of an Obligor, Defaulting Lender or natural person. In connection with any assignment by a Defaulting Lender, such assignment shall be effective only upon payment by the Eligible Assignee or Defaulting Lender to Agent of an aggregate amount sufficient, upon distribution (through direct payment, purchases of participations or other compensating actions as Agent deems appropriate), (a) to satisfy all funding and payment liabilities then owing by the Defaulting Lender hereunder, and (b) to acquire its Pro Rata share of all Loans and LC Obligations. If an assignment by a Defaulting Lender shall become effective under Applicable Law for any reason without compliance with the foregoing sentence, then the assignee shall be deemed a Defaulting Lender for all purposes until such compliance occurs.

13.4. Replacement of Certain Lenders. If a Lender (a) fails to give its consent to any amendment, waiver or action for which consent of all Lenders was required and Required Lenders consented, or (b) is a Defaulting Lender, then, in addition to any other rights and remedies that any Person may have, Agent or Borrower Agent may, by notice to such Lender, require such Lender to assign all of

its rights and obligations under the Loan Documents to Eligible Assignee(s), pursuant to appropriate Assignment and Acceptance(s), within 20 days after the notice. Agent is irrevocably appointed as attorney-in-fact to execute any such Assignment and Acceptance if the Lender fails to execute it. Such Lender shall be entitled to receive, in cash, concurrently with such assignment, all amounts owed to it under the Loan Documents, including all principal, interest and fees through the date of assignment (but excluding any prepayment charge).

SECTION 14. MISCELLANEOUS

14.1. Consents, Amendments and Waivers.

14.1.1. **Amendment**. No modification of any Loan Document, including any extension or amendment of a Loan Document or any waiver of a Default or Event of Default, shall be effective without the prior written agreement of Agent (with the consent of Required Lenders) and each Obligor party to such Loan Document; provided, however, that

(a) without the prior written consent of Agent, no modification shall be effective with respect to any provision in a Loan Document that relates to any rights, duties or discretion of Agent;

(b) without the prior written consent of Issuing Bank, no modification shall be effective with respect to any LC Obligations, **Section 2.3** or any other provision in a Loan Document that relates to any rights, duties or discretion of Issuing Bank;

(c) without the prior written consent of each affected Lender, including a Defaulting Lender, no modification shall be effective that would (i) increase the Commitment of such Lender; (ii) reduce the amount of, or waive or delay payment of, any principal, interest or fees payable to such Lender (except as provided in **Section 4.2**); (iii) extend the Revolver Termination Date applicable to such Lender's Obligations; or (iv) amend this clause (c);

(d) without the prior written consent of all Lenders (except any Defaulting Lender), no modification shall be effective that would (i) alter **Section 5.6, 7.1** (except to add Collateral) or **14.1.1**; (ii) amend the definition of Required Lenders; (iii) increase any advance rate; (iv) release all or substantially all of the Collateral; or (v) release any Obligor from liability for any Obligations, if such Obligor is Solvent at the time of the release (unless the release is made pursuant to a Permitted Asset Disposition); and

(e) without the prior written consent of a Secured Bank Product Provider, no modification shall be effective that affects its relative payment priority under Section 5.6.

14.1.2. **Limitations**. The agreement of Obligors shall not be necessary to the effectiveness of any modification of a Loan Document that deals solely with the rights and duties of Lenders, Agent and/or Issuing Bank as among themselves. Only the consent of the parties to the Fee Letter or any agreement relating to a Bank Product shall be required for any modification of such agreement, and any non-Lender that is party to a Bank Product agreement shall have no right to participate in any manner in modification of any other Loan Document. Any waiver or consent granted by Agent or Lenders hereunder shall be effective only if in writing and only for the matter specified.

14.1.3. **Payment for Consents**. No Obligor will, directly or indirectly, pay any remuneration or other thing of value, whether by way of additional interest, fee or otherwise, to any Lender (in its capacity as a Lender hereunder) as consideration for agreement by such Lender with any modification of any Loan Documents, unless such remuneration or value is concurrently paid, on the same terms, on a Pro Rata basis to all Lenders providing their consent.

14.2. Indemnity. EACH BORROWER SHALL INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES AGAINST ANY CLAIMS (AS DEFINED HEREIN) THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE, INCLUDING CLAIMS (AS DEFINED HEREIN) ARISING FROM THE NEGLIGENCE (AS OPPOSED TO THE GROSS NEGLIGENCE) OF AN INDEMNITEE, WHETHER ANY SUCH CLAIM IS ASSERTED BY A CREDIT PARTY, A HOLDER OF EQUITY INTERESTS, OR CREDITOR(S), OF A CREDIT PARTY, AN INDEMNITEE OR ANY THIRD PARTY. In no event shall any party to a Loan Document have any obligation thereunder to indemnify or hold harmless an Indemnitee with respect to a Claim that is determined in a final, non-appealable judgment by a court of competent jurisdiction to result from the gross negligence or willful misconduct of such Indemnitee.

14.3. Notices and Communications.

14.3.1. **Notice Address**. Subject to **Section 4.1.4**, all notices and other communications by or to a party hereto shall be in writing and shall be given to any Obligor, at Borrower Agent's address shown on the signature pages hereof, and to any other Person at its address shown on the signature pages hereof (or, in the case of a Person who becomes a Lender after the Closing Date, at the address shown on its Assignment and Acceptance), or at such other address as a party may hereafter specify by notice in accordance with this **Section 14.3**. Each such notice or other communication shall be effective only (a) if given by facsimile transmission, when transmitted to the applicable facsimile number, if confirmation of receipt is received; (b) if given by mail, (i) three Business Days after deposit in the U.S. mail, with first-class postage pre-paid, addressed to the applicable address or (ii) upon receipt after transmitted via overnight courier to the applicable address; or (c) if given by personal delivery, when duly delivered to the notice address with receipt acknowledged. Notwithstanding the foregoing, no notice to Agent pursuant to **Section 2.1.4, 2.3, 3.1.2, 4.1.1** or **5.3.3** shall be effective until actually received by the individual to whose attention at Agent such notice is required to be sent. Any written notice or other communication that is not sent in conformity with the foregoing provisions shall nevertheless be effective on the date actually received by the noticed party. Any notice received by Borrower Agent shall be deemed received by all Obligors.

14.3.2. **Electronic Communications; Voice Mail**. Electronic mail and internet websites may be used only for routine communications, such as financial statements, Borrowing Base Certificates and other information required by Section 10.1.2, administrative matters, distribution of Loan Documents, and matters permitted under Section 4.1.4. Agent and Lenders make no assurances as to the privacy and security of electronic communications. Voicemail may not be used as effective notice under the Loan Documents.

14.3.3. **Non-Conforming Communications**. Agent and Lenders may rely upon any notices purportedly given by or on behalf of any Obligor even if such notices were not made in a manner specified herein, were incomplete or were not confirmed, or if the terms thereof, as understood by the recipient, varied from a later confirmation. Each Obligor shall indemnify and hold harmless each Indemnitee from any liabilities, losses, costs and expenses arising from any telephonic communication purportedly given by or on behalf of an Obligor.

14.4. Performance of Obligors' Obligations. Agent may, in its discretion at any time and from time to time, at Obligors' expense, pay any amount or do any act required of an Obligor under any Loan Documents or otherwise lawfully requested by Agent to (a) enforce any Loan Documents or collect any Obligations; (b) protect, insure, maintain or realize upon any Collateral; or (c) defend or maintain the

validity or priority of Agent's Liens in any Collateral, including any payment of a judgment, insurance premium, warehouse charge, finishing or processing charge, or landlord claim, or any discharge of a Lien. All payments, costs and expenses (including Extraordinary Expenses) of Agent under this Section shall be reimbursed to Agent by Obligors, on demand, with interest from the date incurred to the date of payment thereof at the Default Rate applicable to Base Rate Revolver Loans. Any payment made or action taken by Agent under this Section shall be without prejudice to any right to assert an Event of Default or to exercise any other rights or remedies under the Loan Documents.

14.5. Credit Inquiries. Each Obligor hereby authorizes Agent and Lenders (but they shall have no obligation) to respond to usual and customary credit inquiries from third parties concerning any Obligor or Subsidiary.

14.6. Severability. Wherever possible, each provision of the Loan Documents shall be interpreted in such manner as to be valid under Applicable Law. If any provision is found to be invalid under Applicable Law, it shall be ineffective only to the extent of such invalidity and the remaining provisions of the Loan Documents shall remain in full force and effect.

14.7. Cumulative Effect; Conflict of Terms. The provisions of the Loan Documents are cumulative. The parties acknowledge that the Loan Documents may use several limitations, tests or measurements to regulate similar matters, and they agree that these are cumulative and that each must be performed as provided. Except as otherwise provided in another Loan Document (by specific reference to the applicable provision of this Agreement), if any provision contained herein is in direct conflict with any provision in another Loan Document, the provision herein shall govern and control.

14.8. Counterparts. Any Loan Document may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when Agent has received counterparts bearing the signatures of all parties hereto. Delivery of a signature page of any Loan Document by telecopy or other electronic means shall be effective as delivery of a manually executed counterpart of such agreement.

14.9. Entire Agreement. Time is of the essence of the Loan Documents. The Loan Documents constitute the entire contract among the parties relating to the subject matter hereof, and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

14.10. Relationship with Lenders. The obligations of each Lender hereunder are several, and no Lender shall be responsible for the obligations or Commitments of any other Lender. Amounts payable hereunder to each Lender shall be a separate and independent debt. It shall not be necessary for Agent or any other Lender to be joined as an additional party in any proceeding for such purposes. Nothing in this Agreement and no action of Agent, Lenders or any other Secured Party pursuant to the Loan Documents or otherwise shall be deemed to constitute Agent and any Secured Party to be a partnership, association, joint venture or any other kind of entity, nor to constitute control of any Obligor.

14.11. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated by any Loan Document, Obligors acknowledge and agree that (a)(i) this credit facility and any related arranging or other services by Agent, any Lender, any of their Affiliates or any arranger are arm's-length commercial transactions between Obligors and such Person; (ii) Obligors have consulted their own legal, accounting, regulatory and tax advisors to the extent they have deemed appropriate; and (iii) Obligors are capable of evaluating, and understand and accept, the terms, risks and conditions of the transactions contemplated by the Loan Documents; (b) each of Agent, Lenders, their Affiliates and any arranger is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary

for Obligors, any of their Affiliates or any other Person, and has no obligation with respect to the transactions contemplated by the Loan Documents except as expressly set forth therein; and (c) Agent, Lenders, their Affiliates and any arranger may be engaged in a broad range of transactions that involve interests that differ from those of Obligors and their Affiliates, and have no obligation to disclose any of such interests to Obligors or their Affiliates. To the fullest extent permitted by Applicable Law, each Obligor hereby waives and releases any claims that it may have against Agent, Lenders, their Affiliates and any arranger with respect to any breach of agency or fiduciary duty in connection with any transaction contemplated by a Loan Document.

14.12. Confidentiality. Each of Agent, Lenders and Issuing Bank shall maintain the confidentiality of all Information (as defined below), except that Information may be disclosed (a) to its Affiliates, and to its and their partners, directors, officers, employees, agents, advisors and representatives (provided such Persons are informed of the confidential nature of the Information and instructed to keep it confidential); (b) to the extent requested by any governmental, regulatory or self-regulatory authority purporting to have jurisdiction over it or its Affiliates; (c) to the extent required by Applicable Law or by any subpoena or other legal process; (d) to any other party hereto; (e) in connection with any action or proceeding, or other exercise of rights or remedies, relating to any Loan Documents or Obligations; (f) subject to an agreement containing provisions substantially the same as this Section, to any Transferee or any actual or prospective party (or its advisors) to any Bank Product; (g) with the consent of Borrower Agent; or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) is available to Agent, any Lender, Issuing Bank or any of their Affiliates on a nonconfidential basis from a source other than Obligors. Notwithstanding the foregoing, Agent and Lenders may publish or disseminate general information describing this credit facility, including the names and addresses of Obligors and a general description of Obligors' businesses, and may use Obligors' logos, trademarks or product photographs in advertising materials. As used herein, "Information" means all information received from an Obligor or Subsidiary relating to it or its business that is identified as confidential when delivered. Any Person required to maintain the confidentiality of Information pursuant to this Section shall be deemed to have complied if it exercises the same degree of care that it accords its own confidential information. Each of Agent, Lenders and Issuing Bank acknowledges that (i) Information may include material non-public information concerning an Obligor or Subsidiary; (ii) it has developed compliance procedures regarding the use of material non-public information; and (iii) it will handle such material non-public information in accordance with Applicable Law, including federal and state securities laws.

14.13. GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, UNLESS OTHERWISE SPECIFIED, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES (BUT GIVING EFFECT TO FEDERAL LAWS RELATING TO NATIONAL BANKS).

14.14. Consent to Forum.

14.14.1. **Forum**. **EACH PARTY HERETO HEREBY CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN OR WITH JURISDICTION OVER NEW YORK, IN ANY PROCEEDING OR DISPUTE RELATING IN ANY WAY TO ANY LOAN DOCUMENTS, AND AGREES THAT ANY SUCH PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. EACH PARTY HERETO IRREVOCABLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 14.3.1**. Nothing herein shall limit the right of Agent or any Lender to bring proceedings against any Obligor in any other court, nor limit

the right of any party to serve process in any other manner permitted by Applicable Law. Nothing in this Agreement shall be deemed to preclude enforcement by Agent of any judgment or order obtained in any forum or jurisdiction.

14.15. Waivers by Obligors. To the fullest extent permitted by Applicable Law, each Obligor waives (a) the right to trial by jury (which Agent and each Lender hereby also waives) in any proceeding or dispute of any kind relating in any way to any Loan Documents, Obligations or Collateral; (b) presentment, demand, protest, notice of presentment, default, non-payment, maturity, release, compromise, settlement, extension or renewal of any commercial paper, accounts, documents, instruments, chattel paper and guaranties at any time held by Agent on which a Obligor may in any way be liable, and hereby ratifies anything Agent may do in this regard; (c) notice prior to taking possession or control of any Collateral; (d) any bond or security that might be required by a court prior to allowing Agent to exercise any rights or remedies; (e) the benefit of all valuation, appraisement and exemption laws; (f) any claim against Agent, Issuing Bank or any Lender, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) in any way relating to any Enforcement Action, Obligations, Loan Documents or transactions relating thereto; and (g) notice of acceptance hereof. Each Obligor acknowledges that the foregoing waivers are a material inducement to Agent, Issuing Bank and Lenders entering into this Agreement and that they are relying upon the foregoing in their dealings with Obligors. Each Obligor has reviewed the foregoing waivers with its legal counsel and has knowingly and voluntarily waived its jury trial and other rights following consultation with legal counsel. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

14.16. Patriot Act Notice. Agent and Lenders hereby notify Obligors that pursuant to the requirements of the Patriot Act, Agent and Lenders are required to obtain, verify and record information that identifies each Obligor, including its legal name, address, tax ID number and other information that will allow Agent and Lenders to identify it in accordance with the Patriot Act. Agent and Lenders will also require information regarding each personal guarantor, if any, and may require information regarding Obligors' management and owners, such as legal name, address, social security number and date of birth.

SECTION 15. GUARANTY

15.1. Guaranty; Limitation of Liability.

15.1.1. Each Initial Guarantor hereby absolutely, unconditionally and irrevocably guarantees (the undertaking by each Initial Guarantor under this **Section 15** being, as amended from time to time, the "Initial Guaranty") the punctual payment when due, whether at scheduled maturity or on any date of a required prepayment or by acceleration, demand or otherwise, of all Obligations of each other Obligor now or hereafter existing under or in respect of the Loan Documents (including, without limitation, any extensions, modifications, substitutions, amendments or renewals of any or all of the foregoing Obligations), whether direct or indirect, absolute or contingent, and whether for principal, interest, premiums, fees, indemnities, contract causes of action, costs, expenses or otherwise (such Obligations being the "Guaranteed Obligations"), and agrees to pay any and all expenses (including, without limitation, reasonable fees and expenses of counsel) incurred by Agent or any other Secured Party in enforcing any rights under this Initial Guaranty or any other Loan Document. Without limiting the generality of the foregoing, each Initial Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any other Obligor to any Secured Party under or in respect of the Loan Documents but for the fact that they are unenforceable or not allowable due to the existence of any Insolvency Proceeding involving such other Obligor.

15.1.2. Each Initial Guarantor, and by its acceptance of this Initial Guaranty, Agent and each other Secured Party, hereby confirms that it is the intention of all such Persons that this Initial Guaranty and the Obligations of each Initial Guarantor hereunder not constitute a fraudulent transfer or conveyance for purposes of the Bankruptcy Code, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to this Initial Guaranty and the Obligations of each Initial Guarantor hereunder. To effectuate the foregoing intention, each Initial Guarantor, Agent and each of the other Secured Parties hereby irrevocably agree that such Guaranteed Obligations and other liabilities shall be limited to the maximum amount as will, after giving effect to such maximum amount and all other contingent and fixed liabilities of each Initial Guarantor that are relevant under the laws referred to in the first sentence hereof, and after giving effect to any collections from, any rights to receive contributions from, or payments made by or on behalf of, any of the other Obligors in respect of the Obligations under any Loan Document, result in the Guaranteed Obligations and all other liabilities of each Initial Guarantor under this Initial Guaranty not constituting a fraudulent transfer or conveyance.

15.1.3. Each Initial Guarantor hereby unconditionally and irrevocably agrees that in the event any payment shall be required to be made to any Secured Party under this Initial Guaranty any other Loan Document or any other guaranty, each Initial Guarantor will contribute, to the maximum extent permitted by law, such amounts to each other Guarantor and each other guarantor so as to maximize the aggregate amount paid to the Secured Parties under or in respect of the Loan Documents.

15.2. Guaranty Absolute. Each Initial Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any Applicable Law, now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Secured Party with respect thereto. The Obligations of each Initial Guarantor under or in respect of this Initial Guaranty are independent of the Guaranteed Obligations or any other Obligations of any other Obligor under or in respect of the Loan Documents, and a separate action or actions may be brought and prosecuted against each Initial Guarantor to enforce this Initial Guaranty, irrespective of whether any action is brought against any Borrower or any other Obligor or whether any Borrower or any other Obligor is joined in any such action or actions. The liability of each Initial Guarantor under this Initial Guaranty shall be irrevocable, absolute and unconditional irrespective of, and each Initial Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of any Loan Document or any agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, including any increase in the amount of, all or any of the Guaranteed Obligations or any other Obligations of any other Obligor under or in respect of the Loan Documents, or any other amendment or waiver of or any consent to departure from any Loan Document, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to any Obligor or otherwise;

(c) any taking, exchange, release or non-perfection of any Collateral or any other collateral, or any taking, release or amendment or waiver of, or consent to departure from, any other guaranty, for all or any of the Guaranteed Obligations;

(d) any manner of application of Collateral or any other collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of sale or other disposition of any Collateral or any other collateral for all or any of the Guaranteed Obligations or any other Obligations of

any Obligor under the Loan Documents or any other assets of any Obligor; the failure of the Agent, any other Secured Party or any other person to exercise diligence or reasonable care in the preservation, protection, enforcement, sale or other handling or treatment of all or any part of such Collateral, property or security;

(e) the fact that any Collateral, security, security interest or lien contemplated or intended to be given, created or granted as security for the repayment of the Guaranteed Obligations shall not be properly perfected or created, or shall prove to be unenforceable or subordinate to any other security interest or lien, it being recognized and agreed by each Initial Guarantor that such Initial Guarantor is not entering into this Initial Guaranty in reliance on, or in contemplation of the benefits of, the validity, enforceability, collectibility or value of any such Collateral;

(f) any change, restructuring or termination of the corporate structure or existence of any Obligor or any of its Subsidiaries;

(g) any failure of any Secured Party to disclose to any Obligor any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Obligor now or hereafter known to such Secured Party (each Initial Guarantor waiving any duty on the part of the Secured Parties to disclose such information);

(h) the failure of any other Person to execute or deliver any Loan Document or any supplement thereto or any other guaranty or agreement or the release or reduction of liability of any Guarantor or other guarantor or surety with respect to the Guaranteed Obligations; or

(i) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by any Secured Party that might otherwise constitute a defense available to, or a discharge of, any Obligor or any other guarantor or surety, other than payment in full of the Guaranteed Obligations (other than contingent indemnification obligations).

This Initial Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by Agent or any Secured Party or any other Person upon the insolvency, bankruptcy or reorganization of any Borrower or any other Obligor or otherwise, all as though such payment had not been made and each Initial Guarantor hereby unconditionally and irrevocably agrees that it will indemnify Agent and each of the other Secured Parties, upon demand, for all of the costs and expenses (including, without limitation, reasonable fees and expenses of counsel) incurred by Agent or such other Secured Party in connection with any such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, a fraudulent transfer or a similar payment under any bankruptcy, insolvency or similar Law.

Each Initial Guarantor hereby further agrees that, as between each Initial Guarantor on the one hand, and Agent and the Secured Parties, on the other hand, (i) the Guaranteed Obligations of each Initial Guarantor may be declared to be forthwith due and payable as provided in **Section 11.2** (and shall be deemed to have become automatically due and payable in the circumstances provided in **Section 11.2**) for purposes of **Section 15.1**, notwithstanding any stay, injunction or other prohibition preventing such declaration in respect of the Obligations of any of the Obligors guaranteed hereunder (or preventing such Guaranteed Obligations from becoming automatically due and payable) as against any other Person and (ii) in the event of any declaration of acceleration of such Guaranteed Obligations (or such Guaranteed Obligations being deemed to have become automatically due and payable) as provided in **Section 11.2**, such Guaranteed Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by each Initial Guarantor for all purposes of this Initial Guaranty.

15.3. Waivers and Acknowledgments.

15.3.1. Each Initial Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of nonperformance, default, acceleration, protest or dishonor and any other notice with respect to any of the Guaranteed Obligations and this Initial Guaranty and any requirement that Agent or any Secured Party protect, secure, perfect or insure any Lien or any property subject thereto or exhaust any right or take any action against any Obligor or any other Person or any Collateral.

15.3.2. Each Initial Guarantor hereby unconditionally and irrevocably waives any right to revoke this Initial Guaranty and acknowledges that this Initial Guaranty is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

15.3.3. Each Initial Guarantor hereby unconditionally and irrevocably waives (i) any defense arising by reason of any claim or defense based upon an election of remedies by Agent or any Secured Party that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution or indemnification rights of each Initial Guarantor or other rights of each Initial Guarantor to proceed against any of the other Obligors, any other guarantor or any other Person or any Collateral and (ii) any defense based on any right of set-off or counterclaim against or in respect of the Obligations of each Initial Guarantor hereunder.

15.3.4. Each Initial Guarantor acknowledges that Agent may, without notice to or demand upon each Initial Guarantor and without affecting the liability of each Initial Guarantor under this Initial Guaranty, foreclose under any mortgage by nonjudicial sale, and each Initial Guarantor hereby waives any defense to the recovery by Agent and the other Secured Parties against each Initial Guarantor of any deficiency after such nonjudicial sale and any defense or benefits that may be afforded by applicable law.

15.3.5. Each Initial Guarantor hereby unconditionally and irrevocably waives any duty on the part of Agent or any Secured Party to disclose to each Initial Guarantor any matter, fact or thing relating to the business, financial condition, operations, or performance of any other Obligor or any of its Subsidiaries now or hereafter known by Agent or such Secured Party.

15.3.6. Each Initial Guarantor acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by the Loan Documents and that the waivers set forth in **Section 15.2** and this **Section 15.3** are knowingly made in contemplation of such benefits.

15.4. Subrogation. Each Initial Guarantor hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against any Borrower, any other Obligor or any other insider guarantor that arise from the existence, payment, performance or enforcement of each Initial Guarantor's Obligations under or in respect of this Initial Guaranty or any other Loan Document, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of Agent or any Secured Party against any Borrower, any other Obligor or any other insider guarantor or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Borrower, any other Obligor or any other insider guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until all of the Guaranteed Obligations (other than contingent indemnification obligations) and all other amounts payable under this Initial Guaranty shall have been paid in full in cash, all Letters of Credit and all Bank Product Debt shall have

expired or been terminated or Cash Collateralized and the Commitments shall have expired or been terminated. If any amount shall be paid to each Initial Guarantor in violation of the immediately preceding sentence at any time prior to the Full Payment of the Guaranteed Obligations and all other amounts payable under this Initial Guaranty, such amount shall be received and held in trust for the benefit of the Secured Parties, shall be segregated from other property and funds of each Initial Guarantor and shall forthwith be paid or delivered to Agent in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Initial Guaranty, whether matured or unmatured, in accordance with the terms of the Loan Documents, or to be held as Collateral for any Guaranteed Obligations or other amounts payable under this Initial Guaranty thereafter arising. If any Initial Guarantor shall make payment to any Secured Party of all or any part of the Guaranteed Obligations, and Full Payment of the Guaranteed Obligations shall occur, then the Secured Parties will, at such Initial Guarantor's request and expense, execute and deliver to such Initial Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to such Initial Guarantor of an interest in the Guaranteed Obligations resulting from such payment made by such Initial Guarantor pursuant to this Initial Guaranty.

15.5. Subordination. Each Initial Guarantor hereby subordinates any and all debts, liabilities and other Obligations owed to each Initial Guarantor by each other Obligor (the "Intercompany Obligations") to the Guaranteed Obligations to the extent and in the manner hereinafter set forth in this **Section 15.5**:

15.5.1. Prohibited Payments, Etc. Except (a) during the continuance of any Event of Default under **Sections 11.1(a), (j)** or **(k)** or (b) after notice from the Agent or any Lender of any other Event of Default under this Agreement, each Initial Guarantor may receive regularly scheduled payments from any other Obligor on account of the Intercompany Obligations. During the continuance of any Event of Default under **Sections 11.1(a), (j)** or **(k)** or after notice from the Agent or any Lender of any other Event of Default under this Agreement, however, each Initial Guarantor shall not demand, accept or take any action to collect any payment on account of the Intercompany Obligations unless the Required Lenders otherwise agree.

15.5.2. Prior Payment of Guaranteed Obligations. In any Insolvency Proceeding relating to any other Obligor, each Initial Guarantor agrees that the Secured Parties shall be entitled to receive payment in full in cash of all Guaranteed Obligations (other than contingent indemnification obligations, but including all interest, expenses and fees (including legal fees) accruing after the commencement of any Insolvency Proceeding, whether or not constituting an allowed claim in such proceeding ("Post Petition Interest")) before each Initial Guarantor receives payment of any Intercompany Obligations.

15.5.3. Turn-Over. After the occurrence and during the continuance of any Event of Default (including the commencement and continuation of any Insolvency Proceeding relating to any other Obligor), each Initial Guarantor shall, if Agent so requests, collect, enforce and receive payments on account of the Intercompany Obligations as trustee for the Secured Parties and deliver such payments to Agent on account of the Guaranteed Obligations (including all Post Petition Interest), together with any necessary endorsements or other instruments of transfer, but without reducing or affecting in any manner the liability of each Initial Guarantor under the other provisions of this Initial Guaranty.

15.5.4. Agent Authorization. After the occurrence and during the continuance of any Event of Default (including the commencement and continuation of any Insolvency Proceeding relating to any other Obligor), Agent is authorized and empowered (but without any obligation to so do), in its discretion, (i) in the name of each Initial Guarantor, to collect and enforce, and to submit

claims in respect of, Intercompany Obligations and to apply any amounts received thereon to the Guaranteed Obligations (including any and all Post Petition Interest), and (ii) to require each Initial Guarantor (A) to collect and enforce, and to submit claims in respect of, Intercompany Obligations and (B) to pay any amounts received on such obligations to Agent for application to the Guaranteed Obligations (including any and all Post Petition Interest).

15.6. Continuing Guaranty; Assignments. This Initial Guaranty is a continuing guaranty and shall (a) remain in full force and effect until the Full Payment of the Obligations, (b) be binding upon each Initial Guarantor, its successors and assigns and (c) inure to the benefit of and be enforceable by the Secured Parties and their successors, transferees and assigns. Without limiting the generality of clause (c) of the immediately preceding sentence, any Secured Party may assign or otherwise transfer all or any portion of its rights and obligations under this Agreement (including, without limitation, all or any portion of its Commitments, the Loans owing to it and the Note or Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Secured Party herein or otherwise, in each case as and to the extent provided in Section 13.3. No Initial Guarantor shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the Secured Parties.

[Remainder of page intentionally left blank; signatures begin on following page]

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date set forth above.

BORROWERS:

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance
Address:
495 South High Street, Suite 50
Columbus, Ohio 43215
Attn: Michael T. Miller
Telecopy: 614-961-3300

[signature pages continued]

ALL-WEATHERIZATION CONTRACTORS, LLC
AMERICAN INSULATION & ENERGY SERVICES, LLC
ANY SEASON INSULATION, LLC
BAYTHERM INSULATION, LLC
BUILDING MATERIALS FINANCE, INC.
CORNHUSKER INSULATION, LLC
GARAGE DOOR SYSTEMS, LLC
GOLD INSULATION, INC.
GOLD STAR INSULATION, L.P.
By: Gold Insulation, Inc., its General Partner
G-T-G, LLC
HINKLE INSULATION & DRYWALL COMPANY, INCORPORATED
IBP ASSET, LLC
IBP ASSET II, LLC
IBP TEXAS ASSETS I, LLC
IBP TEXAS ASSETS II, LLC
IBP TEXAS ASSETS III, LLC
INSTALLED BUILDING PRODUCTS II, LLC
INSULVAIL, LLC
LAKESIDE INSULATION, LLC
LKS TRANSPORTATION, LLC
METRO HOME INSULATION, LLC
NATIONAL WATERPROOFING, INC.
NORTHWEST INSULATION, LLC
OJ INSULATION HOLDINGS, INC.
OJ INSULATION, L.P.
By: OJ Insulation Holdings, Inc., its General Partner
RAJAN, LLC
ROCKFORD INSULATION, LLC
SPEC 7 INSULATION CO., LLC
SUPERIOR INSULATION SERVICES, LLC
WATER-TITE COMPANY, LLC
WILSON INSULATION COMPANY, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

[signature pages continued]

GUARANTORS:

CCIB HOLDCO, INC.
IBHL A HOLDING COMPANY, INC.
IBHL B HOLDING COMPANY, INC.
IBHL II–A HOLDING COMPANY, INC.
IBHL II–B HOLDING COMPANY, INC.
IBP HOLDINGS, LLC
IBP HOLDINGS II, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

[signature pages continued]

AGENT AND LENDERS:

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

By: /s/ Christopher M. O'Halloran
Name: Christopher M. O'Halloran
Title: Senior Vice President
Address:

225 Franklin Street
Boston, MA 02110
Attn: Christopher O'Halloran
Telecopy: (312) 453-6319

EXHIBIT A
to
Loan and Security Agreement

REVOLVER NOTE

, 20 $ New York, New York

EACH OF THE UNDERSIGNED (individually, a "Borrower" and, collectively, "Borrowers"), for value received, hereby unconditionally promise to pay, on a joint and several basis, to the order of ("Lender"), the principal sum of DOLLARS ($), or such lesser amount as may be advanced by Lender as Revolver Loans and owing as LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Terms are used herein as defined in the Loan and Security Agreement dated as of November 4, 2011, among Installed Building Products, LLC, a Delaware limited liability company, the other Borrowers party thereto, the Initial Guarantors, Bank of America, N.A., as Agent, Lender, and certain other financial institutions, as such agreement may be amended, modified, renewed or extended from time to time ("Loan Agreement").

Principal of and interest on this Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This Note is issued pursuant to and evidences Revolver Loans and LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of Lender and the duties and obligations of Borrowers. The Loan Agreement contains provisions for acceleration of the maturity of this Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this Note is hereby authorized by Borrowers to record on a schedule annexed to this Note (or on a supplemental schedule) the amounts owing with respect to Revolver Loans and LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this Note or any obligations of Borrowers hereunder or under any other Loan Documents.

Time is of the essence of this Note. Each Borrower and all endorsers, sureties and guarantors of this Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. Borrowers jointly and severally agree to pay, and to save the holder of this Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable attorneys' fees) if this Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by Borrowers or inadvertently received by the holder of this Note, such excess shall be returned to Borrowers or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that Borrowers not pay or contract to pay, and that holder of this Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Borrowers under Applicable Law.

This Note shall be governed by the laws of the State of New York without giving effect to any conflict of law principles (but giving effect to federal laws relating to national banks).

IN WITNESS WHEREOF, this Revolver Note is executed as of the date set forth above.

INSTALLED BUILDING PRODUCTS, LLC

By: _____
Name: Michael T. Miller
Title: Executive Vice President - Finance

ALL-WEATHERIZATION CONTRACTORS, LLC
AMERICAN INSULATION & ENERGY SERVICES, LLC
ANY SEASON INSULATION, LLC
BAYTHERM INSULATION, LLC
BUILDING MATERIALS FINANCE, INC.
CORNHUSKER INSULATION, LLC
GARAGE DOOR SYSTEMS, LLC
GOLD INSULATION, INC.
GOLD STAR INSULATION, L.P.
By: Gold Insulation, Inc., its General Partner
G-T-G, LLC
HINKLE INSULATION & DRYWALL COMPANY, INCORPORATED
IBP ASSET, LLC
IBP ASSET II, LLC
IBP TEXAS ASSETS I, LLC
IBP TEXAS ASSETS II, LLC
IBP TEXAS ASSETS III, LLC
INSTALLED BUILDING PRODUCTS II, LLC
INSULVAIL, LLC
LAKESIDE INSULATION, LLC
LKS TRANSPORTATION, LLC
METRO HOME INSULATION, LLC
NATIONAL WATERPROOFING, INC.
NORTHWEST INSULATION, LLC
OJ INSULATION HOLDINGS, INC.
OJ INSULATION, L.P.
By: OJ Insulation Holdings, Inc., its General Partner
RAJAN, LLC
ROCKFORD INSULATION, LLC
SPEC 7 INSULATION CO., LLC
SUPERIOR INSULATION SERVICES, LLC
WATER-TITE COMPANY, LLC
WILSON INSULATION COMPANY, LLC

By: _____
Name: Michael T. Miller
Title: Executive Vice President - Finance

EXHIBIT B
to
Loan and Security Agreement

ASSIGNMENT AND ACCEPTANCE

Reference is made to the Loan and Security Agreement dated as of November 4, 2011, as amended ("Loan Agreement"), among **INSTALLED BUILDING PRODUCTS, LLC**, a Delaware limited liability company ("IBP, LLC"), the other Borrowers from time to time party there to, **CCIB HOLDCO, INC.**, a Delaware corporation ("Parent"), the other Guarantors from time to time party thereto, **BANK OF AMERICA, N.A.**, as agent ("Agent") for the financial institutions from time to time party to the Loan Agreement ("Lenders"), and such Lenders. Terms are used herein as defined in the Loan Agreement.

("Assignor") and ("Assignee") agree as follows:

1. Assignor hereby assigns to Assignee and Assignee hereby purchases and assumes from Assignor (a) a principal amount of $ of Assignor's outstanding Revolver Loans and $ of Assignor's participations in LC Obligations and (b) the amount of $ of Assignor's Revolver Commitment (which represents % of the total Commitments) (the foregoing items being, collectively, the "Assigned Interest"), together with an interest in the Loan Documents corresponding to the Assigned Interest. This Agreement shall be effective as of the date ("Effective Date") indicated in the corresponding Assignment Notice delivered to Agent, provided such Assignment Notice is executed by Assignor, Assignee, Agent and Borrower Agent, if applicable. From and after the Effective Date, Assignee hereby expressly assumes, and undertakes to perform, all of Assignor's obligations in respect of the Assigned Interest, and all principal, interest, fees and other amounts which would otherwise be payable to or for Assignor's account in respect of the Assigned Interest shall be payable to or for Assignee's account, to the extent such amounts accrue on or after the Effective Date.

2. Assignor (a) represents that as of the date hereof, prior to giving effect to this assignment, its Commitment is $, and the outstanding balance of its Revolver Loans and participations in LC Obligations is $; (b) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Loan Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document furnished pursuant thereto, other than that Assignor is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; and (c) makes no representation or warranty and assumes no responsibility with respect to the financial condition of Borrowers or the performance by Borrowers of their obligations under the Loan Documents. *[Assignor is attaching the Note[s] held by it and requests that Agent exchange such Note[s] for new Notes payable to Assignee [and Assignor].]*

3. Assignee (a) represents and warrants that it is legally authorized to enter into this Assignment and Acceptance; (b) confirms that it has received copies of the Loan Agreement and such other Loan Documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (c) agrees that it shall, independently and without reliance upon Assignor and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents; (d) confirms that it is an Eligible Assignee; (e) appoints and authorizes Agent to take such action as agent on its behalf and to exercise such powers under the Loan Agreement as are delegated to Agent by the terms thereof, together with such powers as are incidental thereto; (f) agrees that it will observe and

perform all obligations that are required to be performed by it as a "Lender" under the Loan Documents; and (g) represents and warrants that the assignment evidenced hereby will not result in a non-exempt "prohibited transaction" under Section 406 of ERISA.

4. This Agreement shall be governed by the laws of the State of New York If any provision is found to be invalid under Applicable Law, it shall be ineffective only to the extent of such invalidity and the remaining provisions of this Agreement shall remain in full force and effect.

5. Each notice or other communication hereunder shall be in writing, shall be sent by messenger, by telecopy or facsimile transmission, or by first-class mail, shall be deemed given when sent and shall be sent as follows:

(a) If to Assignee, to the following address (or to such other address as Assignee may designate from time to time):

_____
_____
_____

(b) If to Assignor, to the following address (or to such other address as Assignor may designate from time to time):

_____
_____
_____
_____

Payments hereunder shall be made by wire transfer of immediately available Dollars as follows:

If to Assignee, to the following account (or to such other account as Assignee may designate from time to time):

_____
_____
ABA No. _____
_____
Account No. _____
Reference: _____

If to Assignor, to the following account (or to such other account as Assignor may designate from time to time):

_____
_____
ABA No. _____
_____
Account No. _____
Reference: _____

IN WITNESS WHEREOF, this Assignment and Acceptance is executed as of .

_____
("Assignee")

By _____
Title:

_____
("Assignor")

By _____
Title:

EXHIBIT C
to
Loan and Security Agreement

ASSIGNMENT NOTICE

Reference is made to (1) the Loan and Security Agreement dated as of November 4, 2011, as amended ("Loan Agreement"), among **INSTALLED BUILDING PRODUCTS, LLC**, a Delaware limited liability company ("Borrower Agent"), the other Borrowers from time to time party there to, **CCIB HOLDCO, INC.**, a Delaware corporation ("Parent"), the other Guarantors from time to time party thereto, **BANK OF AMERICA, N.A.**, as agent ("Agent") for the financial institutions from time to time party to the Loan Agreement ("Lenders"), and such Lenders; and (2) the Assignment and Acceptance dated as of , 20 ("Assignment Agreement"), between ("Assignor") and ("Assignee"). Terms are used herein as defined in the Loan Agreement.

Assignor hereby notifies Borrower Agent and Agent of Assignor's intent to assign to Assignee pursuant to the Assignment Agreement (a) a principal amount of $ of Assignor's outstanding Revolver Loans and $ of Assignor's participations in LC Obligations, and (b) the amount of $ of Assignor's Commitment (the foregoing items being, collectively, the "Assigned Interest"), together with an interest in the Loan Documents corresponding to the Assigned Interest. This Agreement shall be effective as of the date ("Effective Date") indicated below, provided this Assignment Notice is executed by Assignor, Assignee, Agent and Borrower Agent, if applicable. Pursuant to the Assignment Agreement, Assignee has expressly assumed all of Assignor's obligations under the Loan Agreement to the extent of the Assigned Interest, as of the Effective Date.

For purposes of the Loan Agreement, Agent shall deem Assignor's Commitment to be reduced by $, and Assignee's Commitment to be increased by $.

The address of Assignee to which notices and information are to be sent under the terms of the Loan Agreement is:

_____
_____
_____
_____

The address of Assignee to which payments are to be sent under the terms of the Loan Agreement is shown in the Assignment and Acceptance.

This Notice is being delivered to Borrowers and Agent pursuant to **Section 13.3** of the Loan Agreement. Please acknowledge your acceptance of this Notice by executing and returning to Assignee and Assignor a copy of this Notice.

IN WITNESS WHEREOF, this Assignment Notice is executed as of .

_____
("Assignee")

By _____
Title:

_____
("Assignor")

By _____
Title:

ACKNOWLEDGED AND AGREED,
AS OF THE DATE SET FORTH ABOVE:

BORROWER AGENT:*

INSTALLED BUILDING PRODUCTS, LLC

By _____
Title:

* No signature required if Assignee is a Lender, U.S.-based Affiliate of a Lender or Approved Fund, or if an Event of Default exists.

BANK OF AMERICA, N.A.,
as Agent

By _____
Title:

SCHEDULE 1.1
to
Loan and Security Agreement

COMMITMENTS OF LENDERS

Lender	Commitment
Bank of America, N.A.	$40,000,000.00
Total	**$40,000,000.00**

SCHEDULE 7.3.1
to
Loan and Security Agreement

PLEDGED INTERESTS

SCHEDULE 8.5
to
Loan and Security Agreement

DEPOSIT ACCOUNTS

Depository Bank	Type of Account	Account Number

SCHEDULE 8.6.1
to
Loan and Security Agreement

BUSINESS LOCATIONS

1. Borrowers currently have the following business locations, and no others:

   Chief Executive Office:

   Other Locations:

2. In the five years preceding the Closing Date, Borrowers have had no office or place of business located in any county other than as set forth above, except:

3. Each Subsidiary currently has the following business locations, and no others:

   Chief Executive Office:

   Other Locations:

4. The following bailees, warehouseman, similar parties and consignees hold inventory of a Borrower or Subsidiary:

Name and Address of Party	Nature of Relationship	Amount of Inventory	Owner of Inventory

SCHEDULE 9.1.4
to
Loan and Security Agreement

NAMES AND CAPITAL STRUCTURE

1. The corporate names, jurisdictions of incorporation, and authorized and issued Equity Interests of each Borrower and Subsidiary are as follows:

Name	Jurisdiction	Number and Class of Authorized Shares	Number and Class of Issued Shares

2. The record holders of Equity Interests of each Borrower and Subsidiary are as follows:

Name	Class of Stock	Number of Shares	Record Owner

3. All agreements binding on holders of Equity Interests of Borrowers and Subsidiaries with respect to such interests are as follows:

4. In the five years preceding the Closing Date, no Borrower or Subsidiary has acquired any substantial assets from any other Person nor been the surviving entity in a merger or combination, except:

SCHEDULE 9.1.11
to
Loan and Security Agreement

PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES

1. Borrowers' and Subsidiaries' patents:

Patent	Owner	Status in Patent Office	Federal Registration No.	Registration Date

2. Borrowers' and Subsidiaries' trademarks:

Trademark	Owner	Status in Trademark Office	Federal Registration No.	Registration Date

3. Borrowers' and Subsidiaries' copyrights:

Copyright	Owner	Status in Copyright Office	Federal Registration No.	Registration Date

4. Borrowers' and Subsidiaries' licenses (other than routine business licenses, authorizing them to transact business in local jurisdictions):

Licensor	Description of License	Term of License	Royalties Payable

SCHEDULE 9.1.14
to
Loan and Security Agreement

ENVIRONMENTAL MATTERS

SCHEDULE 9.1.15
to
Loan and Security Agreement

RESTRICTIVE AGREEMENTS

Entity	Agreement	Restrictive Provisions

SCHEDULE 9.1.16
to
Loan and Security Agreement

LITIGATION

1. Proceedings and investigations pending against Borrowers or Subsidiaries:

2. Threatened proceedings or investigations of which any Borrower or Subsidiary is aware:

3. Pending Commercial Tort Claim of any Obligor:

SCHEDULE 9.1.18
to
Loan and Security Agreement

PENSION PLAN DISCLOSURES

SCHEDULE 9.1.20
to
Loan and Security Agreement

LABOR CONTRACTS

Borrowers and Subsidiaries are party to the following collective bargaining agreements, management agreements and consulting agreements:

Parties	Type of Agreement	Term of Agreement

SCHEDULE 10.2.1
to
Loan and Security Agreement

EXISTING DEBT

SCHEDULE 10.2.2
to
Loan and Security Agreement

EXISTING LIENS

SCHEDULE 10.2.5
to
Loan and Security Agreement

EXISTING INVESTMENTS

SCHEDULE 10.2.17
to
Loan and Security Agreement

EXISTING AFFILIATE TRANSACTIONS

SCHEDULE 10.2.22
to
Loan and Security Agreement

POST-CLOSING DELIVERIES

Obligors shall deliver, or cause to be delivered, to Agent each of the following documents and certifications, each in form and substance satisfactory to Agent, within the periods set forth below (or such longer period as Agent may otherwise agree):

Within 10 days after the Closing Date:

1. The Federal Tax Identification Number assigned by the Internal Revenue Service for IBHL A Holding Company, Inc., IBHL B Holding Company, Inc., IBHL II-A Holding Company, Inc. and IBHL II-B Holding Company, Inc.

2. A lenders' loss payable endorsement naming Agent as lenders loss payee for all commercial property insurance policies carried by Obligors.

Within 30 days after the Closing Date:

1. A lenders' loss payable endorsement naming Agent as lenders loss payee for the business interruption insurance policies carried by Obligors.

2. Certificates of qualification of each Obligor to transact business in each jurisdiction where the conduct of its business or ownership, lease or operation of its properties requires such Obligor to be so qualified, except jurisdictions where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect, to the extent no delivered on the Closing Date.

Within 60 days after the Closing Date:

1. An Insurance Assignment of the Key-Man Life Insurance., along with the original policy.

2. The financial statements described in **Section 10.1.2(a)** of IBP,LLC and its Subsidiaries for the Fiscal Year ending December 31, 2010.

3. Copies of all insurance policies carried by Obligors.

4 Copies of any Non-Compete Agreements not delivered on the Closing Date.

Within 30 days after Agent's request:

1. An assignment of IBP, LLC's mortgage on the Real Estate of Suburban.

2. Evidence of recordation of Agent's Lien on the certificate of title with respect to any motor vehicles and trailers that constitute Collateral.

Exhibit 10.3

EXECUTION COPY

AMENDMENT NO. 1 TO LOAN AND SECURITY AGREEMENT

THIS AMENDMENT NO. 1 TO LOAN AND SECURITY AGREEMENT is dated as of April 20, 2012 (this "Amendment"), among **INSTALLED BUILDING PRODUCTS, LLC**, a Delaware limited liability company ("IBP, LLC"), **INSTALLED BUILDING PRODUCTS II, LLC**, a Delaware limited liability company ("IBP II, LLC" and together with IBP, LLC, collectively, the "Companies" and each, individually, the "Company"), **EACH BORROWING SUBSIDIARY PARTY HERETO** (collectively with the Companies, the "Borrowers"), **CCIB HOLDCO, INC.**, a Delaware corporation ("Parent") and **CERTAIN GUARANTYING SUBSIDIARIES PARTY HERETO** (together with Parent, the "Guarantors"), the Lenders party hereto, and **BANK OF AMERICA, N.A.**, a national banking association, as agent for the Lenders ("Agent").

RECITALS:

A. The Borrowers, the Guarantors, the lenders from time to time party thereto (collectively, "Lenders") and Agent have entered into a Loan and Security Agreement dated as of November 4, 2011 (the "Loan Agreement"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement.

B. The Borrowers have requested that Agent and Lenders amend certain provisions of the Loan Agreement.

C. Subject to the terms and conditions set forth below, Agent and Lenders party hereto are willing to so amend the Loan Agreement.

In furtherance of the foregoing, the parties agree as follows:

Section 1. AMENDMENTS. Subject to the covenants, terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, the Loan Agreement is amended as follows:

(a) The following new definitions are inserted in **Section 1.1** in the appropriate alphabetical positions therein:

FCCR Relief Period: the period from February 29, 2012 through and including September 30, 2012.

Support Agreement: the Support Agreement dated as of April 20, 2012, among Cetus Capital II, LLC, Jeffrey W. Edwards, Peter H. Edwards, Jr., Michael A. Edwards, Anne W. Edwards, Parent, IBP, LLC and Agent.

(b) The existing definitions of "Applicable Margin," "Fixed Charge Trigger Period" and "Security Documents" in **Section 1.1** are deleted in their entirety and the following definitions are inserted in lieu thereof:

Applicable Margin: with respect to any Type of Loan, the margin set forth below, as determined by the Fixed Charge Coverage Ratio and EBITDA levels set forth below for the most recently ended Measurement Period:

Level	Ratio / EBITDA	Base Rate Revolver Loans	LIBOR Revolver Loans	Unused Line Fee
I	Fixed Charge Coverage Ratio ³ 1.10 and EBITDA ³ $5,000,000	1.50%	2.50%	0.375%
II		1.75%	2.75%	0.375%
III	Fixed Charge Coverage Ratio < 1.10 or EBITDA < $5,000,000	2.25%	3.25%	0.375%

Margins shall be determined as if Level II were applicable until delivery of the financial statements and corresponding Compliance Certificate required pursuant to **Section 10.1.2(a)** for the Measurement Period ending December 31, 2012 (and upon receipt thereof, the margins shall be adjusted based on the above, effective the first day of the month following receipt); provided that at all times during the FCCR Relief Period, the "Applicable Margin" shall mean (i) with respect to Base Rate Revolver Loans, 2.50% per annum, (ii) with respect to LIBOR Revolver Loans, 3.50% per annum and (iii) with respect to the Unused Line Fee, 0.375% per annum. Thereafter, the margins shall be subject to increase or decrease upon receipt by Agent pursuant to **Section 10.1.2** of the financial statements and corresponding Compliance Certificate for the most recent month end corresponding to the end of a Fiscal Quarter, which change shall be effective on the first day of the calendar month following receipt. If, by the first day of a month, any financial statement or Compliance Certificate due in the preceding month has not been received, then, at the option of Agent or Required Lenders, the margins shall be determined as if Level III were applicable, from such day until the first day of the calendar month following actual receipt.

Fixed Charge Trigger Period: the period (a) commencing on the day that Availability is less than $5,000,000 for 5 consecutive days or less than $4,000,000 at any time and (b) continuing until the date that during the previous 30 consecutive days, Availability has been greater than $5,000,000 at all times during such period; provided that at no time during the FCCR Relief Period shall a Fixed Charge Trigger Period apply.

Security Documents: the Guaranties, the Support Agreement, Mortgages, Trademark Security Agreements, Insurance Assignments, Deposit Account Control Agreements, and all other documents, instruments and agreements now or hereafter securing (or given with the intent to secure) any Obligations.

(c) The existing **Section 6.2(d)** is deleted in its entirety and the following is inserted in lieu thereof:

(d) [Intentionally omitted];

(d) The existing **Section 6.2(f)** is deleted in its entirety and the following is inserted in lieu thereof:

(f) If, at any time other than during the FCCR Relief Period, giving effect thereto, Availability would be less than $5,000,000 for a fifth consecutive day or less than $4,000,000 at any time, either (i) the Borrowers shall have been in compliance with the covenant set forth in **Section 10.3** as of the last day of the Measurement Period most recently ended for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent or (ii) Borrowers have provided Agent with evidence satisfactory to Agent that as of the time of the requested Loan, Letter of Credit or other financial accommodation, the Borrowers are in compliance with the covenant set forth in **Section 10.3** for the most recently ended Measurement Period.

(e) The existing **Section 10.2.4(a)** is amended by (i) deleting the "and" before clause (iii) and inserting a comma in lieu thereof and (ii) inserting the following new clause (iv) at the end thereof:

and (iv) at any time after the FCCR Relief Period, so long as (A) no Default or Event of Default has occurred and is continuing or would arise as a result thereof and (B) the conditions set forth in **Section 6.2(f)** are satisfied after giving effect to any payment or redemption, the Borrowers (directly or by Distribution made to CCIB solely for such purpose and as and when actually paid or redeemed by CCIB) may repay any Permitted Indebtedness or redeem Equity Interests (as such terms are used in the Support Agreement) solely in respect of Capital Contributions (as defined in the Support Agreement) made under the Support Agreement; provided that the aggregate repayments or redemptions made pursuant to this clause (iv) do not and would not exceed the aggregate amount of Capital Contributions made, directly or indirectly, by the Credit Support Parties (as defined in the Support Agreement).

(f) The existing **Section 11.1(f)** is deleted in its entirety and the following is inserted in lieu thereof:

(f) (i) A Guarantor repudiates, revokes or attempts to revoke its Guaranty; an Obligor denies or contests the validity or enforceability of any Loan Documents or Obligations, or the perfection or priority of any Lien granted to Agent; or any Loan Document ceases to be in full force or effect for any reason (other than a waiver or release by Agent and Lenders); or (ii) any breach or default occurs under the Support Agreement or the Support Agreement ceases to be in full force or effect for any reason (other than a waiver by Agent) at any time during the FCCR Relief Period or during the continuance of a Capital Contribution Event (as defined in the Support Agreement);

(g) The existing **Section 11.1(n)** is deleted in its entirety and the following is inserted in lieu thereof:

(n) A Change of Control occurs.

The amendments to the Loan Agreement are limited to the extent specifically set forth above and no other terms, covenants or provisions of the Loan Agreement are intended to be affected hereby.

Section 2. CONDITIONS PRECEDENT. The parties hereto agree that the amendments set forth in Section 1 above shall not be effective until the satisfaction of each of the following conditions precedent:

(a) **Documentation**. Agent shall have received (i) a counterpart of this Amendment, duly executed and delivered by the Borrowers, the Guarantors and Lenders, (ii) a counterpart of the Support Agreement duly executed and delivered by Cetus Capital II, LLC, Jeffrey W. Edwards, Peter H. Edwards,

Jr., Michael A. Edwards, Anne W. Edwards, Parent and IBP, LLC and (iii) such other documents and certificates as Agent or its counsel may reasonably request relating to the organization, existence and good standing of the Borrower, the authorization of this Amendment and any other legal matters relating to the Borrower or the transactions contemplated hereby.

(b) **Fees and Expenses.** All fees and expenses of counsel to Agent estimated to date shall have been paid in full (without prejudice to final settling of accounts for such fees and expenses).

Section 3. REPRESENTATIONS AND WARRANTIES.

(a) In order to induce Agent and Lenders to enter into this Amendment, each Obligor represents and warrants to Agent and Lenders as follows:

(i) No Default or Event of Default has occurred and is continuing or will exist after giving effect to this Amendment.

(ii) The representations and warranties made by such Obligor in **Section 9** of the Loan Agreement are true and correct in all material respects (except where any such representation or warranty is otherwise qualified by materiality, in which case such representation or warranty is true and correct in all respects) on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date in which case such representations and warranties are true and correct on and as of such earlier date.

(iii) Since December 31, 2010, no event has occurred or circumstance arisen that has had or could reasonably be expected to have a Material Adverse Effect.

(b) In order to induce Agent and the Lenders to enter into this Amendment, each Obligor represents and warrants to Agent and Lenders that this Amendment has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation.

Section 4. MISCELLANEOUS

(a) **Ratification and Confirmation of Loan Documents**. Each Obligor hereby consents, acknowledges and agrees to the amendments set forth herein and hereby confirms and ratifies in all respects the Loan Documents to which such Person is a party (including without limitation, with respect to each Obligor, the continuation and extension of the liens granted under the Loan Agreement and the Security Documents to secure the Obligations).

(b) **Fees and Expenses**. The Borrowers shall, joint and severally, pay on demand all reasonable costs and expenses of Agent in connection with the preparation, reproduction, execution, and delivery of this Amendment and any other documents prepared in connection herewith, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for Agent.

(c) **Headings**. Section and subsection headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(d) **Governing Law; Waiver of Jury Trial**. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, and shall be further subject to the provisions of **Sections 14.13, 14.14** and **14.15** of the Loan Agreement.

(e) **Counterparts**. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or electronic transmission (including .pdf file) shall be effective as delivery of a manually executed counterpart hereof.

(f) **Entire Agreement**. This Amendment, together with the Support Agreement and all the other Loan Documents (collectively, the "Relevant Documents"), sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relating to such subject matter. No promise, condition, representation or warranty, express or implied, not set forth in the Relevant Documents shall bind any party hereto, and no such party has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as otherwise expressly stated in the Relevant Documents, no representations, warranties or commitments, express or implied, have been made by any party to the other. None of the terms or conditions of this Amendment may be changed, modified, waived or canceled orally or otherwise except in a writing signed by the parties hereto for such purpose.

(g) **Enforceability**. Should any one or more of the provisions of this Amendment be determined to be illegal or unenforceable as to one or more of the parties hereto, all other provisions nevertheless shall remain effective and binding on the parties hereto.

(h) **Successors and Assigns**. This Amendment shall be binding upon and inure to the benefit of each Obligor, Agent, each Lender and their respective successors and assigns (subject to **Section 13** of the Loan Agreement).

[Remainder of page intentionally left blank; signatures begin on following page]

IN WITNESS WHEREOF, the following parties have caused this Amendment No. 1 to Loan and Security Agreement to be executed as of the date first written above.

BORROWERS:

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

ALL-WEATHERIZATION CONTRACTORS, LLC
AMERICAN INSULATION & ENERGY SERVICES, LLC
ANY SEASON INSULATION, LLC
BAYTHERM INSULATION, LLC
BUILDING MATERIALS FINANCE, INC.
CORNHUSKER INSULATION, LLC
GARAGE DOOR SYSTEMS, LLC
GOLD INSULATION, INC.
GOLD STAR INSULATION, L.P.
By: Gold Insulation, Inc., its General Partner G-T-G, LLC
HINKLE INSULATION & DRYWALL COMPANY, INCORPORATED
IBP ASSET, LLC
IBP ASSET II, LLC
IBP EXTERIORS, INC.
IBP TEXAS ASSETS I, LLC
IBP TEXAS ASSETS II, LLC
IBP TEXAS ASSETS III, LLC
INSTALLED BUILDING PRODUCTS II, LLC
INSULVAIL, LLC
LAKESIDE INSULATION, LLC
LKS TRANSPORTATION, LLC
METRO HOME INSULATION, LLC
NORTHWEST INSULATION, LLC
OJ INSULATION HOLDINGS, INC.
OJ INSULATION, L.P.
By: OJ Insulation Holdings, Inc., its General Partner
RAJAN, LLC
ROCKFORD INSULATION, LLC
SPEC 7 INSULATION CO., LLC
SUPERIOR INSULATION SERVICES, LLC
WATER-TITE COMPANY, LLC
WILSON INSULATION COMPANY, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

GUARANTORS:

CCIB HOLDCO, INC.
IBHL A HOLDING COMPANY, INC.
IBHL B HOLDING COMPANY, INC.
IBHL II–A HOLDING COMPANY, INC.
IBHL II–B HOLDING COMPANY, INC.
IBP HOLDINGS, LLC
IBP HOLDINGS II, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

AGENT AND LENDERS:

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

By: /s/ Christopher M. O'Halloran
Name: Christopher M. O'Halloran
Title: Senior Vice President

AMENDMENT NO. 2 TO LOAN AND SECURITY AGREEMENT AND CONSENT AGREEMENT

This **AMENDMENT NO. 2 TO LOAN AND SECURITY AGREEMENT AND CONSENT AGREEMENT** (this "Agreement"), dated as of August 31, 2012, is by and among **INSTALLED BUILDING PRODUCTS, LLC**, a Delaware limited liability company ("IBP, LLC"), **INSTALLED BUILDING PRODUCTS II, LLC**, a Delaware limited liability company ("IBP II, LLC" and together with IBP, LLC, collectively, the "Companies" and each, individually, the "Company"), **EACH BORROWING SUBSIDIARY PARTY HERETO** (collectively with the Companies, the "Borrowers"), **CCIB HOLDCO, INC.**, a Delaware corporation ("Parent") and **EACH GUARANTYING SUBSIDIARY PARTY HERETO** (together with Parent, the "Guarantors"), the financial institutions party to this Agreement from time to time as lenders (collectively, "Lenders"), and **BANK OF AMERICA, N.A.**, a national banking association, as agent for the Lenders ("Agent"). Capitalized terms used herein but not otherwise defined herein shall have the meanings given such terms in the Loan Agreement.

RECITALS:

A. The Borrowers, the Guarantors, the Lenders and the Agent are parties to that certain Loan and Security Agreement dated as of November 4, 2011 (as its terms have been amended, modified, waived or supplemented, the "Loan Agreement").

B. The Company has notified the Agent that the Company intends to purchase 100% of the outstanding equity of TCI Contracting, LLC, a Georgia limited liability company ("TCI"), for aggregate consideration consisting of approximately 129,944 shares of Equity Interests comprising common equity of Parent and a Promissory Note (the "Thayer Note") dated as of August 31, 2012 from TCI in favor of Wesley Thayer in the aggregate principal amount of $675,000 (the "Subject Acquisition"). TCI owns 100% of the Equity Interests of Thermal Control Insulation, LLC, an Ohio limited liability company ("Thermal Control"), and 100% of the Equity Interests of Mid South Construction and Building Products, Inc., a Georgia corporation. After giving effect to the Subject Acquisition, TCI shall be a wholly owned Subsidiary of IBP, LLC.

C. The Borrowers and Guarantors have requested that the Required Lenders consent to the Subject Acquisition and, in connection with the purchase of the outstanding equity of TCI, the execution and delivery of a sale and purchase agreement by IBP, LLC and Parent and related documents, instruments and agreements, in each case, as are reasonably required and as are reasonably satisfactory to Agent (collectively, the "Purchase Agreements"), and the performance of the obligations of IBP, LLC and Parent under such Purchase Agreements (the "Purchase Agreement Obligations"). The Borrowers and Guarantors have also requested that Agent and the Required Lenders amend certain provisions of the Loan Agreement in connection with the Subject Acquisition and the execution, delivery and performance of the Purchase Agreements.

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

SECTION 1.01 Consent. Each of the undersigned Lenders hereby consents to (i) the Subject Acquisition, and (ii) the execution and delivery of any Purchase Agreement and performance of any Purchase Agreement Obligations as are reasonably required in connection with the Subject Acquisition on terms set forth in the Purchase Agreement, in each case, substantially consistent with the description set forth in the Recitals. For the avoidance of doubt, none of the Accounts or Inventory of TCI or Thermal Control shall be Eligible Accounts or Eligible Inventory prior to the Agent's completing

a Field Exam with respect thereto with results satisfactory to the Agent (which Field Exam shall be at the expense of the Companies and shall not count towards any limits set forth in the Loan Agreement). This consent is given for the specific instance and for the limited purpose set forth herein.

SECTION 1.02 Amendments. Subject to the covenants, terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, the Loan Agreement is amended as follows:

(a) The following new definition is inserted in **Section 1.1** in the appropriate alphabetical positions therein:

Mid South: Mid South Construction and Building Products, Inc., a Georgia corporation.

(b) The existing definition of "Change of Control" in **Section 1.1** is deleted in its entirety and the following definition is inserted in lieu thereof:

Change of Control: (a) the Control Group ceases to own and control, beneficially and of record, directly or indirectly, a majority of the Equity Interests of the Parent; (b) the Sponsor ceases to own and control, beneficially and of record, directly or indirectly, more than 21.5% of the Equity Interests of the Parent consisting of common stock and 90% of the Sponsor Preferred Stock; provided that if in connection with one or more mergers or Acquisitions permitted hereunder, the Parent issues additional Equity Interests, that dilutes the Equity Interests of all holders pro rata, such resulting dilutive effect shall not be deemed to violate this clause (b) so long as the Sponsor shall own and control, beneficially and of record, directly or indirectly, more than 15% of the Equity Interests of the Parent consisting of common stock and a majority of the Sponsor Preferred Stock ; (c) a change in the majority of directors of the Parent**,** unless approved by the then majority of directors; (d) all or substantially all of a Borrower's assets are sold or transferred, other than sale or transfer to another Borrower, (e) the Parent ceases to own and control beneficially and of record, directly or indirectly, all of the Equity Interests in its Subsidiaries (except Suburban).

(c) The existing **Section 10.1.2(f)** is deleted in its entirety and the following is inserted in lieu thereof:

(f) promptly at Agent's request, (i) a listing of each Borrower's trade payables, specifying the trade creditor and balance due, and a detailed trade payable aging, (ii) a report as to transactions with and services provided to Affiliates and Suburban and, until such time as Mid South shall become a Borrower or Guarantor and Obligor, Mid South, along with amounts due therefrom and (iii) a list of the holders of Equity Interests of the Parent as of the date of such request, all in form satisfactory to Agent; and

(d) The existing **Section 10.1.9** is amended by inserting the following at the end thereof:

"; provided that Mid South shall not be required to become a Borrower or Guarantor and Obligor hereunder until the date that is 60 days after the Acquisition of Mid South by IBP, LLC (or such longer period as Agent may otherwise agree)."

(e) The existing **Section 10.2.21** is deleted in its entirety and the following is inserted in lieu thereof:

10.2.21 **Purchasing Practices/Suburban & Mid South**. The Obligors shall maintain purchasing practices consistent with past practices, including IBP, LLC and/or IBP II, LLC continuing to purchase substantially all fiberglass insulation Inventory for all other Borrowers. Notwithstanding anything to the contrary contained in **Sections 10.2.5, 10.2.6, 10.2.7** and **10.2.17**, the Obligors may continue to purchase inventory for, or sell inventory on credit to, Suburban and Mid South and provide management, accounting, legal and other administrative support services to Suburban and Mid South, in each case, in the Ordinary Course of Business on terms fully disclosed to Agent and no less favorable than would be obtained in a comparable arms-length transaction with an unaffiliated Person; provided, however, that at all times collections of Accounts owned by, and proceeds of other assets of, Suburban and Mid South (but not payments made by Suburban or Mid South to any Obligor for goods or services) are maintained in a segregated Deposit Account and not commingled with proceeds of Collateral or used to repay the Loans; provided, further, however, that at any time after Mid South shall become a Borrower or Guarantor and Obligor hereunder, the provisions of this **Section 10.2.21** shall no longer apply to Mid South.

(f) The existing **Schedules 7.1.3**, **8.5**, **8.6.1**, **9.1.4**, **9.1.11**, **9.1.16** and **9.1.20** are supplemented by **Schedules 7.1.3**, **8.5**, **8.6.1**, **9.1.4**, **9.1.11**, **9.1.16** and **9.1.20** attached hereto.

SECTION 1.03 Effectiveness. This Agreement and the consent and amendments contained herein shall become effective only upon the Agent's receipt of duly executed counterparts of this Agreement which, when taken together, bear the authorized signatures of the Borrowers, the Guarantors, the Credit Support Parties (as hereinafter defined), the Agent and the Required Lenders; provided, however, that (a) substantially simultaneously with the closing of the Subject Acquisition, each of TCI and Thermal Control executes and delivers to Agent (i) a Joinder Agreement in the form attached hereto as Exhibit A and becomes a Borrower under the Loan Agreement and (ii) all other documents, instruments, UCC-1s, certificates or agreements required under the Joinder Agreement, along with an opinion of counsel as required under the Joinder Agreement; (b) substantially simultaneously with the closing of the Subject Acquisition, TCI delivers to Agent a fully executed copy of the Thayer Note, which shall be expressly subordinate and junior in right of payment to Full Payment of all Obligations and on terms (including maturity, interest, fees, repayment, covenants and subordination) reasonably satisfactory to Agent; (c) no Change of Control results from the Subject Acquisition; and (d) all fees and expenses of counsel to Agent estimated to date shall have been paid in full (without prejudice to final settling of accounts for such fees and expenses).

SECTION 1.04 Consent of the Guarantors. Each of the undersigned Guarantors hereby consents to and acknowledges the consent and amendments contained herein and confirms and ratifies its guaranty of the Obligations of the Borrowers (including each of TCI and Thermal Control upon its delivery of the Joinder Agreement and becoming a Borrower) pursuant to its Guaranty and its obligations under each other Loan Document to which it is a party.

SECTION 1.05 Representations and Warranties. Each Obligor hereby represents and warrants to each Lender and the Agent, on the date hereof, that after giving effect to this Agreement, (a) the representations and warranties set forth in Section 9 of the Loan Agreement and in each other Loan Document, are true and correct in all material respects (except where any such representation or warranty is otherwise qualified by materiality, in which case such representation or warranty is true and correct in all respects) on and as of the date hereof with the same effect as if made on and as of the date hereof, except to the extent such representations and warranties expressly relate solely to an earlier date; (b) no Default or Event of Default has occurred and is continuing; and (c) since December 31, 2010, no event has occurred or circumstance arisen that has had or could reasonably be expected to have a Material Adverse Effect. Each Obligor represents and warrants to Agent and Lenders that this Agreement has

been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general equitable principles relating to enforceability.

SECTION 1.06 Instrument Pursuant to Loan Agreement. This Agreement is a Loan Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Loan Agreement.

SECTION 1.07 Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

SECTION 1.08 Confirmation. Except as expressly amended by the terms hereof, all of the terms of the Loan Agreement and the other Loan Documents shall continue in full force and effect and are hereby confirmed in all respects. Each Obligor hereby consents, acknowledges and agrees to the consent and amendments set forth herein and hereby confirms and ratifies in all respects the Loan Documents to which such Person is a party (including without limitation, with respect to each Obligor, the continuation and extension of the liens granted under the Loan Agreement and the Security Documents to secure the Obligations).

SECTION 1.09 Governing Law; Waiver of Jury Trial. This Agreement shall be governed by the laws of the State of New York, and shall be further subject to the provisions of Sections 14.14 and 14.15 of the Loan Agreement.

[Signature Pages Follow.]

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

BORROWERS:

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President – Finance

ALL-WEATHERIZATION CONTRACTORS, LLC
AMERICAN INSULATION & ENERGY SERVICES, LLC
ANY SEASON INSULATION, LLC
BAYTHERM INSULATION, LLC
BUILDING MATERIALS FINANCE, INC.
CORNHUSKER INSULATION, LLC
GARAGE DOOR SYSTEMS, LLC
GOLD INSULATION, INC.
GOLD STAR INSULATION, L.P.
By: Gold Insulation, Inc., its General Partner G-T-G, LLC
HINKLE INSULATION & DRYWALL COMPANY, INCORPORATED
IBP ASSET, LLC
IBP ASSET II, LLC
IBP EXTERIORS, INC.
IBP TEXAS ASSETS I, LLC
IBP TEXAS ASSETS II, LLC
IBP TEXAS ASSETS III, LLC
INSTALLED BUILDING PRODUCTS II, LLC
INSULVAIL, LLC
LAKESIDE INSULATION, LLC
LKS TRANSPORTATION, LLC
METRO HOME INSULATION, LLC
NORTHWEST INSULATION, LLC
OJ INSULATION HOLDINGS, INC.
OJ INSULATION, L.P.
By: OJ Insulation Holdings, Inc., its General Partner
RAJAN, LLC
ROCKFORD INSULATION, LLC
SPEC 7 INSULATION CO., LLC
SUPERIOR INSULATION SERVICES, LLC
WATER-TITE COMPANY, LLC
WILSON INSULATION COMPANY, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President – Finance

GUARANTORS:

CCIB HOLDCO, INC.
IBHL A HOLDING COMPANY, INC.
IBHL B HOLDING COMPANY, INC.
IBHL II–A HOLDING COMPANY, INC.
IBHL II–B HOLDING COMPANY, INC.
IBP HOLDINGS, LLC
IBP HOLDINGS II, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President – Finance

AGENT AND LENDERS:

BANK OF AMERICA, N.A., as Agent and sole Lender

By: /s/ Christopher M. O'Halloran
Name: Christopher M. O'Halloran
Title: Senior Vice President

ACKNOWLEDGMENT:

Each of the undersigned (each, a "Credit Support Party" and, collectively, the "Credit Support Parties") hereby (i) acknowledges receipt of, and consents to, the Consent Agreement, (ii) confirms and ratifies in all respects its/his/her obligations under the Support Agreement and (iii) acknowledges and agrees that the Support Agreement and its/his/her obligations thereunder remain in full force and effect, enforceable against such Credit Support Party in accordance with their terms.

CREDIT SUPPORT PARTIES:

CETUS CAPITAL II, LLC

By: /s/ Robert E. Davis
Name: Robert E. Davis
Title: Managing Director

/s/ Jeffrey W. Edwards
Jeffrey W. Edwards

/s/ Peter H. Edwards, Jr.
Peter H. Edwards, Jr.

/s/ Michael A. Edwards
Michael A. Edwards

/s/ Anne W. Edwards by
Jeffrey W. Edwards, P.O.A.
Anne W. Edwards

SCHEDULE 7.3.1
to
Loan and Security Agreement
Addendum Effective with Amendment No. 2

PLEDGED INTERESTS

Obligor	Issuer	Aggregate Outstanding Equity Interests	Number (or percentage) of Pledged Equity Interests	Certificate No. (if any)
Installed Building Products, LLC	TCI Contracting, LLC	N/A	100%	1
TCI Contracting, LLC	Thermal Control Insulation, LLC	N/A	100%	1
TCI Contracting, LLC	Mid South Construction and Building Products, Inc.	1,000	1,000	6 and 7

SCHEDULE 8.5
to
Loan and Security Agreement
Addendum Effective with Amendment No. 2

DEPOSIT ACCOUNTS

Subject Grantor	Bank/Securities Intermediary Name and Address	Pledged Account Name	Pledged Account Number
TCI Contracting, LLC	The PrivateBank, 38505 Woodward Avenue, Bloomfield Hills, Michigan 48304	TCI Contracting, LLC – Business Checking (Depository)	0002172633
TCI Contracting, LLC	The PrivateBank, 38505 Woodward Avenue, Bloomfield Hills, Michigan 48304	TCI Contracting, LLC – Business Checking (Operating)	0007701495
TCI Contracting, LLC	Bank of North Georgia, P.O. Box 1407, Alpharetta, Georgia 30009	TCI Contracting, LLC – Operating Account (Credit Card Deposits)	100-007-313-8

SCHEDULE 8.6.1
to
Loan and Security Agreement
Addendum Effective with Amendment No. 2

BUSINESS LOCATIONS

1. Obligors currently have the following business locations, and no others:

   See attached.

2. The following bailees, warehouseman, similar parties and consignees hold inventory of a Borrower or Subsidiary:

   NONE.

SCHEDULE 9.1.4
to
Loan and Security Agreement
Addendum Effective with Amendment No. 2

NAMES AND CAPITAL STRUCTURE

1. The names, jurisdictions of incorporation, and authorized and issued Equity Interests of each Obligor and Subsidiary are as follows:

   See attached.

2. The record holders of Equity Interests of each Obligor and Subsidiary are as follows:

   See attached.

3. All agreements binding on holders of Equity Interests of Obligors and Subsidiaries with respect to such interests are as follows:

   Articles of Organization or Incorporation
   Bylaws or Code of Regulations
   Operating Agreements
   Stockholders' Agreement

4. In the five years preceding the Closing Date, no Borrower or Subsidiary has acquired any substantial assets from any other Person nor been the surviving entity in a merger or combination, except:

   See attached.

SCHEDULE 9.1.11
to
Loan and Security Agreement
Addendum Effective with Amendment No. 2

PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES

1. Obligors' and Subsidiaries' patents:

   NONE

2. Obligors' and Subsidiaries' trademarks:

Grantor	Country	Trademark	Registration Number	Registration Date
TCI Contracting, LLC	US	TCI/Total Comfort Installations and design	3,602,243	4/7/2009
TCI Contracting, LLC	US	Total Comfort Installations	3,602,245	4/7/2009
TCI Contracting, LLC	US	TCI	3,602,240	4/7/2009
TCI Contracting, LLC	US	Man with Gutter on Shoulder design	3.818,074	7/13/2010

3. Obligors' and Subsidiaries' copyrights:

   NONE

4. Obligors' and Subsidiaries' licenses (other than routine business licenses, authorizing them to transact business in local jurisdictions):

   NONE

SCHEDULE 9.1.16
to
Loan and Security Agreement
Addendum Effective with Amendment No. 2

LITIGATION

1. Proceedings and investigations pending against Obligors or Subsidiaries:

   See attached for all proceedings and investigations pending or threatened or for which warranty or auto claims have been made.

2. Threatened proceedings or investigations of which any Borrower or Subsidiary is aware:

   See attached.

3. Pending Commercial Tort Claim of any Obligor:

   None

SCHEDULE 9.1.20
to
Loan and Security Agreement
Addendum Effective with Amendment No. 2

LABOR CONTRACTS

Obligors and Subsidiaries are party to the following collective bargaining agreements, management agreements and consulting agreements:

Thermal Control Insulation, LLC has executed a letter agreement in which it agrees to be bound to the Ohio and Vicinity Regional Council of Carpenters, United Brotherhood of Carpenters and Joiners of America union contract.

Exhibit 10.5

AMENDMENT NO. 3 TO LOAN AND SECURITY AGREEMENT

THIS AMENDMENT NO. 3 TO LOAN AND SECURITY AGREEMENT is dated as of October 22, 2012 (this "Amendment"), among **INSTALLED BUILDING PRODUCTS, LLC**, a Delaware limited liability company ("IBP, LLC"), **INSTALLED BUILDING PRODUCTS II, LLC**, a Delaware limited liability company ("IBP II, LLC" and together with IBP, LLC, collectively, the "Companies" and each, individually, the "Company"), **EACH BORROWING SUBSIDIARY PARTY HERETO** (collectively with the Companies, the "Borrowers"), **CCIB HOLDCO, INC.**, a Delaware corporation ("Parent"), and **EACH GUARANTYING SUBSIDIARY PARTY HERETO** (together with Parent, the "Guarantors"), the Lenders party hereto, and **BANK OF AMERICA, N.A.**, a national banking association, as agent for the Lenders ("Agent").

RECITALS:

A. The Borrowers, the Guarantors, the lenders from time to time party thereto (collectively, "Lenders") and Agent have entered into a Loan and Security Agreement dated as of November 4, 2011 (as amended by Amendment No. 1 to Loan and Security Agreement dated as of April 20, 2012 and Amendment No. 2 to Loan and Security Agreement and Consent Agreement dated as of August 31, 2012, the "Loan Agreement"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement.

B. The Borrowers have requested that Agent and Lenders amend certain provisions of the Loan Agreement and grant the waiver set forth below.

C. Subject to the terms and conditions set forth below, Agent and Lenders party hereto are willing to so amend the Loan Agreement and grant such waiver.

In furtherance of the foregoing, the parties agree as follows:

Section 1. AMENDMENTS. Subject to the covenants, terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, the Loan Agreement is amended as follows:

(a) The following new definitions are inserted in **Section 1.1** in the appropriate alphabetical positions therein:

Amendment No. 3 Effective Date: October 22, 2012.

Columbus Drywall Litigation Claim: the aggregate claim or entitlement of the Obligors to a share of the proceeds received in connection with certain antitrust litigation or claims in the Columbus Drywall Class Action Litigation, Civil Action No. 1:04-CV-3066-JEC, United States District Court for the Northern District of Georgia, Atlanta Division.

Designated LCs: Letters of Credit and portions of Letters of Credit specifically designated in writing as such by Borrower Agent (each a "Designated LC" and collectively, the "Designated LCs"); provided that the aggregate undrawn amount of all outstanding Designated LCs shall not at any time exceed $5,000,000.

Designated LC Obligations: that portion of the Obligations attributable to all of the Designated LCs, including all reimbursement, indemnification and other Obligations relating to the Designated LCs (including repayment of any amounts drawn or payable thereunder or with respect thereto and all interest, fees and charges of the Issuing Bank relating or with respect thereto).

Dominion Trigger Period: the period (a) commencing on the day that (i) an Event of Default occurs, (ii) Availability has been less than $2,500,000 for five (5) consecutive days, or (iii)(x) Availability is less than 12.5% of the lesser of (1) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (2) the Commitments and (y) the Fixed Charge Coverage Ratio is less than 1.0 to 1.0, determined as of the last day of the Measurement Period most recently ended for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent; and (b) continuing until, during the preceding 30 consecutive days, (i) no Event of Default has existed, (ii) Availability has been greater than $2,500,000 at all times during such 30 day period and (iii)(x) Availability has been greater than 12.5% of the lesser of (1) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (2) the Commitments at all times during such 30 day period or (y) the Fixed Charge Coverage Ratio is greater than 1.0 to 1.0 for the Measurement Period ended at least 30 days after the commencement of such Dominion Trigger Period and for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent.

LC Reserve Adjustment Date: the earlier of (i) March 31, 2013 and (ii) the date of the receipt by the Obligors of their collective payments or distributions in connection with the Columbus Drywall Litigation Claim.

Unreserved LC Amount: an amount equal to (i) from the Amendment No. 3 Effective Date until the LC Reserve Adjustment Date, the undrawn amount of all Designated LCs outstanding on any date of determination and (ii) on and after the LC Reserve Adjustment Date, the least of (a) the undrawn amount of all Designated LCs outstanding as of such date, (b) $2,500,000 and (c) 40% of the gross proceeds received by the Obligors in connection with the Columbus Drywall Litigation Claim; provided, however, the Unreserved LC Amount determined pursuant to this clause (ii) shall thereafter be reduced to zero in 6 equal monthly installments commencing on April 30, 2013. If only a portion of a Letter of Credit is designated as a Designated LC, any draws or payments with respect to such Letter of Credit shall be attributed first to that portion of such Letter of Credit that is not a Designated LC.

(b) The existing definitions of "Applicable Margin", "EBITDA", "Fixed Charge Coverage Ratio", "Fixed Charge Trigger Period", "Guaranty", "Guarantors", "LC Conditions", "LC Reserve" and "Weekly Reporting Trigger Period" in **Section 1.1** are deleted in their entirety and the following definitions are inserted in lieu thereof:

Applicable Margin: with respect to any Type of Loan, the margin set forth below, as determined by the Fixed Charge Coverage Ratio set forth below for the most recently ended Measurement Period:

Level	Fixed Charge Coverage Ratio	Base Rate Revolver Loans	LIBOR Revolver Loans	Unused Line Fee
I	Greater than 1.25 to 1.00	1.00%	2.00%	0.375%
II	Less than or equal to 1.25 to 1.00 but greater than 1.00 to 1.00	1.25%	2.25%	0.375%
III	Less than or equal to 1.00 to 1.00	1.50%	2.50%	0.375%

Margins shall be determined as if Level I were applicable until delivery of the financial statements and corresponding Compliance Certificate required pursuant to **Section 10.1.2(a)** for the Measurement Period ending September 30, 2012 (and upon receipt thereof, the margins shall be adjusted based on the above, effective the first day of the month following receipt. Thereafter, the margins shall be subject to increase or decrease upon receipt by Agent pursuant to **Section 10.1.2** of the financial statements and corresponding Compliance Certificate for the most recent month end corresponding to the end of a Fiscal Quarter, which change shall be effective on the first day of the calendar month following receipt. If, by the first day of a month, any financial statement or Compliance Certificate due in the preceding month has not been received, then, at the option of Agent or Required Lenders, the margins shall be determined as if Level III were applicable, from such day until the first day of the calendar month following actual receipt.

EBITDA: determined on a consolidated basis in accordance with GAAP for any Measurement Period of Parent and its Subsidiaries, an amount equal to:

(a) Consolidated Net Income for such Measurement Period; plus

(b) the following (without duplication) for such Measurement Period to the extent deducted in the calculation of Consolidated Net Income: (i) provision for Federal, state, local and foreign income and franchise taxes, (ii) Consolidated Interest Charges, (iii) depreciation and amortization expense, (iv) any extraordinary or non-recurring expenses or losses which, in each case, do not represent a cash item in such period or any future period, including without limitation stock based compensation expense, impairment of goodwill, non-cash loss attributable to the mark-to-market movement in the valuation of Hedging Agreements or other derivative instruments (to the extent the cash impact resulting from such loss has not been realized) pursuant to Fair Value Measurements and Disclosures of the Financial Accounting Standards Board (FASB) Accounting Standards Codification and non-cash charges in respect of rent (other than any such non-cash item to the extent it represents an accrual of or reserve for cash expenditures in any future period); (v) all other non-cash items (other than any non-cash expenditure, charge or loss relating to write-offs, write-downs or reserves with respect to accounts and inventory) decreasing Consolidated Net Income, including the amount of any compensation deduction as the result of any grant of Equity Interests to employees, officers, directors or consultants, (vi) fees and expenses paid in connection with the Transaction in an amount not to exceed $3,500,000, and (vii) fees and expenses paid in connection with the acquisition of TCI Contracting, LLC and its Subsidiaries in an amount not to exceed $750,000; minus

(c) the following (without duplication) for such Measurement Period to the extent included in calculating such Consolidated Net Income: (i) all non-cash items and extraordinary gains increasing Consolidated Net Income (other than payments or distributions received in connection with the Columbus Drywall Litigation Claim), (ii) Federal, state, local and foreign income tax credits and (iii) any gain from the forgiveness or extinguishment of debt.

Fixed Charge Coverage Ratio: the ratio, determined on a consolidated basis for Parent and its Subsidiaries for the most recent Measurement Period, of (a) EBITDA minus Capital Expenditures (except those financed with Borrowed Money other than Revolver Loans), Distributions made and cash taxes paid (other than cash taxes paid on payments or distributions received in connection with the Columbus Drywall Litigation Claim), to (b) Fixed Charges.

Fixed Charge Trigger Period: the period (a) commencing on the day that Availability is less than 12.5% of the lesser of (i) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (ii) the Commitments; and (b) continuing until the date that during the previous 30 consecutive days, Availability has been greater than 12.5% of the lesser of (i) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (ii) the Commitments at all times during such period.

Guarantors: each Initial Guarantor and each other Person who guarantees payment or performance of any Obligations from time to time (including pursuant to any Guaranty of the Designated LC Obligations).

Guaranty: the Initial Guaranty, each Guaranty of the Designated LC Obligations and each guaranty agreement executed by a Guarantor in favor of Agent.

LC Conditions: the following conditions necessary for issuance of a Letter of Credit: (a) each of the conditions set forth in **Section 6**; (b) after giving effect to such issuance, total LC Obligations do not exceed the Letter of Credit Subline, no Overadvance exists and, if no Revolver Loans are outstanding, the LC Obligations do not exceed the Borrowing Base (without giving effect to the LC Reserve for purposes of this calculation); (c) the expiration date of such Letter of Credit is (i) no more than 365 days from issuance, in the case of standby Letters of Credit, and (ii) no more than 120 days from issuance, in the case of documentary Letters of Credit; (d) the Letter of Credit and payments thereunder are denominated in Dollars; and (e) the purpose and form of the proposed Letter of Credit is satisfactory to Agent and Issuing Bank in their discretion (issuances of Letters of Credit for workers compensation insurance coverage shall be deemed to be a satisfactory purpose). For purposes of clause (a) hereof, in determining whether an Overadvance exists or if the LC Obligations exceed the Borrowing Base, the outstanding amount of Designated LCs on any date of determination shall be the undrawn amount thereof less the Unreserved LC Amount at such time; provided that, notwithstanding the foregoing, the Obligations (without reduction for the Unreserved LC Amount) shall not at any time exceed the Commitments.

LC Reserve: the aggregate of all LC Obligations, other than those that have been Cash Collateralized by Borrowers, less the Unreserved LC Amount.

Weekly Reporting Trigger Period: the period (a) commencing on the day that (i) an Event of Default occurs, (ii) Availability has been less than $2,500,000 for five (5) consecutive days, or (iii)(x) Availability is less than 12.5% of the lesser of (1) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (2) the Commitments and (y) the Fixed Charge Coverage Ratio is less than 1.0 to 1.0, determined as of the last day of the Measurement Period most recently ended for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent; and (b) continuing until, during the preceding 30 consecutive days, (i) no Event of Default has existed, (ii) Availability has been

greater than $2,500,000 at all times during such 30 day period and (iii)(x) Availability has been greater than 12.5% of the lesser of (1) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (2) the Commitments at all times during such 30 day period or (y) the Fixed Charge Coverage Ratio is greater than 1.0 to 1.0 for the Measurement Period ended at least 30 days after the commencement of such Weekly Reporting Trigger Period and for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent.

(c) The existing definition of "Daily Reporting Trigger Period" in **Section 1.1** is hereby deleted in its entirety.

(d) The existing **Section 3.2.2** is deleted in its entirety and the following is inserted in lieu thereof:

> **3.2.2**. **LC Facility Fees**. Borrowers shall pay (a) to Agent, for the Pro Rata benefit of Lenders, a fee equal to (i) 1.50% per annum of the average daily Unreserved LC Amount plus (ii) for all Letters of Credit (including all Designated LCs and the Unreserved LC Amount thereof), the Applicable Margin in effect for LIBOR Revolver Loans times the average daily stated amount of such other Letters of Credit, which fees shall be payable monthly in arrears, on the first day of each month; (b) to Agent, for its own account, a fronting fee equal to 0.25% per annum on the stated amount of each Letter of Credit, which fee shall be payable monthly in arrears, on the first day of each month; and (c) to Issuing Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Letters of Credit, which charges shall be paid as and when incurred. During an Event of Default, the fee payable under clause (a) shall be increased by 2% per annum.

(e) The first sentence of **Section 5.7** is deleted in its entirety and the following is inserted in lieu thereof:

During a Dominion Trigger Period, the ledger balance in the main Dominion Account at Bank of America as of the end of a Business Day shall be applied to the Obligations at the beginning of the next Business Day.

(f) The existing **Section 8.1** is deleted in its entirety and the following inserted in lieu thereof:

8.1 Borrowing Base Certificates. By the 20th day of each month**,** Borrower Agent shall deliver to Agent (and Agent shall promptly deliver same to Lenders), a Borrowing Base Certificate prepared as of the close of business of the previous month; provided that during a Weekly Reporting Trigger Period, Borrower Agent shall deliver to Agent, a Borrowing Base Certificate by the third Business Day of each week, as of the prior week end, and at such other times as Agent may request. Borrower Agent may, at its discretion, provide a Borrowing Base Certificate prior to the date or time it is due and such certificate will update Availability whenever provided. All calculations of Availability in any Borrowing Base Certificate shall originally be made by Borrowers and certified by a Senior Officer of Borrower Agent, provided that Agent may in the exercise of its Credit Judgment from time to time review and adjust any such calculation (a) to reflect its reasonable estimate of declines in value of any Collateral; (b) to adjust advance rates to reflect changes in dilution, quality, mix and other factors affecting Collateral; and (c) to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the Reserves.

(g) The existing **Section 11.1(c)** is deleted in its entirety and the following is inserted in lieu thereof:

(c) An Obligor breaches or fail to perform any covenant contained in **Section 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 8.2.4, 8.2.5, 8.5, 10.2** or **10.3**;

(h) The existing **Section 11.1(f)** is deleted in its entirety and the following is inserted in lieu thereof:

(f) (i) A Guarantor repudiates, revokes or attempts to revoke its Guaranty; an Obligor denies or contests the validity or enforceability of any Loan Documents or Obligations, or the perfection or priority of any Lien granted to Agent; or any Loan Document ceases to be in full force or effect for any reason (other than a waiver or release by Agent and Lenders); or (ii) any breach or default occurs under a Guaranty or a Guaranty ceases to be in full force or effect for any reason at any time, other than in accordance with its terms or a waiver by Agent;

(i) The existing **Schedule 10.2.22** is deleted in its entirety and **Schedule 10.2.22** attached hereto is inserted in lieu thereof.

The amendments to the Loan Agreement are limited to the extent specifically set forth above and no other terms, covenants or provisions of the Loan Agreement are intended to be affected hereby.

Section 2. LIMITED WAIVER. Subject to the covenants, terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, Agent and the Lenders party hereto hereby waive any Event of Default arising from the breach of the covenant contained in **Section 10.2.11** of the Loan Agreement as a result of the amendment to the Organic Documents of All-Weatherization Contractors, LLC, an Oregon limited liability company, in which such Obligor changed its name to Installed Building Products - Portland, LLC.

The waiver set forth in this Section 2 is limited to the extent specifically set forth above and no other terms, covenants or provisions of the Loan Agreement are intended to be affected hereby.

Section 3. CONDITIONS PRECEDENT. The parties hereto agree that the amendments set forth in Section 1 above and the waiver set forth in Section 2 above shall not be effective until the satisfaction of each of the following conditions precedent:

(a) **Documentation**. Agent shall have received (i) a counterpart of this Amendment, duly executed and delivered by the Borrowers, the Guarantors and Lenders, (ii) a Guaranty of the Designated LC Obligations duly executed and delivered by Jeffrey W. Edwards, Peter H. Edwards, Jr., Michael A. Edwards and Anne W. Edwards, (iii) a Guaranty of the Designated LC Obligations duly executed and delivered by Cetus Capital II, LLC, limited in amount to a maximum of (A) $2,500,000 in respect of Designated LC Obligations constituting reimbursement of any draws or payments under Designated LCs, plus (B) 50% of all other Designated LC Obligations, and (iv) such other documents and certificates as Agent or its counsel may reasonably request relating to the organization, existence and good standing of the Borrower, the authorization of this Amendment, the Guaranties and any other legal matters relating to the Borrower or the transactions contemplated hereby.

(b) **Fees and Expenses**. All fees and expenses of counsel to Agent estimated to date shall have been paid in full (without prejudice to final settling of accounts for such fees and expenses).

Section 4. REPRESENTATIONS AND WARRANTIES.

(a) In order to induce Agent and Lenders to enter into this Amendment, each Obligor represents and warrants to Agent and Lenders as follows:

(i) No Default or Event of Default has occurred and is continuing or will exist after giving effect to this Amendment.

(ii) The representations and warranties made by such Obligor in **Section 9** of the Loan Agreement are true and correct in all material respects (except where any such representation or warranty is otherwise qualified by materiality, in which case such representation or warranty is true and correct in all respects) on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date in which case such representations and warranties are true and correct on and as of such earlier date.

(iii) Since December 31, 2011, no event has occurred or circumstance arisen that has had or could reasonably be expected to have a Material Adverse Effect.

(b) In order to induce Agent and the Lenders to enter into this Amendment, each Obligor represents and warrants to Agent and Lenders that this Amendment has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general equitable principles relating to enforceability.

Section 5. MISCELLANEOUS

(a) **Ratification and Confirmation of Loan Documents**. Each Obligor hereby consents, acknowledges and agrees to the amendments set forth herein and hereby confirms and ratifies in all respects the Loan Documents to which such Person is a party (including without limitation, with respect to each Obligor, the continuation and extension of the liens granted under the Loan Agreement and the Security Documents to secure the Obligations).

(b) **Fees and Expenses**. The Borrowers shall, joint and severally, pay on demand all reasonable costs and expenses of Agent in connection with the preparation, reproduction, execution, and delivery of this Amendment and any other documents prepared in connection herewith, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for Agent.

(c) **Headings**. Section and subsection headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(d) **Governing Law; Waiver of Jury Trial**. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, and shall be further subject to the provisions of **Sections 14.13, 14.14** and **14.15** of the Loan Agreement.

(e) **Counterparts**. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or electronic transmission (including .pdf file) shall be effective as delivery of a manually executed counterpart hereof.

(f) **Entire Agreement**. This Amendment, together with the Guaranties of the Designated LC Obligations and all the other Loan Documents (collectively, the "Relevant Documents"), sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relating to such subject matter. No promise, condition, representation or warranty, express or implied, not set forth in the Relevant Documents shall bind any party hereto, and no such party has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as otherwise expressly stated in the Relevant Documents, no representations, warranties or commitments, express or implied, have been made by any party to the other. None of the terms or conditions of this Amendment may be changed, modified, waived or canceled orally or otherwise except in a writing signed by the parties hereto for such purpose.

(g) **Enforceability**. Should any one or more of the provisions of this Amendment be determined to be illegal or unenforceable as to one or more of the parties hereto, all other provisions nevertheless shall remain effective and binding on the parties hereto.

(h) **Successors and Assigns**. This Amendment shall be binding upon and inure to the benefit of each Obligor, Agent, each Lender and their respective successors and assigns (subject to **Section 13** of the Loan Agreement).

[Remainder of page intentionally left blank; signatures begin on following page]

IN WITNESS WHEREOF, the following parties have caused this Amendment No. 3 to Loan and Security Agreement to be executed as of the date first written above.

BORROWERS:

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

AMERICAN INSULATION & ENERGY SERVICES, LLC
ANY SEASON INSULATION, LLC
BAYTHERM INSULATION, LLC
BUILDING MATERIALS FINANCE, INC.
CORNHUSKER INSULATION, LLC
GARAGE DOOR SYSTEMS, LLC
GOLD INSULATION, INC.
GOLD STAR INSULATION, L.P.
By: Gold Insulation, Inc., its General Partner
G-T-G, LLC
HINKLE INSULATION & DRYWALL COMPANY, INCORPORATED
IBP ASSET, LLC
IBP ASSET II, LLC
IBP EXTERIORS, INC.
IBP TEXAS ASSETS I, LLC
IBP TEXAS ASSETS II, LLC
IBP TEXAS ASSETS III, LLC
INSTALLED BUILDING PRODUCTS II, LLC
INSTALLED BUILDING PRODUCTS - PORTLAND, LLC
INSULVAIL, LLC
LAKESIDE INSULATION, LLC
LKS TRANSPORTATION, LLC
METRO HOME INSULATION, LLC
NORTHWEST INSULATION, LLC
OJ INSULATION HOLDINGS, INC.
OJ INSULATION, L.P.
By: OJ Insulation Holdings, Inc., its General Partner
RAJAN, LLC
ROCKFORD INSULATION, LLC
SPEC 7 INSULATION CO., LLC
SUPERIOR INSULATION SERVICES, LLC
TCI CONTRACTING, LLC
THERMAL CONTROL INSULATION, LLC
WATER-TITE COMPANY, LLC
WILSON INSULATION COMPANY, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

GUARANTORS:

CCIB HOLDCO, INC.
IBHL A HOLDING COMPANY, INC.
IBHL B HOLDING COMPANY, INC.
IBHL II–A HOLDING COMPANY, INC.
IBHL II–B HOLDING COMPANY, INC.
IBP HOLDINGS, LLC
IBP HOLDINGS II, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

AGENT AND LENDERS:

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

By: /s/ Christopher M. O'Halloran
Name: Christopher M. O'Halloran
Title: Senior Vice President

SCHEDULE 10.2.22
to
Loan and Security Agreement

POST-CLOSING DELIVERIES

Obligors shall deliver, or cause to be delivered, to Agent each of the following documents and certifications, each in form and substance satisfactory to Agent, within the periods set forth below (or such longer period as Agent may otherwise agree):

Within 10 days after the Closing Date:

1. The Federal Tax Identification Number assigned by the Internal Revenue Service for IBHL A Holding Company, Inc., IBHL B Holding Company, Inc., IBHL II-A Holding Company, Inc. and IBHL II-B Holding Company, Inc.

2. A lenders' loss payable endorsement naming Agent as lenders loss payee for all commercial property insurance policies carried by Obligors.

Within 30 days after the Closing Date:

1. A lenders' loss payable endorsement naming Agent as lenders loss payee for the business interruption insurance policies carried by Obligors.

2. Certificates of qualification of each Obligor to transact business in each jurisdiction where the conduct of its business or ownership, lease or operation of its properties requires such Obligor to be so qualified, except jurisdictions where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect, to the extent no delivered on the Closing Date.

Within 60 days after the Closing Date:

1. An Insurance Assignment of the Key-Man Life Insurance., along with the original policy.

2. The financial statements described in **Section 10.1.2(a)** of IBP,LLC and its Subsidiaries for the Fiscal Year ending December 31, 2010.

3. Copies of all insurance policies carried by Obligors.

4 Copies of any Non-Compete Agreements not delivered on the Closing Date.

Within 30 days after Agent's request:

1. An assignment of IBP, LLC's mortgage on the Real Estate of Suburban.

2. Evidence of recordation of Agent's Lien on the certificate of title with respect to any motor vehicles and trailers that constitute Collateral.

Within 30 days after the Amendment No. 3 Effective Date:

1. An amended and restated Deposit Account Control Agreement with respect to the Deposit Accounts of the Obligors maintained at Bank of America, N.A.

Exhibit 10.6

AMENDMENT NO. 4 TO LOAN AND SECURITY AGREEMENT

THIS AMENDMENT NO. 4 TO LOAN AND SECURITY AGREEMENT is dated as of December 21, 2012 (this "Amendment"), among **INSTALLED BUILDING PRODUCTS, LLC**, a Delaware limited liability company ("IBP, LLC"), **INSTALLED BUILDING PRODUCTS II, LLC**, a Delaware limited liability company ("IBP II, LLC" and together with IBP, LLC, collectively, the "Companies" and each, individually, the "Company"), **EACH BORROWING SUBSIDIARY PARTY HERETO** (collectively with the Companies, the "Borrowers"), **CCIB HOLDCO, INC.**, a Delaware corporation ("Parent"), and **EACH GUARANTYING SUBSIDIARY PARTY HERETO** (together with Parent, the "Guarantors"), the Lenders party hereto, and **BANK OF AMERICA, N.A.**, a national banking association, as agent for the Lenders ("Agent").

RECITALS:

A. The Borrowers, the Guarantors, the lenders from time to time party thereto (collectively, "Lenders") and Agent have entered into a Loan and Security Agreement dated as of November 4, 2011 (as heretofore modified, supplemented or amended, the "Loan Agreement"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement.

B. The Borrowers have requested that Agent and Lenders increase the Commitments to $50,000,000 and amend certain provisions of the Loan Agreement.

C. Subject to the terms and conditions set forth below, Agent and Lenders party hereto are willing to so amend the Loan Agreement.

In furtherance of the foregoing, the parties agree as follows:

Section 1. AMENDMENTS. Subject to the covenants, terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, the Loan Agreement is amended as follows:

(a) The existing definitions of "Commitment", "Dominion Trigger Period" and "weekly Reporting Trigger Period" in **Section 1.1** are deleted in their entirety and the following are inserted in lieu thereof:

> Commitment: for any Lender, its obligation to make Revolver Loans and to participate in LC Obligations up to the maximum principal amount shown on **Schedule 1.1**, as hereafter modified pursuant to **Section 2.1.7** or an Assignment and Acceptance to which it is a party. "Commitments" means the aggregate amount of such commitments of all Lenders in an aggregate amount of $50,000,000.
>
> Dominion Trigger Period: the period (a) commencing on the day that (i) an Event of Default occurs, (ii) Availability has been less than $3,125,000 for five (5) consecutive days, or (iii)(x) Availability is less than 12.5% of the lesser of (1) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (2) the Commitments and (y) the Fixed Charge Coverage Ratio is less than 1.0 to 1.0, determined as of the last day of the Measurement Period most recently ended for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent; and (b) continuing until, during the preceding 30 consecutive days, (i) no Event of Default has existed, (ii) Availability has been greater than $3,125,000 at all times during such 30 day period and (iii) (x) Availability has been greater than 12.5% of the lesser of

(1) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (2) the Commitments at all times during such 30 day period or (y) the Fixed Charge Coverage Ratio is greater than 1.0 to 1.0 for the Measurement Period ended at least 30 days after the commencement of such Dominion Trigger Period and for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent

Weekly Reporting Trigger Period: the period (a) commencing on the day that (i) an Event of Default occurs, (ii) Availability has been less than $3,125,000 for five (5) consecutive days, or (iii)(x) Availability is less than 12.5% of the lesser of (1) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (2) the Commitments and (y) the Fixed Charge Coverage Ratio is less than 1.0 to 1.0, determined as of the last day of the Measurement Period most recently ended for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent; and (b) continuing until, during the preceding 30 consecutive days, (i) no Event of Default has existed, (ii) Availability has been greater than $3,125,000 at all times during such 30 day period and (iii) (x) Availability has been greater than 12.5% of the lesser of (1) the sum of the Accounts Formula Amount and the Inventory Formula Amount and (2) the Commitments at all times during such 30 day period or (y) the Fixed Charge Coverage Ratio is greater than 1.0 to 1.0 for the Measurement Period ended at least 30 days after the commencement of such Weekly Reporting Trigger Period and for which the financial statements and Compliance Certificate required under **Section 10.1.2** have been delivered to Agent

(b) The existing **Section 10.2.4(a)** is deleted in its entirety and the following is inserted in lieu thereof:

(a) Declare or make any Distributions, except (i) Upstream Payments, (ii) payments permitted under the Sponsor Subordination Agreement to the extent constituting Distributions, (iii) as required under the Suburban Shareholder Agreement, (iv) Distributions permitted by **Section 10.2.17(h)**, and (v) at any time after the FCCR Relief Period, so long as (A) no Default or Event of Default has occurred and is continuing or would arise as a result thereof and (B) the conditions set forth in **Section 6.2(f)** are satisfied after giving effect to any payment or redemption, the Borrowers (directly or by Distribution made to CCIB solely for such purpose and as and when actually paid or redeemed by CCIB) may repay any Permitted Indebtedness or redeem Equity Interests (as such terms are used in the Support Agreement) solely in respect of Capital Contributions (as defined in the Support Agreement) made under the Support Agreement; provided that the aggregate repayments or redemptions made pursuant to this clause (y) do not and would not exceed the aggregate amount of Capital Contributions made, directly or indirectly, by the Credit Support Parties (as defined in the Support Agreement);

(c) The existing **Section 10.2.17** is deleted in its entirety and the following is inserted in lieu thereof:

10.2.17 **Affiliate Transactions**. Enter into or be party to any transaction with an Affiliate, except (a) transactions contemplated by the Loan Documents; (b) payment of reasonable compensation to officers and employees for services actually rendered, and loans and advances permitted by **Section 10.2.7**; (c) payment of customary directors' fees and indemnities; (d) transactions solely among Obligors not otherwise prohibited under this

Agreement; (e) transactions with Affiliates that were consummated prior to the Closing Date, as shown on **Schedule 10.2.17**; (f) transactions with Affiliates in the Ordinary Course of Business, upon fair and reasonable terms fully disclosed to Agent and no less favorable than would be obtained in a comparable arm's-length transaction with a non-Affiliate; (g) payments of interest and principal of Sponsor Subordinated Debt as permitted under the Sponsor Subordination Agreement; and (h) **[on or before December 31, 2012]**, payments to Parent of fees for management and monitoring services (and payments or Distributions by Parent of such fees) in an amount equal to the lesser of $4,500,000 and 1.5% of the total revenue of Parent and its Subsidiaries for the Fiscal Year ending December 31, 2012, so long as at the time of such payment, no Default or Event of Default is then continuing or would arise therefrom.

(d) The existing **Schedule 1.1** is deleted in its entirety and **Schedule 1.1** attached hereto is inserted in lieu thereof.

The amendments to the Loan Agreement are limited to the extent specifically set forth above and no other terms, covenants or provisions of the Loan Agreement are intended to be affected hereby.

Section 2. CONDITIONS PRECEDENT. The parties hereto agree that the amendments set forth in Section 1 above shall not be effective until the satisfaction of each of the following conditions precedent:

(a) **Documentation**. Agent shall have received (i) a counterpart of this Amendment, duly executed and delivered by the Borrowers, the Guarantors and Lenders, (ii) a resolution from the Board of Directors (or equivalent governing body) of Obligors authorizing this Amendment and the transactions contemplated hereby, (iii) a legal opinion in form and substance reasonably satisfactory to Agent from counsel to Obligors, (iv) a certificate from a knowledgeable Senior Officer of Borrower Agent certifying that, on or prior to the date hereof, Parent received net cash proceeds of a capital contribution of at least $2,500,000 from one or more holders of its Equity Interests and Borrower Agent received the full amount of such proceeds as a cash equity contribution from Parent and (v) such other documents and certificates as Agent or its counsel may reasonably request relating to the organization, existence and good standing of Obligors, the authorization of this Amendment, the Guaranties and any other legal matters relating to Obligors or the transactions contemplated hereby.

(b) **Increased Commitment Fee**. The Borrowers shall have paid Agent for the pro rata benefit of the Lenders a fee equal to $25,000.

(c) **Fees and Expenses**. All fees and expenses of counsel to Agent estimated to date shall have been paid in full (without prejudice to final settling of accounts for such fees and expenses).

Section 3. REPRESENTATIONS AND WARRANTIES.

(a) In order to induce Agent and Lenders to enter into this Amendment, each Obligor represents and warrants to Agent and Lenders as follows:

(i) No Default or Event of Default has occurred and is continuing or will exist after giving effect to this Amendment.

(ii) The representations and warranties made by such Obligor in **Section 9** of the Loan Agreement are true and correct in all material respects (except where any such representation or warranty is otherwise qualified by materiality, in which case such representation or warranty is true and correct in all respects) on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date in which case such representations and warranties are true and correct on and as of such earlier date.

(iii) Since December 31, 2011, no event has occurred or circumstance arisen that has had or could reasonably be expected to have a Material Adverse Effect.

(b) In order to induce Agent and the Lenders to enter into this Amendment, each Obligor represents and warrants to Agent and Lenders that this Amendment has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general equitable principles relating to enforceability.

Section 4. MISCELLANEOUS

(a) **Ratification and Confirmation of Loan Documents**. Each Obligor hereby consents, acknowledges and agrees to the amendments set forth herein and hereby confirms and ratifies in all respects the Loan Documents to which such Person is a party (including without limitation, with respect to each Obligor, the continuation and extension of the liens granted under the Loan Agreement and the Security Documents to secure the Obligations).

(b) **Fees and Expenses**. The Borrowers shall, joint and severally, pay on demand all reasonable costs and expenses of Agent in connection with the preparation, reproduction, execution, and delivery of this Amendment and any other documents prepared in connection herewith, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for Agent.

(c) **Headings**. Section and subsection headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(d) **Governing Law; Waiver of Jury Trial**. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, and shall be further subject to the provisions of **Sections 14.13, 14.14** and **14.15** of the Loan Agreement.

(e) **Counterparts**. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or electronic transmission (including .pdf file) shall be effective as delivery of a manually executed counterpart hereof.

(f) **Entire Agreement**. This Amendment, together with the Guaranties of the Designated LC Obligations and all the other Loan Documents (collectively, the "Relevant Documents"), sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relating to such subject matter. No promise, condition, representation or warranty, express or implied, not set forth in the Relevant Documents shall bind any party hereto, and no such party has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as otherwise expressly stated in the Relevant Documents, no representations, warranties or commitments, express or implied,

have been made by any party to the other. None of the terms or conditions of this Amendment may be changed, modified, waived or canceled orally or otherwise except in a writing signed by the parties hereto for such purpose.

(g) **Enforceability**. Should any one or more of the provisions of this Amendment be determined to be illegal or unenforceable as to one or more of the parties hereto, all other provisions nevertheless shall remain effective and binding on the parties hereto.

(h) **Successors and Assigns**. This Amendment shall be binding upon and inure to the benefit of each Obligor, Agent, each Lender and their respective successors and assigns (subject to **Section 13** of the Loan Agreement).

[Remainder of page intentionally left blank; signatures begin on following page]

IN WITNESS WHEREOF, the following parties have caused this Amendment No. 4 to Loan and Security Agreement to be executed as of the date first written above.

BORROWERS:

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

ACCURATE INSULATION LLC
AMERICAN INSULATION & ENERGY SERVICES, LLC
ANY SEASON INSULATION, LLC
BAYTHERM INSULATION, LLC
BUILDING MATERIALS FINANCE, INC.
CORNHUSKER INSULATION, LLC
GARAGE DOOR SYSTEMS, LLC
GOLD INSULATION, INC.
GOLD STAR INSULATION, L.P.
By: Gold Insulation, Inc., its General Partner
G-T-G, LLC
HINKLE INSULATION & DRYWALL COMPANY, INCORPORATED
IBP ASSET, LLC
IBP ASSET II, LLC
IBP EXTERIORS, INC.
IBP TEXAS ASSETS I, LLC
IBP TEXAS ASSETS II, LLC
IBP TEXAS ASSETS III, LLC
INSTALLED BUILDING PRODUCTS II, LLC
INSTALLED BUILDING PRODUCTS - PORTLAND, LLC
INSULVAIL, LLC
LAKESIDE INSULATION, LLC
LKS TRANSPORTATION, LLC
METRO HOME INSULATION, LLC
MID SOUTH CONSTRUCTION AND BUILDING PRODUCTS, INC.
NORTHWEST INSULATION, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

OJ INSULATION HOLDINGS, INC.
OJ INSULATION, L.P.
By: OJ Insulation Holdings, Inc., its General Partner
RAJAN, LLC
ROCKFORD INSULATION, LLC
SPEC 7 INSULATION CO., LLC
SUPERIOR INSULATION SERVICES, LLC
TCI CONTRACTING, LLC
THERMAL CONTROL INSULATION, LLC
WATER-TITE COMPANY, LLC
WILSON INSULATION COMPANY, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

GUARANTORS:

CCIB HOLDCO, INC.
IBHL A HOLDING COMPANY, INC.
IBHL B HOLDING COMPANY, INC.
IBHL II–A HOLDING COMPANY, INC.
IBHL II–B HOLDING COMPANY, INC.
IBP HOLDINGS, LLC
IBP HOLDINGS II, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

AGENT AND LENDERS:

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

By: /s/ Christopher M. O'Halloran
Name: Christopher M. O'Halloran
Title: Senior Vice President

ACKNOWLEDGMENT:

Each of the undersigned (each, a "Designated LC Guarantor" and, collectively, the "Designated LC Guarantors") hereby (i) acknowledges receipt of, and consents to, the Amendment, (ii) confirms and ratifies in all respects its/his/her obligations under the Guaranty to which it/he/she is a party and (iii) acknowledges and agrees that the Guaranty to which it/he/she is a party and its/his/her obligations thereunder remain in full force and effect, enforceable against such Designated LC Guarantor in accordance with their terms.

DESIGNATED LC GUARANTORS:

CETUS CAPITAL II, LLC

By: /s/ Robert E. Davis
Name: Robert E. Davis
Title: Managing Director

/s/ Jeffrey W. Edwards
Jeffrey W. Edwards

/s/ Peter H. Edwards, Jr.
Peter H. Edwards, Jr.

/s/ Michael A. Edwards
Michael A. Edwards

/s/ Anne W. Edwards by
Jeffrey W. Edwards, P.O.A.
Anne W. Edwards

SCHEDULE 1.1
to
Loan and Security Agreement

COMMITMENTS OF LENDERS

Lender	Commitment
Bank of America, N.A.	$50,000,000.00
Total	**$50,000,000.00**

Exhibit 10.7

EXECUTION VERSION

AMENDMENT NO. 5 TO LOAN AND SECURITY AGREEMENT

THIS AMENDMENT NO. 5 TO LOAN AND SECURITY AGREEMENT is dated as of July 30, 2013 (this "Amendment"), among **INSTALLED BUILDING PRODUCTS, LLC**, a Delaware limited liability company ("IBP, LLC"), **INSTALLED BUILDING PRODUCTS II, LLC**, a Delaware limited liability company ("IBP II, LLC" and together with IBP, LLC, collectively, the "Companies" and each, individually, the "Company"), **EACH BORROWING SUBSIDIARY PARTY HERETO** (collectively with the Companies, the "Borrowers"), **CCIB HOLDCO, INC.**, a Delaware corporation ("Parent"), and **EACH GUARANTYING SUBSIDIARY PARTY HERETO** (together with Parent, the "Guarantors"), the Lenders party hereto, and **BANK OF AMERICA, N.A.**, a national banking association, as agent for the Lenders ("Agent").

RECITALS:

A. The Borrowers, the Guarantors, the lenders from time to time party thereto (collectively, "Lenders") and Agent have entered into a Loan and Security Agreement dated as of November 4, 2011 (as heretofore modified, supplemented or amended, the "Loan Agreement"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement.

B. The Borrowers have requested that Agent and Lenders modify certain provisions of the Loan Agreement.

C. Subject to the terms and conditions set forth below, Agent and Lenders party hereto are willing to so amend the Loan Agreement.

In furtherance of the foregoing, the parties agree as follows:

Section 1. AMENDMENT AND WAIVER. Subject to the covenants, terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein:

(i) the Loan Agreement is amended as follows:

(a) effective immediately, the Unreserved LC Amount shall be an amount equal to zero ($0) and no Letter of Credit shall be a Designated LC;

(b) effective immediately, the Individual Guaranty Agreement dated as of October 22, 2012 made and delivered by Jeffrey W. Edwards, Peter H. Edwards, Jr., Michael A. Edwards and Anne W. Edwards, guarantying the Designated LC Obligations, is hereby terminated and each of Jeffrey W. Edwards, Peter H. Edwards, Jr., Michael A. Edwards and Anne W. Edwards is released from any obligation thereunder;

(c) effective immediately, the Guaranty Agreement dated as of October 22, 2012 made and delivered by Cetus Capital II, LLC, guarantying the Designated LC Obligations, is hereby terminated and Cetus Capital II, LLC is released from any obligation thereunder; and

(ii) Agent and Lenders hereby waive any breach by the Obligors of the provisions of Section 10.2.9 as a result of changing the name of Parent.

The amendments to, and waiver of, the Loan Agreement and releases of Guaranties are limited to the extent specifically set forth above and no other terms, covenants or provisions of the Loan Agreement are intended to be affected hereby.

Section 2. CONDITIONS PRECEDENT. The parties hereto agree that the amendments and waiver set forth in Section 1 above shall not be effective until the Agent shall have received a counterpart of this Amendment, duly executed and delivered by the Borrowers, the Guarantors and Lenders.

Section 3. REPRESENTATIONS AND WARRANTIES.

(a) In order to induce Agent and Lenders to enter into this Amendment, each Obligor represents and warrants to Agent and Lenders as follows:

(i) No Default or Event of Default has occurred and is continuing or will exist after giving effect to this Amendment.

(ii) The representations and warranties made by such Obligor in **Section 9** of the Loan Agreement are true and correct in all material respects (except where any such representation or warranty is otherwise qualified by materiality, in which case such representation or warranty is true and correct in all respects) on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date in which case such representations and warranties are true and correct on and as of such earlier date.

(iii) Since December 31, 2012, no event has occurred or circumstance arisen that has had or could reasonably be expected to have a Material Adverse Effect.

(b) In order to induce Agent and the Lenders to enter into this Amendment, each Obligor represents and warrants to Agent and Lenders that this Amendment has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general equitable principles relating to enforceability.

Section 4. MISCELLANEOUS

(a) **Ratification and Confirmation of Loan Documents**. Each Obligor hereby consents, acknowledges and agrees to the amendments and waiver set forth herein and hereby confirms and ratifies in all respects the Loan Documents to which such Person is a party (including without limitation, with respect to each Obligor, the continuation and extension of the liens granted under the Loan Agreement and the Security Documents to secure the Obligations).

(b) **Fees and Expenses**. The Borrowers shall, joint and severally, pay on demand all reasonable costs and expenses of Agent in connection with the preparation, reproduction, execution, and delivery of this Amendment and any other documents prepared in connection herewith, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for Agent.

(c) **Headings**. Section and subsection headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(d) **Governing Law; Waiver of Jury Trial**. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, and shall be further subject to the provisions of **Sections 14.13, 14.14** and **14.15** of the Loan Agreement.

(e) **Counterparts**. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or electronic transmission (including .pdf file) shall be effective as delivery of a manually executed counterpart hereof.

(f) **Entire Agreement**. This Amendment, together with all the other Loan Documents (collectively, the "Relevant Documents"), sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relating to such subject matter. No promise, condition, representation or warranty, express or implied, not set forth in the Relevant Documents shall bind any party hereto, and no such party has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as otherwise expressly stated in the Relevant Documents, no representations, warranties or commitments, express or implied, have been made by any party to the other. None of the terms or conditions of this Amendment may be changed, modified, waived or canceled orally or otherwise except in a writing signed by the parties hereto for such purpose.

(g) **Enforceability**. Should any one or more of the provisions of this Amendment be determined to be illegal or unenforceable as to one or more of the parties hereto, all other provisions nevertheless shall remain effective and binding on the parties hereto.

(h) **Successors and Assigns**. This Amendment shall be binding upon and inure to the benefit of each Obligor, Agent, each Lender and their respective successors and assigns (subject to **Section 13** of the Loan Agreement).

[Remainder of page intentionally left blank; signatures begin on following page]

IN WITNESS WHEREOF, the following parties have caused this Amendment No. 4 to Loan and Security Agreement to be executed as of the date first written above.

BORROWERS:

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

ACCURATE INSULATION LLC
AMERICAN INSULATION & ENERGY SERVICES, LLC
ANY SEASON INSULATION, LLC
BAYTHERM INSULATION, LLC
BUILDING MATERIALS FINANCE, INC.
CORNHUSKER INSULATION, LLC
GARAGE DOOR SYSTEMS, LLC
GOLD INSULATION, INC.
GOLD STAR INSULATION, L.P.
By: Gold Insulation, Inc., its General Partner
G-T-G, LLC
HINKLE INSULATION & DRYWALL COMPANY, INCORPORATED
IBP ASSET, LLC
IBP ASSET II, LLC
IBP EXTERIORS, INC.
IBP TEXAS ASSETS I, LLC
IBP TEXAS ASSETS II, LLC
IBP TEXAS ASSETS III, LLC
INSTALLED BUILDING PRODUCTS II, LLC
INSTALLED BUILDING PRODUCTS - PORTLAND, LLC
INSULVAIL, LLC
LAKESIDE INSULATION, LLC
LKS TRANSPORTATION, LLC
METRO HOME INSULATION, LLC
MID SOUTH CONSTRUCTION AND BUILDING PRODUCTS, INC.
NORTHWEST INSULATION, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

OJ INSULATION HOLDINGS, INC.
OJ INSULATION, L.P.
By: OJ Insulation Holdings, Inc., its General Partner
RAJAN, LLC
ROCKFORD INSULATION, LLC
SPEC 7 INSULATION CO., LLC
SUPERIOR INSULATION SERVICES, LLC
TCI CONTRACTING, LLC
THERMAL CONTROL INSULATION, LLC
WATER-TITE COMPANY, LLC
WILSON INSULATION COMPANY, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

GUARANTORS:

INSTALLED BUILDING PRODUCTS, INC. (f/k/a) CCIB HOLDCO, INC.
IBHL A HOLDING COMPANY, INC.
IBHL B HOLDING COMPANY, INC.
IBHL II–A HOLDING COMPANY, INC.
IBHL II–B HOLDING COMPANY, INC.
IBP HOLDINGS, LLC
IBP HOLDINGS II, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

AGENT AND LENDERS:

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

By: /s/ Christopher M. O'Halloran
Name: Christopher M. O'Halloran
Title: Senior Vice President

Exhibit 10.8

SECOND AMENDED AND RESTATED

MANAGEMENT AGREEMENT

(Installed Building Products, LLC)

THIS SECOND AMENDED AND RESTATED MANAGEMENT AGREEMENT (this "Agreement") (originally made and entered into as of March 29, 2004, amended and restated as of June 29, 2005 and further amended and restated as of April 30, 2010), is entered into by and among IBP Holding Company, an Ohio corporation ("Service Company"); Installed Building Products, LLC, a Delaware limited liability company ("IBP"); OCM IBP Holdings, Inc., a Delaware corporation ("OCM"); Stonehenge Opportunity Fund LLC, a Delaware limited liability company ("SOF"); Primus IBP Investment, LLC, a Delaware limited liability company ("Primus Investment"); and Primus Executive Fund V Limited Partnership, a Delaware limited partnership ("Primus Executive" and collectively with OCM, SOF and Primus Investment and their respective successors and assigns, and any Person who acquires any equity interests in IBP from OCM, SOF, Primus Investment or Primus Executive, the "Investors").

RECITALS:

A. IBP is in the business of manufacturing, selling, distributing and installing building and other related products.

B. Service Company desires to provide, and IBP desires to receive, certain services relating to the operation of its business, including corporate overhead and administrative services, upon the terms and conditions contained herein.

C. The Investors have made a substantial capital investment in IBP Holdings, LLC, a Delaware limited liability company and the sole member of IBP ("Parent"), and IBP and Service Company agreed to make the Investors parties to, and beneficiaries of, this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. Services. IBP hereby retains Service Company to provide certain executive, management, administrative, corporate overhead, clerical and other support services, including, without limitation, accounting and financial services, human resources services, information services and risk management services, as more fully described on Exhibit A attached hereto (collectively, the "Services") and to prepare status and other reports relating to the Services, upon the terms and conditions contained herein. The Services shall be provided by employees and consultants of Service Company and its Affiliates, specifically including, without limitation, Jeffrey W. Edwards.

2. Scope of Services. Service Company agrees to provide IBP with such Services during the term of this Agreement and to use its best efforts in the performance of its duties hereunder. The Services shall at all times be provided in a timely, competent, diligent and professional manner.

3. Service Fee.

3.1 Service Fee. In consideration of the performance of the Services, Service Company will be entitled to a monthly service fee (the "Service Fee") equal to 2% of IBP's Total Monthly Revenue. If the Service Fee for any calendar month exceeds the actual cost of providing the Services for such month ("Excess Fee"), the Service Company shall be entitled to retain the Excess Fee for such month, provided that the cumulative sum of the Excess Fees shall not exceed $3,589,000 during the term of this Agreement. Notwithstanding the foregoing, (i) the Excess Fee shall not be paid prior to June 30, 2011, and (ii) if for any reason, Service Company fails to provide the Services as required by this Agreement and such failure continues for thirty (30) days after written notice of such failure to Service Company, Service Company shall not be entitled to any Service Fee for any periods commencing after such 30-day period. Any undisputed Service Fee will be payable promptly upon IBP's receipt of Service Company's invoice therefor. In the event that IBP pays Service Company an amount in excess of the Service Fee owed by IBP pursuant to this Section 3.1, such excess will be remitted by Service Company to IBP within ten (10) days of receipt by Service Company.

3.2 Annual Budget. By January 1st of each calendar year during the term of this Agreement, Service Company shall prepare and deliver to the Investors for their reasonable approval an annual budget for Service Company for the upcoming calendar year (the "Annual Budget"), which shall include (a) an estimate of the Service Fee and (b) such other information as the Investors may reasonably request. In the event that there is any or there is reasonably anticipated to be any material change in IBP's business (whether such change results or is reasonably anticipated to result in an increase or decrease in IBP's business), Service Company shall be permitted within sixty (60) days of the change or the reasonable anticipation of such change to deliver a revised Annual Budget that reasonably reflects such increase or decrease in IBP's business, and the amended Annual Budget shall be treated as a proposed Annual Budget for purposes of the Investors' approval as provided below. The Investors shall have thirty (30) business days after receipt of the proposed Annual Budget to raise any reasonable objections to any matter contained therein. If the Investors do not object to any matter contained in the proposed Annual Budget within such 30-day period, such proposed Annual Budget shall be deemed to be final and shall be the Annual Budget for such calendar year. If, within such 30-day period, the Investors reasonably object to any matter contained in the proposed Annual Budget by delivering to Service Company a written notice setting forth in reasonable detail the basis for such objection (an "Objection Notice"), which Objection Notice shall include the Investors' reasonable resolution of such objection, and Service Company disagrees with the Investor's objection or resolution, then Service Company and the Investors will cooperate in good faith to resolve any such disputed matter; provided, however, that if Service Company and the Investors do not mutually resolve any such disputed matter within thirty (30) business days after the Investors' delivery of an Objection Notice, then the Annual Budget shall be the Annual Budget for the immediately preceding calendar year, adjusted for inflationary increases based upon the Consumer Price Index; provided, further, that if the Investors approve of the proposed Annual Budget, such proposed Annual Budget shall be deemed to be final and shall be the Annual Budget for such calendar year.

3.3 Inspection Rights; Dispute. Service Company will maintain complete and accurate records with respect to its calculation of the Service Fee. During the term of this Agreement and for two (2) years thereafter, IBP and the Investors, at their expense, will have the right to examine and audit such records during regular business hours upon reasonable prior notice to Service Company. In the event IBP or the Investors disagree with any of Service Company's calculations of the Service Fee, IBP or the Investors, as applicable, will provide written notice to Service Company setting forth in reasonable detail the basis for such disagreement and the amount of the Service Fee that IBP or the Investors, as applicable, believes is the correct amount. Thereafter, Service Company and IBP or the Investors, as applicable, will cooperate in good faith to resolve such disagreement. If Service Company and IBP or the Investors, as applicable, cannot resolve such disagreement within sixty (60) days of Service Company's receipt of such notice, Service Company and IBP or the Investors, as applicable, will retain within ten (10) days after such 60-day period a nationally recognized independent accounting firm in the United States acceptable to both Service Company and IBP or the Investors, as applicable (the "Independent Accountants"), to review and decide the appropriate amount of any disputed item pursuant to the terms of this Agreement. If Service Company, IBP and the Investors are unable to agree upon the Independent Accountants, the Independent Accountants shall be one of the following three (3) public accounting firms (or its successor) determined after Service Company and the Investors, in that order, each exclude one such accounting firm: PricewaterhouseCoopers, KPMG LLP and Grant Thornton LLP. The decision of the Independent Accountants will be made within thirty (30) days of the date they are retained and will be final and binding upon, and non-appealable by, Service Company and IBP or the Investors, as applicable. The fees and expenses of the Independent Accountants will be paid by the party whose estimate of the Service Fee in dispute is furthest from the Independent Accountants' calculation of the Service Fee in dispute. The provisions contained in this Section 3.3 will survive the termination of this Agreement.

4. Term; Termination.

4.1 Term. Subject to the provisions of Section 4.2 hereof, the term of this Agreement will commence on March 29, 2004 and will continue until the date upon which no Investor owns any equity interest in Parent; provided, however, that notwithstanding the foregoing, in the event of a Change of Control and upon the request of the Investors prior to such Change of Control, the term of this Agreement shall continue for a period of up to one (1) year after the date of the Change of Control.

4.2 Default or Insolvency. In addition to expiration of this Agreement pursuant to Section 4.1, this Agreement may be terminated by written notice to the other parties and the Agent as follows: (a) Service Company may terminate this Agreement if at any time IBP fails to pay any undisputed Service Fee (other than due to any limitation on the amount of such fees that may be paid by IBP during the continuation of an event of default under the Financing Documents pursuant to the terms thereof) and such failure continues for a thirty (30) day period after written notice of such failure to IBP; and (b) either IBP, with the prior written approval of the Investors, or the Investors may terminate this Agreement if at any time Service Company materially fails to provide the Services in accordance with the provisions of this Agreement and such material failure continues for a thirty (30) day period after written notice of such failure to Service Company and the Agent.

4.3 Agreement Not to Compete or Solicit.

(a) Service Company agrees that, during the Noncompete Period, it shall not, directly or indirectly, own any interest in, manage, control, participate in, consult with, render services for, or in any manner engage in any business competing with the businesses of IBP or any of its Affiliates, as such businesses exist or are in process during the term of this Agreement within any geographical area in which IBP or any of its Affiliates engage or have plans to engage in such businesses, including, without limitation, any geographic area where IBP or any of its Affiliates provide their products or services or where their products or services are used by any of their customers. Nothing herein shall prohibit Service Company from being a passive owner of not more than 2% of the outstanding stock of any class of a corporation that is publicly traded, so long as Service Company has no active participation in the business of such corporation.

(b) The parties hereto acknowledge that the individual, beneficial equity owners of Service Company also own and operate entities that are in the business of buying and developing real estate and constructing single- and multi-family housing and office buildings (collectively, the "Edwards' Construction Business"). As part of its business, the Edwards' Construction Business purchases insulation, basement waterproofing, gutters, garage doors, shelving, shower doors and mirrors and hires service providers (including IBP) to install such products in its single- and multi-family housing and office buildings. The parties hereto acknowledge that nothing in this Section 4.3 shall prevent the Edwards' Construction Business from continuing the activities described in this Section 4.3(b); provided, however, that any transactions between the Edwards' Construction Business and Parent, IBP or its direct or indirect subsidiaries shall be at arms-length.

(c) During the Noncompete Period, Service Company shall not, directly or indirectly, (i) induce or attempt to induce any employee of IBP or any of its Affiliates to leave the employ of IBP or such Affiliate, or in any way interfere with the relationship between IBP or any such Affiliate and any employee thereof, (ii) hire any Person who was an employee of IBP or any of its Affiliates at any time during the term of this Agreement or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of IBP or any of its Affiliates to cease doing business with IBP or such Affiliate, or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and IBP or any such Affiliate (including, without limitation, making any negative or disparaging statements or communications regarding IBP or any of its Affiliates).

(d) If, at the time of enforcement of this Section 4.3, a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. Service Company acknowledges that the restrictions contained in this Section 4.3 are reasonable and that it has reviewed the provisions of this Agreement with its legal counsel.

(e) In the event of an alleged breach or violation by Service Company of this Section 4.3, the Noncompete Period shall be tolled until such breach or violation has been duly cured.

(f) For the purposes of this Section 4.3, "Noncompete Period" means the period commencing on March 29, 2004 and ending on the second anniversary of the termination of this Agreement, subject to extension pursuant to Section 4.3(e) above; provided, however, that the Noncompete Period shall terminate upon a Change of Control, provided that if in connection with such Change of Control there is any separate consideration paid by the purchaser in such Change of Control for a covenant not to compete, such consideration shall be shared among the equity owners of Parent pro rata in proportion to their ownership interests in Parent determined on a fully-diluted basis. The provisions contained in this Section 4.3 will survive the termination of this Agreement.

4.4 Consequences of Termination. Except as expressly provided herein, upon termination of this Agreement all rights and obligations of the parties hereunder will immediately terminate, provided that IBP's obligation to pay any undisputed, outstanding Service Fee, any claim that a party may have with respect to another party's breach of a covenant hereunder and the terms of this Section 4.4 and Sections 3.3, 4.3, 6, 7, 8 and 10 each will survive such termination.

5. Nature of Relationship. All work or obligations performed by Service Company in connection with the Services will be performed as an independent contractor and Service Company acknowledges that it does not have authority to obligate or bind IBP or any Investor in any way, except as expressly authorized in Section 2 above with respect to IBP. No provision of this Agreement will be construed to create a partnership or a joint venture between the parties hereto, and except as provided in the previous sentence, no provision of this Agreement will be construed to create an agency.

6. Confidentiality. Service Company acknowledges that during its performance of the Services it will receive and have access to certain data, reports, standards, specifications, customer information and other confidential, technical or proprietary information of IBP, including, without limitation, any written materials generated by IBP containing such confidential, technical or proprietary information and any customer lists (collectively, the "Confidential Information"). Service Company will perform the Services in a manner reasonably designed to protect the Confidential Information from improper use or disclosure. Service Company agrees to use its commercially reasonable efforts to train and supervise its employees to achieve such result. Except in conjunction with its performance of the Services, Service Company will not disclose any Confidential Information to any Person that is not a party to this Agreement, unless (i) such information is in the public domain (other than as a result of disclosure by Service Company in violation of this Section 6), (ii) such disclosure is required by law, by order of a court of competent jurisdiction, administrative body or governmental body, or by subpoena, summons or legal process, or by rule or regulation, (iii) such disclosure is made to directors, officers, representatives, agents and employees of Service Company in the course of performing Service Company's obligations or enforcing Service Company's rights under this Agreement, provided that Service Company shall be liable for any breach of this Section 6 by any such representative or agent, or (iv) such disclosure is made in connection with Service

Company's normal informational or reporting activities to Service Company's Affiliates, auditors, attorneys or other agents, provided that Service Company shall be liable for any breach of this Section 6 by any such Affiliate, auditor, attorney or other agent. Service Company acknowledges and agrees that any disclosure by Service Company in violation of this Section 6 will cause irreparable harm to IBP and the Investors for which money damages alone would be insufficient, and Service Company agrees that in the event of any such violation IBP and/or the Investors will be entitled to seek temporary and permanent injunctive relief. The remedies described herein will not be the exclusive remedies for any such violation but will be in addition to all other remedies available to IBP and/or the Investors at law or in equity. The provisions contained in this Section 6 will survive the termination of this Agreement.

7. Intellectual Property.

7.1 Transfer of Intellectual Property; License. Service Company and IBP each covenant that any Intellectual Property, as well as any other assets or properties, to be used in or necessary to providing services of IBP shall be acquired by IBP. Service Company acknowledges and agrees that any and all ideas, improvements, inventions, derivative works and discoveries relating to the Intellectual Property that Service Company, or its employees, agents, independent contractors, successors or assigns, may make or conceive, either alone or jointly with others, during the term of this Agreement shall be the sole property of IBP. IBP grants to Service Company a nontransferable, nonexclusive, royalty-free, license during the term of this Agreement to use any such Intellectual Property (and all ideas, improvements, inventions, derivative works and discoveries relating thereto) solely in the provision of the Services.

7.2 Ownership of Intellectual Property. Subject to the provisions of Section 7.1 above, each of the parties hereto acknowledges and agrees that, in its capacity as the recipient (the "Recipient") of Confidential Information and other proprietary property that is provided or given access to by the other (the "Disclosing Party"), including, without limitation, Intellectual Property, during the term of this Agreement, are and will remain the sole property of Disclosing Party. Recipient hereby assigns to Disclosing Party all of Recipient's rights in and to any ideas, improvements, inventions and discoveries relating to the Confidential Information, or Intellectual Property of Disclosing Party that Recipient, or its employees, agents, independent contractors, successors or assigns, may make or conceive, either alone or jointly with others, during the term of this Agreement. Recipient further agrees that all such ideas, improvements, inventions and discoveries will be the sole property of Disclosing Party. Within thirty (30) days after the termination of this Agreement, each of the parties hereto will deliver to the other any of the Confidential Information, Intellectual Property or other proprietary property that it, as a Recipient, then possesses, including, without limitation, all written materials or computer disks containing Confidential Information or Intellectual Property, whether prepared by Recipient or Disclosing Party. The provisions of this Section 7 will survive the termination of this Agreement.

8. Indemnification. Service Company will indemnify IBP and hold IBP harmless from and against any liability, loss, cost, expense (including reasonable attorneys' fees), damage, or penalty of any kind (collectively, "Damages"), on account of or resulting from (a) any breach by Service Company of any covenant contained in this Agreement; (b) any negligence or misconduct by Service Company in performing the Services, and (c) any breach of the covenants

contained in Sections 6 or 7. IBP will indemnify Service Company and hold Service Company harmless from and against any Damages on account of or resulting from (a) any breach by IBP of any covenant contained in this Agreement, and (b) any claim or action for infringement of the intellectual property of a third party as a result of the performance of any of the Services by Service Company on behalf of IBP utilizing intellectual property that IBP purportedly owns or has a right to use, provided that Service Company shall give prompt notice to IBP of any such claim or action, and provided that, if any such claim or action arises from software which Service Company or IBP licenses from a third party, IBP's obligation to indemnify Service Company is limited to the amount such third party pays to IBP for the purpose of indemnifying IBP for such claim or action. The provisions of this Section 8 will survive the termination of this Agreement.

9. Assignment; Change of Control; Reorganization of Service Company.

9.1 Assignment. Except as expressly provided herein, no party to this Agreement will in any way sell, transfer (including by operation of law), assign or otherwise dispose of this Agreement or any of the rights, privileges, duties and obligations granted or imposed upon it under this Agreement without the prior written consent of the other parties; provided, however, that IBP shall be permitted to grant a security interest in this Agreement to the Agent pursuant to the Financing Documents and the Agent may exercise its rights arising under any such security interest for the benefit of the Lenders. Any sale, transfer, assignment, or disposal, in whole or in part, of this Agreement, other than in accordance herewith, will be void and have no effect.

9.2 Change of Control. In the event of a Change of Control and upon the request of the Investors prior to such Change of Control, (a) the term of this Agreement shall continue for a period of up to one (1) year after the date of the Change of Control and (b) this Agreement shall be assigned to the Acquiring Person.

9.3 Reorganization of Service Company. After the occurrence of any Combination Triggering Date, at the option of the Investors or the Required Lenders, exercised by delivering written notice to Service Company (which notice Service Company shall promptly deliver to the Investors and the Agent, as applicable), and without any cost or expense to IBP, Agent, the Lenders or the Investors, (a) Service Company shall, and shall take all actions necessary to cause, the assets and personnel of Service Company to be combined with IBP such that the Services are provided internally by IBP (which combination shall be effected in the most tax-efficient manner pursuant to a transaction the form of which shall be mutually agreed upon by Service Company and the Investors) and (b) upon such combination, this Agreement shall terminate. The provisions of this Section 9.3 relating to the costs and expenses of any combination described in this Section 9.3 will survive the termination of this Agreement.

10. Miscellaneous.

10.1 Certain Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms have the following meanings when used in this Agreement with initial capital letters:

(a) "Affiliate" means, with respect to any Person, any Person controlling, controlled by or under common control with such Person, where "control" means the possession directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, contract or otherwise.

(b) "Acquiring Person" means, in the event of a Change of Control, (i) the Person acquiring all or substantially all of the assets of IBP or more than fifty percent (50%) of the Voting Securities of IBP or (ii) the surviving entity of a merger, consolidation, recapitalization or reorganization of IBP.

(c) "Agent" means JPMorgan Chase Bank, N.A., as Administrative Agent under the Financing Documents, and any successor agents under the Financing Documents.

(d) "Change of Control" means (i) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of IBP or (ii) a transaction or series of transactions (including by way of merger, consolidation, recapitalization, reorganization or sale of stock) the result of which is that the equity owners of IBP immediately prior to such transaction are, after giving effect to such transaction, no longer, in the aggregate, the "beneficial owners" (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the Securities Exchange Act of 1934, as amended), directly or indirectly through one or more intermediaries, of more than fifty percent (50%) of the outstanding Voting Securities of the surviving entity of such transaction; provided, however, that the term "Change of Control" shall not mean any sale, lease, transfer, conveyance or other transaction of the types described in clauses (i) and (ii) above that are due to the exercise of any rights of the Agent or the Lenders under the Financing Documents.

(e) "Combination Triggering Date" means any of the following: (i) the date that is five (5) business days prior to a contemplated Change of Control or initial Public Offering; (ii) the date that the Investors or the Required Lenders determine in good faith that the existence of this Agreement and the performance of the Services by Service Company (as opposed to an arrangement whereby the assets and personnel of Service Company are combined with IBP such that the Services are provided internally by IBP) has become a material disruption to IBP's business or (iii) the date upon which an event of default under either (A) Article VII (a), (b), (h) or (i) of the Credit Agreement occurs, or (B) Article VII (e) of the Credit Agreement occurs solely to the extent such event of default arises from the failure of IBP to comply with Sections 5.01 (a) or (b) of the Credit Agreement; provided, however, that in the event such event of default described in this clause (B) occurs, a Combination Triggering Date shall not be deemed to have occurred unless such financial statement has not been delivered thirty (30) days after the date it was required to be delivered thereunder.

(f) "Common Units" means the Common Units issued pursuant to, and described in, the Third Amended and Restated Operating Agreement of Parent, as it may be amended, modified or supplemented from time to time in accordance with its terms.

(g) "Financing Documents" means that certain Credit Agreement (and any amendments, modifications, restatements or replacements thereof), dated as June 29, 2005, among IBP, JPMorgan Chase Bank, N.A., as Agent and as a Lender, and the Lenders from time to time a party thereto, together with any and all documents and agreements contemplated thereby.

(h) "Intellectual Property" means all (i) patents, patent applications, patent disclosures and inventions, (ii) Internet domain names, trademarks, service marks, trade dress, trade names, logos and corporate names and registrations and applications for registration thereof together with all of the goodwill associated therewith, (iii) copyrights (registered or unregistered) and copyrightable works and registrations and applications for registration thereof, (iv) mask works and registrations and applications for registration thereof, (v) computer software, files, programs, data, data bases and documentation thereof, including, without limitation, all "JobCore" software, (vi) trade secrets and other confidential or proprietary information (including ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, copyrightable works, financial and marketing plans and customer and supplier lists and information) and (vii) copies and tangible embodiments thereof (in whatever form or medium); provided, however, that the term "Intellectual Property" shall not include any intellectual property associated with any licenses or agreements arising from the purchase of "off the shelf" or standard products.

(i) "Lenders" means JPMorgan Chase Bank, N.A. and the Lenders from time to time a party to the Financing Documents.

(j) "Person" means any individual, partnership, corporation, trust, limited liability company or other entity.

(k) "Public Offering" means a sale of common equity securities by Parent or IBP to the public pursuant to an offering registered under the Securities Act of 1933, as amended.

(l) "Required Lenders" has the meaning given to it in the Financing Documents.

(m) "Total Monthly Revenue" means the revenue for each calendar month generated by IBP from the business and operations owned by IBP.

(n) "Voting Securities" means securities entitled to vote generally in matters affecting the issues of such securities or the issuer thereof.

10.2 Access to Facilities. IBP will provide reasonable access to its facilities to facilitate the provision of the Services hereunder.

10.3 Entire Agreement. This Agreement will constitute the entire agreement between the parties hereto relating to the subject matter hereof, and supersedes and cancels all previous negotiations, understandings and agreements between any of the parties regarding the subject matter hereof. No conditions, use of trade, course of dealing, understanding or agreement purporting to vary, explain or supplement the terms of this Agreement will be binding unless hereafter made in writing and signed by the parties hereto.

10.4 Effect On Other Agreements. Nothing contained herein will create any legal liability or obligation on the part of any party to this Agreement for any third party contracts, agreements, obligations or liabilities of any other party, unless a party to this Agreement expressly assumes such liability or obligation in a signed writing.

10.5 Applicable Law. This Agreement will be interpreted in accordance with the laws of the State of Ohio, without regard to the conflict of laws principles thereof.

10.6 Waiver. No waiver of any of the terms or conditions of this Agreement will be effective or binding unless such waiver is in writing and is signed by the parties hereto, nor will this Agreement be changed, modified, discharged or terminated other than in accordance with its terms, in whole or in part, except by a writing signed by the parties. Waiver by any party of any term, provision or condition of this Agreement will not be construed to be a waiver of any other term, provision or condition nor will such waiver be deemed a subsequent waiver of the same term, provision or condition.

10.7 Amendment. This Agreement may be amended, any consent under this Agreement may be given, or any provision of this Agreement may be waived; provided, however, that any such amendment, consent or waiver shall be binding upon IBP and Service Company only if set forth in a writing executed by the Investors, the Agent on behalf of the Required Lenders, IBP and Service Company, respectively, referring specifically to the provision alleged to have been amended, consented to or waived; provided, further, that in the event that the Investors, collectively, hold less than five percent (5%) of the Common Units, the approval rights of the Investors set forth in this Section 10.7 shall terminate.

10.8 Actions by Investors. Any actions to be taken, or permitted to be taken, hereunder by the Investors, or any approval or consent of the Investors hereunder, shall require the action, approval or consent of the Investors holding a majority in interest of the Common Units held by all of the Investors, provided that any increase in the Service Fee or any other amounts payable hereunder shall also require the approval of (a) OCM if at the time of such increase OCM owns Series A-1 Preferred Units of Parent and (b) SOF, Primus Investment and Primus Executive (acting by a majority in interest of their Series B Units) if at the time of such increase any of them own Series B Preferred Units of Parent.

10.9 Severability. In the event any provision in this Agreement will be deemed invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby.

10.10 Notices. Any notice required or which may be given hereunder will be in writing and will be deemed to have been given (a) when delivered to the addressee in person, (b) when telexed or faxed by means confirming receipt, and, if notice is telexed or faxed, a copy will be mailed by registered or certified mail, return receipt requested and postage prepaid, (c) when sent by registered or certified mail, return receipt requested and postage prepaid, four (4) days after the date of mailing or (d) when sent by express mail or courier service, postage or charges prepaid, on the date of scheduled delivery, in each case, addressed to the parties as set forth below or to the addresses specified from time to time by the parties pursuant to this Section 10.7:

If to IBP:

Installed Building Products, LLC
495 South High Street, Suite 50
Columbus, Ohio 43215
Attention: President
Facsimile: (614) 221-3214

If to Service Company:

IBP Holding Company
495 South High Street, Suite 50
Columbus, Ohio 43215
Attention: President
Facsimile: (614) 221-3214

If to Investors:

c/o Stonehenge Opportunity Fund LLC
191 West Nationwide Boulevard, Suite 600
Columbus, Ohio 43215
Attention: Michael H. Thomas
Facsimile: (614) 246-2431

OCM IBP Holdings, Inc.
c/o Oaktree Capital Management
1301 Avenue of the Americas
34th Floor
New York, NY 10019
Attention: William Sacher and Raj Makam
Facsimile: (212) 284-1969

If to the Agent:

JPMorgan Chase Bank, N.A.
1 Bank One Plaza, IL1-0010
Chicago, Illinois 60670
Attn: Loan and Agency Services Group, Tess Siao
Facsimile: (312) 385-7097

10.11 Counterparts. This Agreement may be executed in multiple counterparts (including by means of facsimile signature pages), each of which will be deemed an original and all of which together will constitute one and the same instrument.

10.12 Force Majeure. If the performance of any part of this Agreement by either party, or of any obligation under this Agreement, is prevented, restricted, interfered with or

delayed by reason of any cause beyond the reasonable control of the party liable to perform (including, but not limited to fire, flood or other catastrophe, acts of God, legal acts of a public authority, strikes, riots, public utility failure or power supply), unless conclusive evidence to the contrary is provided, the party so affected will, on giving written notice to the other party, be excused from such performance to the extent of and for the period of such prevention, restriction, interference or delay, provided that the affected party will use its best efforts to avoid or remove such causes of nonperformance and will continue performance with the utmost dispatch whenever such causes are removed. When such circumstances arise, the parties will cooperate in good faith in order to determine any modification of the terms of this Agreement that may be required in order to arrive at an equitable solution.

10.13 Successors and Assigns. This Agreement will be binding upon inure to the benefit of the parties and their respective successors and permitted assigns.

[remainder of page intentionally left blank — signatures follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of April , 2010.

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller
Michael T. Miller
Executive Vice President - Finance

IBP HOLDING COMPANY

By: /s/ Michael T. Miller
Michael T. Miller
Executive Vice President - Finance

STONEHENGE OPPORTUNITY FUND LLC

By: Stonehenge Holdings, Inc., its Manager

By: /s/ Michael H. Thomas
Name: Michael H. Thomas
Title: Authorized Signer

PRIMUS EXECUTIVE FUND V LIMITED PARTNERSHIP

By: Primus Venture Partners V, L.L.C., its General Partner

By: /s/ William C. Mulligan
Name:
Title:

PRIMUS IBP INVESTMENT, LLC

By: /s/ William C. Mulligan
Name:
Title:

OCM IBP Holdings, Inc.

By: /s/ William B. Sacher
Name: William B. Sacher
Title: Authorized Signatory

[Signature Page to Management Agreement]

EXHIBIT A

SCHEDULE OF SERVICES TO BE PROVIDED

1. Providing general management services relating to the operations of IBP.

2. Preparing returns and processing payment, for and on behalf of IBP, sales and use taxes, property taxes, state and local business and occupation taxes, and state and local income taxes, as appropriate and debiting the same to the account of IBP.

3. Providing management services with respect to industrial relations and human resources, including, without limitation:

a. Consulting with respect to personnel recruitment and selection procedures.

b. Consulting with respect to training and development programs.

c. Consulting with respect to employment forms.

d. Managing all aspects of the workers compensation programs, including, without limitation, risk management and claims review.

4. Performing any and all services that are reasonably necessary or desirable to accomplish any of the following functions: payroll, employee benefit plan administration, tax and insurance, human resources and legal, accounting, and public relations.

5. Providing purchasing and leasing services.

6. Providing accounting services, including maintenance of accounting records, preparing financial statements, tax returns and related matters, all on a timely basis.

7. Acquisition identification, analysis, negotiation, closing and integration.

8. Managing the relationships and terms of business with major customers and vendors.

9. Fleet management.

10. Information technology and systems and security maintenance and management, including, without limitation, maintaining “JobCore” and IBP’s accounting systems.

11. Financial management, including, without limitation, obtaining capital resources and complying with all related contractual obligations.

12. Managing IBP’s and its Affiliates’ compliance with all laws, regulations and administrative rules.

13. Reviewing, authorizing and paying vendor invoices.

14. Managing and accounting for the assets of IBP and its Affiliates.

15. Preparing IBP’s annual business plan and budget on a timely basis.

16. Billing, collecting, reconciling and otherwise accounting for accounts receivable.

17. Any other services as agreed to by the parties or as performed by Service Company as of December 31, 2003.

Exhibit 10.9

AMENDMENT TO SECOND
AMENDED AND RESTATED MANAGEMENT AGREEMENT

Amendment, effective as of November 4, 2011 ("Amendment"), to that certain Second Amended and Restated Management Agreement (the "Management Agreement"), originally made and entered into as of March 29, 2004, as amended and restated as of June 29, 2005, and as further amended and restated as of April 30, 2010, by and among IBP Holding Company, an Ohio corporation ("Service Company"), Installed Building Products, LLC, a Delaware limited liability company ("IBP"), OCM IBP Holdings, Inc., a Delaware corporation ("OCM"), Stonehenge Opportunity Fund LLC, a Delaware limited liability company ("SOF"), Primus IBP Investment, LLC, a Delaware limited liability company ("Primus Investment"), Primus Executive Fund V Limited Partnership, a Delaware limited partnership ("Primus Executive" and collectively with OCM, SOF and Primus Investment and their respective successors and assigns, and any Person who acquires any equity interests in IBP from OCM, SOF, Primus Investment or Primus Executive or OCM, the "Investors"), and Cetus Capital II LLC, a Delaware limited liability company ("Cetus") as successor in interest to JPMorgan Chase Bank, N.A., as Agent.

RECITALS

WHEREAS, IBP and other affiliated entities are parties to a restructuring more particularly described in a Recapitalization and Exchange Agreement, dated as of November 4, 2011, by and between CCIB Holdco, Inc., a Delaware corporation, and Cetus (the "Recapitalization Agreement"); and

WHEREAS, it a condition precedent to the closing of the Recapitalization Agreement that the Management Agreement be amended so that the term of the Management Agreement shall terminate at 11:59 p.m. on December 31, 2011.

NOW, THEREFORE, in consideration of the foregoing, the undersigned hereby agree as follows:

1. Effective immediately, Section 4.1 of the Management Agreement shall be deleted and replaced in its entirety with the following:

> "4.1 Term. Subject to the provisions of Section 4.2 hereof, the term of this Agreement will commence on March 29, 2004 and will terminate at 11:59 p.m. on December 31, 2011. This provision shall not be further amended or modified without the prior written consent of Cetus Capital II, LLC, a Delaware limited liability company, who is an intended third party beneficiary hereof."

2. Capitalized terms used in this Amendment without definition shall have the meanings ascribed to such terms in the Management Agreement.

3. Except as provided herein, the Management Agreement is hereby ratified, confirmed and approved in all respects.

4. This Amendment shall be governed by and construed and enforced in accordance with the laws of the State of Ohio.

5. This Amendment and the Management Agreement constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. No modification of or amendment to this Amendment, nor any waiver of any rights under this Amendment, shall be effective unless in writing signed by the parties to this Amendment and by Cetus (who is an intended third party beneficiary of this Amendment). The failure by any party to enforce any rights under this Amendment shall not be construed as a waiver of any rights of such party.

6. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission (including in the form of a PDF file) shall be binding to the same extent as an original signature page. Any party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other party that requests such original counterpart.

7. This Amendment will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, this Amendment has been executed and delivered as of the date first written above.

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: EVP - Finance

IBP HOLDING COMPANY

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: EVP - Finance

STONEHENGE OPPORTUNITY FUND LLC

By: Stonehenge Holdings, Inc., its Manager

By: /s/ Michael H. Thomas
Name: Michael H. Thomas
Title: Authorized Signatory

PRIMUS EXECUTIVE FUND V LIMITED PARTNERSHIP

By: Primus Venture Partners V, L.L.C., its General Partner

By: /s/ William C. Mulligan
Name:
Title:

PRIMUS IBP INVESTMENT, LLC

By: /s/ William C. Mulligan
Name:
Title:

OCM IBP HOLDINGS, INC.

By: /s/ William B. Sacher
Name: William B. Sacher
Title: Authorized Signatory

CETUS CAPITAL II, LLC

By: /s/ Robert E. Davis
Name: Robert E. Davis
Title: Managing Director

By: /s/ Raj Makam
Name: Raj Makam
Title: Authorized Signatory

Exhibit 10.10

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT (this "Agreement") is made and entered into as of October 29, 2007 by and among IBP Holding Company, an Ohio corporation ("Service Company"), Installed Building Products II, LLC, a Delaware limited liability company ("IBP"), Stonehenge Opportunity Fund LLC, a Delaware limited liability company ("SOF"), Mezzanine Opportunities LLC, an Ohio limited liability company ("MO"), Primus IBP Investment, LLC, a Delaware limited liability company ("Primus Investment"), Primus Executive Fund V Limited Partnership, a Delaware limited partnership ("Primus Executive"), and OCM IBP Holdings II, Inc. ("OCM" and collectively with SOF, MO, Primus Investment and Primus Executive and their respective successors and assigns, and any Person who acquires any equity interests in IBP from SOF, MO, Primus Investment, Primus Executive or OCM, the "Investors"), and Fifth Third Bank, an Ohio banking corporation ("Fifth Third").

RECITALS:

A. IBP is in the business of manufacturing, selling, distributing and installing building and other related products.

B. Service Company desires to provide, and IBP desires to receive, certain services relating to the operation of its business, including corporate overhead and administrative services, upon the terms and conditions contained herein.

C. The Investors are investors in IBP Holdings II, LLC, the parent of IBP, and IBP and Service Company desire to include the Investors as parties to and beneficiaries of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. Services. IBP hereby retains Service Company to provide certain executive, management, administrative, corporate overhead, clerical and other support services, including, without limitation, accounting and financial services, human resources services, information services and risk management services, as more fully described on Exhibit A attached hereto (collectively, the "Services") and to prepare status and other reports relating to the Services, upon the terms and conditions contained herein. The Services shall be provided by employees and consultants of Service Company and its Affiliates, specifically including, without limitation, Jeffrey W. Edwards.

2. Scope of Services. Service Company agrees to provide IBP with such Services during the term of this Agreement and to use its best efforts in the performance of its duties hereunder. The Services will be provided in substantially the same manner and to substantially the same extent as services are provided by Service Company to Installed Building Products, LLC under the Amended and Restated Management Agreement originally dated as of March 29, 2004 (the "IBP Management Agreement"), unless otherwise specifically provided herein; provided, however, that the Services shall at all times be provided in a timely, competent, diligent and professional manner.

3. Service Fee.

3.1 Service Fee. In consideration of the performance of the Services, Service Company will be entitled to a monthly service fee (the "Service Fee") equal to the 2% of IBP's Monthly Revenue. If (i) payment of the Service Fee would result in IBP's EBITDA being lower than forecasted (as updated for each acquisition) or (ii) Service Company fails to provide the Services as required by this Agreement and such failure continues for thirty (30) days after written notice of such failure to Service Company, then in either case Service Company shall not be entitled to any Service Fee during such period and will only be entitled to a Service Fee from and after such time as IBP's EBITDA is no longer lower than forecasted or Service Company resumes providing the Services hereunder, as the case may be. Any undisputed Service Fee will be payable promptly upon IBP's receipt of Service Company's invoice therefor. In the event that IBP pays Service Company an amount in excess of the Service Fee owed by IBP pursuant to this Section 3.1, such excess will be remitted by Service Company to IBP within ten (10) days of receipt by Service Company.

3.2 Annual Budget. Service Company shall prepare and deliver to the Investors a combined annual budget for Service Company in respect of its services hereunder and under the IBP Management Agreement. The content of such annual budget and the terms of the annual budget process shall be governed by the IBP Management Agreement.

3.3 Inspection Rights; Dispute. Service Company will maintain complete and accurate records with respect to its calculation of the Service Fee. During the term of this Agreement and for two (2) years thereafter, IBP and the Investors, at their expense, will have the right to examine and audit such records during regular business hours upon reasonable prior notice to Service Company. In the event IBP or the Investors disagree with any of Service Company's calculations of the Service Fee, IBP or the Investors, as applicable, will provide written notice to Service Company setting forth in reasonable detail the basis for such disagreement and the amount of the Service Fee that IBP or the Investors, as applicable, believes is the correct amount. Thereafter, Service Company and IBP or the Investors, as applicable, will cooperate in good faith to resolve such disagreement. If Service Company and IBP or the Investors, as applicable, cannot resolve such disagreement within sixty (60) days of Service Company's receipt of such notice, Service Company and IBP or the Investors, as applicable, will retain within ten (10) days after such 60-day period a nationally recognized independent accounting firm in the United States acceptable to both Service Company and IBP or the Investors, as applicable (the "Independent Accountants"), to review and decide the appropriate amount of any disputed item pursuant to the terms of this Agreement. If Service Company, IBP and the Investors are unable to agree upon the Independent Accountants, the Independent Accountants shall be one of the following three (3) public accounting firms (or its successor) determined after Service Company and the Investors, in that order, each exclude one such accounting firm: PricewaterhouseCoopers, KPMG LLP and Grant Thornton LLP. The decision of the Independent Accountants will be made within thirty (30) days of the date they are retained and will be final and binding upon, and non-appealable by, Service Company and IBP or the Investors, as applicable. The fees and expenses of the Independent Accountants will be paid by

the party whose estimate of the Service Fee in dispute is furthest from the Independent Accountants' calculation of the Service Fee in dispute. The provisions contained in this Section 3.3 will survive the termination of this Agreement.

4. Term; Termination.

4.1 Term. Subject to the provisions of Section 4.2 hereof, the term of this Agreement will commence on the date hereof and will continue until the date upon which no Investor owns any equity interest in IBP Holdings II, LLC; provided, however, that notwithstanding the foregoing, (i) in the event of a Change of Control and upon the request of the Investors prior to such Change of Control, the term of this Agreement shall continue for a period of up to one (1) year after the date of the Change of Control, and (ii) for as long as any sums are outstanding under the Financing Documents, the term of this Agreement shall not terminate without the written consent of Fifth Third.

4.2 Default or Insolvency. In addition to expiration of this Agreement pursuant to Section 4.1, this Agreement may be terminated by written notice to the other parties as follows: (a) Service Company may terminate this Agreement if at any time IBP fails to pay any undisputed Service Fee (other than due to any limitation on the amount of such fees that may be paid by IBP during the continuation of an event of default under the Financing Documents) and such failure continues for a thirty (30) day period after written notice of such failure to IBP; and (b) either IBP, with the prior written approval of the Investors, or the Investors may terminate this Agreement if at any time Service Company materially fails to provide the Services in accordance with the provisions of this Agreement and such material failure continues for a thirty (30) day period after written notice of such failure to Service Company.

4.3 Agreement Not to Compete or Solicit.

(a) Service Company agrees that, except for the provision of services pursuant to the IBP Management Agreement, during the Noncompete Period, it shall not, directly or indirectly, own any interest in, manage, control, participate in, consult with, render services for, or in any manner engage in any business competing with the businesses of IBP or any of its Affiliates, as such businesses exist or are in process during the term of this Agreement within any geographical area in which IBP or any of its Affiliates engage or have plans to engage in such businesses, including, without limitation, any geographic area where IBP or any of its Affiliates provide their products or services or where their products or services are used by any of their customers. Nothing herein shall prohibit Service Company from being a passive owner of not more than 2% of the outstanding stock of any class of a corporation that is publicly traded, so long as Service Company has no active participation in the business of such corporation.

(b) The parties hereto acknowledge that the individual, beneficial equity owners of Service Company also own and operate entities that are in the business of buying and developing real estate and constructing single- and multi-family housing and office buildings (collectively, the "Edwards' Construction Business"). As part of its business, the Edwards' Construction Business purchases insulation, basement waterproofing, gutters, garage doors, shelving, shower doors and mirrors and hires service providers (including IBP) to install such products in its single- and multi-family housing and office buildings. The parties hereto

acknowledge that nothing in this Section 4.3 shall prevent the Edwards' Construction Business from continuing the activities described in this Section 4.3(b); provided, however, that any transactions between the Edwards' Construction Business and IBP Holdings II, LLC, IBP or its direct or indirect subsidiaries shall be at arms-length.

(c) During the Noncompete Period, Service Company shall not, directly or indirectly, (i) except in connection with employee relocations to and from Installed Building Products, LLC and its Affiliates, induce or attempt to induce any employee of IBP or any of its Affiliates to leave the employ of IBP or such Affiliate, or in any way interfere with the relationship between IBP or any such Affiliate and any employee thereof, (ii) hire any Person who was an employee of IBP or any of its Affiliates at any time during the term of this Agreement or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of IBP or any of its Affiliates to cease doing business with IBP or such Affiliate, or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and IBP or any such Affiliate (including, without limitation, making any negative or disparaging statements or communications regarding IBP or any of its Affiliates).

(d) If, at the time of enforcement of this Section 4.3, a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. Service Company acknowledges that the restrictions contained in this Section 4.3 are reasonable and that it has reviewed the provisions of this Agreement with its legal counsel.

(e) In the event of an alleged breach or violation by Service Company of this Section 4.3, the Noncompete Period shall be tolled until such breach or violation has been duly cured.

(f) For the purposes of this Section 4.3, "Noncompete Period" means the period commencing on the date hereof and ending on the second anniversary of the termination of this Agreement, subject to extension pursuant to Section 4.3(e) above; provided, however, that the Noncompete Period shall terminate upon a Change of Control, provided that if in connection with such Change of Control there is any separate consideration paid by the purchaser in such Change of Control for a covenant not to compete, such consideration shall be shared among the equity owners of IBP Holdings II, LLC pro rata in proportion to their ownership interests in such entity. The provisions contained in this Section 4.3 will survive the termination of this Agreement.

4.4 Consequences of Termination. Except as expressly provided herein, upon termination of this Agreement all rights and obligations of the parties hereunder will immediately terminate, provided that IBP's obligation to pay any undisputed, outstanding Service Fee, any claim that a party may have with respect to another party's breach of a covenant hereunder and the terms of this Section 4.4 and Sections 3.3, 4.3, 6, 7, 8 and 10 each will survive such termination.

5. Nature of Relationship. All work or obligations performed by Service Company in connection with the Services will be performed as an independent contractor and Service Company acknowledges that it does not have authority to obligate or bind IBP or any Investor in any way, except as expressly authorized in Section 2 above with respect to IBP. No provision of this Agreement will be construed to create a partnership or a joint venture between the parties hereto, and except as provided in the previous sentence, no provision of this Agreement will be construed to create an agency.

6. Confidentiality. Service Company acknowledges that during its performance of the Services it will receive and have access to certain data, reports, standards, specifications, customer information and other confidential, technical or proprietary information of IBP, including, without limitation, any written materials generated by IBP containing such confidential, technical or proprietary information and any customer lists (collectively, the "Confidential Information"). Service Company will perform the Services in a manner reasonably designed to protect the Confidential Information from improper use or disclosure. Service Company agrees to use its commercially reasonable efforts to train and supervise its employees to achieve such result. Except in conjunction with its performance of the Services, Service Company will not disclose any Confidential Information to any Person that is not a party to this Agreement, unless (i) such information is in the public domain (other than as a result of disclosure by Service Company in violation of this Section 6), (ii) such disclosure is required by law, by order of a court of competent jurisdiction, administrative body or governmental body, or by subpoena, summons or legal process, or by rule or regulation, (iii) such disclosure is made to directors, officers, representatives, agents and employees of Service Company in the course of performing Service Company's obligations or enforcing Service Company's rights under this Agreement, provided that Service Company shall be liable for any breach of this Section 6 by any such representative or agent, or (iv) such disclosure is made in connection with Service Company's normal informational or reporting activities to Service Company's Affiliates, auditors, attorneys or other agents, provided that Service Company shall be liable for any breach of this Section 6 by any such Affiliate, auditor, attorney or other agent. Service Company acknowledges and agrees that any disclosure by Service Company in violation of this Section 6 will cause irreparable harm to IBP and the Investors for which money damages alone would be insufficient, and Service Company agrees that in the event of any such violation IBP and/or the Investors will be entitled to seek temporary and permanent injunctive relief. The remedies described herein will not be the exclusive remedies for any such violation but will be in addition to all other remedies available to IBP and/or the Investors at law or in equity. The provisions contained in this Section 6 will survive the termination of this Agreement.

7. Intellectual Property.

7.1 Intellectual Property; License. Service Company and IBP each covenant that any Intellectual Property, as well as any other assets or properties, to be used in or necessary to providing services of IBP shall be acquired by IBP or Installed Building Products, LLC. Service Company acknowledges and agrees that any and all ideas, improvements, inventions, derivative works and discoveries relating to Intellectual Property that Service Company, or its employees, agents, independent contractors, successors or assigns, may make or conceive, either alone or jointly with others, during the term of this Agreement shall be the sole property of IBP or Installed Building Products, LLC. IBP hereby grants to Service Company a nontransferable,

nonexclusive, royalty-free, license during the term of this Agreement to use any such Intellectual Property (and all ideas, improvements, inventions, derivative works and discoveries relating thereto) solely in the provision of the Services.

7.2 Ownership of Intellectual Property. Subject to the provisions of Section 7.1 above, each of the parties hereto acknowledges and agrees that, in its capacity as the recipient (the "Recipient") of Confidential Information and other proprietary property that is provided or given access to by the other (the "Disclosing Party"), including, without limitation, Intellectual Property, during the term of this Agreement, are and will remain the sole property of Disclosing Party. Recipient hereby assigns to Disclosing Party all of Recipient's rights in and to any ideas, improvements, inventions and discoveries relating to the Confidential Information, or Intellectual Property of Disclosing Party that Recipient, or its employees, agents, independent contractors, successors or assigns, may make or conceive, either alone or jointly with others, during the term of this Agreement. Recipient further agrees that all such ideas, improvements, inventions and discoveries will be the sole property of Disclosing Party. Within thirty (30) days after the termination of this Agreement, each of the parties hereto will deliver to the other any of the Confidential Information, Intellectual Property or other proprietary property that it, as a Recipient, then possesses, including, without limitation, all written materials or computer disks containing Confidential Information or Intellectual Property, whether prepared by Recipient or Disclosing Party. The provisions of this Section 7 will survive the termination of this Agreement.

8. Indemnification. Service Company will indemnify IBP and hold IBP harmless from and against any liability, loss, cost, expense (including reasonable attorneys' fees), damage, or penalty of any kind (collectively, "Damages"), on account of or resulting from (a) any breach by Service Company of any covenant contained in this Agreement; (b) any negligence or misconduct by Service Company in performing the Services, and (c) any breach of the covenants contained in Sections 6 or 7. IBP will indemnify Service Company and hold Service Company harmless from and against any Damages on account of or resulting from (a) any breach by IBP of any covenant contained in this Agreement, and (b) any claim or action for infringement of the intellectual property of a third party as a result of the performance of any of the Services by Service Company on behalf of IBP utilizing intellectual property that IBP purportedly owns or has a right to use, provided that Service Company shall give prompt notice to IBP of any such claim or action, and provided that, if any such claim or action arises from software which Service Company or IBP licenses from a third party, IBP's obligation to indemnify Service Company is limited to the amount such third party pays to IBP for the purpose of indemnifying IBP for such claim or action. The provisions of this Section 8 will survive the termination of this Agreement.

9. Assignment; Change of Control; Reorganization of Service Company.

9.1 Assignment. Except as expressly provided herein, no party to this Agreement will in any way sell, transfer (including by operation of law), assign or otherwise dispose of this Agreement or any of the rights, privileges, duties and obligations granted or imposed upon it under this Agreement without the prior written consent of the other parties; provided, however, that IBP shall be permitted to grant a security interest in this Agreement pursuant to the Financing Documents. Any sale, transfer, assignment, or disposal, in whole or in part, of this Agreement, other than in accordance herewith, will be void and have no effect.

9.2 Change of Control. In the event of a Change of Control and upon the request of the Investors prior to such Change of Control, (a) the term of this Agreement shall continue for a period of up to one (1) year after the date of the Change of Control and (b) this Agreement shall be assigned to the Acquiring Person.

9.3 Reorganization of Service Company. After the occurrence of any Combination Triggering Date, at the option of the Investors, exercised by delivering written notice to Service Company, and without any cost or expense to IBP or the Investors, (a) Service Company shall, and shall take all actions necessary to cause, the assets and personnel of Service Company to be combined with IBP such that the Services are provided internally by IBP (which combination shall be effected in the most tax-efficient manner pursuant to a transaction the form of which shall be mutually agreed upon by Service Company and the Investors) and (b) upon such combination, this Agreement shall terminate. The provisions of this Section 9.3 relating to the costs and expenses of any combination described in this Section 9.3 will survive the termination of this Agreement.

10. Miscellaneous.

10.1 Certain Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms have the following meanings when used in this Agreement with initial capital letters:

(a) "Affiliate" means, with respect to any Person, any Person controlling, controlled by or under common control with such Person, where "control" means the possession directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, contract or otherwise.

(b) "Acquiring Person" means, in the event of a Change of Control, (i) the Person acquiring all or substantially all of the assets of IBP or more than fifty percent (50%) of the Voting Securities of IBP or (ii) the surviving entity of a merger, consolidation, recapitalization or reorganization of IBP.

(c) "Change of Control" means (i) the sale, lease, transfer, conveyance, license or other disposition, in one or a series of related transactions, of all or substantially all of the assets of IBP or (ii) a transaction or series of transactions (including by way of merger, consolidation, recapitalization, reorganization or sale of stock) the result of which is that the equity owners of IBP immediately prior to such transaction are, after giving effect to such transaction, no longer, in the aggregate, the "beneficial owners" (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the Securities Exchange Act of 1934, as amended), directly or indirectly through one or more intermediaries, of more than fifty percent (50%) of the outstanding Voting Securities of the surviving entity of such transaction; provided, however, that the term "Change of Control" shall not mean any sale, lease, transfer, conveyance, license or other transaction of the types described in clauses (i) and (ii) above that are due to the exercise of any rights of under the Financing Documents.

(d) "Combination Triggering Date" means any of the following: (i) the date that is five (5) business days prior to a contemplated Change of Control or initial Public

Offering; (ii) the first day of the month following the first month in which the actual costs of Service Company associated with providing the Services hereunder and under the IBP Management Agreement equals the combined Service Fees under such agreements; (iii) the date that the Investors determine in good faith that the existence of this Agreement and the performance of the Services by Service Company (as opposed to an arrangement whereby the assets and personnel of Service Company are combined with IBP such that the Services are provided internally by IBP) has become a material disruption to IBP's business.

(e) "Monthly Revenues" means, for any month in which Services are performed, the consolidated revenue for such month generated by IBP and its subsidiaries from the business and operations owned by IBP and its subsidiaries.

(f) "Financing Documents" means that certain Credit Agreement (and any amendments, modifications, restatements or replacements thereof), dated as of September 28, 2007, among IBP and Fifth Third Bank, together with any and all documents and agreements contemplated thereby.

(g) "Intellectual Property" means all (i) patents, patent applications, patent disclosures and inventions, (ii) Internet domain names, trademarks, service marks, trade dress, trade names, logos and corporate names and registrations and applications for registration thereof together with all of the goodwill associated therewith, (iii) copyrights (registered or unregistered) and copyrightable works and registrations and applications for registration thereof, (iv) mask works and registrations and applications for registration thereof, (v) computer software, files, programs, data, data bases and documentation thereof, including, without limitation, all "JobCore" software, (vi) trade secrets and other confidential or proprietary information (including ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, copyrightable works, financial and marketing plans and customer and supplier lists and information) and (vii) copies and tangible embodiments thereof (in whatever form or medium); provided, however, that the term "Intellectual Property" shall not include any intellectual property associated with any licenses or agreements arising from the purchase of "off the shelf" or standard products.

(h) "Person" means any individual, partnership, corporation, trust, limited liability company or other entity.

(i) "Public Offering" means a sale of common equity securities by IBP Holdings II, LLC or IBP to the public pursuant to an offering registered under the Securities Act of 1933, as amended.

(j) "Voting Securities" means securities entitled to vote generally in matters affecting the issues of such securities or the issuer thereof.

10.2 Access to Facilities. IBP will provide reasonable access to its facilities to facilitate the provision of the Services hereunder.

10.3 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof, and supersedes and cancels all previous negotiations, understandings and agreements between any of the parties regarding the subject matter hereof. No conditions, use of trade, course of dealing, understanding or agreement purporting to vary, explain or supplement the terms of this Agreement will be binding unless hereafter made in writing and signed by the parties hereto.

10.4 Effect On Other Agreements. Nothing contained herein will create any legal liability or obligation on the part of any party to this Agreement for any third party contracts, agreements, obligations or liabilities of any other party, unless a party to this Agreement expressly assumes such liability or obligation in a signed writing.

10.5 Applicable Law. This Agreement will be interpreted in accordance with the laws of the State of Ohio, without regard to the conflict of laws principles thereof.

10.6 Waiver. No waiver of any of the terms or conditions of this Agreement will be effective or binding unless such waiver is in writing and is signed by the parties hereto, nor will this Agreement be changed, modified, discharged or terminated other than in accordance with its terms, in whole or in part, except by a writing signed by the parties. Waiver by any party of any term, provision or condition of this Agreement will not be construed to be a waiver of any other term, provision or condition nor will such waiver be deemed a subsequent waiver of the same term, provision or condition.

10.7 Amendment. This Agreement may be amended, any consent under this Agreement may be given, or any provision of this Agreement may be waived; provided, however, that any such amendment, consent or waiver shall be binding upon IBP and Service Company only if set forth in a writing executed by the Investors, IBP, Fifth Third and Service Company, respectively, referring specifically to the provision alleged to have been amended, consented to or waived; provided, further, that in the event that (i) the Investors, collectively, hold less than five percent (5%) Voting Securities of IBP Holdings II, LLC, the approval rights of the Investors set forth in this Section 10.7 shall terminate and (ii) no amounts are outstanding under the Financing Documents and the credit facilities evidenced thereby have been terminated, the approval rights of Fifth Third set forth in this Section 10.7 shall terminate.

10.8 Severability. In the event any provision in this Agreement will be deemed invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby.

10.9 Notices. Any notice required or which may be given hereunder will be in writing and will be deemed to have been given (a) when delivered to the addressee in person, (b) when telexed or faxed by means confirming receipt, and, if notice is telexed or faxed, a copy will be mailed by registered or certified mail, return receipt requested and postage prepaid, (c) when sent by registered or certified mail, return receipt requested and postage prepaid, four (4) days after the date of mailing or (d) when sent by express mail or courier service, postage or charges prepaid, on the date of scheduled delivery, in each case, addressed to the parties as set forth below or to the addresses specified from time to time by the parties pursuant to this Section 10.7:

If to IBP:

Installed Building Products II, LLC
495 South High Street, Suite 50
Columbus, Ohio 43215
Attention: Frank M. Schossler
Facsimile: (614) 221-3214

If to Service Company:

IBP Holding Company
495 South High Street, Suite 50
Columbus, Ohio 43215
Attention: President
Facsimile: (614) 221-3214

If to any Investor:

c/o Stonehenge Opportunity Fund LLC
191 West Nationwide Boulevard, Suite 600
Columbus, Ohio 43215
Attention: Michael H. Thomas
Facsimile: (614) 246-2431

If to Fifth Third:

Fifth Third Bank
21 East State Street MD 468371
Columbus, Ohio 43215
Attention: William J. Whitley
Facsimile: (614) 744-7606

10.10 Counterparts. This Agreement may be executed in multiple counterparts (including by means of facsimile signature pages), each of which will be deemed an original and all of which together will constitute one and the same instrument.

10.11 Force Majeure. If the performance of any part of this Agreement by either party, or of any obligation under this Agreement, is prevented, restricted, interfered with or delayed by reason of any cause beyond the reasonable control of the party liable to perform (including, but not limited to fire, flood or other catastrophe, acts of God, legal acts of a public authority, strikes, riots, public utility failure or power supply), unless conclusive evidence to the contrary is provided, the party so affected will, on giving written notice to the other party, be excused from such performance to the extent of and for the period of such prevention, restriction, interference or delay, provided that the affected party will use its best efforts to avoid or remove such causes of nonperformance and will continue performance with the utmost dispatch whenever such causes are removed. When such circumstances arise, the parties will cooperate in good faith in order to determine any modification of the terms of this Agreement that may be required in order to arrive at an equitable solution.

10.12 Successors and Assigns. This Agreement will be binding upon inure to the benefit of the parties and their respective successors and permitted assigns.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of October 29, 2007.

INSTALLED BUILDING PRODUCTS II, LLC

By: /s/ Frank M. Schossler
Frank M. Schossler
Chief Financial Officer

IBP HOLDING COMPANY

By: /s/ Frank M. Schossler
Frank M. Schossler
Chief Financial Officer

STONEHENGE OPPORTUNITY FUND LLC

By: Stonehenge Holdings, Inc., its Manager

By: /s/ Michael H. Thomas
Name:
Title: Authorized Signer

MEZZANINE OPPORTUNITIES LLC

By: /s/ Michael H. Thomas
Name:
Title: Authorized Signer

PRIMUS IBP INVESTMENT, LLC

By: /s/ William C. Mulligan
Name: William C. Mulligan
Title: EVP

PRIMUS EXECUTIVE FUND V LIMITED PARTNERSHIP

By: Primus Venture Partners V, L.L.C., its General Partner

By: /s/ William C. Mulligan
Name: William C. Mulligan
Title: EVP

FIFTH THIRD BANK

By: /s/ William J. Whitley
William J. Whitley
Vice President

OCM IBP HOLDINGS II, INC.

By: /s/ Gary D. Trabka
Name: Gary D. Trabka
Title: Director and Vice President

By: /s/ Raj Makam
Name: Raj Makam
Title: Vice President

EXHIBIT A

SCHEDULE OF SERVICES TO BE PROVIDED

1. Providing general management services relating to the operations of IBP.

2. Preparing returns and processing payment, for and on behalf of IBP, sales and use taxes, property taxes, state and local business and occupation taxes, and state and local income taxes, as appropriate and debiting the same to the account of IBP.

3. Providing management services with respect to industrial relations and human resources, including, without limitation:

a. Consulting with respect to personnel recruitment and selection procedures.

b. Consulting with respect to training and development programs.

c. Consulting with respect to employment forms.

d. Managing all aspects of the workers compensation programs, including, without limitation, risk management and claims review.

4. Performing any and all services that are reasonably necessary or desirable to accomplish any of the following functions: payroll, employee benefit plan administration, tax and insurance, human resources and legal, accounting, and public relations.

5. Providing purchasing and leasing services.

6. Providing accounting services, including maintenance of accounting records, preparing financial statements, tax returns and related matters, all on a timely basis.

7. Acquisition identification, analysis, negotiation, closing and integration.

8. Managing the relationships and terms of business with major customers and vendors.

9. Fleet management.

10. Information technology and systems and security maintenance and management, including, without limitation, maintaining “JobCore” and IBP’s accounting systems.

11. Financial management, including, without limitation, obtaining capital resources and complying with all related contractual obligations.

12. Managing IBP’s and its Affiliates’ compliance with all laws, regulations and administrative rules.

13. Reviewing, authorizing and paying vendor invoices.

14. Managing and accounting for the assets of IBP and its Affiliates.

15. Preparing IBP’s annual business plan and budget on a timely basis.

16. Billing, collecting, reconciling and otherwise accounting for accounts receivable.

17. Any other services as agreed to by the parties.

Exhibit 10.11

AMENDMENT TO MANAGEMENT AGREEMENT

Amendment, effective as of November 4, 2011 ("Amendment"), to that certain Management Agreement (the "Management Agreement"), dated as of October 29, 2007, by and among IBP Holding Company, an Ohio corporation ("Service Company"), Installed Building Products II, LLC, a Delaware limited liability company ("IBP"), Stonehenge Opportunity Fund LLC, a Delaware limited liability company ("SOF"), Mezzanine Opportunities LLC, an Ohio limited liability company ("MO"), Primus IBP Investment, LLC, a Delaware limited liability company ("Primus Investment"), Primus Executive Fund V Limited Partnership, a Delaware limited partnership ("Primus Executive"), and OCM IBP Holdings II, Inc. ("OCM" and collectively with SOF, MO, Primus Investment and Primus Executive and their respective successors and assigns, and any Person who acquires any equity interests in IBP from SOF, MO, Primus Investment, Primus Executive or OCM, the "Investors") and Fifth Third Bank, an Ohio banking corporation ("Fifth Third"). For purposes of clarification, MO is no longer an Investor under the Management Agreement.

RECITALS

WHEREAS, IBP and other affiliated entities are parties to a restructuring more particularly described in a Recapitalization and Exchange Agreement, dated as of November 4, 2011, by and between CCIB Holdco, Inc., a Delaware corporation, and Cetus Capital II, LLC ("Cetus"), a Delaware limited liability company (the "Recapitalization Agreement");

WHEREAS, it a condition precedent to the closing of the Recapitalization Agreement that the Management Agreement be amended so that the term of the Management Agreement shall terminate at 11:59 p.m. on December 31, 2011; and

WHEREAS, no amounts are outstanding under the Financing Documents and the credit facilities evidenced thereby have been terminated prior to the date hereof, and as such, the consent of Fifth Third is not required for this Amendment pursuant to the terms of the Management Agreement.

NOW, THEREFORE, in consideration of the foregoing, the undersigned hereby agree as follows:

1. Effective immediately, provided that no amounts are outstanding under the Financing Documents and the credit facilities evidenced thereby are terminated, Section 4.1 of the Management Agreement shall be deleted and replaced in its entirety with the following:

> "4.1 Term. Subject to the provisions of Section 4.2 hereof, the term of this Agreement will commence on October 27, 2007 and will terminate at 11:59 p.m. on December 31, 2011. This provision shall not be further amended or modified without the prior written consent of Cetus Capital II, LLC, a Delaware limited liability company, who is an intended third party beneficiary hereof."

2. Capitalized terms used in this Amendment without definition shall have the meanings ascribed to such terms in the Management Agreement.

3. Except as provided herein, the Management Agreement is hereby ratified, confirmed and approved in all respects.

4. This Amendment shall be governed by and construed and enforced in accordance with the laws of the State of Ohio.

5. This Amendment and the Management Agreement constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. No modification of or amendment to this Amendment, nor any waiver of any rights under this Amendment, shall be effective unless in writing signed by the parties to this Amendment and by Cetus (who is an intended third party beneficiary of this Amendment). The failure by any party to enforce any rights under this Amendment shall not be construed as a waiver of any rights of such party.

6. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission (including in the form of a PDF file) shall be binding to the same extent as an original signature page. Any party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other party that requests such original counterpart.

7. This Amendment will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, this Amendment has been executed and delivered as of the date first written above.

INSTALLED BUILDING PRODUCTS II, LLC

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: EVP - Finance

IBP HOLDING COMPANY

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: EVP - Finance

STONEHENGE OPPORTUNITY FUND LLC

By: Stonehenge Holdings, Inc., its Manager

By: /s/ Michael H. Thomas
Name: Michael H. Thomas
Title: Authorized Signer

OCM IBP HOLDINGS II, INC.

By: /s/ Raj Makam
Name: Raj Makam
Title: Authorized Signatory

PRIMUS IBP INVESTMENT, LLC

By: /s/ William C. Mulligan
Name:
Title:

By: /s/ William B. Sacher
Name: William B. Sacher
Title: Authorized Signatory

PRIMUS EXECUTIVE FUND V LIMITED PARTNERSHIP

By: Primus Venture Partners V, L.L.C., its General Partner

By: /s/ William C. Mulligan
Name:
Title:

Exhibit 10.12

CCIB HOLDCO, INC.

CONTRIBUTION AND EXCHANGE AGREEMENT

This Contribution and Exchange Agreement (the "Agreement") is made as of November 4, 2011 (the "Contribution Date"), by and among CCIB Holdco, Inc., a Delaware corporation (the "Company"), IBHL A Holding Company, Inc., a Delaware corporation ("Sub I-A"), IBHL B Holding Company, Inc., a Delaware corporation ("Sub I-B"), and IBP Holdings, LLC, a Delaware limited liability company ("IBP Holdings").

RECITALS

WHEREAS, Cetus Capital II, LLC ("Cetus") previously exchanged all existing indebtedness and the accrued interest thereon under that certain Credit Agreement dated June 25, 2005, as amended to date (the "Credit Agreement"), among Installed Building Products, LLC, a Delaware limited liability company, the lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, GE Business Financial Services, as Syndication Agent, and The Huntington National Bank as Documentary Agent (such indebtedness and the accrued interest thereon (other than the Subordinate Loans, as defined in the Credit Agreement, and $7,466,000 of LIFO Loans, as defined in the Credit Agreement), the "First Lien Debt"), pursuant to that certain Recapitalization and Exchange Agreement by and between Cetus and the Company dated as of November 4, 2011 (the "Recapitalization Agreement");

WHEREAS, the Company desires to contribute the First Lien Debt in equal undivided interests to the capital of Sub I-A and Sub I-B in exchange for all of their capital stock; and

WHEREAS, immediately after such contributions, Sub I-A and Sub I-B desire to contribute the First Lien Debt to the capital of IBP Holdings in exchange for a membership interest in IBP Holdings, whereupon the First Lien Debt will be cancelled;

NOW, THEREFORE, in consideration of the covenants, promises and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. Contributions and Exchanges.

(a) The Company hereby irrevocably contributes the First Lien Debt in equal undivided interests to the capital of Sub I-A and Sub I-B, and in exchange therefor Sub I-A shall issue to the Company one hundred (100) newly issued shares of common stock of Sub I-A, par value $0.01 per share ("Sub I-A Shares"), and Sub I-B shall issue to the Company one hundred (100) newly issued shares of common stock of Sub I-B, par value $0.01 per share ("Sub I-B Shares").

(b) Following the contribution and exchange described in Section 1(a) above, Sub I-A and Sub I-B hereby irrevocably contribute the First Lien Debt to the capital of IBP Holdings in exchange for thirty (30) Units (as defined in the Fourth Amended and Restated Operating Agreement of IBP Holdings) of IBP Holdings, whereupon the First Lien Debt will be cancelled.

2. Closing. The contributions and exchanges under this Agreement shall occur at the principal offices of the Company, unless another place is agreed to, on the Contribution Date (which shall be the Closing Date (as defined in the Recapitalization Agreement)) and immediately following the Closing (as defined in the Recapitalization Agreement), simultaneously with the execution of this Agreement by the parties. On the Contribution Date, (i) Sub I-A will deliver to the Company a certificate representing the Sub I-A Shares (which shall be issued in the Company's name), (ii) Sub I-B will deliver to the Company a certificate representing the Sub I-B Shares (which shall be issued in the Company's name), and (iii) IBP Holdings shall issue to Sub I-A and Sub I-B a membership interest in IBP Holdings.

3. Restrictive Legends and Stop-Transfer Orders.

(a) Legends. The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

> THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(b) Refusal to Transfer. Sub I-A and Sub I-B shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any transferee to whom such Shares shall have been so transferred.

4. Miscellaneous.

(a) Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York. Each party irrevocably and unconditionally submit, for itself and its property, to the exclusive jurisdiction of the courts of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each party irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding shall be heard and determined only in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. Each party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other

jurisdictions by suit on the judgment or in any other manner provided by law. Each party waives in all disputes any objection that it may have to the location of jurisdiction of the court designated to consider such dispute in accordance with the first sentence of this Section 4(a). Each of the parties irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any action, proceeding or investigation in any court or before any governmental authority arising out of or relating to this Agreement or the transactions contemplated hereby.

(b) Entire Agreement; Enforcement of Rights. This Agreement and the documents and instruments and other agreements among the parties hereto referenced herein constitute the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

(d) Construction. This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

5. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given and received if properly addressed: (a) if delivered personally, by commercial delivery service or by facsimile (with acknowledgment of a complete transmission), on the day of delivery; (b) if delivered by internationally recognized courier (appropriately marked for next day delivery), one (1) business day after sending; or (c) if delivered by first class, registered or certified mail (return receipt requested), three (3) business days after mailing. Notices shall be deemed to be properly addressed to any party hereto if addressed to the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to the Company, to

CCIB Holdco, Inc.
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Corporate Secretary
Telephone: (614) 221-3224
Facsimile: (614) 221-3214

(b) if to Sub I-A, to

IBHL A Holding Company, Inc.
c/o CCIB Holdco, Inc.
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Corporate Secretary
Telephone: (614) 221-3224
Facsimile: (614) 221-3214

(c) if to Sub I-B, to

IBHL B Holding Company, Inc.
c/o CCIB Holdco, Inc.
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Corporate Secretary
Telephone: (614) 221-3224
Facsimile: (614) 221-3214

(d) if to IBP Holdings, to

IBP Holdings, LLC
c/o CCIB Holdco, Inc.
495 South High Street
Suite 50
Columbus, OH 43215-5689
Attention: Corporate Secretary
Telephone: (614) 221-3224
Facsimile: (614) 221-3214

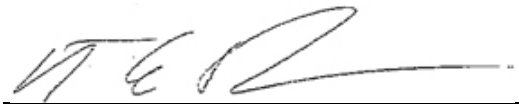
6. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission (including in the form of a PDF file) shall be binding to the same extent as an original signature page. Any party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other party that requests such original counterpart.

7. Successors and Assigns. This Agreement shall be binding upon the parties and their respective successors and assigns, if any. This Agreement shall inure to the benefit of the parties and the respective successors and assigns (if any) of the foregoing. No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party. None of the provisions of this Agreement is intended to provide any rights or remedies to any person other than the parties and their respective successors and assigns, if any.

[The remainder of this page is intentionally left blank.]

The parties have executed this Contribution and Exchange Agreement as of the date first set forth above.

CCIB HOLDCO, INC.

By: 

Name: Robert E. Davis
Title: President

IBHL A HOLDING COMPANY, INC.

By: _____

Name:
Title:

IBHL B HOLDING COMPANY, INC.

By: _____

Name:
Title:

IBP HOLDINGS, LLC

By: _____

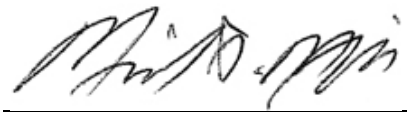
Name:
Title:

The parties have executed this Contribution and Exchange Agreement as of the date first set forth above.

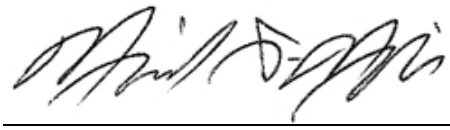
CCIB HOLDCO, INC.

By: _____
Name:
Title:

IBHL A HOLDING COMPANY, INC.

By: 
Name: Michael T. Miller
Title: EVP - Finance

IBHL B HOLDING COMPANY, INC.

By: 
Name: Michael T. Miller
EVP - Finance

IBP HOLDINGS, LLC

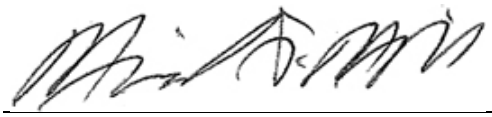
By: 
Name: Michael T. Miller
Title: EVP - Finance

Exhibit 10.13

EXECUTION COPY

MEMBERSHIP INTEREST PURCHASE AGREEMENT

THIS MEMBERSHIP INTEREST PURCHASE AGREEMENT (this "Agreement"), dated as of the 31st day of August, 2012, is entered into by and among Installed Building Products, LLC, a Delaware limited liability company (together with its successors and assigns, the "Purchaser"), CCIB Holdco, Inc., a Delaware corporation and the ultimate parent of the Purchaser (the "Parent" and, together with the Purchaser, the "Buyer Parties") and GNV Holdings, LLC, a Georgia limited liability company (the "Seller"). Certain capitalized terms used in this Agreement and not otherwise defined shall have the meanings set forth in Section 9.1.

RECITALS:

WHEREAS, the Seller owns 100% of the issued and outstanding membership interests of TCI Contracting, LLC, a Georgia limited liability company (the "Acquired Interests");

WHEREAS, TCI Contracting, LLC, a Georgia limited liability company (the "Company") owns (a) 100% of the issued and outstanding membership interests of Thermal Control Insulation, LLC, an Ohio limited liability company ("Thermal"); and (b) 87.5% of the issued and outstanding capital stock of Mid South Construction and Building Products, Inc., a Georgia corporation ("Mid South," and, together with the Company, and Thermal, the "Acquired Companies"); and

WHEREAS, the Seller desires to sell, and the Purchaser desires to purchase, the Acquired Interests, on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of and in reliance upon the mutual representations, warranties and covenants set forth in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Purchaser and the Seller hereby agree as follows:

SECTION 1

PURCHASE AND SALE OF ACQUIRED INTERESTS

1.1 Sale and Purchase of Acquired Interests. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Seller will sell and transfer the Acquired Interests to the Purchaser and the Purchaser will purchase the Acquired Interests from the Seller free and clear of all Liens.

1.2 Purchase Price. The aggregate consideration for the Acquired Interests is the Purchase Price Shares, which the Purchaser shall deliver to the Seller at the Closing.

SECTION 2

THE CLOSING

2.1 The Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place simultaneously with the execution hereof by the electronic and express delivery exchange of documents and funds on the date hereof.

2.2 Closing Obligations. At the Closing, (a) the parties will deliver the various certificates, instruments, and documents referred to in Section 6; (b) the Purchaser will deliver the Purchase Price Shares to the Seller; (c) the Seller shall deliver to the Purchaser a duly executed assignment document, in a form reasonably acceptable to Purchaser, and (d) the Seller will execute and deliver a joinder agreement to the Stockholders' Agreement.

2.3 Interdependence. The sale and other transfers and deliveries described herein shall be mutually interdependent and regarded as occurring simultaneously as of the Closing; and, unless a particular transfer or delivery is waived by both the transferor and transferee, no such transfer or delivery shall become effective unless and until all the other transfers and deliveries provided for herein have also been consummated.

SECTION 3

REPRESENTATIONS AND WARRANTIES OF THE BUYER PARTIES

The Buyer Parties jointly and severally represent and warrant to the Seller that the statements contained in this Section 3 are complete and correct as of the date of this Agreement. The term "material", when used in connection with the Buyer Parties, shall mean an agreement, matter, event or occurrence with respect to the Parent or any Operating Subsidiary involving an annual amount equal to or in excess of $500,000.

3.1 Organization and Good Standing. The Parent is a corporation duly organized, validly existing and in good standing under the laws of the state of Delaware. The Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Delaware. The Buyer Parties and each of the Operating Subsidiaries, are duly qualified to conduct business and are in good standing in each jurisdiction in which either the ownership of their properties or the nature of their activities requires them to be so qualified, except where the failure to so qualify would not result in a Buyer Material Adverse Change. The Buyer Parties have furnished to the Seller correct and complete copies of the Parent's Charter Documents and any other agreements affecting its governance, all as in effect on the date of this Agreement.

3.2 Corporate Power. The Buyer Parties have full corporate power and authority to own, lease and operate their assets and to carry on their business as presently conducted.

3.3 No Conflicts; Consents. The execution, delivery and performance of this Agreement, and each other document in connection herewith, do not and will not (a) conflict with or violate any Applicable Law or any judgment, order, or decree to which the Buyer Parties are subject, (b) violate or conflict with the provisions of either Buyer Party's Charter Documents, or (c) result in the breach of, constitute a default under, or give to any Person any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any (i) material obligation on the part of any Buyer Party, or (ii) Lien on any of the Buyer Parties' or any of their respective direct or indirect subsidiaries' assets or properties pursuant to, any Buyer

Material Contract, except for the obligations arising hereunder. Other than those obtained prior to Closing, the Buyer Parties do not need to obtain any consent, approval, authorization, order or permit of, or make any declaration, registration or filing with, or notification to, any Governmental Authority or any other Person in order for the parties to consummate the transactions contemplated by this Agreement, except where the failure to do so would not result in a Buyer Material Adverse Change.

3.4 Capitalization. Schedule 3.4 sets forth the total authorized Capital Stock of the Parent, identifying each class of shares (including treasury shares), the par value thereof, the issued and outstanding shares of each class, and the record ownership of such shares. The Capital Stock of the Parent that is issued and outstanding immediately prior to the Closing is (a) duly authorized, validly issued, fully paid and non-assessable, (b) issued in compliance with Applicable Law, and (c) issued in compliance with applicable preemptive, preferential or contractual rights. Except (i) as set forth on Schedule 3.4, or (ii) with respect to the Purchase Price Shares, there are no outstanding options, subscriptions, warrants, purchase rights, preemptive rights, conversion rights, redemption rights, buy-sell rights, rights of first refusal or similar rights, agreements or undertakings in effect or committed to by the Parent. Except as set forth in the Stockholders' Agreement or the Parent's Charter Documents, there are no outstanding stock appreciation, phantom stock, profit participation or similar rights with respect to the Parent. Except for the Stockholders' Agreement or as set forth in the Parent's Charter Documents, there is no irrevocable proxy, voting trust, close corporation agreement or similar agreement with respect to the exercise of the voting power of the Parent.

3.5 Subsidiaries and Joint Ventures. Except for the Operating Subsidiaries or as set forth on Schedule 3.5, the Parent does not (directly or indirectly through any Operating Subsidiary) own or have any obligation to acquire any Capital Stock in any other Person, and is not (directly or indirectly through any Operating Subsidiary) a partner, member or participant in any partnership, limited liability company, joint venture, association or similar arrangement.

3.6 Books and Records. The books of account, asset ledgers, inventory ledgers, minute books, stock ledgers, and other records of the Parent, all of which have been made available to the Seller, are complete and correct in all material respects and have been maintained on a consistent basis in accordance with commercially reasonable business practices. The minute books of the Parent contain accurate and complete records of all meetings held of, and corporate action taken by, the Parent's stockholders and Board of Directors.

3.7 Financial Statements. Schedule 3.7 consists of the following financial statements (collectively the "Parent Financial Statements"): the audited consolidated financial statements of the Parent as of and for the fiscal year ended December 31, 2011 (collectively, the "Parent Audited Financial Statements"), and the unaudited consolidated financial statements of the Parent as of and for the six (6) month period ended June 30, 2012 (the "Parent Interim Statements"). The Parent Audited Financial Statements have been prepared in accordance with GAAP, consistently applied, and present fairly, in all material respects, the consolidated financial position of the Parent and all its direct and indirect subsidiaries as of the dates indicated and the results of operations for the periods then ended. The Parent Interim Statements, subject to the absence of normal year-end adjustments and the disclosures normally made in footnotes, have been prepared in accordance with GAAP, consistently applied, and present fairly, in all material

respects, the consolidated financial position of the Parent and all its direct and indirect subsidiaries as of the dates indicated and the results of operations for the periods then ended. Except as set forth on Schedule 3.7, the Parent's and all of its direct and indirect subsidiaries' books of account accurately reflect all items of income and expense (including accruals) and all of the Parent's assets and liabilities in accordance with normal accrual accounting practices. The balance sheet as of June 30, 2012, which is included in the Parent Interim Statements, is referred to herein as the "Parent Acquisition Balance Sheet."

3.8 Liabilities. Parent has no material liabilities that would be required by GAAP to be disclosed on the Parent Acquisition Balance Sheet except for (a) liabilities disclosed, reflected or reserved against thereon, or (b) liabilities incurred since the date of the Parent Acquisition Balance Sheet in the Ordinary Course of Business of the Parent.

3.9 Recent Events. Since June 30, 2012, except as set forth on Schedule 3.9, there has not been any Buyer Material Adverse Change, no event has occurred or circumstance exists that could reasonably be expected to result in a Buyer Material Adverse Change, and there is not and has not occurred any of the following:

(a) change in or issuance or sale of the Parent's authorized or issued Capital Stock; issuance of any security convertible into such Capital Stock; purchase, redemption, retirement, or other acquisition by the Parent of any shares of its Capital Stock; or declaration or payment of any dividend or other distribution or payment in respect of shares of its Capital Stock;

(b) amendment to the Parent's Charter Documents;

(c) any delay or postponement in the payment of any liabilities of the Parent outside the Ordinary Course of Business of the Parent;

(d) entry into, material modification of, termination of, or acceleration of (i) any Buyer Material Contract (other than capital leases, bond and surety agreements, licenses or facility leases, in each case entered into in the Ordinary Course of Business), or (ii) any transaction, arrangement or Contract with any officer, director, or shareholder of the Parent;

(e) the sale (other than sales of Buyer Inventory (defined below) in the Ordinary Course of Business of the Parent), lease, or other disposition or transfer of any material portion of the Parent's tangible or intangible assets;

(f) mortgage, pledge, security interest or imposition of any material Lien on any of the Parent's tangible or intangible assets, except in the Ordinary Course of Business;

(g) cancellation, compromise, waiver or release of any material claims or rights (or series of claims or rights) by the Parent or outside the Ordinary Course of Business of the Parent;

(h) material change in accounting methods used by the Parent;

(i) agreement or transaction by the Parent outside the Ordinary Course of Business of the Parent; or

(j) written notice or agreement to do any of the foregoing.

3.10 Accounts Receivable. To the Knowledge of the Parent, the accounts receivable on the Parent Acquisition Balance Sheet are collectible in accordance with the terms thereof in the Ordinary Course of Business, net of "bad debt" reserves shown thereon, which reserves, to the Knowledge of the Parent, are adequate and are calculated in accordance with management's estimates.

3.11 Compliance with Laws. The Parent and the Operating Subsidiaries have materially complied and are currently in material compliance with all Applicable Laws, including but not limited to employment laws, except where such non-compliance would not result in a Buyer Material Adverse Change. No written notice, claim, charge or complaint has been received by the Parent or any Operating Subsidiary alleging material noncompliance which remains uncured as of the date hereof.

3.12 Licenses and Permits. The Parent and the Operating Subsidiaries have obtained all material licenses, permits and other governmental authorizations necessary to own their assets and conduct their respective businesses as presently conducted, except where the failure to obtain any such license, permit or authorizations would not result in a Buyer Material Adverse Change. All such licenses, permits and authorizations are in full force and effect, except as would not result in a Buyer Material Adverse Change. No material violation or remedial obligation exists in respect of any such license or permit. No proceeding is pending, or, to the Knowledge of the Parent, threatened, to revoke or limit any such license, permit or authorization.

3.13 Litigation. There is no claim, litigation, investigation or proceeding pending or, to the Knowledge of the Parent, threatened by or against the Parent or any Operating Subsidiary, including without limitation claims relating to products sold or services performed by the Parent or any Operating Subsidiary, that would result in a Buyer Material Adverse Change, and no event has occurred or circumstance exists that may give rise to or serve as a basis for any such claims or proceedings. There are no pending or, to the Knowledge of the Parent, threatened controversies, grievances or claims by any employee or former employee of Parent or any Operating Subsidiary with respect to their employment, compensation, benefits or working conditions that, if adversely determined, would result in a Buyer Material Adverse Change.

3.14 Taxes.

(a) The Parent has timely filed all Tax Returns required by Applicable Law, and all such Tax Returns were correct and complete in all material respects, except where the failure to file such Tax Returns would not result in a Buyer Material Adverse Change. The Parent has paid, or made adequate reserves for the payment of, all Taxes that have been or are accrued, due or levied, and there are no material assessed Tax deficiencies against the Parent or any basis upon which any additional Taxes could be assessed except as would not result in a Buyer Material Adverse Change. Except as set forth on Schedule 3.14(a), no examination, audit, dispute or claim respecting the Parent's Tax Returns or Tax liability has occurred, is in progress

or, to the Knowledge of the Parent, is being proposed, threatened or discussed. The Parent has disclosed on its Tax Returns all positions taken that could give rise to a substantial understatement of federal income tax pursuant to the Code.

(b) The Parent has not given or been requested to give waivers or extensions of any statute of limitations relating to Taxes or Tax Returns.

3.15 Suppliers and Customers. To the Knowledge of the Parent, the Operating Subsidiaries have good commercial working relationships with their respective customers and suppliers. Except for announced, industry-wide pricing and supply changes, none of the suppliers or customers of more than 20% of the Buyer Parties and the Operating Subsidiaries (taken as a whole) services, supplies or materials has notified the Purchaser or any Operating Subsidiary that it intends to terminate or otherwise substantially modify its relationship with the Purchaser or such Operating Subsidiary (with the exception of the Guardian Agreement) or limit its services, supplies or materials to the Purchaser or such Operating Subsidiary, or its usage or purchase of the services and products the Purchaser or such Operating Subsidiary and, to the Knowledge of the Parent, no such supplier or customer has any intention to do so.

3.16 Affiliate Relationships. Except for the Stockholders' Agreement, or as set forth on Schedule 3.16, neither the stockholders, officers or directors of the Parent, nor, to the Knowledge of the Parent, any of their Affiliates, is a party to any agreement, contract or transaction with the Parent or which pertains to the business or property of the Parent, other than salaries and employee benefits in the Ordinary Course of Business of the Parent. Neither the stockholders, officers nor directors of the Parent, nor, to the Knowledge of the Parent, any of their Affiliates owns any asset that is used by the Parent in the operation of its business.

3.17 Certain Business Relationships. Neither the Parent, any Operating Subsidiary, nor any Person acting on their behalf, has directly or indirectly given or agreed to give any gift or similar benefit to any customer, supplier, governmental employee or other Person who is in a position to help or hinder the business of the Parent which (a) might subject the Parent to any material damage or penalty in any civil, criminal or governmental litigation or proceeding, (b) if not given in the past, might have constituted a Buyer Material Adverse Change, or (c) if not continued in the future, might constitute a Buyer Material Adverse Change or subject the Parent or any Operating Subsidiary to suit or penalty in any private or governmental litigation or proceeding.

3.18 Intellectual Property. The Parent and the Operating Subsidiaries have such rights of ownership in or are licensed to use all material Intellectual Property Rights as are necessary for or used in the operation of its business (the "Buyer IP"). To the Knowledge of the Parent, neither the Parent nor any Operating Subsidiary has interfered with, infringed upon, or misappropriated any Intellectual Property Rights of any other Person, except where such infringement or misappropriation would not result in a Buyer Material Adverse Change. The Parent and the Operating Subsidiaries have the exclusive right to use the Buyer IP (other than off-the-shelf software purchased for use in day-to-day operations of the Parent and Operating Subsidiaries). Neither the Parent nor any Operating Subsidiary has granted any license or sublicense of any rights under or with respect to the Buyer IP.

3.19 Compliance with Contracts. The Seller has been furnished with access to correct and complete copies of each Buyer Material Contract. With respect to each Buyer Material Contract, (a) such agreement is in full force and effect and is valid and enforceable against the Parent or an Operating Subsidiary, as applicable, and, to the Knowledge of the Parent, the other parties thereto, (b) such Buyer Material Contract will not terminate as a result of this Agreement, except where such termination would not result in a Buyer Material Adverse Change, (c) neither the Parent nor the Operating Company that is party thereto, is in material default under such Buyer Material Contract and no event has occurred which, with notice or the passage of time, would constitute such a material default, and (d) to the Knowledge of the Parent, no other party is in material default under such Buyer Material Contract.

3.20 Employee Benefits. Schedule 3.20 lists each material Benefit Plan maintained by the Parent or any Operating Subsidiary to which such party contributes or has contributed (the "Buyer Plans"). The Parent, the Operating Companies and each ERISA Affiliate thereof (a) have paid all payments, premiums, Taxes, reimbursements or contributions due under each Buyer Plan, have recorded on their books all amounts accrued as liabilities with respect to each Buyer Plan, and have funded each Buyer Plan as required by the plan and Applicable Law, (b) have materially performed all obligations required to be performed under, and are not in material default under or violation of, any Buyer Plan, (c) are in material compliance in form and operation with requirements of ERISA, the Code and Applicable Law with respect to the Buyer Plans, (d) have no existing or, to the Knowledge of the Parent, threatened actions, suits or claims (other than routine claims for benefits) with respect to any Buyer Plan or the administration thereof, nor has any event occurred which could give rise to such a claim, (e) have not completely or partially terminated or withdrawn from any Buyer Plan, (f) have not incurred, nor reasonably expect to incur, any liability to the Pension Benefit Guaranty Corporation, and (g) except as required by Applicable Law, have no obligation to contribute to or liability in respect of any Multiemployer Plan or Defined Benefit Plan (as defined under ERISA and the Code) or to provide benefits to retirees or persons who are not current employees and their dependents.

3.21 Employment Matters. To the Knowledge of the Parent, no key employee or group of employees plans to terminate employment with the Parent or any Operating Subsidiary following the Closing. Except as set forth on Schedule 3.21, neither the Parent nor any Operating Subsidiary is and, in the past three (3) years has not been a party to any collective bargaining or other labor Contract. There is not now existing or, to the Knowledge of the Parent, threatened, and has not previously been, (a) any strike, slowdown, picketing, work stoppage or employee grievance process, (b) any proceeding relating to the alleged violation of any Applicable Law pertaining to labor relations or employment matters that resulted in a Buyer Material Adverse Change or (c) any application for certification of a collective bargaining agent. No event has occurred or circumstance exists that could provide the basis for any work stoppage or other labor dispute. Neither the Parent nor any Operating Company is liable for the payment of any compensation, damages, taxes, fines, penalties, or other amounts, however designated, for failure to comply with any of the foregoing Applicable Laws, except as would not result in a Buyer Material Adverse Change.

3.22 Inventory. The Operating Subsidiaries' Inventory (in the aggregate, the "Buyer Inventory") is generally free of material defect, is of a quality and quantity usable and salable in the Ordinary Course of Business of the Operating Subsidiaries, except for obsolete items which

have been written off or, reserved for or written down to net realizable value in the Parent Financial Statements or on the accounting records of the Operating Subsidiaries as of the Closing Date. Except as would not result in a Buyer Material Adverse Change, the Buyer Inventory is not excessive in the present circumstances of the Operating Subsidiaries' business and can be used or consumed in the Ordinary Course of Business of the Operating Subsidiaries.

3.23 Insurance. The Parent and the Operating Companies maintain insurance in scope and amount consistent with their respective past practice.

3.24 Real and Personal Property. The Parent and the Operating Subsidiaries have good and marketable title to, or a valid leasehold interest in, the material assets (both real and personal property) used by it or located on its premises. All of the Operating Subsidiaries' material tangible assets are in operating condition and repair, ordinary wear and tear excepted, and are usable in the Ordinary Course of Business of such Operating Subsidiary, except as would not result in a Buyer Material Adverse Change. The Operating Subsidiaries own or have a valid leasehold interest in, all of the material assets used in the business of the Buyer Parties.

3.25 Environmental.

(a) Hazardous Materials. Except in the Ordinary Course of Business of the Parent and in material compliance with Environmental Laws, no Hazardous Materials are or have been located on or about any real properties now or previously leased by the Parent or have been released by it into the environment, or have been discharged, treated, managed, recycled, placed or disposed of by it or another Person at, on or under any real properties now or currently leased by it, except as would not result in a Buyer Material Adverse Change. No Hazardous Materials have been disposed of by the Parent at any off-site waste disposal, except as would not result in a Buyer Material Adverse Change.

(b) Legal Proceedings and Investigations. Except as would not result in a Buyer Material Adverse Change, no investigation, administrative order or notice, consent order, litigation, or environmental claim with respect to Hazardous Materials or the violation of Environmental Laws is pending or threatened against Parent or any Operating Subsidiary, with respect to any real properties now or previously leased by Parent or any Operating Subsidiary, or with respect to any off-site waste disposal to which waste of Parent or any Operating Subsidiary has been taken. None of Parent or any Operating Subsidiary have received any summons, citation, order, notice or communication from any Person concerning any actual, alleged or potential violation of or failure to comply with any Environmental Laws arising out of or with respect to any real properties leased by Parent or any Operating Subsidiary or the operation of the business of Parent or any Operating Subsidiary that, if adversely determined, would result in a Buyer Material Adverse Change.

3.26 Purchase Price Shares. At Closing, the Purchase Price Shares will have been duly and validly authorized and issued by the Parent, shall be fully paid and non-assessable, shall have been issued in compliance with applicable securities Laws or exemptions therefrom (assuming the accuracy of the representations of the Seller herein), shall not be issued in violation of any preemptive rights of any stockholder of the Parent and shall be issued and delivered by the Parent to the Seller pursuant to this Agreement free of any Liens, subject to the restrictions set forth herein, in the Stockholders' Agreement and applicable securities Laws.

SECTION 4

REPRESENTATIONS AND WARRANTIES OF THE SELLER
REGARDING THE ACQUIRED COMPANIES

The Seller represents and warrants to the Buyer Parties that the statements contained in this Section 4 are complete and correct as of the date of this Agreement. The term "material", when used in connection with the Acquired Companies, shall mean an agreement, matter, event or occurrence with respect to any Acquired Company involving an annual amount equal to or in excess of $50,000.

4.1 Organization and Good Standing. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Georgia. Thermal is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Ohio. Mid South is a corporation duly organized, validly existing and in good standing under the laws of the state of Georgia. Total Comfort is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Georgia. The Acquired Companies are duly qualified to conduct business and are in good standing in each jurisdiction in which either the ownership of their properties or the nature of their activities requires it to be so qualified, except where the failure to so qualify would not result in a Seller Material Adverse Change. The Seller has furnished to the Purchaser correct and complete copies of the Acquired Companies' Charter Documents and any other agreements affecting their governance, all as in effect on the date of this Agreement.

4.2 Corporate Power. The Acquired Companies have full corporate power and authority to own, lease and operate their assets and to carry on their business as presently conducted.

4.3 No Conflicts; Consents. The execution, delivery and performance of this Agreement and each other document in connection herewith do not and will not (a) conflict with or violate any Applicable Law or any judgment, order, or decree to which the Acquired Companies are subject, (b) violate or conflict with the provisions of the Acquired Companies' Charter Documents, or (c) result in the breach of, constitute a default under, or give to any Person any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any (i) material obligation on the part of any of the Acquired Companies or (ii) Lien on any of the Acquired Companies' assets or properties pursuant to, any Seller Material Contract or any other material instrument or agreement to which any Acquired Company is a party or by which any assets of any Acquired Company are bound. Other than those obtained at, or prior to, Closing, and except as set forth on Schedule 4.3, no Acquired Company needs to obtain any consent, approval, authorization, order or permit of, or make any declaration, registration or filing with, or notification to, any Governmental Authority or any other Person in order for the parties to consummate the transactions contemplated by this Agreement.

4.4 Capitalization. Schedule 4.4 sets forth the total authorized Capital Stock of each Acquired Company, identifying each class of shares (including treasury shares), the par value

thereof, the issued and outstanding shares of each class, and the record ownership of such shares. The issued and outstanding Capital Stock of each Acquired Company is (a) duly authorized, validly issued, fully paid and non-assessable, (b) issued in compliance with Applicable Law, and (c) issued in compliance with applicable preemptive, preferential or contractual rights. There are no outstanding options, subscriptions, warrants, purchase rights, preemptive rights, conversion rights, redemption rights, buy-sell rights, rights of first refusal or similar rights, agreements or undertakings in effect or committed to by any Acquired Company. Except as set forth on Schedule 4.4, there are no outstanding stock appreciation, phantom stock, profit participation or similar rights with respect to any Acquired Company. There is no irrevocable proxy, voting trust, close corporation agreement or similar agreement with respect to the exercise of the voting power of any Acquired Company.

4.5 Subsidiaries and Joint Ventures. Except for the Acquired Companies, neither the Seller nor any Acquired Company owns or has any obligation to acquire any Capital Stock in any other Person, and is not a partner, member or participant in any partnership, limited liability company, joint venture, association or similar arrangement.

4.6 Books and Records. The books of account, asset ledgers, inventory ledgers, minute books, stock ledgers, and other records of the Acquired Companies, all of which have been made available to the Purchaser, are complete and correct in all material respects and have been maintained on a consistent basis in accordance with commercially reasonable business practices. The minute books of the Acquired Companies contain accurate and complete records of all meetings held of, and actions taken by, the Acquired Companies' equity holders and Board of Directors or Managers, as applicable.

4.7 Financial Statements. Schedule 4.7 consists of the following financial statements (collectively the "Company Financial Statements"): the audited consolidated financial statements of the Acquired Companies as of and for the fiscal years ended December 31, 2010 and December 31, 2011 (collectively, the "Company Audited Financial Statements"), and the unaudited consolidated financial statements of the Acquired Companies as of and for the six (6) month period ended June 30, 2012 (the "Company Interim Statements"). The Company Audited Financial Statements have been prepared in accordance with GAAP, consistently applied, and present fairly, in all material respects, the consolidated financial position of the Acquired Companies as of the dates indicated and the results of operations for the periods then ended. The Company Interim Statements, subject to the absence of normal year-end adjustments and the disclosures normally made in footnotes, have been prepared in accordance with GAAP, consistently applied, and present fairly, in all material respects, the consolidated financial position of the Acquired Companies as of the dates indicated and the results of operations for the periods then ended. Except as set forth on Schedule 4.7, the Acquired Companies' books of account accurately reflect all items of income and expense (including accruals) and all of the Acquired Companies' assets and liabilities in accordance with normal accrual accounting practices. The balance sheet as of June 30, 2012, which is included in the Company Interim Statements, is referred to herein as the "Company Acquisition Balance Sheet."

4.8 Liabilities. The Acquired Companies have no material liabilities that would be required by GAAP to be disclosed on the Company Acquisition Balance Sheet except for (a) liabilities disclosed, reflected or reserved against thereon and (b) liabilities incurred since the date of the Company Acquisition Balance Sheet in the Ordinary Course of Business of the Acquired Companies.

4.9 Recent Events. Since June 30, 2012, except as set forth on Schedule 4.9, there has not been a Seller Material Adverse Change, no event has occurred or circumstance exists that could reasonably be expected to result in a Seller Material Adverse Change, and there is not and has not occurred any:

(a) change in or issuance or sale of any Acquired Company's authorized or issued Capital Stock; issuance of any security convertible into such Capital Stock; purchase, redemption, retirement, or other acquisition by any Acquired Company of any shares of such Acquired Company's Capital Stock; or declaration or payment of any dividend or other distribution or payment in respect of shares of such Acquired Company's Capital Stock;

(b) amendment to any Acquired Company's Charter Documents;

(c) other than in the Ordinary Course of Business, increase (or promise of any increase) of any bonuses, salaries, benefits, or other compensation to any shareholder, director, officer, or employee of any Acquired Company or entry by any Acquired Company into any employment, severance, or similar Contract with any of such Acquired Company's shareholders, directors, officers, or employees;

(d) adoption of, modification of, termination of or increase in the payments to or benefits under, any Company Benefit Plan (as defined herein below);

(e) other than in the Ordinary Course of Business, any capital expenditure (or series of capital expenditures) by any Acquired Company involving more than $50,000;

(f) any loan to or acquisition of the assets or securities of any other Person by any Acquired Company other than in the Ordinary Course of Business of such Acquired Company;

(g) any delay or postponement in the payment of any material accounts payable or other material liabilities of any Acquired Company outside the Ordinary Course of Business of such Acquired Company;

(h) damage to or destruction or loss of any material asset of any Acquired Company, and not covered by insurance (other than ordinary wear and tear);

(i) entry into, modification of, termination of, or acceleration of (i) a Seller Material Contract, or (ii) any transaction, arrangement or Contract with any officer, director, employee or shareholder of any Acquired Company;

(j) the sale (other than sales of Seller Inventory (defined below) in the Ordinary Course of Business of the Acquired Companies), lease, or other disposition or transfer of any material portion of the Acquired Companies' tangible or intangible assets;

(k) mortgage, pledge, security interest or imposition of any Lien on any of the Acquired Companies' tangible or intangible assets, except for immaterial Liens that do not individually or in the aggregate exceed $20,000;

(l) cancellation, compromise, waiver or release of any material claims or rights (or series of claims or rights) by an Acquired Company or outside the Ordinary Course of Business of such Acquired Company;

(m) material change in accounting methods used by any Acquired Company;

(n) agreement or transaction by any Acquired Company outside the Ordinary Course of Business of such Acquired Company; or

(o) notice or agreement, whether oral or written, to do any of the foregoing.

4.10 Accounts Receivable. Schedule 4.10 is an aging schedule as of July 31, 2012, of all accounts receivable of the Acquired Companies. All of such accounts receivable arose in the Ordinary Course of Business of the applicable Acquired Company, and to the Knowledge of the Seller, are subject to no defenses, offsets or counterclaims that have not been considered in establishing the "bad debt" reserves related to the accounts receivable, and reflect goods actually sold and delivered or services rendered in the Ordinary Course of Business of the applicable Acquired Company. To the Knowledge of the Seller, the accounts receivable are collectible in accordance with the terms thereof and at the full face amount thereof, net of "bad debt" reserves shown on the Company Acquisition Balance Sheet or on the accounting records of Seller as of the Closing Date (which reserves are, to the Knowledge of the Seller, adequate and are calculated in accordance with GAAP applied on a consistent basis and do not represent a greater percentage of the accounts receivable than the reserve reflected in the Company Acquisition Balance Sheet).

4.11 Compliance with Laws. The Acquired Companies have materially complied and are currently in material compliance with all Applicable Laws, including but not limited to employment laws, except where such non-compliance would not result in a Seller Material Adverse Change. No written notice, claim, charge or complaint has been received by any Acquired Company alleging material noncompliance which remains uncured as of the date hereof.

4.12 Licenses and Permits. The Acquired Companies have obtained all material licenses, permits and other governmental authorizations necessary to own their assets and conduct their respective businesses as presently conducted, except where the failure to obtain any such license, permit or authorization would not result in a Seller Material Adverse Change. All of such licenses, permits and authorizations are in full force and effect. No material violation or remedial obligation exists in respect of any such license or permit. No proceeding is pending, or to the Knowledge of the Seller, threatened to revoke or limit any such license, permit or authorization.

4.13 Litigation. Except as set forth on Schedule 4.13, there is no claim, litigation, investigation or proceeding pending or, to the Knowledge of the Seller, threatened by or against any Acquired Company, including without limitation claims relating to products sold or services

performed by any Acquired Company and no event has occurred or circumstance exists that may give rise to or serve as a basis for any such claims or proceedings. Except as set forth on Schedule 4.13, there are no pending or, to the Knowledge of the Seller, threatened controversies, grievances or claims by any employee or former employee of any Acquired Company with respect to their employment, compensation, benefits or working conditions.

4.14 Taxes.

(a) The Acquired Companies have timely filed all Tax Returns required by Applicable Law, and all such Tax Returns were correct and complete in all respects, except where the failure to be correct and complete would not reasonably be expected to result in any Tax liability, including without limitation, penalties, fines and interest thereon, to any of the Acquired Companies of more than $50,000. The Acquired Companies have paid, or made adequate reserves for the payment of, all Taxes that have been or are accrued, due or levied, and there are no material assessed Tax deficiencies against any Acquired Company or any basis upon which any additional Taxes could be assessed. No examination, audit, dispute or claim respecting any Acquired Company's Tax Returns or Tax liability has occurred, is in progress, or to the Knowledge of the Seller, is being proposed, threatened or discussed. Each Acquired Company has disclosed on its Tax Returns all positions taken that could give rise to a substantial understatement of federal income tax pursuant to the Code.

(b) The Acquired Companies have not given or been requested to give waivers or extensions of any statute of limitations relating to Taxes or Tax Returns.

(c) The charges, accruals, and reserves for income Taxes (i) are based on pre-tax profits reflected on the Company Financial Statements and calculated using applicable statutory rates and (ii) are at least equal to the Acquired Companies' liability for Taxes. There is no proposed Tax assessment against any Acquired Company except as disclosed in the Company Financial Statements. All Taxes that any Acquired Company is or was required to withhold or collect (including employment Taxes) have been duly withheld or collected and, to the extent required, have been paid to the proper Governmental Authority.

4.15 Suppliers and Customers. To the Knowledge of Seller, the Acquired Companies have good commercial working relationships with their respective customers and suppliers. Except for announced, industry-wide pricing and supply changes, none of the suppliers or customers of more than 10% of any Acquired Company's services, supplies or materials has notified such Acquired Company that it intends to terminate or otherwise substantially modify its relationship with such Acquired Company or limit its services, supplies or materials to such Acquired Company, or its usage or purchase of the services and products of such Acquired Company, and to the Knowledge of the Seller, no such supplier or customer has any intention to do so.

4.16 Affiliate Relationships. Except as set forth on Schedule 4.16, neither the stockholders, officers or directors of any Acquired Company, nor, to the Knowledge of the Seller, any of their respective Affiliates, is a party to any agreement, contract or transaction with any Acquired Company or which pertains to the business or property of any Acquired Company, other than salaries and employee benefits in the Ordinary Course of Business of such Acquired

Company. Except as set forth on Schedule 4.16, neither the stockholders, officers nor directors of any Acquired Company, nor, to the Knowledge of the Seller, any of their respective Affiliates owns any asset that is used by any Acquired Company in the operation of its business.

4.17 Certain Business Relationships. No Acquired Company, nor any Person acting on behalf of such Acquired Company, has directly or indirectly given or agreed to give any gift or similar benefit to any customer, supplier, governmental employee or other Person who is in a position to help or hinder the business of such Acquired Company which (a) might subject such Acquired Company to any material damage or penalty in any civil, criminal or governmental litigation or proceeding, (b) if not given in the past, might have constituted a Seller Material Adverse Change, or (c) if not continued in the future, might constitute a Seller Material Adverse Change or subject such Acquired Company to suit or penalty in any private or governmental litigation or proceeding.

4.18 Intellectual Property. Schedule 4.18 lists all Intellectual Property Rights owned or used by any Acquired Company or in which any Acquired Company has any rights or licenses (the "Acquired Company IP"). The Acquired Companies have such rights of ownership in or are licensed to use the material Acquired Company IP as are necessary for the operation of their business. To the Knowledge of Seller, no Acquired Company has interfered with, infringed upon, or misappropriated any Intellectual Property Rights of any other Person, except where such infringement or misappropriation would not result in a Seller Material Adverse Change, and no Acquired Company has received any written claim or notice alleging such action. Except as otherwise set forth on Schedule 4.18, the Acquired Companies have the right to use the Acquired Company IP (other than off-the-shelf software purchased for use in day-to-day operations of the Acquired Companies). Except as otherwise set forth on Schedule 4.18, the Acquired Companies have not granted any license or sublicense of any rights under or with respect to the Acquired Company IP.

4.19 Contracts Generally. Schedule 4.19 contains a complete and accurate list of all of the Seller Material Contracts to which any Acquired Company is a party or pursuant to which any Acquired Company has any direct or indirect liability. The Purchaser has been furnished with access to correct and complete copies of each such Seller Material Contract. Since the date of the Company Acquisition Balance Sheet, there has been no modification or termination of any such Seller Material Contract.

4.20 Compliance with Contracts. With respect to each Seller Material Contract identified in Schedule 4.19, (a) such agreement is in full force and effect and is valid and enforceable against the applicable Acquired Company and, to the Knowledge of the Seller, the other parties thereto, (b) such Seller Material Contract will not terminate as a result of this Agreement, except where such termination would not result in a Seller Material Adverse Change, (c) the applicable Acquired Company is not in material default under such Seller Material Contract and to the Knowledge of the Seller, no event has occurred which, with notice or the passage of time, would constitute such a material default, and (d) to the Knowledge of the Seller, no other party is in material default under such Seller Material Contract.

4.21 Product Liability. No Acquired Company has any liability (and there is no basis for any present or future demand, action or proceeding giving rise to any liability) arising out of

any injury to individuals or property as a result of the ownership, possession, or use of any product manufactured, sold, installed, used or delivered by any Acquired Company or any service provided by any Acquired Company (including installation), except that would not reasonably be expected to result in aggregate damages to any Acquired Company in excess of $50,000 over and above any available insurance coverage, including any excess coverage. No Acquired Company has manufactured, distributed, sold or installed any products containing asbestos.

4.22 Employee Benefits. Schedule 4.22 lists each Benefit Plan maintained by the Acquired Companies or to which any Acquired Company contributes or has any liability to contribute (the "Company Plans"). The Acquired Companies and each ERISA Affiliate of the Acquired Companies (a) have paid all payments, premiums, Taxes, reimbursements or contributions due under each Company Plan, have recorded on their books all amounts accrued as liabilities with respect to each Company Plan, and have funded each Company Plan as required by the plan and Applicable Law, (b) have materially performed all obligations required to be performed under, and are not in material default under or violation of, any Company Plan, (c) are in material compliance in form and operation with requirements of ERISA, the Code and Applicable Law with respect to the Company Plans, (d) have no existing or, to the Knowledge of the Seller, threatened actions, suits or claims (other than routine claims for benefits) with respect to any Company Plan or the administration thereof, nor has any event occurred which could give rise to such a claim, (e) have not completely or partially terminated or withdrawn from any Company Plan, (f) have not incurred, nor reasonably expect to incur, any liability to the Pension Benefit Guaranty Corporation, and (g) have no obligation to contribute to or liability in respect of any Multiemployer Plan or Defined Benefit Plan (as defined under ERISA and the Code) or to provide benefits to retirees or persons who are not current employees and their dependents (other than as required under Applicable Law). Without limiting the generality of the above, the Acquired Companies and each ERISA Affiliate of the Acquired Companies have complied, in all material respects, with and paid all material payments, premiums, Taxes, reimbursements or contributions due under, any and all collective bargaining agreements to which any Acquired Company is a party.

4.23 Employment Matters. To the Knowledge of the Seller, no key employee or group of employees plans to terminate employment with the Acquired Companies following the Closing. To the Knowledge of the Seller, no employee is bound by a nondisclosure or noncompetition covenant that restricts or affects such employee's employment with the applicable Acquired Company. Except as set forth on Schedule 4.23, none of the employees of the Acquired Companies' have an employment agreement that either provides for any term of employment other than "at will" or obligates any Acquired Company to pay severance under any circumstance. Except as set forth on Schedule 4.23, no Acquired Company is and has not been a party to any collective bargaining or other labor Contract. There is not now existing or, to the Knowledge of the Seller, threatened in writing, and has not previously been, (a) any strike, slowdown, picketing, work stoppage or employee grievance process, (b) any proceeding relating to the alleged violation of any Applicable Law pertaining to labor relations or employment matters, or (c) any application for certification of a collective bargaining agent. No event has occurred or circumstance exists that could provide the basis for any work stoppage or other labor dispute. The Acquired Companies have complied in all respects with all Applicable Laws relating to employment, equal employment opportunity, nondiscrimination, immigration, hiring,

wages, hours, benefits, collective bargaining, the payment of social security and other employment taxes, occupational safety and health, and plant closing. No Acquired Company is liable for the payment of any compensation, damages, taxes, fines, penalties, or other amounts, however designated, for failure to comply with any of the foregoing Applicable Laws, except as would not individually or in the aggregate be material. The Acquired Companies have paid or accrued all wages and compensation due to employees, including vacations and vacation pay, holiday pay, sick pay and bonuses.

4.24 Inventory. The Acquired Companies' Inventory (in the aggregate, the "Seller Inventory") is generally free of material defect, is of a quality and quantity usable and salable in the Ordinary Course of Business of the Acquired Companies, except for obsolete items which have been written off or, reserved for or written down to net realizable value in the Company Financial Statements or on the accounting records of the Acquired Companies as of the Closing Date. Except as would not result in a Seller Material Adverse Change, the Seller Inventory is not excessive in the present circumstances of the Acquired Companies' business and can be used or consumed in the Ordinary Course of Business of the Acquired Companies.

4.25 Insurance. Schedule 4.25 lists all insurance policies presently maintained by the Acquired Companies, showing the issuer, types of coverage, policy expiration dates, current premiums, policy numbers and policy limits as to each such policy. All such policies are in full force and effect, and no Acquired Company is in default with respect to its respective obligations under such policies. Complete and correct copies of such policies and loss runs related thereto have been made available to the Purchaser. The Acquired Companies have been covered during the period of its existence and operations by insurance in scope and amount customary and reasonable in the industry. Except as set forth on Schedule 4.25, there are no pending claims against any Acquired Company for personal injuries, products liability, property or other damage under any insurance policy heretofore or presently issued to any Acquired Company, or any claims as to which coverage has been questioned, denied or disputed by the insurer or in respect of which the insurer has reserved its rights. No Acquired Company has any self insurance arrangements, other than deductibles under the insurance policies.

4.26 Real and Personal Property. No Acquired Company owns any real property. The Seller has delivered to the Purchaser correct and complete copies of the leases for all real property leased by any Acquired Company. Each such lease will continue to be in full force and effect following the consummation of the transactions contemplated hereby. Each Acquired Company has good and marketable title to, or a valid leasehold interest in, the assets used by it or located on its premises free and clear of all Liens, except for Permitted Liens and such Liens as shall be fully released and canceled as of the Closing Date or approved in writing by the Purchaser. All of the Acquired Companies' tangible assets currently used in the operations of the Acquired Companies are in operating condition and repair, ordinary wear and tear excepted, are usable in the Ordinary Course of Business of the Acquired Companies.

4.27 Environmental.

(a) Hazardous Materials. Except in the Ordinary Course of Business of such Acquired Company, in compliance with Environmental Laws or otherwise disclosed in the Purchaser Environmental Reports, no Hazardous Materials are or have been located on or about

any real properties now or previously leased by any Acquired Company or have to the Knowledge of the Seller been released by it into the environment, or have to the Knowledge of the Seller been discharged, treated, managed, recycled, placed or disposed of by it or another Person at, on or under any real properties now or currently leased by it. Except as disclosed in the Purchaser Environmental Reports, no Hazardous Materials have to the Knowledge of the Seller been disposed of by any Acquired Company at any off-site waste disposal, and no storage tanks, whether above ground or underground, are to the Knowledge of Seller, located on or under any real property leased by any Acquired Company.

(b) Legal Proceedings and Investigations. No investigation, administrative order or notice, consent order, litigation, or environmental claim with respect to Hazardous Materials or the violation of Environmental Laws is in existence or, to the Knowledge of the Seller, threatened or proposed, with respect to any real properties now or previously leased by any Acquired Company, or with respect to any off-site waste disposal to which waste of any Acquired Company has been taken. Within the past three (3) years, the Acquired Companies have not received any summons, citation, order, notice or communication from any Person concerning any actual, alleged or potential violation of or failure to comply with any Environmental Laws arising out of or with respect to any real properties now or previously leased by any Acquired Company or the operation of the business of any Acquired Company.

SECTION 5

REPRESENTATIONS AND WARRANTIES OF THE SELLER AND PURCHASER REGARDING THE TRANSACTION

5.1 Representations and Warranties of the Seller. The Seller represents and warrants to the Buyer Parties that the statements contained in this Section 5.1 are complete and correct as of the date of this Agreement.

(a) Authority and Capacity. The Seller has full power, capacity and authority to execute, deliver, and perform its obligations under this Agreement and each agreement and document to be executed and delivered by the Seller in connection herewith. This Agreement and each agreement and document to be executed and delivered by the Seller have been duly executed and delivered by the Seller, and each constitutes the legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its respective terms, except as enforceability may be limited by bankruptcy, insolvency, and similar laws relating to debtor relief and general principles of equity.

(b) No Conflicts. The execution, delivery and performance of this Agreement and each other document to be executed and delivered by the Seller in connection herewith do not and will not (a) conflict with or violate any Applicable Law or any judgment, order, decree, stipulation or injunction to which the Seller is subject, or (b) result in the breach of, or constitute a default under, or give to others any rights of termination, amendment, acceleration or cancellation of, any Contract or any other instrument or agreement to which the Seller is a party or by which the Seller is bound.

(c) Consents. Other than those obtained prior to Closing, no consent, approval, authorization, license, order or permit of, or declaration, registration or filing with, or notification to, any Governmental Authority or any other Person is required in connection with the execution, delivery and performance of this Agreement and the other agreements, instruments or documents to be delivered by or on behalf of the Seller, or the consummation of any transaction contemplated hereby or thereby.

(d) Ownership of Acquired Interests. The Seller is the sole legal, record and beneficial owner of, and has good and marketable title to, the Acquired Interests free and clear of any restriction on transfer (other than under federal and state securities laws), Lien, or adverse claim thereon. Upon transfer of the Acquired Interests to Purchaser in accordance with this Agreement, Purchaser will receive valid title to the Acquired Interests, free and clear of all Liens.

(e) Brokers. No Person is or will become entitled, by reason of any agreement or arrangement entered into or made by or on behalf of the Seller, to receive any commission, brokerage, finder's fee or other similar compensation in connection with the consummation of the transactions contemplated by this Agreement.

(f) Securities Matters.

(i) The Seller is an "accredited investor" within the meaning of Rule 501(a) promulgated under the Securities Act of 1933, as amended (the "1933 Act"). With respect to the Purchase Price Shares, the Seller understands that the Purchase Price Shares issuable hereunder are being offered and sold in reliance on specific exemptions from the registration requirements of United States federal and state securities Laws and that the Parent is relying in part upon the truth and accuracy of, and the Seller's compliance with, the representations, warranties, agreements, acknowledgements and understanding of the Seller set forth in this Section 5.6 in order to determine the availability of such exemptions and the eligibility of the Seller to acquire the Purchase Price Shares hereunder.

(ii) The Seller acknowledges that the Parent has made available to the Seller and its advisors the opportunity to obtain all documents and information they may request concerning the Parent and its business and plans in order to evaluate the merits and risks of the Seller's investment in the Purchase Price Shares and the opportunity to ask questions of and receive answers from representatives of the Parent concerning such business and plans and the transactions contemplated hereby. The Seller acknowledges that the Parent has answered to the complete satisfaction of the Seller all inquiries which the Seller has made of it, and has furnished to the Seller any and all documents or other information requested from it, concerning the Parent, its business and financial condition or any other matter relating to the transactions contemplated hereby, including, without limitation the Purchase Price Shares. The Seller has been informed, understands and acknowledges that its investment in the Purchase Price Shares is a speculative investment and involves a high degree of risk and that the amount realized on such investment may be less than the amount invested. The Seller has extensive experience in making investments of the type contemplated hereby, and in evaluating its investment in the Purchase Price Shares the Seller has consulted with the Seller's own investment, legal

and Tax advisors and has concluded that such investment in the Purchase Price Shares is not inconsistent with and is appropriate in light of the Seller's overall investment objectives, financial condition and liquidity requirements. The Seller is familiar with the nature of and risks attendant to an investment of the type contemplated hereby, the Tax aspects of an investment of such type, and is financially and otherwise capable of bearing the economic risk of such investment and can afford the loss of the total amount of such investment.

(iii) The Seller does not have any present agreement or understanding, directly or indirectly, with any Person to distribute any of the Purchase Price Shares in a transaction that would violate the 1933 Act or any state securities Laws.

(iv) The Seller understands and acknowledges that: (i) the Purchase Price Shares have not been registered under the 1933 Act or any state securities laws in reliance upon specific exemptions thereunder for transactions not involving any public offering, and the availability of such exemptions depends in part upon the accuracy of the Seller's representations and warranties herein; (ii) the 1933 Act and applicable state securities laws, as well as the terms of the Stockholders' Agreement, impose substantial restrictions on the transferability of the Purchase Price Shares; (iii) no market presently exists for the Purchase Price Shares and there can be no assurance that any such market will develop; and (iv) the Seller may be unable to liquidate its investment in the Purchase Price Shares and as a result may have to hold the Purchase Price Shares and bear the economic risk of its investment in the Purchase Price Shares for an indefinite period of time.

(v) The Seller understands that all certificates or other instruments representing the Purchase Price Shares shall bear the following restrictive legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A STOCKHOLDERS' AGREEMENT (A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY). NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF SUCH STOCKHOLDERS' AGREEMENT AND (A) PURSUANT TO A REGISTRATION STATEMENT EFFECTIVE UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) PURSUANT TO AN EXEMPTION FROM REGISTRATION THEREUNDER. THE HOLDER OF THIS CERTIFICATE, BY ACCEPTANCE OF THIS CERTIFICATE, AGREES TO BE BOUND BY ALL OF THE PROVISIONS OF SUCH STOCKHOLDERS' AGREEMENT."

5.2 Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Acquired Companies that the statements contained in this Section 5.2 are complete and correct as of the date of this Agreement.

(a) Authority and Capacity. The Purchaser has full power, capacity and authority to execute, deliver, and perform its obligations under this Agreement and each agreement and document to be executed and delivered by the Purchaser in connection herewith. This Agreement and each agreement and document to be executed and delivered by the Purchaser have been duly executed and delivered by the Purchaser, and each constitutes the legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its respective terms, except as enforceability may be limited by bankruptcy, insolvency, and similar laws relating to debtor relief and general principles of equity.

(b) Brokers. No Person is or will become entitled, by reason of any agreement or arrangement entered into or made by or on behalf of the Purchaser, to receive any commission, brokerage, finder's fee or other similar compensation in connection with the consummation of the transactions contemplated by this Agreement.

SECTION 6

CONDITIONS TO CLOSING

6.1 Conditions to Each Party's Obligation to Close. The obligation of the parties to purchase and sell the Acquired Interests is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived, in whole or in part, except that a party may not waive its own failure):

(a) Execution and Delivery of Documents. Each of the following items shall have been duly executed and delivered by the parties thereto: (i) this Agreement, (ii) the Restrictive Covenant Agreements and (iii) the Guardian Agreement.

(b) No Litigation. No action, suit, or proceeding shall be pending or threatened wherein an unfavorable injunction, judgment, order, decree, or ruling would (i) prevent consummation of any of the transactions contemplated by this Agreement, (ii) cause any of the transactions contemplated by this Agreement to be rescinded following consummation, (iii) affect adversely the right of the Purchaser to acquire the Acquired Interests, or (iv) result in a Seller Material Adverse Change (and no such injunction, judgment, order, decree, or ruling shall be in effect).

(c) Consents. Each party shall have obtained all governmental and third party authorizations, consents or approvals required to be obtained by it that are necessary for the consummation of the transactions contemplated herein.

All actions to be taken by each party and all certificates, opinions, instruments, and other documents required to effect the transactions contemplated hereby shall be reasonably satisfactory in form and substance to the receiving party.

6.2 Additional Conditions to the Purchaser's Obligation to Close. The obligation of the Purchaser to purchase the Acquired Interests is subject to the satisfaction, at or prior to the Closing, of each of the following additional conditions (any of which may be waived, in whole or in part by the Purchaser):

(a) the Purchaser shall have received the written resignation, effective as of the Closing, of each director, officer and limited liability company manager of each of the Company, Thermal and Mid South, except as otherwise agreed to by the parties;

(b) the Seller shall have delivered to the Purchaser the original minute books and stock ledgers of the Acquired Companies;

(c) the Seller shall have caused the owner of the Acquired Companies' domain name(s) and website(s) to execute documents necessary to transfer ownership and control thereof to the Purchaser or its Affiliates; provided, however, that the Seller shall deliver the documents evidencing the transfer of TCIcon.com to the Purchaser no later than fourteen (14) days after the Closing;

(d) the Acquired Companies shall have received, and delivered to the Purchaser, releases of all Liens and Uniform Commercial Code termination statements from its secured lenders and lienholders;

(e) the Seller shall have executed and delivered a counterpart signature page to the Stockholders' Agreement;

(f) each of the individuals listed on Schedule 6.2(f) hereof shall have executed and delivered a new noncompetition agreement in a form acceptable to the Purchaser; and

(g) the Seller shall have executed and delivered a Manager's Certificate executed by the Manager of the Seller, certifying: (i) a certified copy of its certificate of formation, (ii) a certificate of existence from the Secretary of State of Georgia, (iii) its operating agreement, and (iv) the resolutions of its managers and members approving this Agreement and the transactions contemplated hereby.

6.3 Additional Conditions to the Seller's Obligation to Close. The obligation of the Seller to sell the Acquired Interests is subject to the satisfaction, at or prior to the Closing, of each of the following additional conditions (any of which may be waived, in whole or in part by the Seller):

(a) the Parent shall have executed and delivered a joinder agreement to the Stockholders' Agreement;

(b) each of the Buyer Parties shall have executed and delivered a Manager's or Secretary's Certificate executed by the Manager or Secretary of such Buyer Party, as applicable, certifying: (i) a certified copy of its certificate of formation or incorporation, (ii) a certificate of existence or good standing from the Secretary of State of the state of its formation or incorporation, (iii) its operating agreement or bylaws, and (iv) the resolutions of its managers and members or directors and shareholders approving this Agreement and the transactions contemplated hereby; and

(c) the Seller shall have received the Purchase Price Shares from the Parent.

SECTION 7

INDEMNIFICATION

7.1 Survival of Representations and Warranties. The representations and warranties of the parties in this Agreement and any certificate delivered in connection herewith shall survive the Closing for a period of twenty-four (24) months; provided, however, that the Buyer Fundamental Representations, the Seller Fundamental Representations, and the representations and warranties in Sections 3.14 (Taxes), 3.20 (Employee Benefits), 3.25 Environmental, 4.14 (Taxes), 4.22 (Employee Benefits) and 4.27 (Environmental) shall survive until sixty (60) days beyond the time by which the applicable statute of limitations (including extensions thereof) bars further actions for claims that would constitute breaches of the representations and warranties in those Sections. Notwithstanding the preceding sentence, if written notice of a claim for breach of a representation or warranty is given by the Seller or the Buyer Parties to the other party(ies) prior to the expiration of the applicable survival period set forth herein, the liability for such breach shall continue until it shall have been finally settled, decided or adjudicated pursuant hereto. No investigation made by a party shall be deemed to affect such party's reliance on the representations and warranties made by the other party(ies) and shall not be deemed to be a waiver of indemnity as provided herein.

7.2 Indemnification by the Seller. Subject to Sections 7.6 and 7.7, the Seller shall defend, indemnify and hold harmless the Buyer Parties and the Acquired Companies and their respective directors, officers, employees, stockholders, members, partners, Affiliates, and successors and assigns (collectively, the "Purchaser Indemnified Parties") from and against and pay or reimburse the Purchaser Indemnified Parties for any and all Indemnified Losses resulting from, relating to, or arising directly or indirectly out of:

(a) any inaccuracy in or breach of any representation or warranty made by the Seller herein or in any certificate or other document executed and delivered in connection herewith; provided, however, that notwithstanding anything contained herein to the contrary, the disclosure contained in the Purchaser Environmental Reports shall for all purposes of this Agreement be disregarded for purposes of determining if there is any inaccuracy in or breach of Seller's representation or warranty in Section 4.27 (Environmental);

(b) any breach of any covenant or obligation of the Seller pursuant to this Agreement or any other document executed and delivered in connection herewith;

(c) any Taxes of any Acquired Company (or any member or other equity holder thereof) unpaid and due and payable (without regard to any extensions of time to file obtained in connection therewith) as of the Closing Date;

(d) any debts, obligations, trade payables or other liabilities, including, without limitation, Tax liabilities, of any Acquired Company that are required by GAAP to be reflected or reserved against on the Company Acquisition Balance Sheet as of June 30, 2012 and which are not so reflected or reserved against;

(e) any obligations or other liabilities of any Acquired Company related to any change of control or other payments or obligations arising under or related to the Company's Phantom Interest Plan, dated July 2, 2008, or any other similar agreement;

(f) fees, expenses or claims of any broker, finder, or other Person acting in a similar capacity on behalf of the Seller or any Acquired Company in connection with the transactions herein contemplated; and

(g) any additional income taxes (whether federal or state) payable by the Company for the year ended December 31, 2011 based upon a tax authority's recharacterization of reported transactions.

7.3 Indemnification by the Buyer Parties. Subject to Sections 7.6 and 7.7, the Buyer Parties shall jointly and severally defend, indemnify and hold harmless the Seller and its officers, employees, members, partners, Affiliates, and successors and assigns (the "Seller Indemnified Parties") from and against and pay or reimburse the Seller Indemnified Parties for any and all Indemnified Losses resulting from, relating to, or arising directly or indirectly out of:

(a) any inaccuracy in or breach of any representation or warranty made by the Buyer Parties herein or in any certificate or other document executed and delivered in connection herewith;

(b) any breach of any covenant or obligation of the Buyer Parties pursuant to this Agreement or any other document executed and delivered in connection herewith; and

(c) fees, expenses or claims of any broker, finder, or other Person acting in a similar capacity on behalf of the Buyer Parties in connection with the transactions herein contemplated.

7.4 Third Party Claims.

(a) If any legal or administrative proceedings shall be instituted or any claim is asserted by any third party in respect of which either the Purchaser Indemnified Parties or the Seller Indemnified Parties (as applicable, the "Indemnified Party") may be entitled to indemnity hereunder, the Indemnified Party shall give the party or parties from whom indemnity is sought (the "Indemnifying Party") written notice thereof and copies of any documents in its possession which relate to such third-party claim, action or proceeding. A delay in giving notice shall only relieve the Indemnifying Party of liability to the extent the Indemnifying Party suffers actual prejudice because of the delay.

(b) The Indemnifying Party shall have the right, at its option and expense, to participate in the defense of such a proceeding or claim, but not to control the defense, negotiation or settlement thereof, which control shall at all times rest with the Indemnified Party, unless the proceeding or claim involves only money damages and the Indemnifying Party: (i) irrevocably acknowledges in writing responsibility for and agrees to indemnify the Indemnified Party for such damages, and (ii) furnishes reasonable evidence of its financial ability to indemnify the Indemnified Party, in which case the Indemnifying Party may assume such control through counsel of its choice and at its expense, provided that the Indemnified Party shall have the right to be represented, at its own expense, by counsel of its choice in connection with the defense of such a proceeding or claim.

(c) Notwithstanding the foregoing, if the Indemnified Party shall in good faith determine that: (i) the conduct of the defense of any claim subject to indemnification hereunder or any proposed settlement of any such claim by the Indemnifying Party could reasonably be expected to affect adversely the Indemnified Party's reputation, liability or its ability to conduct its business, (ii) that the proceeding could reasonably be expected to result in a criminal proceeding, allegation or investigation against it, or (iii) the Indemnified Party may have available to it one or more defenses or counterclaims that are inconsistent with one or more of those that could reasonably be available to the Indemnifying Party in respect to such claim or any litigation relating thereto, the Indemnified Party shall have the right to assume control over the defense, settlement, negotiations or litigation relating to any such claim at the sole cost of the Indemnifying Party; provided, however, that the Indemnified Party shall not settle such claim or litigation without the prior written consent of the Indemnifying Party, such consent not to be unreasonably withheld or delayed. The parties agree to provide each other with reasonable cooperation in connection with the defense, negotiation or settlement of any such proceeding or claim.

7.5 Non-Third Party Claims.

(a) A claim for indemnification for any matter not involving a third party claim may be asserted by written notice to the party from whom indemnification is sought stating the reasons for the claim in reasonable detail and the amount of the claim reasonably estimated to the extent known in good faith.

(b) An Indemnifying Party may dispute (as to liability or amount) any such claim by delivering to the Indemnified Party within thirty (30) days after receipt of notice of the claim a notice ("Objection Notice") that (i) the Indemnifying Party objects to the claim, (ii) the reasons for such objection, set forth in reasonable detail, and (iii) the portion of the claim for which there is an objection and the amount, if any, for which there is no dispute. If an Indemnifying Party has timely disputed its liability with respect to such claim, the Indemnifying Party and the Indemnified Party will proceed in good faith to negotiate a resolution of such dispute, and if not resolved through negotiations within thirty (30) days following receipt by the Indemnified Party of the Objection Notice, such dispute shall be resolved by litigation in a court of competent jurisdiction as provided herein.

(c) If no Objection Notice is delivered within such thirty-day period, the amount of the claim shall be deemed established and the amount thereof shall be due to the Indemnified Party. If the Objection Notice does not dispute the entire amount of the claim, the undisputed amount shall be due to the Indemnified Party.

7.6 Satisfaction of Indemnification Obligations.

(a) Satisfaction of the Seller's Indemnification Obligations. Any indemnification obligation of the Seller may, in the sole option of the Seller (with the written consent of GIS), which option shall be exercised by the Seller and GIS on or before the Election

Date, be entirely and exclusively satisfied by the Seller either (i) in immediately available cash funds or (ii) by surrendering, and the Parent canceling, that number of Purchase Price Shares equal to the aggregate dollar amount of such indemnity obligation (calculated based on the per share Fair Market Value of the Purchase Price Shares as of the date such indemnification obligation arises). If the Seller and GIS do not exercise its option pursuant to the preceding sentence on or before the Election Date, then the Seller and GIS will be deemed to have elected to have the applicable indemnification obligation entirely and exclusively satisfied by the Seller surrendering, and the Parent canceling, the applicable number of Purchase Price Shares in accordance with the terms hereof.

(b) Satisfaction of the Buyer Parties' Indemnification Obligations. Any indemnification obligation of the Buyer Parties may, in the sole option of the Buyer Parties, which option shall be exercised by the Buyer Parties on or before the Election Date, be entirely and exclusively satisfied by the Parent either (i) in immediately available cash funds or (ii) issuing to the Seller that number of shares of its of common stock, par value $0.01 per share ("Common Stock"), equal to the aggregate dollar amount of such indemnity obligation (calculated based on the per share Fair Market Value of such shares as of the date such indemnification obligation arises). If the Buyer Parties do not exercise their option pursuant to the preceding sentence or before the Election Date, then the Buyer Parties will be deemed to have elected to have the applicable indemnification obligation entirely and exclusively satisfied by the Parent in immediately available cash funds.

7.7 Limitation of Indemnification.

(a) Except for (i) claims for indemnification with respect to any inaccuracy in or breach of any Seller Fundamental Representations, or the representations and warranties in Sections 4.14 (Taxes), 4.22 (Employee Benefits) and 4.27 (Environmental), or (ii) in the case of fraud or intentional misrepresentation, the Purchaser Indemnified Parties shall not be entitled to indemnification for any Indemnified Losses arising under Section 7.2 until the aggregate amount of all of the Purchaser Indemnified Parties' claims for indemnification exceeds $50,000 (the "Buyer Threshold") and thereafter the Purchaser Indemnified Parties shall be entitled to indemnification only for amounts in excess of the Buyer Threshold. In addition, no one Claim for indemnification shall be made for less than Five Thousand Dollars ($5,000).

(b) Except for (i) claims for indemnification with respect to any inaccuracy in or breach of any Buyer Fundamental Representations or (ii) in the case of fraud or intentional misrepresentation, the Seller Indemnified Parties shall not be entitled to indemnification for any Indemnified Losses arising under Section 7.3 until the aggregate amount of all of the Seller Indemnified Parties' claims for indemnification exceeds $50,000 (the "Seller Threshold") and thereafter the Seller Indemnified Parties shall be entitled to indemnification only for amounts in excess of the Seller Threshold. In addition, no one Claim for indemnification shall be made for less than Five Thousand Dollars ($5,000).

(c) The maximum aggregate indemnification amount to which the Seller Indemnified Parties may be entitled under this Agreement for Indemnified Losses arising under Section 7.3 shall be an amount equal to $1,500,000.00; provided, however, that the limitations in this Section 7.6(c) will not apply to any claims for indemnification (i) with respect to any inaccuracy in or breach of any Buyer Fundamental Representations or (ii) in the case of fraud or intentional misrepresentation.

(d) The maximum aggregate indemnification amount to which the Buyer Indemnified Parties may be entitled under this Agreement for Indemnified Losses arising under Sections 7.2(a), (b) or (d) shall be an amount equal to $1,500,000.00; provided, however, that the limitations in this Section 7.6(d) will not apply to any claims for indemnification (i) with respect to any inaccuracy in or breach of any Seller Fundamental Representations, or the representations and warranties in Sections 4.14 (Taxes), 4.22 (Employee Benefits) and 4.27 (Environmental), or (ii) in the case of fraud or intentional misrepresentation.

(e) Indemnified Losses recoverable hereunder by the Buyer Indemnified Parties as a result of any inaccuracy in or breach of any representation or warranty made by the Seller in Section 4.27 (Environmental) shall be net of the amount of any recoveries actually received by the Buyer Indemnified Parties from the lessor of the subject real property. Prior to seeking indemnification from the Seller for breaches any representation or warranty made by the Seller in Section 4.27 (Environmental), the Buyer Indemnified Parties will first use their commercially reasonable efforts to recover any applicable Indemnified Losses from the lessor of the subject real property; provided, however, that nothing contained herein shall be deemed to create an obligation on the part of the applicable Buyer Indemnified Party to engage in any form of litigation against any such lessor.

(f) Subject to the other applicable limitations set forth in this Section 7.7, the aggregate indemnification amount to which the Buyer Indemnified Parties may be entitled to recover from the Seller under this Agreement for Indemnified Losses arising under Section 7.2 shall be limited to 87.5% of such Indemnified Losses if such Indemnified Losses are the result of both (i) an inaccuracy in or breach of any representation or warranty made by the Seller herein, and (ii) an inaccuracy in or breach of any representation or warranty made by Wesley Thayer in that certain Stock Purchase Agreement dated of even date herewith between Wesley Thayer and the Company (the "Thayer SPA"). For the sake of clarity, the limitation in this Section 7.7(f) shall not limit the Buyer's or the Company's ability to collect any amounts it may otherwise be due from Wesley Thayer pursuant to the terms of the Thayer SPA.

7.8 Exclusive Remedy. Each party acknowledges and agrees that the sole and exclusive remedy with respect to any and all claims relating to this Agreement or the transactions contemplated hereby (other than claims under Section 9.19 or claims of, or causes of action arising from, fraud, intentional misrepresentation, or claims of, or causes of action for which the sole remedy sought is equitable relief) shall be pursuant to the indemnification provisions set forth in this Section 7.

SECTION 8

EMPLOYMENT MATTERS

Except as set forth below, from and after the Closing the Parent or an Operating Subsidiary shall provide employees of the Acquired Companies who continue their employment after the Closing (the "Continuing Employees") with employee benefit plans, programs and

policies that are substantially similar in the aggregate to those employee benefits provided to such Continuing Employees by the Seller, or the applicable Acquired Company, immediately prior to Closing. To the extent applicable, the Parent, or an Operating Subsidiary, shall provide the Continuing Employees with service credit under the Parent's or an Operating Subsidiary's 401(k)/profit sharing plan in which the Continuing Employees become eligible to participate for such Continuing Employees' service with the Acquired Companies prior to Closing for the purposes of eligibility, participation and vesting. With respect to any welfare benefit plans maintained by the Parent or an Operating Subsidiary for the benefit of the Continuing Employees on and after the Closing, the Parent or such Operating Subsidiary shall, upon receipt of proper documentation from the applicable Acquired Company's plan provider, use commercially reasonable efforts to (i) give credit, in determining any deductible limitations, co-payments and out-of-pocket maximums to any amounts paid by such Continuing Employees for the calendar year in which the Closing occurs, with respect to similar plans maintained by the applicable Acquired Company and (ii) with respect to any health benefit plans, ensure that no eligibility waiting periods, evidence of insurability requirements, or pre-existing condition limitations or exclusions shall apply with respect to the Continuing Employees (except to the extent any such requirement, limitation or exclusion applied prior to the Closing under a similar plan maintained by the applicable Acquired Company). Nothing herein, express or implied, shall be construed to create any third-party beneficiary rights in any present or former employee, service provider, independent contractor, consultant, any such person's alternate payees, dependents or beneficiaries or any other person, including, without limitation any Continuing Employee, whether in respect of continued service or resumed service, compensation, benefits or otherwise.

SECTION 9

MISCELLANEOUS

"Definitions". Capitalized terms used herein and not otherwise defined shall have the meaning specified below, unless otherwise expressly provided or unless the context otherwise requires.

"Affiliate" means, as to any Person, any other Person (i) that directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, (ii) that has the power directly or indirectly to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, or (iii) any relative by blood or marriage of any such Person.

"Agreement" means this Membership Interest Purchase Agreement, including the Schedules and Exhibits hereto.

"Applicable Law" means, with respect to any Person, any and all federal, national, state, regional, local, municipal or foreign laws, statutes, rules, regulations, codes, ordinances, licenses, permits, decree, judgment or rule of any Government Authority having jurisdiction over such Person or its business.

"Benefit Plan" means collectively, Welfare Plans, Deferred Plans, ERISA Plans, Pension Plans and any other contract, agreement, plan, arrangement, commitment, or understanding

relating to terms of employment, pension, profit sharing, retirement, deferred compensation, stock options, stock purchases, change in control, incentive, bonus, loan, guaranty, vacation, severance, medical insurance, life insurance, disability, and other fringe benefit plan, whether or not subject to ERISA, whether or not funded, and whether or not terminated.

"Buyer Fundamental Representations" means the representations and warranties in Sections 3.1 (Organization and Good Standing), 3.2 (Corporate Power), 3.4 (Capitalization), 3.24 (Real and Personal Property but only with respect to personal property), 3.26 (Purchase Price Shares) and 5.2(b) (Brokers).

"Buyer Material Adverse Change" means any change, event or occurrence that individually or in the aggregate has had, or would be reasonably likely to have, a material adverse effect upon the aggregate assets, business, operations, business prospects or condition (financial or otherwise) of the Buyer Parties and the Operating Subsidiaries, except for effects resulting from industry-wide changes or general national or regional economic conditions.

"Buyer Material Contracts" means each of the following:

(a) all Contracts requiring aggregate payments to or from the Parent or any Operating Subsidiary in excess of $500,000 in any consecutive twelve (12) month period;

(b) all Contracts with, among or between the Parent or any Operating Subsidiary and any shareholder, member, director, officer, statutory manager or Affiliate thereof;

(c) all material loan, financing, security, guaranty or other Contracts evidencing or relating to material indebtedness, lines of credit, guarantees or Liens; and

(d) the material Buyer Benefit Plans.

"Capital Stock" means (a) in the case of a corporation, its shares of capital stock, (b) in the case of a partnership or limited liability company, its partnership or membership interests or units, and (c) any other interest that confers on a Person the right to receive a share of the profits, losses or distribution of assets of the issuing entity.

"Charter Documents" mean a Person's formation or other governing documents, including but not limited to, as applicable, its certificate or articles of incorporation, by-laws, code of regulations, articles of organization, operating agreement, certificate of limited partnership, partnership agreement and joint venture agreement.

"Closing Date" means August 31, 2012 or such other date as the parties shall mutually agree.

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

"Contract" means any commitment, understanding, arrangement, lease, pledge, permit, mortgage, indenture, note, bond, license, agreement, purchase or sale order, contract, promise, or similar arrangement, whether written or oral.

"Deferred Plans" means Pension Plans that are designed to defer compensation for a select group of key or highly compensated employees and that are exempt from the funding, participation and vesting requirements of ERISA.

"Election Date" means that date that is fifteen (15) days after the Fair Market Value is determined following the date such indemnification obligation is finally determined pursuant to the terms of Section VII.

"Employee Claims" means controversies, grievances or claims by any employees, former employees or beneficiaries of employees with respect to employment or benefits incident thereto, including, but not limited to, sexual harassment and discrimination claims and claims arising under workers' compensation laws.

"Environmental Laws" means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, plans, injunctions, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to (i) the protection of the environment, (ii) the effect of the environment on human health, (iii) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (iv) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" means any entity that is a member of a controlled group of companies or under common control with such Person.

"ERISA Plan" means any pension benefit plan subject to Title IV of ERISA or Section 412 of the Code.

"Fair Market Value" means (i) the average closing price of such security on the principal exchange on which shares are then trading, if any (or as reported on any composite index which includes such principal exchange), on the ten most current trading days immediately prior to such date, or (ii) if such shares are not traded on an exchange but is quoted on NASDAQ or a successor quotation system, the average mean the closing representative bid and asked prices for such shares on the ten (10) most recent trading days immediately prior to such date as reported by NASDAQ or such successor quotation system; or (iii) if such shares are not publicly traded on an exchange and not quoted on NASDAQ or a successor quotation system, then the fair market value of such shares (without reducing the value of such shares based on liquidity, minority, marketability or other similar discounts) (A) as mutually agreed upon in writing by (i) the Seller (with the written consent of GIS) and (ii) the Parent, or, if such fair market value is not so mutually agreed upon promptly, then (B) as determined by a professional appraiser that is not

affiliated with the Seller or the Parent, mutually agreed upon by the Seller (with the written consent of GIS) and the Parent (and, if such a professional appraiser is not so agreed upon within five (5) business days of date the underlying dispute arose or the indemnification obligation is finally determined, as the case may be, then the Seller (with the written consent of GIS) and the Parent shall each promptly appoint a professional appraiser and such professional appraisers shall promptly select an un-affiliated professional appraiser to determine the Fair Market Value). The appraiser shall, within the succeeding thirty (30) calendar day period after their selection, or as promptly thereafter as practicable, determine the Fair market Value and the appraiser's determination shall be final and binding on all parties, including without limitation the Seller, the Buyer Parties, the Seller Indemnified Parties and the Buyer Indemnified Parties. The Seller and the Purchaser shall each pay 50% of the fees and expenses of an appraiser that determines the Fair Market Value in accordance with the terms hereof.

"GAAP" means United States generally accepted accounting principles as in effect from time to time. Accounting terms used herein and not otherwise defined shall have the meanings attributed to them under GAAP.

"Governmental Authority" means any foreign, federal, state, regional or local authority, agency, body, court or instrumentality exercising executive, legislative, judicial, regulatory or administrative functions.

"Guardian Agreement" means a supply agreement between the Purchaser and Guardian Building Products Distribution, in form and substance acceptable to the Purchaser.

"Hazardous Materials" means any flammable, ignitable, corrosive, reactive, radioactive, explosive, chemical, hazardous, toxic or dangerous substance, product, liquid, pollutant, contaminant, waste or other material regulated under Environmental Laws; asbestos, asbestos containing materials; oil and petroleum based products and natural gas, natural gas liquids; liquefied natural gas, and synthetic gas usable for fuel; and industrial process and pollution control wastes, whether or not hazardous within the meaning of the Federal Resource Conservation and Recovery Act.

"Indemnified Losses" means any and all damages, obligations, payments, costs, expenses, injuries, judgments, penalties, fines, fees, Taxes, interest or other loss of any kind or nature whatsoever (including costs of preparation, investigation, prosecution or defense of claims, actions, litigation or other proceedings and the settlement thereof, reasonable attorneys', experts', consultants' and accountants' fees in connection therewith, amounts paid in settlement, and judgments), and any damages or amounts of any kind payable to third parties that may be imposed or otherwise incurred, in each case excluding any such amounts actually received from an insurance carrier.

"Intellectual Property Rights" means (a) inventions, patents, patent applications and patent disclosures, (b) trademarks, service marks, trade dress, logos, trade names, corporate names and fictitious names and any registrations and applications for any of the foregoing, and including all goodwill associated therewith, (c) copyrights and any registrations and applications therefor, (d) computer software, databases and documentation, and websites, (e) trade secrets and confidential business information, inventions, research and development information, financial, marketing and business data, pricing and cost information, business and marketing plans and

customer and supplier lists and information, and (f) documentation relating to any of the foregoing, and the right to sue for past infringement or improper, unlawful or unfair use of disclosure thereof and the right to apply for patent, design or similar protection therefor.

"Knowledge of the Parent" means the actual knowledge, together with such knowledge that a Person would reasonably be expected to discover after reasonable investigation, of Jeffrey Edwards and Michael Miller, which may be established by (a) producing documentation existing prior to the Closing Date (including e-mail, computer files and the like), (b) admission of actual knowledge, (c) establishing that the Company received written notice prior to the Closing Date of the matter in question, or (d) any other evidence of knowledge of the matter in question.

"Knowledge of the Seller" means the actual knowledge, together with such knowledge that a Person would reasonably be expected to discover after reasonable investigation, of Michael Nixon, David Vella and Thomas Mannion, which may be established by (a) producing documentation existing prior to the Closing Date (including e-mail, computer files and the like), (b) admission of actual knowledge, (c) establishing that the Company received written notice prior to the Closing Date of the matter in question, or (d) any other evidence of knowledge of the matter in question.

"Lien" means, with respect to any property or asset, any lien, charge, condition, easement, adverse claim, restriction, mortgage, security interest, option, pledge, title defect, or any other encumbrance of any kind, nature or description whatsoever.

"Restrictive Covenant Agreements" means the Restrictive Covenant Agreements dated as of the date hereof by and between the Purchaser and each of GIS, Seller, David Vella and Michael Nixon.

"Operating Subsidiaries" means those subsidiaries of the Parent listed on Schedule 9.1 and the Purchaser.

"Ordinary Course of Business" means the ordinary course of the Person's business consistent with past custom and practice such Person (including with respect to quantity and frequency).

"Pension Plans" means an "employee pension benefit plan" as that term is defined in Section 3(2) of ERISA.

"Permitted Liens" means the following:

(a) Liens for taxes, assessments or other governmental charges which are not delinquent or remain payable without penalty, unless the same are being contested in good faith by appropriate proceedings and adequate reserves in accordance with GAAP are being maintained by the applicable Acquired Company;

(b) Liens imposed by law such as carriers' warehousemen's, mechanics', landlords', materialmen's, repairmen's or other similar Liens arising in the ordinary course of business which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings;

(c) Liens on the property of any Acquired Company incurred, or pledges or deposits in connection with, workmen's compensation, unemployment insurance and other social security legislation;

(d) Material Liens on the property of any Acquired Company securing (i) the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, and (ii) obligations on surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business; and

(e) purchase money Liens or purchase money security interests on any asset acquired or held by the Acquired Companies in the ordinary course of business, securing indebtedness incurred or assumed for the purpose of financing all or any part of the cost of acquiring such asset.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a Governmental Authority.

"Purchase Price Shares" means One Hundred Twenty Nine Thousand Nine Hundred Forty Four (129,944) shares of common stock, par value $0.01 per share, of the Parent, which shares represent 11.5% of all of the issued and outstanding equity interests of the Parent as of the Closing.

"Purchase Value" shall mean the product of (x) the most recent enterprise value of the Buyer Parties and the Acquired Companies on a combined basis as determined by a qualified appraiser selected by the Buyer Parties to be delivered on or before November 30, 2012 less the aggregate Series A Preferred Liquidation Amount, as such term is defined in the certificate of incorporation of Parent, of the outstanding shares of Series A Preferred Stock of Parent, and (y) 100% less customary marketability and lack of control discounts and (z) 11.5%. The parties agree that such combined marketability and lack of control discounts shall range from 35 – 45% in this case.

"Purchaser Environmental Reports" means those environmental assessment reports performed by or on behalf of any of the Buyer Parties in connection with the transactions contemplated by this Agreement.

"Seller Fundamental Representations" means those representations and warranties set forth in Sections 4.1 (Organization and Good Standing), 4.2 (Corporate Power), 4.4 Capitalization), 4.26 (Real and Personal Property but only with respect to personal property), 5.1(a) (Authority and Capacity), 5.1(b) (No Conflicts), 5.1(d) (Ownership of Acquired Interests), 5.1(e) (Brokers) and 5.1(f) (Securities Matters).

"Seller Material Adverse Change" means any change, event or occurrence that individually or in the aggregate has had, or would be reasonably likely to have, a material adverse effect upon the assets, business, operations, business prospects or condition (financial or otherwise) of any of the Acquired Companies, except for effects resulting from industry-wide changes or general national or regional economic conditions.

"Seller Material Contracts" means each of the following, whether oral or written, with respect to any Acquired Company:

(f) all Contracts requiring payments to or from such Person in the aggregate in excess of $50,000 within a twelve (12) month period;

(g) all Contracts with a remaining term in excess of twelve (12) months and requiring payments to or from such Person in the aggregate in excess of $50,000;

(h) all Contracts with, among or between such Person and any shareholder, member, director, officer, manager or Affiliate thereof;

(i) all loan, financing, security, guaranty or other Contracts evidencing or relating to indebtedness, lines of credit, guarantees or Liens;

(j) all Contracts relating to the Benefit Plans of such Person;

(k) all management, employment, severance, confidentiality, non-competition or agency Contracts;

(l) all labor Contracts and collective bargaining agreements;

(m) all Contracts containing covenants that limit or purport to limit such Person's ability to engage in any line of business or compete with any Person or restrict it from disclosing any information;

(n) all Contracts relating to Intellectual Property Rights;

(o) all Contracts pursuant to which such Person leases real property or personal property;

(p) all Contracts entered into outside of the Ordinary Course of Business of such Person; and

(q) all other Contracts not included above that are material to the conduct and operation of such Person's business.

"Stockholders' Agreement" means that certain Amended and Restated Stockholders' Agreement, by and among the Parent and its stockholders, dated as of April 20, 2012.

"Tax" means any federal, state, local, or foreign income, gross receipts, net proceeds, license, payroll, employment, workers' compensation, excise, severance, stamp, occupation, premium, windfall profits, environmental, custom duties, Capital Stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, value added, alternative or add on minimum, estimated, or other tax, assessment, fees, levies or governmental charge of any nature whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

"Tax Return" means any return, declaration, report, claim or refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Welfare Plans" means an "employee welfare benefit plan" as such term is defined in Section 3(1) of ERISA.

9.2 Press Releases and Announcements. No party shall issue any press release or make any announcement relating to the subject matter of this Agreement without the prior written approval of the other parties.

9.3 Further Assurances. In case at any time after Closing any further action is reasonably necessary or desirable to carry out the purposes of this Agreement and to effect, consummate, confirm or evidence the transactions contemplated hereby, each party will take such further action (including without limitation, the execution of such further documents and instruments) as any other party may reasonably request. Without limiting the foregoing, if the parties determine to make an election pursuant to Section 338(h)(10) of the Code, the Seller shall, and shall cause the Acquired Companies to, make such election and shall execute and deliver all consents, filings or forms in connection therewith. The Seller will cooperate with the Purchaser and its counsel in the contest or defense of any proceeding involving or relating to any action, activity, circumstance, condition, conduct, event, fact, failure to act, incident, practice, or situation before the Closing Date involving any Acquired Company or its business or the Seller.

9.4 No Third-Party Beneficiaries. This Agreement (other than Section 7.4 with respect to Indemnified Parties and Section 9.19 with respect to the GIS Indemnified Parties) shall not confer any rights or remedies upon any Person other than the parties hereto, and their respective successors and permitted assigns.

9.5 Entire Agreement. This Agreement, the Exhibits and Schedules attached hereto and the agreements referred to herein are the exclusive statement of the agreement among the parties concerning the subject matter hereof. All negotiations, disclosures, discussions and investigations relating to the subject matter of this Agreement are merged into this Agreement, and there are no representations, warranties, covenants, understandings, or agreements, oral or otherwise, relating to the subject matter of this Agreement, other than those included herein or in the agreements and documents referred to in this Agreement.

9.6 Tax Matters.

(a) Additional Assistance. The Purchaser and the Seller agree to furnish or cause to be furnished to each other, upon request, as promptly as practical, such information (including reasonable access to books and records, Tax Returns and Tax Filings) and assistance as is reasonably necessary for the filing of any Tax Return, the conduct of any Tax audit, and for the prosecution or defense of any claim, suit or proceeding relating to any Tax matter. The Purchaser and the Seller shall cooperate with each other in the conduct of any Tax audit or other Tax Proceedings and each shall execute and deliver such powers of attorney and other documents as are necessary to carry out the intent of this Section 9.6

(b) Characterization. The parties acknowledge that because the Company has a single owner pursuant to Treasury Regulations Section 301.7701-3, the Company shall be disregarded as an entity separate from its owner for federal income tax purposes. Accordingly, the sale of the Acquired Interests shall, in accordance with Internal Revenue Code Section 1001 and related Treasury Regulations, be treated as an asset sale for federal income tax purposes. The Seller shall allocate the Purchase Value plus any liabilities of the Company to the assets of the Company in accordance with Section 1060 and shall provide a draft of such allocation to the Purchaser for review. The Purchaser shall review, and if it has no objections, will approve such draft allocation within ten (10) business days of receipt. If the Purchaser does have any objections it will work in good faith with the Seller to resolve such dispute prior to making any filing with the IRS. The Seller and the Purchaser shall report the information required by Section 1060(b) of the Code on IRS Form 8594 consistent with such allocation in accordance with the allocation agreed to by the Seller and the Purchaser. The Seller and the Purchaser further agree not to take any position, whether in any Tax Return, audit, examination, claim, adjustment, litigation, or other proceeding with respect to U.S. federal income Tax (and state and local income Tax purposes where applicable), which is inconsistent with such intended treatment or allocation, unless required to do so by applicable Laws.

(c) Conveyance Taxes. Any transfer, documentary, sales, use, stamp, registration and other such similar Taxes and fees incurred in connection with this Agreement and the transactions contemplated hereby shall be borne by the Seller. The Seller will file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other similar Taxes and fees, if required by applicable Law. The expense of such filing or filings shall be borne by the Seller.

9.7 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns. No party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other parties. Notwithstanding the foregoing, the Purchaser may assign its rights hereunder to an Affiliate and may collaterally assign its rights with respect to this Agreement and the transactions contemplated herein to its lender(s).

9.8 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Agreement.

9.9 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way, the meaning or interpretation of this Agreement.

9.10 Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been given if signed by the respective Person giving such notice (in the case of any corporation the signature shall be by an authorized officer thereof) on the first business day following receipt of hand delivery, certified or registered mail (return receipt requested), or telecopy transmission and provided that the original copy thereof also is sent by certified or registered mail with confirmation of transmission, or the next business day after deposit with a nationally recognized overnight delivery service, addressed as follows:

If to the Purchaser, to:	Installed Building Products, LLC 495 South High Street, Suite 50 Columbus, Ohio 43215 Attention: Shelley A. McBride Telecopy: 614-961-3542
If to the Seller, to:	GNV Holdings, LLC 4080 McGinnis Ferry Rd., #1504 Alpharetta, Georgia 30005 Attention: J. Michael Nixon Telecopy: (678) 990-5659
with a copy to:	Miller & Martin PLLC 1170 Peachtree Street, NE Suite 800 Atlanta, Georgia 30309 Attention: A. Josef DeLisle Telecopy: (404) 962-6338

Such names and addresses may be changed by the giving of a notice as provided herein.

9.11 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio exclusive of the conflict of law principles thereof.

9.12 Waivers. No waiver hereunder shall be valid unless the same shall be in writing and signed by all of the parties giving the waiver. No waiver by any party of any default, misrepresentation, or breach of warranty or covenant hereunder shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

9.13 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

9.14 Expenses. Except to the extent otherwise specifically provided herein, each party will be responsible for its fees and expenses incurred in connection with its efforts to consummate the transactions contemplated hereby.

9.15 Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context otherwise requires. The word “including” shall mean including without limitation.

9.16 Incorporation of Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof. The Schedules shall not be deemed adequate to disclose an exception to a representation or warranty contained in Section 3, 4 or 5 hereof unless the applicable Schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail.

9.17 Consent to Jurisdiction. Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any court of the State of Ohio or federal court of the United States of America, sitting in Ohio and any appellate court from any of such courts, in any actions arising out of or relating to this Agreement, any other document or agreement delivered in connection herewith and any transactions contemplated hereby for recognition or enforcement of any judgment relating thereto, and each of the parties hereby irrevocably and unconditionally (a) agrees not to commence any such action except in such courts, (b) waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any action in the state or federal courts located in Ohio, (c) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action in the state or federal courts located in Ohio and (d) agrees to bring any action arising out of or related to this Agreement, any document or agreement delivered pursuant to this Agreement and any transactions contemplated hereby only in the state or federal courts located in Ohio. Each of the parties hereto agrees that a final judgment in any such action will be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.10.

9.18 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR THE TRANSACTIONS OR EVENTS CONTEMPLATED HEREBY OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF ANY PARTY HERETO, WHETHER NOW EXISTING OR HEREAFTER ARISING. THE PARTIES HERETO EACH AGREE THAT ANY AND ALL SUCH CLAIMS AND CAUSES OF ACTION WILL BE TRIED BY THE COURT WITHOUT A JURY. EACH OF THE PARTIES HERETO FURTHER WAIVES ANY RIGHT TO SEEK TO CONSOLIDATE ANY SUCH LEGAL PROCEEDING IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER LEGAL PROCEEDING IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED.

9.19 Payment/Performance Bonds Guaranteed by Guardian. In addition to any rights that Guardian Installed Services, Inc., a Delaware corporation ("GIS"), or the parent company of GIS (together with GIS, the "GIS Guarantors") may otherwise have at law or in equity, the Buyer Parties and the Acquired Companies shall jointly and severally defend, indemnify and hold harmless the GIS Guarantors and their respective officers, employees, members, partners,

Affiliates (other than the Buyer Parties and their Affiliates), and successors and assigns (collectively, the "GIS Indemnified Parties") from and against and pay or reimburse the GIS Indemnified Parties for any and all Indemnified Losses incurred by any GIS Indemnified Party, resulting from, relating to, or arising directly or indirectly out of any payment and/or performance bonds issued by any Acquired Company or its officers or owners that have been guaranteed by any GIS Guarantor (or issued by any GIS Guarantor for the benefit of, or in support of the business of, any Acquired Company or its officers or owners) that are listed on Schedule 9.19 (the "Listed GIS Supported Payment/Performance Bonds"). Notwithstanding anything to the contrary in this Agreement, the obligations set forth in this Section 9.19 shall not be subject to the limitations set forth in Sections 7.6, 7.7 or 7.8 of this Agreement. The Buyer Parties and the Acquired Companies understand and agree that the GIS Guarantors have no obligation whatsoever to the Buyer Parties or the Acquired Companies to renew or extend any GIS Supported Payment/Performance Bond.

9.20 Confidentiality. No party shall disclose or make any public announcement of the transactions contemplated by this Agreement without the prior written consent of the other parties, unless required to make such disclosure or announcement by Applicable Law, in which event the party making the disclosure or announcement shall provide written notice to the other parties at least twenty-four (24) hours before such disclosure or announcement is expected to be made. Except as contemplated hereby or required by Applicable Law, each party shall keep confidential and shall not disclose to any third party without the prior written consent of the Sellers any information which identifies the Seller's ownership interest in the Purchaser, provided, however, that either party may disclose such information (a) to its representatives, advisors or any Affiliate, partner, member, trustee, investor or related investment fund of such party and its and their respective directors, employees and consultants, or (b) as may otherwise be required by Applicable Law, including, without limitation pursuant to a court order or subpoena. Notwithstanding the foregoing or anything to the contrary in this Agreement, this Section 9.20 shall not apply to any information that is or becomes generally available to the public other than as a result of a breach of this Agreement by either party.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Membership Interest Purchase Agreement on the date first above written.

PARENT:

CCIB HOLDCO, INC.

By: /s/ Michael T. Miller

Name: Michael T. Miller

Its: EVP - Finance

PURCHASER:

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller

Name: Michael T. Miller

Its: EVP - Finance

SELLER:

GNV HOLDINGS, LLC

By: /s/ J. Michael Nixon

Name: J. Michael Nixon

Its: Manager

Exhibit 10.14

MANAGEMENT SERVICES AND FEE AGREEMENT

THIS MANAGEMENT SERVICES AND FEE AGREEMENT, dated as of the 18th day of December, 2012 (this "Agreement"), is made and entered into among Littlejohn Managers, LLC, a Delaware limited liability company ("Littlejohn Manager"), Jeffrey W. Edwards ("Edwards"), IBP Holding Company, an Ohio corporation ("IBH," and together with Edwards, "Edwards Manager"), GNV Holdings, LLC, a Delaware limited liability company ("GNV") and CCIB Holdco, Inc., a Delaware corporation ("Company"). Littlejohn Manager, Edwards Manager and GNV together shall be referred to as the "Managers." Littlejohn Manager, Edwards, Edwards Manager, GNV Manager and Company are each referred to as a "Party," and collectively as the "Parties."

WHEREAS, pursuant to Company's request, Managers will make available to Company certain management and financial advisory services more fully described in Section 1 below.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, intending to be legally bound hereby, the Parties hereby agree as follows:

1. Engagement and Duties.

(a) Company hereby retains Managers as advisors whereby Managers shall, from time to time, to the extent reasonably requested by Company, provide those management and financial advisory services to Company which are set forth in Section 1(b) hereof. Managers hereby accept such appointment and agree to provide each of the services required to be provided by them under this Agreement and to make themselves available from time to time, on a part-time basis, to consult with the management and Board of Directors of Company (the "Board") in connection with such services. In addition to the services of their own personnel, Managers shall be permitted, to the extent that they determine in their sole discretion that it would be advisable or appropriate in order to perform their services hereunder, to arrange for and coordinate the services of other professionals, experts and consultants.

(b) Upon the reasonable request of the Board, Managers hereby agree to provide the following services to Company:

(i) review periodically the business, operations, financial condition and prospects of Company, including, without limitation: (A) reviewing the strategic direction and plans of Company; (B) reviewing and evaluating the annual business plan and budget of Company; (C) reviewing and evaluating the sales, profitability and working capital and other financing requirements of Company; (D) reviewing the salary and benefit levels of the senior management of Company and reviewing and evaluating the performance of the senior management of Company; and (E) reviewing and monitoring weekly and monthly operating and financial performance metrics;

(ii) assist Company in the identification, planning, structuring and negotiation of potential acquisitions, divestitures, and future corporate investments; and

(iii) assist Company in seeking out and negotiating with potential financing sources for Company's operations or of any proposed acquisition or investment by Company.

2. Nature of Relations. Notwithstanding the services provided by Managers, Managers shall be deemed to be independent contractors and, unless otherwise expressly authorized by the Board, shall not be authorized to manage the affairs of, act in the name of, or bind Company (except that Edwards may bind Company in his capacity as Chief Executive Officer). Company shall not be obligated to follow or accept any advice or recommendation made by Managers, and the management, policies and operations of Company shall be the sole responsibility of the Board and the management of Company (including Edwards in his capacity as Chief Executive Officer). The obligations of Managers to Company are not exclusive, and Managers may, in their sole discretion, render the same or similar services to any other person or entity (a "Person"). Nothing set forth in this Agreement shall be deemed to prohibit Managers from serving any other Person in any capacity Managers may deem appropriate or from conducting their business and affairs in any manner they may elect, whether or not such activities might involve an actual or potential conflict of interest with respect to Company.

3. Term and Termination. The initial term of this Agreement shall commence on the date hereof and continue for a period of two years. Thereafter, the term of this Agreement shall be extended for one year periods, subject to the approval of the Board, the Littlejohn Manager and the Edwards Manager at least 90 days prior to the end of the initial two year term or any one year extension period then in effect (as the case may be). This Agreement may be terminated based upon a material breach by any Party, with respect to that Party; provided that such material breach has not been cured in all material respects by the breaching Party within 30 days following receipt by the breaching Party of written notice from the terminating Party setting forth, in reasonable detail, the facts, events and circumstances which constitute such material breach. Following a termination of this Agreement with respect to a particular Party as a result of a material breach, such Party shall have no further rights or responsibilities hereunder other than as specifically provided herein and other than any liability or obligation related to such material breach. This Agreement shall automatically terminate (a) upon the occurrence of the consummation of a Qualified IPO. As used herein, the term "Qualified IPO" means an underwritten public offering pursuant to a registration statement filed under the Securities Act of 1933, as amended, in which, immediately following the effective time of such registration statement, Company's market capitalization is at least $10,000,000, measured by multiplying the number of outstanding shares of Company common stock by the initial public offering price of the shares offered and sold pursuant to such registration statement.

4. Compensation.

(a) In consideration of the services provided by Managers to Company, Company shall pay Managers at such time, and in an amount and in such allocation, as shall be jointly and unanimously determined by the (i) Board (which shall in all instances include the affirmative approval and consent of no less than one (1) of the designees to the Board of the Affiliate of Littlejohn Manager entitled to designate members of the Board, (ii) Littlejohn Manager and (iii) Edwards Manager (the "Management Fee"). Absent approval of the Management Fee in accordance with the previous sentence, no Management Fee shall be paid to Managers nor shall any fee be deemed to be due and/or owing to Managers.

(b) Notwithstanding subsection (a) above, the Company shall not pay the Management Fee for a particular period if at the time of any such payment or, after giving effect to any such payment, there shall occur and be continuing under the Credit Agreement (as defined below) an Event of Default (as defined in the Credit Agreement). As used herein, the term "Credit Agreement" means the Loan and Security Agreement, dated as of November 4, 2011, by and among Company and its various direct and indirect subsidiaries, as borrowers and guarantors, and certain financial institutions, as lenders, and Bank of America, N.A., as agent, as the same may be amended, supplemented, modified or refinanced.

5. Indemnification, Etc.

(a) Company shall, to the fullest extent permitted by law, indemnify Managers and each member, officer, employee, Affiliate, agent and representative of Managers (collectively with Managers, the "Indemnitees") against, and Company will hold harmless and will release each Indemnitee from, any and all Losses (as defined below), including any Losses incurred in connection with any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency, body or commission, whether pending or threatened, and whether or not any Indemnitee is or may be a party thereto, which Losses arise out of, relate to or are in connection with the provision of any services hereunder or otherwise relate to this Agreement or the management or conduct of the business or affairs of Company, except for any Losses found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted primarily from the gross negligence or willful misconduct or bad faith of the Indemnitee seeking indemnification. The term "Affiliate" shall mean, with respect to any specified Person, any other Person (i) that, either directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such specified Person, or (ii) who is a shareholder, member, manager, officer, employee, partner or director of the specified Person or any Affiliate of such Person. The term "control" means (i) the legal or beneficial ownership of securities representing a majority of the voting power of any Person or (ii) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether by contract or otherwise. The term "Losses" shall mean all losses, claims, damages or liabilities of each Indemnitee, joint or several, and all judgments, fines, penalties, interest and charges, and all reasonable costs and expenses incurred in connection with the investigation, defense or settlement of any pending or threatened claims (including, without limitation, attorneys' fees and expenses related thereto).

(b) The termination of any proceeding by settlement shall not, of itself, create a presumption that the Indemnitee acted in a manner that constituted gross negligence, willful misconduct or a knowing violation of law. The right of any Indemnitee to the indemnification provided herein shall be cumulative of, and in addition to, any and all rights to which such Indemnitee may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Indemnitee's successors, assigns and legal representatives.

(c) Promptly after receipt by an Indemnitee hereunder of written notice of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 5, such Indemnitee will, if a claim in respect thereof is to be made against Company, promptly give written notice to Company of the commencement of

such action; provided that the failure of any Indemnitee to give notice as provided herein shall not relieve Company of its obligations under this Section 5, except to the extent that Company is actually and materially prejudiced by such failure to give notice. In case any such action is brought against an Indemnitee, unless in such Indemnitee's reasonable judgment a conflict of interest between such Indemnitee and Company may exist in respect of such claim, Company will be entitled to participate in and to assume the defense thereof, to the extent that it may wish, with counsel reasonably satisfactory to such Indemnitee. After notice from Company of its election to assume the defense of such action, Company will not be liable to such Indemnitee for any legal or other expenses subsequently incurred by the Indemnitee in connection with the defense thereof, unless in such Indemnitee's reasonable judgment a conflict of interest between the Indemnitee and Company arises in respect of such claim after the assumption of the defense thereof (in which case, Company shall not assume the defense thereof, but shall be responsible for the fees and expenses of one counsel in each jurisdiction for all parties indemnified by Company, subject to the same exception as is set forth in the last sentence of this subsection (c)), and Company will not be subject to any liability for any settlement made without its consent (which consent shall not be unreasonably withheld). Company will not consent to entry of any judgment or enter into any settlement (i) which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnitee of a release from all liability in respect to such claim or litigation, and (ii) that imposes any obligation on an Indemnitee (except any obligation to make payments which Company shall, and promptly does, pay). If Company elects not to assume the defense of a claim, it will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by Company with respect to such claim, unless in the reasonable judgment of any Indemnitee a conflict of interest may exist between such Indemnitee and any other of such Indemnitees with respect to such claim, in which event Company shall be obligated to pay the fees and expenses of such additional counsel or counsels.

(d) Notwithstanding the expiration of the term hereof pursuant to Section 3 or the termination of this Agreement, the indemnification provided under this Agreement shall remain in full force and effect thereafter.

(e) No Indemnitee shall be liable to Company for any error of judgment or mistake of law or for any loss incurred by Company or any of their respective Affiliates in connection with the matters to which this Agreement relates, except for any damages that are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted primarily from the gross negligence or willful misconduct or bad faith of the Indemnitee seeking indemnification. In no event shall Managers or any other Indemnitee be liable for any indirect, special or consequential damages arising out of or in connection with this Agreement. Managers and any other Indemnitee may consult with legal counsel, accountants and other consultants and experts in respect of the affairs of Company and shall be fully protected and justified in acting, or failing to act, in a manner reasonably consistent with the advice or opinion of the legal counsel, accountants and other consultants and experts retained and supervised by Managers or any other Indemnitee with reasonable care and in good faith.

(f) The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which the Indemnitees may at any time be entitled under applicable law, the Company's Certificate of Incorporation, as the same is in effect from time to time (the "Certificate"), or any other any agreement, a vote of stockholders or a resolution of

directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of the Indemnitees under this Agreement prior to such amendment, alteration or repeal. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

(g) Company hereby acknowledges that some of the Indemnitees may have certain rights to indemnification, advancement of expenses and/or insurance provided by Littlejohn Fund IV, L.P. and certain of its affiliates (collectively, the "Fund Indemnitors"). Company hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to each of the Indemnitees are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by or on behalf of each of the Indemnitees are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by or on behalf of each of the Indemnitees and shall be liable for the full amount of all Losses to the extent legally permitted and as required by the terms of this Agreement (or, to the extent applicable, the Certificate, or any other agreement between Company and any Indemnitee), without regard to any rights such Indemnitees may have against the Fund Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of the Indemnitees with respect to any claim for which the Indemnitees have sought indemnification from Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Indemnitees against Company. Company and each of the Indemnitees agree that the Fund Indemnitors are express third party beneficiaries of the terms of this Section 5(g).

(h) Except as provided in Section 5(g) hereof, in the event of any payment to the Indemnitees under this Agreement, Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitees, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable Company to bring suit to enforce such rights.

6. Notices. All notices and other communications given in connection with this Agreement shall be in writing and shall be given by personal delivery, by telecopier or similar facsimile means, by registered or certified first-class U.S. mail, return receipt requested and postage prepaid, or by express courier or recognized overnight delivery service, charges prepaid, addressed to the Parties hereto at the following addresses or telecopier numbers:

(a) if to Company:

CCIB Holdco, Inc.
495 S. High Street, Suite 50
Columbus, OH 43215
Attn: Michael T. Miller
Fax No.: (614) 961-3300

(b) if to Littlejohn Manager:

Littlejohn Managers, LLC
c/o Littlejohn & Co. LLC
8 Sound Shore Drive, Suite 303
Greenwich, CT 06830
Attn: Michael I. Klein
Fax No.: (203) 552-3550

(c) if to Edwards or Edwards Manager:

IBP Holding Company
495 S. High Street, Suite 50
Columbus, OH 43215
Attn: Jeffrey W. Edwards
Fax No.: (614) 241-2080

(d) if to GNV:

GNV Holdings, LLC
4080 McGinnis Ferry Rd., #1504
Alpharetta, Georgia 30005
Attention: J. Michael Nixon
Fax No.: (678) 990-5659

Notice shall be deemed given: (a) when delivered personally to the recipient; (b) when received, if sent by telecopy or similar facsimile means (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by telecopy or other facsimile means); (c) on the date five days after the date mailed, if sent by registered or certified first-class U.S. mail, return receipt requested and postage prepaid; (d) when delivered (or upon the date of attempted delivery where delivery is refused), if sent by express courier or recognized overnight delivery service, charges prepaid; and (e) when delivered, if sent by email. Notice of any change in any such address or fax number shall also be given in the manner set forth above. Whenever the giving of notice is required, the giving of such notice may be waived by the Party entitled to receive such notice.

7. Entire Agreement; Amendments. This Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof. It supersedes any prior agreement or understanding among them, and it may not be modified or amended in any manner other than by an instrument in writing signed by each Party, or their respective successors or assigns.

8. Choice of Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE.

9. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their successors and permitted assigns. Other than the rights of the Indemnitees in Section 5, nothing in this Agreement, express or implied, is intended or shall be construed to give any Person other than the Parties to this Agreement and their respective successors or permitted assigns, any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein. This Agreement may not be assigned by any Party without the prior written consent of each other Party; provided, however, that any

Manager may designate that any of the services to be provided by it to Company be performed by (a) any of its Affiliates, in its reasonable discretion, or (b) any non-Affiliates reasonably acceptable to Company.

10. Force Majeure. If the performance by Managers of any of their services hereunder is prevented, restricted or interfered with in whole or in part by reason of any event or cause whatsoever beyond the reasonable control of Managers, then in any such event, Managers shall be excused from such performance to the extent of such prevention, restriction or interference, and any Management Fee payable hereunder shall be reduced proportionately.

11. Headings. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of this Agreement or any provision hereof.

12. Severability. If any provision of this Agreement, or the application of such provision to any Person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to Persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

13. Waivers. No provision of this Agreement shall be deemed to have been waived unless such waiver is contained in a written notice given to the Party claiming such waiver, and no such waiver shall be deemed to be a waiver of any other or further obligation or liability of the Party or Parties in whose favor the waiver was given.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute one and the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have executed this Management Services and Fee Agreement with effect as of the date first written above.

IBP HOLDINGS, LLC

By: /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: President

LITTLEJOHN MANAGERS, LLC

By: /s/ Angus Littlejohn
Name: Angus Littlejohn
Title: Manager

GNV HOLDINGS, LLC

By: /s/ J. Michael Nixon
Name:
Title:

/s/ Jeffrey W. Edwards
Jeffrey W. Edwards

CCIB HOLDCO, INC.

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

Exhibit 10.15

TERMINATION OF

MANAGEMENT SERVICES AND FEE AGREEMENT

THIS TERMINATION OF MANAGEMENT SERVICES AND FEE AGREEMENT, dated as of the 22nd day of November, 2013 (this "Agreement"), is made and entered into among Littlejohn Managers, LLC, a Delaware limited liability company, Jeffrey W. Edwards, IBP Holding Company, an Ohio corporation, GNV Holdings, LLC, a Delaware limited liability company, and CCIB Holdco, Inc., a Delaware corporation (each, a "Party," and collectively, the "Parties").

WHEREAS, on December 18, 2012, the Parties entered into a Management Services and Fee Agreement (the "Management Agreement"); and

WHEREAS, the Parties have determined that it is in the best interests of each to terminate the Management Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, intending to be legally bound hereby, the Parties agree as follows:

1. Termination. Effective on the date hereof, the Management Agreement shall be terminated, and no Party shall have any further rights or responsibilities thereunder, other than the continuing indemnification obligations set forth in Section 5 thereof, which by their terms survive the termination of the Management Agreement. No management or other fees shall be due or owing to any Party for the 2013 fiscal year.

2. Entire Agreement; Amendments. This Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof. It supersedes any prior agreement or understanding among them, and it may not be modified or amended in any manner other than by an instrument in writing signed by each Party, or their respective successors or assigns.

3. Choice of Law. This Agreement shall be governed by the laws of the state of Delaware.

4. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their successors and permitted assigns.

5. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have executed this Management Services and Fee Agreement with effect as of the date first written above.

IBP HOLDINGS, LLC

By: /s/ Jeffrey W. Edwards
Name: Jeffrey W. Edwards
Title: President

LITTLEJOHN MANAGERS, LLC

By: /s/ Steven R. Raich
Name: Steven R. Raich
Title: Manager

GNV HOLDINGS, LLC

By: /s/ J. Michael Nixon
Name: J. Michael Nixon
Title: Manager

/s/ Jeffrey W. Edwards
Jeffrey W. Edwards

CCIB HOLDCO, INC.

By: /s/ Michael T. Miller
Name: Michael T. Miller
Title: Executive Vice President - Finance

Exhibit 10.16

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is made and effective as of the date indicated below by and between Installed Building Products, LLC, a Delaware limited liability company with its principal place of business at 495 South high Street, Columbus, Ohio 43215, and its successors and assigns ("Company") and Jay Elliott (the "Employee").

WITNESSETH:

WHEREAS, the Company desires to retain the services of Employee as its Regional Operations & Business Integration Manager, and Employee desires to be so retained; and

WHEREAS, Employee and the Company desire to enter into an agreement expressly indicating the terms and conditions of their relationship.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Company and the Employee agree as follows:

1. DUTIES. During the Term of this Agreement, as those terms are defined herein, Employee shall, under the general supervision of, and reporting to, the Company's President, serve as Business Integration Manager, based in Columbus, Ohio and devote his skill and experience to serving the interests of the Company. During the course of his employment, Employee shall at all times, faithfully, industriously and to the best of his abilities, perform all duties that reasonably may be required of him by virtue of his position. Employee shall devote his full business time and efforts to the affairs of the Company.

2. COMPENSATION.

(a) Base Salary. The Company agrees to pay the Employee a minimum annual base salary of One Hundred Seventy Five Thousand Dollars ($175,000.00) for all services rendered hereunder, payable in accordance with the Company's normal payroll practices, minus appropriate withholdings and deductions. The Company will review Employee's compensation hereunder on an annual basis, and may adjust the above-indicated level, in its sole discretion, based on Employee's performance of his duties hereunder and/or the performance of the Company, provided, however, that the Company shall not reduce the Employee's salary to be paid in any succeeding year to an amount less than the Employee's base salary as established herein or as increased over time without Employee's written agreement. Both parties agree that the above reference to an "annual base salary" or to other benefits of employment, including but not limited to bonuses, does not in any way guarantee and/or add to the express length of employment of Employee, other than as set forth herein.

3. BONUS PLANS. The Company may pay Employee additional compensation in the form of a discretionary bonus and/or pursuant to Company established bonus plan(s) that the Company may have in effect from time to time for similarly-situated employees. The Company reserves the right to modify or cancel any bonus plan(s) that it may have in effect at any given time. The Company will be obligated to pay all amounts earned and due to Employee prior to the modification or cancellation of any established bonus plans. See Offer Letter dated February 21, 2002 for the specific description.

4. ADDITIONAL BENEFITS.

(a) General Employee Benefits. The Company shall provide Employee with the miscellaneous benefits and perquisites which it provides to its salaried employees generally, as the Company may have in effect from time to time.

(b) Medical and Health Care Benefits. The Company shall provide Employee with the comprehensive medical and health care insurance coverage which it provides to its salaried employees generally.

(c) Other Plans. Employee shall also be entitled to participate in and to be covered by any 401K, bonus, life insurance, accident insurance, health insurance, hospitalization and any other plan effective with respect to salaried employees of the Company, which the Company may have in effect from time to time, if he shall be eligible under the terms of such plans.

(d) Expenses. All ordinary and necessary expenses reasonably incurred by Employee in connection with the performance of his duties hereunder, including expenses for travel, entertainment and other business activities, shall be paid by the Company or reimbursed to Employee as the case may be.

(e) Stock Appreciation Rights You will be granted Stock Appreciation Rights (SAR's) if certain sales/profit metrics of non-insulation sales for the first twelve (12) months ended from your start date are met. See Offer Letter dated February 21, 2002 for the specific description.

5. TERM AND TERMINATION OF AGREEMENT. This Agreement shall commence on the date signed by both parties as indicated below and shall continue for a period of one (1) year (the "Initial Term"), unless sooner terminated as provided in Sections 5.1, 5.2, 5.3, or 5.5 of this Agreement. This Agreement will renew automatically for successive one (1) year periods (the "Renewal Period," and collectively with the Initial Term, the "Term") unless previously terminated or either party gives notice of non-renewal at least 60 days prior to the commencement of such Renewal Period.

5.1 Termination for Death. This Agreement shall terminate automatically upon the Employee's death. With the exception of any benefits under the Company's employee benefit plans, and any stock options that have vested under the Company's Stock Option Plan(s), if any, which may inure to the benefit of Employee's beneficiaries, upon Employee's death, the Company shall have no further obligations under the terms and conditions of this Agreement. If Employee's employment is terminated pursuant to this section during the Term of this Agreement, employee shall be entitled to his salary through the date of such termination, payment for any pro-rata bonus earned and due at the time of termination pursuant to any (if any) bonus plan(s) the Company may have in effect at the time of termination, and to any other employee benefits maintained or established by the Company for its similarly situated employees.

5.2 Termination for Disability. The Company and the Employee acknowledge and agree that the essential functions of the Employee's position are unique and critical to the Company and that a disability condition which causes the Employee to be unable to perform the

essential functions of his position with or without reasonable accommodation for a period in excess of one hundred twenty (120) calendar days will constitute an undue hardship on the Company. If the Company determines in good faith upon medical certification, the determination of the insurer and in consultation with Employee and, if necessary or appropriate, with Employee's physician(s), that the Employee is disabled and unable to perform the essential function of his position with or without reasonable accommodation, it may give Employee written notice of its intention to terminate Employee's employment. If Employee's employment is terminated pursuant to this section during the Term of this Agreement, employee shall be entitled to his salary through the date of such termination, payment for any pro-rata bonus earned and due at the time of termination pursuant to any (if any) bonus plan(s) the Company may have in effect at the time of termination, and to any other employee benefits maintained or established by the Company for its similarly situated employees.

5.3 Termination by Company for Cause. During the Term of this Agreement, the Company may terminate Employee's employment for cause by written notification citing the specific reasons for termination. For purposes of this Agreement, "Cause" means:

(1) Employee's conviction of a felony involving moral turpitude or a felony in connection with his employment;

(2) Employee's theft, fraud, embezzlement, material willful destruction of property or material disruption of the operations of the Company;

(3) Employee's use or possession of illegal drugs and/or unauthorized use or possession of alcohol on Company premises or reporting to work under the influence of same;

(4) Employee's engaging in conduct, in or out of the workplace, which in the Company's reasonable determination has an adverse effect on the reputation or business of the Company;

(5) Employee's breach or default of any of his obligations under this Agreement;

(6) Employee's failure or refusal to comply with the reasonable policies, standards and regulations of the Company from time to time established; or

(7) Employee's failure or refusal to faithfully or diligently perform the provisions of this Agreement or the usual or customary duties of his employment.

Under any such termination for Cause, all rights, benefits, obligation and duties of the parties hereunder shall immediately cease, except any compensation due and owing through the date of termination and/or fringe benefits which have vested on Employee's behalf prior to such termination, if any, and except for the covenants of Employee set forth in Section 6 and 7 of this Agreement.

5.4 Suspension. In the event Employee engages in conduct subjecting Employee to potential civil or criminal liability which could have an adverse effect upon the Company's reputation or business or is related to Employee's duties and responsibilities, the Company reserves the right to immediately suspend Employee with pay, pending investigation and/or the outcome of the matter.

5.5 Termination Other than for Cause, Death, or Disability; Termination by Non-Renewal. During the Term of this Agreement, the Company may terminate the Employee for other than Cause, Death, or Disability at any time, upon not less than thirty (30) days notice. Prior to and/or during any Renewal Period, the Company may also terminate this Agreement by giving a notice of non-renewal at least 60 days prior to the commencement of the next Renewal Period. In the event the Company exercises its right to terminate the Employee other than for Cause, Death, or Disability during the Term of this Agreement as described in this Section 5.5, and/or gives a notice of non-renewal prior to and/or during any Renewal Period as described in this Section 5.5, Employee shall at the time of such termination be entitled to receive his Base Salary through the end of the term of the contract.

6. CONFIDENTIAL INFORMATION. Employee shall at all times, during his employment by the Company and thereafter, hold in strictest confidence any and all confidential information within his knowledge concerning the business of the Company including, without limitation, confidential information concerning products, services, suppliers, product designs, inventions, patents, patent applications, trade secrets, "Know How", techniques, other technical information, financial information, sales and distribution information, marketing methods, price lists, and the identity and lists of actual and potential customers, all of which hereinafter shall be included in the term "Confidential Information." Employee acknowledges that the Confidential Information constitutes a valuable, special and unique asset of the Company as to which the Company has the right to retain, and hereby does retain, all of its proprietary interests. However, access to and knowledge of the Confidential Information is essential to the performance of Employee's duties hereunder. In recognition of these facts, Employee agrees that he will not, during or after his employment with the Company, disclose any of the Confidential Information to any person, firm, corporation, association or other entity for any reason or purpose whatsoever (except as necessary in the performance of his duties hereunder) or make use of any of the Confidential Information for his own purposes or those of another.

7. NON-SOLICITATION AND NON-COMPETITION. Employee covenants and agrees that, during his employment by the Company and thereafter for a period of two (2) years, either for his own account or for any individual, firm or corporation, he will not (a) directly or indirectly, in any capacity whatsoever, call upon or solicit orders or work connected with the sale or installation of insulation, insulation materials, acoustic products, or other building materials and products in competition with the business of the Company from any person, firms, or corporations who shall be customers of the Company; or (b) in any way, directly or indirectly, solicit, divert, or take away any customer of the Company or in any manner influence such customer to cease doing business in part or in whole with the Company within a 100 mile radius of our existing branch operations and any future branch operations that we acquire.

Employee also covenants and agrees that, during his employment by the Company and for a period of two (2) years following termination of his employment with the Company, whether by resignation or otherwise, Employee will not directly or indirectly enter into or engage in, or will not operate or perform any advisory or consulting services for or invest in (other than in stock or debt of a publicly held corporation traded on a recognized securities exchange, which does not give Employee control of or substantial influence on such corporation), or otherwise become employed by or associated with, any entity or person engaged in the business of sales, installation, marketing, or distribution of insulation, insulation materials, acoustic products, or other building materials and products in competition with the business of the Company within a 100 mile radius of our existing branch operations and any future branch operations that we acquire.

8. REMEDIES. It is recognized by Employee that a special and confidential relationship exists between the Company and Employee because of his knowledge, expertise and judgment, and the dependence of the Company on his knowledge, expertise and judgment. Employee agrees that the remedy at law for any breach or threatened breach of the covenants set forth in Sections 6 and 7 hereof will be inadequate and that any breach or attempted breach of such covenants would cause such immediate and permanent damage as would be irreparable, and the exact amount of which would be impossible to ascertain. Employee further agrees that in the event of any such breach or threatened breach of such covenants by Employee, in addition to any and all other legal and equitable remedies available, the Company may have any of such actions enjoined by any court authorized by law to take such action. The limitations contained in Sections 6 and 7 are reasonable and properly required for the adequate protection of the Company, and in the event that any one or more of such limitations are found to be unreasonable or otherwise invalid in any jurisdiction, in whole or in part, the parties acknowledge and agree that such limitations shall remain valid in all other jurisdictions. If any court determines that any provision of Section 6 or 7 hereof is unenforceable because of the duration or scope of such provision, such court shall have the power to reduce the scope or duration of such provision, as the case may be, and, in its reduced form, such provision shall then be enforceable. The provisions of this Section 8 shall be enforced independent of the provisions of Section 11 hereof and vice versa.

9. REPRESENTATIONS OF EMPLOYEE. Employee represents and warrants to the Company that he has the capacity to enter into this Agreement that he is not a party to any agreement, arrangement or other understanding with any person or entity which might affect, restrain or conflict with the provisions of this Agreement and/or the services to be provided to the Company by Employee under this Agreement. Employee further certifies that he (i) has carefully read the entire contents of this Agreement before signing his/her name hereto, (ii) was encouraged and afforded sufficient opportunity by the Company to obtain independent legal advice prior to his executing this Agreement, (iii) fully understands all of the terms, conditions, restrictions and provisions set forth in this Agreement, particularly including, but not limited to, those restrictions contained in Section 6 and 7 hereof, (iv) agrees that such restrictions are necessary for the reasonable and proper protection of the Company's business, and (v) acknowledges that each such term, condition, restriction and provision is fair and reasonable with respect to the subject matter thereof.

10. REFORMATION OF AGREEMENT; SEVERABILITY. In the event that any provision or term of this Agreement is found to be void or unenforceable to any extent for any reason, it is the agreed-upon intent of the parties hereto that all remaining provisions or terms of the Agreement shall remain in full force and effect to the maximum extent permitted and that the Agreement shall be enforceable as if such void or unenforceable provision or term had never been a part hereof.

11. ASSIGNMENT. This Agreement shall inure to the benefit of, and shall be binding upon, the Company, its successors and assigns. Employee shall not assign this Agreement without the prior written consent of the Company.

12. NOTICE. Any notice required to be given under the terms of this Agreement shall be in writing, and mailed to the recipient's last known address or delivered in person. If sent by registered or certified mail, such notice shall be effective when mailed; otherwise, it shall be effective upon delivery.

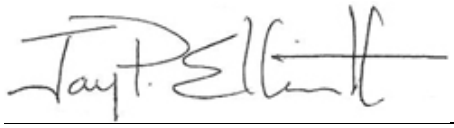
13. ENTIRE AGREEMENT: AMENDMENTS: WAIVERS. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and replaces or supersedes any previous agreement on such subject matter. It may not be changed orally, but only by agreement, in writing, signed by each of the parties hereto. The terms or covenants of this Agreement may be waived only by a written instrument specifically referring to this Agreement, executed by the party waiving compliance. The failure of the Company at any time, or from time to time, to require performance of any of Employee's obligations under this Agreement shall in no manner affect the Company's right to enforce any provisions of this Agreement at a subsequent time; and the waiver by the Company of any right arising out of any breach shall not be construed as a waiver of any right arising out of any subsequent breach.

14. HEADINGS. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

15. COUNTERPARTS. This Agreement may be executed in multiple counterparts each of which shall be deemed an original but all of which together shall constitute one and the same document.

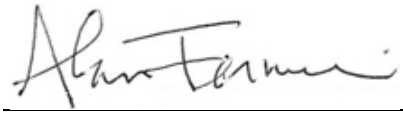
16. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without giving effect to the conflict of law provisions thereof.

EXECUTED THIS 7th DAY OF March, 2002



Employee

Installed Building Products, LLC

By: 

Title: VPHR

Exhibit 10.17

TERMINATION AGREEMENT

This Termination Agreement (this "Agreement"), effective as of October 1, 2013, is made by and between Installed Building Products, LLC, a Delaware limited liability company (the "Company"), and Jay P. Elliott ("Employee").

Background

On March 7, 2002, the parties entered into an Employment Agreement (as amended, the "Employment Agreement") providing for Employee's employment by the Company as its Regional Operations & Business Integration Manager. The parties now desire to terminate the Employment Agreement.

Agreement

In consideration of the premises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree as follows:

1. Termination of Employment Agreement. As of the date hereof, the Company and Employee hereby terminate the Employment Agreement and agree that neither party has any further rights or obligations thereunder. For the avoidance of doubt, Employee shall continue his employment with the Company on an at-will basis after the date hereof on the same terms and conditions as his present employment.

2. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without regard to conflicts of laws principles.

3. Entire Agreement. This Agreement contains the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements, understandings, and discussions between the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

INSTALLED BUILDING PRODUCTS, LLC

/s/ Michael T. Miller

By: Michael T. Miller, Executive Vice President

EMPLOYEE

/s/ Jay P. Elliott

Jay P. Elliott

Exhibit 10.18

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT, dated as of March , 2004 (the "Agreement"), is entered into between Installed Building Products, LLC, a Delaware limited liability company (the "Company"), and Jeffrey W. Edwards (the "Consultant").

A. The Consultant has indirectly owned membership interests of the Company and has served as an officer and director of the Company since its inception. During the period of his affiliation with the Company, the Consultant has obtained valuable knowledge and experience pertaining to the Company's and the Company's affiliates' business of manufacturing, selling, distributing and installing building and related products (the "Business").

B. As part of a contemplated reorganization of the Company, each of the Consultant and the Company desire to enter into an agreement to provide for the continuation of the Consultant's services to the Business as it will be operated by the Company.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Consulting Period. The Company hereby agrees to retain the Consultant, and the Consultant hereby agrees to serve the Company and its subsidiaries, as a consultant to render the Consulting Services (as defined in Section 2 below), for a period of five (5) years commencing on the date of this Agreement (the "Consulting Period"). The Consulting Period thereafter will automatically renew for successive three (3) year periods, unless either party hereto provides the other party with written notice of its intent to terminate this Agreement at least sixty (60) days prior to the expiration of the then current Consulting Period.

2. Consulting Services. During the Consulting Period, the Consultant will serve the Company and its subsidiaries as a consultant and non-employee officer in the capacity of Chief Executive Officer. The Consultant agrees to perform such reasonable and appropriate consulting services for the Company as may be requested from time to time by the Company, including, but not limited to, (i) assisting the Company in maximizing sales of its products and services, (ii) assisting the Company in expanding markets for its products and services, and (iii) assisting the Company with developing or acquiring new products related to the Business (collectively, the "Consulting Services"). While performing the Consulting Services, the Consultant agrees to devote such time, attention, skill and energy as the Company and Consultant shall mutually agree, not to be materially greater or lesser than such time, attention, skill and energy as the Consultant has devoted to the Company in the past. The Company recognizes that the amount of time required for the performance of the Consulting Services will vary from time to time and that Consultant has involvement with other businesses, personal investments and community affairs, and Consultant will not be required to devote his entire business time to providing the Consulting Services, provided, however, that Consultant shall devote such time as is necessary to provide the Consulting Services. Consultant agrees that during the Consulting Period, he will use his best efforts to promote the success of the Business and will cooperate fully with the Company in the advancement of the best interests of the Company.

3. Compensation.

(a) Salary. The cost of Consultant's services (including benefits) to the Company has previously been and will continue to be paid through management agreements involving the Company and its affiliates, and Consultant will not receive additional compensation or benefits from the Company for the Consulting Services to be rendered hereunder.

(b) Expenses. During the Consulting Period, the Consultant will be entitled to receive prompt reimbursement for all reasonable expenses incurred by him in the performance of the Consulting Services in the same manner and to the same extent as in the past. The Consultant will furnish appropriate documentation required by the Company in connection with all such expenses.

4. Nondisclosure. Consultant acknowledges that he will receive and have access to certain data, reports, standards, specifications, financial information, customer information and other confidential, technical or proprietary information of the Company (the "Confidential Information"). Consultant will perform the Consulting Services in a manner reasonably designed to protect the Confidential Information from improper use or disclosure. Except in conjunction with its performance of the Consulting Services, Consultant will not disclose any Confidential Information to any Person unless (i) such information is in the public domain (other than as a result of disclosure by Consultant in violation of this paragraph 4), (ii) such disclosure is required by law, by order of a court of competent jurisdiction, administrative body or governmental body, or by subpoena, summons or legal process, or by rule or regulation, or (iii) such disclosure is made to directors, officers, representatives, agents and employees of the Company or its affiliates in the course of performing the Consulting Services. Consultant acknowledges and agrees that any disclosure by Consultant in violation of this paragraph will cause irreparable harm to the Company for which money damages alone would be insufficient, and Consultant agrees that in the event of any such violation the Company will be entitled to seek injunctive relief. The remedy described herein will not be the exclusive remedy for any such violation but will be in addition to all other remedies available to the Company at law or in equity. The provisions contained in this paragraph will survive the termination of this Agreement.

5. Consultant Not an Employee. It is expressly understood and agreed that the Consultant is not an employee, but shall be an officer, of the Company. Consultant shall be an officer and agent of the Company and shall be authorized and empowered to conduct business under the name of or for the account of the Company, and to make any promise, warranty or representation on the Company's behalf in the same manner and to the same extent as in the past, subject to the Operating Agreement of IBP Holdings, LLC (as amended from time to time), Company's Amended and Restated Operating Agreement (as amended from time to time) and the direction of the board of directors of IBP Holdings, LLC and, if applicable, the Company.

6. Successors. This Agreement will not be assignable by the Consultant or the Company without the prior written consent of the other party. This Agreement will inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns.

7. Miscellaneous.

(a) This Agreement will be governed by and construed in accordance with the laws of the State of Ohio without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and will have no force or effect. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) All notices and other communications hereunder will be in writing and will be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Consultant:

Jeffrey W. Edwards
The Edwards Companies
495 South High Street, Suite 150
Columbus, Ohio 43215

If to the Company:

Installed Building Products, LLC
495 South High Street, Suite 50
Columbus, Ohio 43215
Attention: President

or to such other address as either party will have furnished to the other in writing in accordance herewith. Notice and communications will be effective when actually received by the addressee.

(c) The failure of the Consultant or the Company to insist upon strict compliance with any provision hereof will not be deemed to be a waiver of such provision or any other provision hereof.

(d) This Agreement and the other agreements referred to herein (including without limitation, the management agreements referred to in Section 3(a)) contain the entire understanding of the Company and the Consultant with respect to the subject matter hereof.

(e) This Agreement may be executed in multiple counterparts each of which shall be deemed an original but all of which together shall constitute one and the same document.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as of the day and year first above written.

INSTALLED BUILDING PRODUCTS, LLC

By: /s/ Michael T. Miller

Michael T. Miller, Executive Vice President - Finance

/s/ Jeffrey W. Edwards

Jeffrey W. Edwards

Exhibit 10.19

Execution Copy

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement"), dated as of November 1, 2013 (the "Effective Date"), is made by and among Installed Building Products, Inc., a Delaware corporation, having its principal offices at 495 South High Street, Suite 50, Columbus, Ohio 43215 (the "Company"), Installed Building Products, LLC, a Delaware limited liability company ("IBP LLC"), and Jeffrey W. Edwards (the "Executive").

RECITALS

WHEREAS, IBP LLC and the Executive are currently parties to that certain consulting agreement (the "Consulting Agreement"), dated as of March 2004; and

WHEREAS, IBP LLC and the Executive desire to terminate the Consulting Agreement effective as of the Effective Date, and the Company and IBP LLC desire to employ the Executive as their respective Chief Executive Officer and President, and the Executive desires to be so employed by the Company and IBP LLC upon the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows, effective as of the Effective Date:

1. Employment. As of the Effective Date, IBP LLC and Executive hereby agree to terminate the Consulting Agreement and further agree and acknowledge that neither IBP LLC nor the Executive has any rights or outstanding obligations under the Consulting Agreement. Subject to the terms and provisions set forth in this Agreement, the Company and IBP LLC hereby agree that, during the Term (as defined in Section 2 below), the Executive shall be employed as Chief Executive Officer and President of the Company and IBP LLC, and the Executive hereby accepts such employment. Effective on the Effective Date, the Executive shall serve as Chairman of the Board of Directors of the Company (the "Board"). During the Term and for so long as shares of the Company's capital stock are traded on a national securities exchange, the Company shall use reasonable efforts as may be necessary to nominate the Executive annually for re-election as a member of the Board.

2. Term of Employment. The "Term" of employment under this Agreement shall be the period commencing on the Effective Date and ending on the third (3rd) anniversary of the Effective Date (the "Expiration Date"); provided, however, that this Agreement shall be automatically renewed, and the Term shall be automatically extended for one (1) additional year on the Expiration Date and each anniversary of the Expiration Date thereafter, unless the Executive gives notice to the Company and to IBP LLC, or the Company or IBP LLC gives notice to the Executive, at least ninety (90) days prior to the expiration of the Term (including any renewal thereof) of such party's desire to terminate the Term (such notice to be delivered in accordance with Section 9.3). The "Term" shall include any extension or renewal thereof. Notwithstanding the foregoing, Executive's employment hereunder may be earlier terminated pursuant to the provisions of Section 5 hereof.

3. Positions, Responsibilities and Duties.

3.1. Positions. During the Term, the Executive shall serve as Chief Executive Officer and President of the Company and IBP LLC. In this capacity, the Executive shall have the duties,

authorities and responsibilities commensurate with the duties, authorities and responsibilities of persons in such position in companies similar in nature and size to the Company or IBP LLC, as applicable, and such other duties, authorities and responsibilities as the Board shall designate from time to time that are not inconsistent with the Executive's position as the Chief Executive Officer and President of the Company and IBP LLC. During the Term, the Executive shall report to the Board.

3.2. Duties. During the Term, the Executive shall devote the amount of his business time necessary and proper to conduct the business and affairs of the Company and IBP LLC, and the Executive shall use his best efforts to perform faithfully the duties and responsibilities contemplated by this Agreement; provided, however, that the Executive shall be allowed, to the extent such activities do not create a conflict of interest or substantially interfere with the performance of his duties and responsibilities hereunder, to (i) manage his personal and family, financial and legal affairs, (ii) participate in charitable, civic, educational, professional, community and industry affairs (including serving on boards or committees of such entities), (iii) serve on the boards of directors of the Salvation Army and the Columbus Museum of Art, and (iv) continue to engage in non-competitive operational activities for the Real Estate Business (as defined below). The parties hereby acknowledge that the Executive, in addition to the services he performs for the Company and IBP LLC, has historically operated a substantial real estate development business (the "Real Estate Business") and, during the Term, it is expected that the Executive will continue to engage in the Real Estate Business in accordance with the terms and conditions of this Agreement. The parties hereby acknowledge and agree that, although Executive's principal place of business will be the Company's headquarters in Columbus, Ohio, the Executive shall be permitted to carry out his duties and responsibilities under this Agreement from any other location deemed appropriate by the Executive.

4. Compensation and Other Benefits.

4.1. Base Salary and Bonus. During the Term, the Executive shall receive a base salary per annum payable in accordance with the Company's or IBP LLC's normal payroll practices of not less than $600,000 ("Base Salary"), subject to adjustments as may be determined by the Compensation Committee of the Board (the "Compensation Committee") from time to time. During the Term, the Executive will be eligible to participate in the Company's or IBP LLC's annual incentive programs, as may be in effect from time to time in accordance with the Company's or IBP LLC's compensation practices and the terms and provisions of such programs, as established by the Compensation Committee.

4.2. Benefits. During the Term, the Executive shall be entitled to participate in any employee benefit plan that the Company or IBP LLC has adopted or may adopt, maintain or contribute to for the benefit of its employees generally, subject to satisfying the applicable eligibility requirements. The Executive shall accrue vacation at a rate of four (4) weeks per year in accordance with the Company's or IBP LLC's vacation policies. Notwithstanding the foregoing, the Company or IBP LLC may modify or terminate any employee benefit plan at any time.

4.3. Expense Reimbursement. Upon presentation of appropriate documentation, the Executive shall be entitled to receive reimbursement from the Company or IBP LLC of all reasonable business expenses incurred by the Executive in performing services (including automobile reimbursement) hereunder, provided that such expenses shall be paid and must be incurred in accordance with the Company's or IBP LLC's expense reimbursement policy, and any other applicable policies and procedures established from time to time by the Company or IBP LLC.

5. Termination. The Executive's employment and the Term shall terminate on the first of the following to occur:

5.1. Death. Automatically on the date of death of the Executive.

5.2. Disability. The date on which the Executive shall have experienced a Disability. For purposes of this Agreement, "Disability" shall mean either (i) a long-term disability entitling the Executive to receive benefit payments under the Company's or IBP LLC's long-term disability plan as then in effect or (ii) if no such plan is then in effect or applicable to the Executive, the Executive's incapacity, due to physical or mental illness, which has rendered him unable to perform the essential functions of his position for a total of one hundred twenty (120) days (whether or not consecutive) during any consecutive 365-day period; provided, further, that any question as to the existence of the Disability of the Executive under subclause (ii) above as to which the parties hereto cannot agree shall be determined in writing by a qualified independent licensed healthcare provider selected by the Company or IBP LLC. The determination of a Disability by such healthcare provider shall be final and conclusive for all purposes of this Agreement. In conjunction with the foregoing, the Executive shall agree to consent to any such examinations which are relevant to a determination of whether he is mentally and/or physically disabled, or which is required by such healthcare provider, and to furnish such medical information as may be reasonably requested, and to waive any applicable patient privilege that may arise because of such examination.

5.3. Cause. Immediately upon written notice from the Company or IBP LLC to the Executive of a termination for Cause. "Cause" shall mean: (i) the Executive's conviction of, or plea of guilty or *nolo contendere* to, a felony; (ii) the Executive's willful commission of an act of fraud, dishonesty or other act of willful misconduct in the course of the Executive's duties hereunder that has a significant adverse effect on the Company, IBP LLC or their respective affiliates; (iii) the Executive's willful failure to perform the Executive's duties under this Agreement after the Company or IBP LLC has delivered to the Executive a written demand for performance which describes the basis for the Board's belief that the Executive has violated his obligations to the Company or IBP LLC and the Executive fails to cure such alleged violation or failure within thirty (30) days after receipt of such notice; or (iv) any material breach by the Executive of this Agreement after the Company or IBP LLC has delivered to the Executive a written notice which describes the basis for the Board's belief that the Executive has materially breached this Agreement, and the Executive fails to cure such alleged breach within thirty (30) days after receipt of such notice.

5.4. Without Cause. The date upon which the Company or IBP LLC shall give the Executive a notice of involuntary termination (or the termination date specified in such notice) without Cause (other than for death or Disability).

5.5. Good Reason. Upon written notice by the Executive to the Company and IBP LLC of a termination for Good Reason. "Good Reason" shall mean the occurrence of any of the following events, without the express written consent of the Executive, unless such events are corrected in all material respects by the Company or IBP LLC within thirty (30) days following written notification by the Executive to the Company and IBP LLC that the Executive intends to terminate the Executive's employment hereunder for one of the following reasons: (i) a material diminution in the Executive's Base Salary in effect from time to time; (ii) a material diminution in the Executive's duties, authorities or responsibilities; (iii) a relocation of the Executive's primary work location by more than 50 miles from its then current location; or (iv) any material breach by the Company or IBP LLC of this Agreement. The Executive shall provide the Company and IBP LLC with a written notice detailing the specific circumstances alleged to constitute Good Reason within sixty (60) days after the first occurrence of such circumstances. Otherwise, any claim of such circumstances as "Good Reason" shall be deemed irrevocably waived by the Executive. If the Company or IBP LLC fails to correct any such event alleged to constitute Good Reason, the Executive must terminate employment for Good Reason within thirty (30) days after the end of the correction period for the termination to be considered a Good Reason termination.

5.6. Resignation Without Good Reason. Upon thirty (30) days' prior written notice by the Executive to the Company and IBP LLC of the Executive's voluntary termination of employment without Good Reason (which the Company or IBP LLC may, in its sole discretion, make effective earlier than any notice date).

5.7. Expiration of Term; Non-Extension of Agreement. Upon the expiration of the Term due to a non-extension of the Agreement by the Company and IBP LLC or the Executive pursuant to the provisions of Section 2 hereof.

6. Payments upon Termination.

6.1. Accrued Amounts. In the event of a termination of the Executive's employment for any reason, the Executive shall be entitled to: (i) any Base Salary earned but unpaid through the date of termination; and (ii) the Executive's accrued and unused vacation and unreimbursed business expenses (for which the Executive is entitled to reimbursement under this Agreement), in each case, as of the date of such termination (collectively, the "Accrued Amounts"). The Accrued Amounts will be paid within sixty (60) days following termination of employment.

6.2. Severance Payments. Subject to the Executive's compliance with the obligations in Sections 6.3 and 7 hereof, in the event of a termination of the Executive's employment (i) by the Company or IBP LLC without Cause, or (ii) by the Executive for Good Reason, the Executive will be entitled, in addition to the Accrued Amounts, to the following payments (collectively, the "Severance Payments"):

6.2.1. Base Salary continuation payments in accordance with the regular payroll practices of the Company or IBP LLC for a period of eighteen (18) months (the "Severance Period") following any such termination; provided, however, if any such termination occurs within the two-year period following a Change in Control, the Severance Period shall instead be twenty-four (24) months (unless such Change in Control results from the sale by Executive of all of his equity interests in the Company, in which case, the foregoing proviso shall not apply);

6.2.2. any bonus earned but unpaid under the Company's or IBP LLC's annual incentive programs for the year immediately preceding the year of termination based on actual Company performance and payable at the same time as such bonus for such year would have otherwise been paid; and

6.2.3. any bonus earned under the Company's or IBP LLC's annual incentive programs for the year of termination based on actual Company performance, with such bonus pro-rated from the beginning of the year of termination to the date of termination and payable at the same time as such bonus for such year would have otherwise been paid; and

provided, that, notwithstanding anything herein to the contrary, the first payment of the Severance Payments shall be made on the first payroll period occurring after the sixtieth (60th) day following the date of termination of the Executive's employment and shall include payment of any amounts that would otherwise be due prior thereto. For purposes of this Agreement, a "Change in Control" means the occurrence of any of the following: (A) the acquisition (including through purchase, reorganization, merger, consolidation or similar transaction), directly or indirectly, in one or more transactions by a Person (other than any of the Edwards Investors) of beneficial ownership (within the meaning of Rule

13d-3 under the Securities Exchange Act of 1934, as amended) of securities representing 45% or more of the combined voting power of the securities of the Company entitled to vote generally in the election of directors of the Board, calculated on a fully diluted basis after giving effect to such acquisition; (B) an election of Persons to the Board that causes two-thirds of the Board to consist of Persons other than (i) members of the Board on the Effective Date and (ii) Persons who were nominated for election as members of the Board at a time when two-thirds of the Board consisted of Persons who were members of the Board on the Effective Date; provided that any Person nominated for election by a Board at least two-thirds of which consisted of Persons described in clauses (i) or (ii) or by Persons who were themselves nominated by such Board shall be deemed to have been nominated by a Board consisting of Persons described in clause (i); or (C) the sale or other disposition, directly or indirectly, of all or substantially all of the assets of the Company and its subsidiaries, taken as a whole, to any Person (other than any of the Edwards Investors). As used herein, (i) "Person" means any individual, entity (including any employee benefit plan or any trust for an employee benefit plan) or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Securities Exchange Act of 1934, as amended, or any successor provision), and (ii) "Edwards Investors" means Jeffrey Edwards, Peter Edwards, Anne Edwards and Michael Edwards, and the investment entities through which any of them directly and indirectly beneficially owns shares of the Common Stock.

6.3. Conditions to the Receipt of the Severance Payments. Notwithstanding anything herein to the contrary, (i) the receipt of the Severance Payments pursuant to Section 6.2 hereof shall be subject to the Executive's signing and not revoking, within sixty (60) days following his termination of employment, a customary release of claims in the form provided to him by the Company and IBP LLC within seven (7) days following his employment termination (the "Release"), which Release must have become effective and irrevocable no later than the sixtieth (60th) day following the Executive's termination of employment (the "Release Deadline"), and if the Release does not become effective and irrevocable by the Release Deadline, the Executive will forfeit any right to the Severance Payments and, for the avoidance of doubt, in no event will any Severance Payments be paid or provided; and (ii) the receipt of the Severance Payments pursuant to Section 6.2 hereof shall be subject at all times to the Executive's continued compliance in all material respects with the provisions of Section 7 hereof.

7. Restrictive Covenants. In consideration of the compensation and benefits to the Executive provided hereunder and as a result of the Executive's employment with the Company, the Executive agrees to be subject to and bound by the restrictive covenants contained in this Section 7. For purposes of this Section 7, the term "Company" shall include the Company and its subsidiaries (including, without limitation, IBP LLC). The obligations contained in this Section 7 shall survive the termination or expiration of the Term and the Executive's employment with the Company and shall be fully enforceable thereafter.

7.1. Non-Solicitation. During the Term and for a period of two (2) years thereafter, the Executive agrees that the Executive shall not, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity: (i) solicit, aid or induce any customer of the Company to curtail, reduce or terminate its business relationship with the Company, or in any other way interfere with any such business relationships with the Company; (ii) solicit, aid or induce any employee, representative or agent of the Company to leave such employment or retention or to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or hire or retain any such employee, representative or agent or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, representative or agent; or (iii) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company and any of their respective vendors, joint venturers or licensors. An employee, representative or agent shall be deemed covered by this Section 7.1 while so employed or retained and for a period of ninety (90) days thereafter.

7.2. Non-Competition. The Executive acknowledges and agrees that he performs services of a unique nature for the Company that are irreplaceable, and that the Executive's performance of such services to a competing business will result in irreparable harm to the Company. Accordingly, during the Term, and for a period of two (2) years thereafter, the Executive agrees that the Executive will not, directly or indirectly, own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any person, firm, corporation or other entity, in whatever form, engaged in the business of sales, installation, marketing, or distribution of insulation, insulation materials or acoustic products, or shower enclosures, shelving, mirrors, blinds or bath accessories, or with respect to any other business or products that the Company engages in or manufactures as the case may be (regardless of whether such activity is at the manufacturing, distribution or retail level) on the date of termination or in which they have planned to engage or manufacture as the case may be, on or prior to such termination date, to be engaged in or manufacture on or after such date as the case may be, in any case within a one hundred (100) mile radius of any of the Company's (or any of its affiliates') existing or future branch operations. Notwithstanding the foregoing provisions, for so long as the Real Estate Business does not compete with the Company's business, this Section 7.2 shall not apply with respect to Executive's engagement in the Real Estate Business. The Executive acknowledges that his skills are such that he can be gainfully employed in noncompetitive employment and that the agreement not to compete will in no way prevent him from earning a living.

7.3. Confidentiality. The Executive shall not, during the Term and at any time thereafter, without the prior express written consent of the Company, directly or indirectly divulge, disclose or make available or accessible any Confidential Information (as defined below) to any person, firm, partnership, corporation, trust or any other entity or third party (other than when required to do so in good faith to perform the Executive's duties and responsibilities under this Agreement or when (i) required to do so by a lawful order of a court of competent jurisdiction, any governmental authority or agency, or any recognized subpoena power, or (ii) necessary to prosecute the Executive's rights against the Company or to defend himself against any allegations). In addition, the Executive shall not create any derivative work or other product based on or resulting from any Confidential Information (except in the good faith performance of his duties under this Agreement). The Executive shall also proffer to the Board's designee, no later than the effective date of any termination of his employment with the Company for any reason, and without retaining any copies, notes or excerpts thereof, all memoranda, computer disks or other media, computer programs, diaries, notes, records, data, customer or client lists, marketing plans and strategies, and any other documents consisting of or containing Confidential Information that are in the Executive's actual or constructive possession or which are subject to his control at such time. For purposes of this Agreement, "Confidential Information" shall mean all information respecting the business and activities of the Company, including, without limitation, the terms and provisions of this Agreement, the clients, customers (including the identity and lists of former, current or potential customers), suppliers, employees, consultants, computer or other files, projects, products, product designs, services, inventions, patents, patent applications, trade secrets, computer disks or other media, computer hardware or computer software programs, marketing plans, marketing methods, financial information, technical information, sales and distribution information, price lists, methodologies, know-how, processes, practices, approaches, projections, forecasts, formats, systems, techniques, data gathering methods and/or strategies of the Company. Notwithstanding the immediately preceding sentence, Confidential Information shall not include any information that is, or becomes, generally available to the public (unless such availability occurs as a result of the Executive's breach of any portion of this Section 7.3).

7.4. Non-Disparagement. During the Term and at any time thereafter, the Executive agrees, and the Company shall instruct its executive officers, not to make any defamatory or disparaging remarks, comments or statements regarding the other party (and, if applicable, any of the other party's

subsidiaries or affiliates, or any of its or their respective officers, directors, employees, shareholders, agents or products), in any manner reasonably likely to be harmful to any of them or, if applicable, their respective products, services, business, business reputation or personal reputation. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

7.5. Injunctive Relief. The Executive acknowledges and agrees that the restrictions set forth in this Section 7 are necessary for the reasonable and proper protection of the Company's business, and that each such term, condition, restriction and provision is fair and reasonable with respect to the subject matter thereof. The Executive further acknowledges and agrees that the Company will have no adequate remedy at law, and would be irreparably harmed, if the Executive breaches or threatens to breach any of the provisions of this Section 7 of this Agreement. The Executive agrees that, in addition to any and all other legal remedies available, the Company shall be entitled to equitable and/or injunctive relief to prevent any breach or threatened breach of this Section 7, and to specific performance of each of the terms of such Section in addition to any other legal or equitable remedies that the Company may have. The Executive further agrees that he shall not, in any equity proceeding relating to the enforcement of the terms of this Section 7, raise the defense that the Company has an adequate remedy at law.

7.6. Reformation. It is the intention of the parties to this Agreement that the potential restrictions on the Executive's future employment imposed by this Section 7 be reasonable in both duration and geographic scope and in all other respects. If for any reason any court of competent jurisdiction shall find any provisions of this Section 7 unreasonable in duration or geographic scope or otherwise, the Executive and the Company agree that the restrictions and prohibitions contained herein shall be effective to the fullest extent allowed under applicable law in such jurisdiction, and such court shall have the power to reduce the scope or duration of such provision, as the case may be, and, in its reduced form, such provision shall then be enforceable.

7.7. Inventions.

7.7.1. The Executive acknowledges and agrees that all ideas, methods, inventions, discoveries, improvements, work products or developments ("Inventions"), whether patentable or unpatentable, (A) that relate to the Executive's work with the Company, made or conceived by the Executive, solely or jointly with others, during the Term, or (B) suggested by any work that the Executive performs in connection with the Company, either while performing the Executive's duties with the Company or on the Executive's own time, but only insofar as the Inventions are related to the Executive's work as an employee or other service provider to the Company, shall belong exclusively to the Company (or its designee), whether or not patent applications are filed thereon. The Executive will keep full and complete written records (the "Records"), in the manner prescribed by the Company, of all Inventions, and will promptly disclose all Inventions completely and in writing to the Company. The Records shall be the sole and exclusive property of the Company, and the Executive will surrender them upon the termination of the Term, or upon the Company's request. The Executive will assign to the Company the Inventions and all patents that may issue thereon in any and all countries, whether during or subsequent to the Term, together with the right to file, in the Executive's name or in the name of the Company (or its designee), applications for patents and equivalent rights (the "Applications"). The Executive will, at any time during and subsequent to the Term, make such applications, sign such papers, take all rightful oaths, and perform all acts as may be requested from time to time by the Company with respect to the Inventions. The Executive will also execute assignments to the Company (or its designee) of the Applications, and give the Company and its attorneys all reasonable assistance (including the giving of testimony) to obtain the Inventions for its benefit, all without additional compensation to the Executive from the Company, but entirely at the Company's expense.

7.7.2. In addition, the Inventions will be deemed Work for Hire, as such term is defined under the copyright laws of the United States, on behalf of the Company, and the Executive agrees that the Company will be the sole owner of the Inventions, and all underlying rights therein, in all media now known or hereinafter devised, throughout the universe and in perpetuity without any further obligations to the Executive. If the Inventions, or any portion thereof, are deemed not to be Work for Hire, the Executive hereby irrevocably conveys, transfers and assigns to the Company, all rights, in all media now known or hereinafter devised, throughout the universe and in perpetuity, in and to the Inventions, including, without limitation, all of the Executive's right, title and interest in the copyrights (and all renewals, revivals and extensions thereof) to the Inventions, including, without limitation, all rights of any kind or any nature now or hereafter recognized, including without limitation, the unrestricted right to make modifications, adaptations and revisions to the Inventions, to exploit and allow others to exploit the Inventions and all rights to sue at law or in equity for any infringement, or other unauthorized use or conduct in derogation of the Inventions, known or unknown, prior to the date hereof, including, without limitation, the right to receive all proceeds and damages therefrom. In addition, the Executive hereby waives any so-called "moral rights" with respect to the Inventions. The Executive hereby waives any and all currently existing and future monetary rights in and to the Inventions and all patents that may issue thereon, including, without limitation, any rights that would otherwise accrue to the Executive's benefit by virtue of the Executive being an employee of or other service provider to the Company.

7.8. Return of Company Property. On the date of the Executive's termination of employment with the Company for any reason (or at any time prior thereto at the Company's request), the Executive shall return all property belonging to the Company or its affiliates (including, but not limited to, any Company-provided laptops, computers, cell phones, wireless electronic mail devices or other equipment, or documents and property belonging to the Company).

8. Representations of the Executive. The Executive represents and warrants to the Company and IBP LLC that (i) the Executive has the legal right to enter into this Agreement and to perform all of the obligations on the Executive's part to be performed hereunder in accordance with its terms, and (ii) the Executive is not a party to any agreement or understanding, written or oral, and is not subject to any restriction, which, in either case, could prevent the Executive from entering into this Agreement or performing all of the Executive's duties and obligations hereunder.

9. Miscellaneous.

9.1. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, applied without reference to principles of conflict of laws. All of the parties hereto agree to appear before and submit exclusively to the jurisdiction of the state and federal courts located within Ohio with respect to any controversy, dispute, or claim arising out of or relating to this Agreement.

9.2. Amendments. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

9.3. Notices. For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given (i) on the

date of delivery, if delivered by hand, (ii) on the date of transmission, if delivered by confirmed facsimile or electronic mail, (iii) on the first business day following the date of deposit, if delivered by guaranteed overnight delivery service, or (iv) on the fourth business day following the date delivered or mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

To the Company or IBP LLC:	Installed Building Products, Inc. 495 South High Street, Suite 50 Columbus, OH 43215 Attn: General Counsel
To the Executive:	At the address shown on the records of the Company or IBP LLC

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

9.4. No Assignment. This Agreement is personal to the Executive and he may not assign or delegate any rights or obligations hereunder without first obtaining the written consent of the Company and IBP LLC.

9.5. Withholding Taxes. The Company may withhold from any amounts payable under this Agreement such federal, foreign state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

9.6. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

9.7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute one and the same Agreement.

9.8. Entire Agreement. This Agreement contains the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements, understandings, discussions, negotiations and undertakings, whether written or oral, between the parties with respect thereto, including, without limitation, the Consulting Agreement, which the Executive and IBP LLC agree is hereby terminated and of no further force or effect.

9.9. Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

9.10. Waivers. The failure of the Company or IBP LLC at any time, or from time to time, to require performance of any of the Executive's obligations under this Agreement shall in no manner affect the Company's or IBP LLC's right to enforce any provisions of this Agreement at a subsequent time. The waiver by the Company or IBP LLC of any right arising out of any breach shall not be construed as a waiver of any right arising out of any subsequent breach.

9.11. Survivorship. The respective rights and obligations of the parties hereunder shall survive any termination of this Agreement or the Term hereunder for any reason to the extent necessary to the intended provision of such rights and the intended performance of such obligations.

10. Code Section 409A Compliance.

10.1. The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from, Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively "Code Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. In no event whatsoever shall the Company or IBC LLC be liable for any additional tax, interest or penalty that may be imposed on the Executive by Code Section 409A or any damages for failing to comply with Code Section 409A.

10.2. Notwithstanding anything to the contrary in this Agreement, (i) a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment that are considered "non-qualified deferred compensation" under Code Section 409A unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service," (ii) if the Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment that is considered non-qualified deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall be made or provided at the date which is the earlier of (i) the date that is immediately following the date of the expiration of the six (6)-month period measured from the date of such "separation from service" of the Executive, and (ii) the date of the Executive's death (the "Delay Period"), and (iii) upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

10.3. Notwithstanding anything to the contrary in this Agreement, with regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Code Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, and (iii) such payments shall be made on or before the last day of Executive's taxable year following the taxable year in which the expense occurred.

10.4. For purposes of Code Section 409A, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. In no event may the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement that is considered nonqualified deferred compensation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

INSTALLED BUILDING PRODUCTS, INC.

/s/ Michael T. Miller

By: Michael T. Miller
CFO

INSTALLED BUILDING PRODUCTS, LLC

/s/ Michael T. Miller

By: Michael T. Miller
EVP - Finance

EXECUTIVE

/s/ Jeffrey W. Edwards

Jeffrey W. Edwards

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-1 of our report dated December 9, 2013 relating to the consolidated financial statements of Installed Building Products, Inc. and subsidiaries (formerly known as CCIB Holdco, Inc.) as of June 30, 2013 and December 31, 2012 and for the six month period ended June 30, 2013 and the year ended December 31, 2012 appearing in the Prospectus, which is part of this Registration Statement, and to the reference to us under the headings “Experts” in such Prospectus.

/s/ Deloitte & Touche LLP
Columbus, OH
December 9, 2013

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement of Installed Building Products, Inc. on Form S-1 of our report dated December 9, 2013 on the 2011 consolidated financial statements of Installed Building Products, Inc. and to the reference to us under the heading “Experts” in the prospectus.

/s/ Crowe Horwath LLP

Columbus, Ohio
December 9, 2013

Proskauer

CONFIDENTIAL SUBMISSION **December 9, 2013**

VIA HAND DELIVERY

Draft Registration Statement
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Confidential Submission
Pursuant to Title I, Section 106
under the Jumpstart Our Business
Startups Act and Section 24(b)(2) of the
Securities Exchange Act of 1934

Re: Installed Building Products, Inc.
Confidential Submission of Draft Registration Statement on Form S-1

Ladies and Gentlemen:

On behalf of Installed Building Products, Inc., a Delaware corporation (the "***Company***"), and in connection with the confidential submission of its draft registration statement on Form S-1 (the "***Registration Statement***") on the date hereof, we hereby confidentially submit the draft Registration Statement pursuant to Title I, Section 106 under the Jumpstart Our Business Startups Act (the "***JOBS Act***") and Section 24(b)(2) of the Securities Exchange Act of 1934, as amended, for non-public review by the staff (the "***Staff***") of the Securities and Exchange Commission (the "***Commission***") prior to the public filing of the Registration Statement. Pursuant to our correspondence with the Office of the Chief Accountant and their response letter dated July 2, 2013, we have included the audited consolidated financial statements as of and for the six months ended June 30, 2013 in the Registration Statement.

Pursuant to Title 1, Section 101 of the JOBS Act, the Company is an "emerging growth company" that had total annual gross revenues of less than $1.0 billion during its most recently completed fiscal year ended December 31, 2012. Therefore, the Company is permitted to make this confidential submission of the Registration Statement for review by the Staff, provided that the Registration Statement and all amendments thereto shall be publicly filed with the Commission not later than 21 days before the date on which the Company conducts a "road show," as such term is defined in Title 17, Section 230.433(h)(4) of the Code of Federal Regulations. In addition, as an "emerging growth company," the Company has availed itself of the exemption from disclosing certain executive compensation information in the Registration Statement pursuant to Title 1, Section 102 of the JOBS Act.

Please direct all notices and communications with respect to this confidential submission to the following:

Julie M. Allen, Esq.
Proskauer Rose LLP
11 Times Square
New York, NY 10036
Telephone: (212) 969-3155
Facsimile: (212) 969-2900

Please contact the undersigned at (212) 969-3155 or jallen@proskauer.com if you have any questions regarding the foregoing.

Very truly yours,

/s/ Julie M. Allen

Julie M. Allen, Esq.
of PROSKAUER ROSE LLP

Enclosure(s)
cc:
Michael M. Miller, Installed Building Products, Inc.
Shelley A. McBride, Esq., Installed Building Products, Inc.
Robin M. Feiner, Esq., Proskauer Rose LLP
Michael J. Zeidel, Esq., Skadden, Arps, Slate, Meagher & Flom LLP