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

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2016

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

Commission file number: 001-13425

Ritchie Bros. Auctioneers Incorporated
(Exact Name of Registrant as Specified in its Charter)

Canada	**N/A**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
9500 Glenlyon Parkway **Burnaby, British Columbia, Canada**	**V5J 0C6**
(Address of Principal Executive Offices)	(Zip Code)

(778) 331-5500
(Registrant's Telephone Number, including Area Code)

Indicate by checkmark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "Accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (Check one):
Large Accelerated Filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):
Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date: 106,679,740 common shares, without par value, outstanding as of November 8, 2016.

RITCHIE BROS. AUCTIONEERS INCORPORATED
FORM 10-Q
For the quarter ended September 30, 2016

INDEX

Cautionary Note Regarding Forward-Looking Statements		1
PART I – FINANCIAL INFORMATION		
ITEM 1:	Consolidated Financial Statements	3
ITEM 2:	Management's Discussion and Analysis of Financial Condition and Results of Operations	41
ITEM 3:	Quantitative and Qualitative Disclosures About Market Risk	78
ITEM 4:	Controls and Procedures	78
PART II – OTHER INFORMATION		
ITEM 1:	Legal Proceedings	79
ITEM 1A:	Risk Factors	79
ITEM 2:	Unregistered Sales of Equity Securities and Use of Proceeds	81
ITEM 6:	Exhibits	82
SIGNATURES		

Cautionary Note Regarding Forward-Looking Statements

The information discussed in this Quarterly Report on Form 10-Q of Ritchie Bros. Auctioneers Incorporated ("Ritchie Bros.", the "Company", "we" or "us") includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act") and Canadian securities laws. These statements are based on our current expectations and estimates about our business and markets, and include, among others, statements relating to:

- our future strategy, objectives, targets, projections, and performance;
- our ability to drive shareholder value;
- market opportunities;
- our internet initiatives and the level of participation in our auctions by internet bidders, and the success of EquipmentOne and our other online marketplaces;
- our ability to grow our core auction business, including our ability to increase our market share among traditional customer groups, including those in the used equipment market, and do more business with new customer groups in new sectors;
- the impact of our new initiatives, services, investments, and acquisitions on us and our customers;
- our ability to integrate our acquisitions;
- potential future mergers and acquisitions, including the planned merger of Ritchie Bros. and IronPlanet Holdings, Inc.;
- ability for the planned merger of Ritchie Bros. and IronPlanet Holdings, Inc. to accelerate our customer-centric, multi-channel diversification strategy, enhance online offerings, penetrate into larger, additional sectors, and significantly increase our revenue and net income using the strength of our balance sheet;
- potential future strategic alliances, including the planned alliance between Ritchie Bros., IronPlanet, Inc., and Caterpillar Inc.
- ability for the planned alliance between Ritchie Bros., IronPlanet, Inc., and Caterpillar Inc. to significantly strengthen our relationship with Caterpillar dealers;
- our ability to add new business and information solutions, including, among others, our ability to maximize and integrate technology to enhance our existing services and support additional value-added service offerings;
- the effect of Original Equipment Manufacturer production on our Gross Auction Proceeds ("GAP") (as defined under "Part I, Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations");
- the supply trend of equipment in the market and the anticipated price environment for late model equipment, as well as the resulting effect on our business and GAP;
- the growth potential of Ritchie Bros. Financial Services, as well as expectations towards and significance of its service offerings and geographical expansion in the near future;
- fluctuations in our quarterly revenues and operating performance resulting from the seasonality of our business;
- our ability to grow our sales force, minimize turnover, and improve Sales Force Productivity (as described below);
- our ability to implement new performance measurement metrics to gauge our effectiveness and progress;
- the relative percentage of GAP represented by straight commission or underwritten (guarantee and inventory) contracts, and its impact on revenues and profitability;
- our Revenue Rates (as described below), the sustainability of those rates, the impact of our commission rate and fee changes, and the seasonality of GAP and revenues;
- our future capital expenditures and returns on those expenditures;
- the proportion of our revenues, operating expenses, and operating income denominated in currencies other than the United States ("U.S.") dollar or the effect of any currency exchange and interest rate fluctuations on our results of operations;

- financing available to us, our ability to refinance borrowings, and the sufficiency of our working capital to meet our financial needs; and

- our ability to satisfy our present operating requirements and fund future growth through existing working capital and credit facilities.

Forward-looking statements are typically identified by such words as “anticipate”, “believe”, “could”, “continue”, “estimate”, “expect”, “intend”, “may”, “ongoing”, “plan”, “potential”, “predict”, “will”, “should”, “would”, “could”, “likely”, “generally”, “future”, “period to period”, “long-term”, or the negative of these terms, and similar expressions intended to identify forward-looking statements. Our forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict.

While we have not described all potential risks related to our business and owning our common shares, the important factors discussed in “Part II, Item 1A: Risk Factors” of this Quarterly Report on Form 10-Q and in “Part I, Item 1A: Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2015, which is available on our website at *www.rbauction.com*, on EDGAR at *www.sec.gov*, or on SEDAR at *www.sedar.com*, are among those that we consider may affect our performance materially or could cause our actual financial and operational results to differ significantly from our expectations. Except as required by applicable securities law and regulations of relevant securities exchanges, we do not intend to update publicly any forward-looking statements, even if our expectations have been affected by new information, future events or other developments. You should consider our forward-looking statements in light of the factors listed or referenced under “Risk Factors” herein and other relevant factors.

PART I

ITEM 1: CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Condensed Consolidated Income Statements
(Expressed in thousands of United States dollars, except where noted)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Revenues (note 6)	$ 128,876	$ 109,318	$ 419,626	$ 380,413
Costs of services, excluding depreciation and amortization (note 7)	14,750	12,045	49,821	40,681
	114,126	97,273	369,805	339,732
Selling, general and administrative expenses (note 7)	69,000	58,170	211,153	187,165
Acquisition-related costs (note 7)	4,691	-	5,440	-
Depreciation and amortization expenses (note 7)	10,196	10,017	30,560	31,402
Gain on disposition of property, plant and equipment	(570)	(234)	(1,017)	(1,200)
Impairment loss (note 8)	28,243	-	28,243	-
Foreign exchange loss (gain)	281	718	332	(2,051)
Operating income	2,285	28,602	95,094	124,416
Other income (expense):				
Interest income	369	548	1,354	2,075
Interest expense	(934)	(1,239)	(3,357)	(3,816)
Equity income (note 19)	213	363	1,209	769
Other, net	247	739	1,214	2,370
	(105)	411	420	1,398
Income before income taxes	2,180	29,013	95,514	125,814
Income tax expense (recovery) (note 9):				
Current	9,652	8,700	35,767	38,778
Deferred	(2,472)	(934)	(5,838)	(4,167)
	7,180	7,766	29,929	34,611
Net income (loss)	$ (5,000)	$ 21,247	$ 65,585	$ 91,203
Net income (loss) attributable to:				
Stockholders	$ (5,137)	$ 20,825	$ 63,979	$ 89,685
Non-controlling interests	137	422	1,606	1,518
	$ (5,000)	$ 21,247	$ 65,585	$ 91,203
Earnings (loss) per share attributable to stockholders (note 11):				
Basic	$ (0.05)	$ 0.19	$ 0.60	$ 0.84
Diluted	$ (0.05)	$ 0.19	$ 0.60	$ 0.83
Weighted average number of shares outstanding (note 11):				
Basic	106,622,376	107,137,417	106,595,088	107,041,819
Diluted	107,525,051	107,517,888	107,221,390	107,433,359

See accompanying notes to the condensed consolidated financial statements.

Condensed Consolidated Statements of Comprehensive Income
(Expressed in thousands of United States dollars)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Net income (loss)	$ (5,000)	$ 21,247	$ 65,585	$ 91,203
Other comprehensive income (loss), net of income tax:				
Foreign currency translation adjustment	590	(10,817)	7,990	(33,903)
Total comprehensive income (loss)	$ (4,410)	$ 10,430	$ 73,575	$ 57,300
Total comprehensive income (loss) attributable to:				
Stockholders	(4,550)	10,115	71,798	56,075
Non-controlling interests	140	315	1,777	1,225
	$ (4,410)	$ 10,430	$ 73,575	$ 57,300

See accompanying notes to the condensed consolidated financial statements.

Condensed Consolidated Balance Sheets
(Expressed in thousands of United States dollars, except share data)
(Unaudited)

	September 30, 2016	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	$ 230,984	$ 210,148
Restricted cash	83,413	83,098
Trade and other receivables	192,420	59,412
Inventory (note 14)	42,371	58,463
Advances against auction contracts	3,839	4,797
Prepaid expenses and deposits	12,672	11,057
Assets held for sale (note 15)	390	629
Income taxes receivable	5,882	2,495
	571,971	430,099
Property, plant and equipment (note 16)	528,634	528,591
Equity-accounted investments (note 19)	7,649	6,487
Other non-current assets	4,770	3,369
Intangible assets (note 17)	66,681	46,973
Goodwill (note 18)	92,307	91,234
Deferred tax assets	15,475	13,362
	$ 1,287,487	$ 1,120,115
Liabilities and Equity		
Current liabilities:		
Auction proceeds payable	$ 274,741	$ 101,215
Trade and other payables	122,288	120,042
Income taxes payable	4,299	13,011
Short-term debt (note 20)	39,013	12,350
Current portion of long-term debt (note 20)	-	43,348
	440,341	289,966
Long-term debt (note 20)	101,590	54,567
Share unit liabilities	3,526	5,633
Other non-current liabilities	13,647	6,735
Deferred tax liabilities	30,592	31,070
	589,696	387,971
Commitments (note 23)		
Contingencies (note 24)		
Contingently redeemable:		
Non-controlling interest (note 10)	-	24,785
Performance share units (note 22)	3,438	-
Stockholders' equity (note 21):		
Share capital:		
Common stock; no par value, unlimited shares authorized, issued and outstanding shares: 106,661,268 (December 31, 2015: 107,200,470)	120,911	131,530
Additional paid-in capital	26,602	27,728
Retained earnings	591,430	601,051
Accumulated other comprehensive loss	(49,314)	(57,133)
Stockholders' equity	689,629	703,176
Non-controlling interest	4,724	4,183
	694,353	707,359
	$ 1,287,487	$ 1,120,115

See accompanying notes to the condensed consolidated financial statements

Condensed Consolidated Statements of Changes in Equity
(Expressed in thousands of United States dollars, except where noted)
(Unaudited)

	Attributable to stockholders							Contingently redeemable	
	Common stock		Additional paid-In capital ("APIC")	Retained earnings	Accumulated other comprehensive income (loss)	Non-controlling interest ("NCI")	Total equity	Non-controlling interest ("NCI")	Performance share units ("PSUs")
	Number of shares	Amount							
Balance, December 31, 2015	107,200,470	$ 131,530	$ 27,728	$ 601,051	$ (57,133)	$ 4,183	$ 707,359	$ 24,785	$ -
Net income	-	-	-	63,979	-	272	64,251	1,334	-
Other comprehensive income	-	-	-	-	7,819	2	7,821	169	-
	-	-	-	63,979	7,819	274	72,072	1,503	-
Change in value of contingently redeemable NCI	-	-	-	(21,186)	-	-	(21,186)	21,186	-
Stock option exercises	920,798	26,107	(5,405)	-	-	-	20,702	-	-
Stock option tax adjustment	-	-	254	-	-	-	254	-	-
Stock option compensation expense (note 22)	-	-	4,025	-	-	-	4,025	-	-
Modification of PSUs (note 22)	-	-	-	(70)	-	-	(70)	-	2,175
Equity-classified PSU expense (note 22)	-	-	-	-	-	-	-	-	1,222
Equity-classified PSU dividend equivalents	-	-	-	(20)	-	-	(20)	-	20
Change in value of contingently redeemable equity-classified PSUs	-	-	-	(21)	-	-	(21)	-	21
NCI acquired in a business combination (note 25)	-	-	-	-	-	596	596	-	-
Acquisition of NCI	-	-	-	-	-	(226)	(226)	(44,141)	-
Shares repurchased (note 21)	(1,460,000)	(36,726)	-	-	-	-	(36,726)	-	-
Cash dividends paid (note 21)	-	-	-	(52,303)	-	(103)	(52,406)	(3,333)	-
Balance, September 30, 2016	106,661,268	$ 120,911	$ 26,602	$ 591,430	$ (49,314)	$ 4,724	$ 694,353	$ -	$ 3,438

See accompanying notes to the condensed consolidated financial statements.

Condensed Consolidated Statements of Cash Flows
(Expressed in thousands of United States dollars)
(Unaudited)

Nine months ended September 30,	2016	2015
Cash provided by (used in):		
Operating activities:		
Net income	$ 65,585	$ 91,203
Adjustments for items not affecting cash:		
Depreciation and amortization expenses (note 7)	30,560	31,402
Inventory write down (note 14)	2,284	480
Impairment loss (note 8)	28,243	-
Stock option compensation expense (note 22)	4,025	3,094
Equity-classified PSU expense (note 22)	1,222	-
Deferred income tax recovery	(5,838)	(4,167)
Equity income less dividends received	(1,209)	(769)
Unrealized foreign exchange loss	586	1,463
Gain on disposition of property, plant and equipment	(1,017)	(1,200)
Net changes in operating assets and liabilities (note 12)	38,982	36,922
Net cash provided by operating activities	163,423	158,428
Investing activities:		
Acquisition of Mascus (note 25)	(28,123)	-
Acquisition of Petrowsky (note 25)	(6,250)	-
Acquisition of contingently redeemable NCI (note 10)	(41,092)	-
Acquisition of NCI (note 25)	(226)	-
Property, plant and equipment additions	(12,600)	(12,643)
Intangible asset additions	(12,041)	(4,248)
Proceeds on disposition of property, plant and equipment	3,259	4,700
Other, net	(243)	-
Net cash used in investing activities	(97,316)	(12,191)
Financing activities:		
Issuances of share capital	20,702	29,251
Share repurchase (note 21)	(36,726)	(47,489)
Dividends paid to stockholders (note 21)	(52,303)	(47,191)
Dividends paid to contingently redeemable NCI	(3,436)	(1,340)
Proceeds from short-term debt	52,584	8,566
Repayment of short-term debt	(28,641)	(6,558)
Proceeds from long-term debt	46,572	-
Repayment of long-term debt	(46,568)	-
Repayment of finance lease obligations	(1,282)	(1,599)
Other, net	(512)	75
Net cash used in financing activities	(49,610)	(66,285)
Effect of changes in foreign currency rates on cash and cash equivalents	4,339	(13,212)
Increase in cash and cash equivalents	20,836	66,740
Cash and cash equivalents, beginning of period	210,148	139,815
Cash and cash equivalents, end of period	$ 230,984	206,555

See accompanying notes to the condensed consolidated financial statements.

1. General information

Ritchie Bros. Auctioneers Incorporated and its subsidiaries (collectively referred to as the "Company") provide asset management and disposition services for the construction, agricultural, transportation, energy, mining, forestry, material handling, marine and real estate industries through its unreserved auctions, online marketplace services, value-added services and listing and software services. Ritchie Bros. Auctioneers Incorporated is a company incorporated in Canada under the Canada Business Corporations Act, whose shares are publicly traded on the Toronto Stock Exchange ("TSX") and the New York Stock Exchange ("NYSE").

2. Significant accounting policies

(a) Basis of preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with United States generally accepted accounting principles ("US GAAP"). They include the accounts of Ritchie Bros. Auctioneers Incorporated and its subsidiaries (collectively referred to as the "Company") from their respective dates of formation or acquisition. All significant intercompany balances and transactions have been eliminated.

Certain information and footnote disclosure required by US GAAP for complete annual financial statements have been omitted and, therefore, these condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2015, included in the Company's Annual Report on Form 10-K, filed with the Securities Exchange Commission ("SEC"). A selection of the accounting policies for which there has been a change since the annual consolidated financial statements are set out below. In the opinion of management, these unaudited condensed consolidated interim financial statements reflect all adjustments, consisting of normal recurring adjustments, which are necessary to present fairly, in all material respects, the Company's consolidated financial position, results of operations, cash flows and changes in equity for the interim periods presented. The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Previously, the Company prepared its consolidated financial statements under International Financial Reporting Standards ("IFRS") as permitted by securities regulators in Canada, as well as in the United States under the status of a Foreign Private Issuer as defined by the United States SEC. At the end of the second quarter of 2015, the Company determined that it no longer qualified as a Foreign Private Issuer under the SEC rules. As a result, beginning January 1, 2016 the Company was required to report with the SEC on domestic forms and comply with domestic company rules in the United States. The transition to US GAAP was made retrospectively for all periods from the Company's inception.

(b) Revenue recognition

Revenues are comprised of:

- commissions earned at our auctions through the Company acting as an agent for consignors of equipment and other assets, as well as commissions on online marketplace sales, and
- fees earned in the process of conducting auctions through all our auction channels and from value-added services, as well as subscription revenues from our listing and software services.

The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the price is fixed or determinable, and collectability is reasonably assured. For auction or online marketplace sales, revenue is recognized when the auction or online marketplace sale is complete and the Company has determined that the sale proceeds are collectible. Revenue is measured at the fair value of the consideration received or receivable and is shown net of value-added tax and duties.

2. Significant accounting policies (continued)

(b) Revenue recognition (continued)
Commissions from sales at our auctions represent the percentage earned by the Company on the gross auction proceeds from equipment and other assets sold at auction. The majority of commissions are earned as a pre-negotiated fixed rate of the gross selling price. Other commissions from sales at our auctions are earned from underwritten commission contracts, when the Company guarantees a certain level of proceeds to a consignor or purchases inventory to be sold at auction. Commissions also include those earned on online marketplace sales.

Commissions from sales at auction
The Company accepts equipment and other assets on consignment or takes title for a short period of time prior to auction, stimulates buyer interest through professional marketing techniques, and matches sellers (also known as consignors) to buyers through the auction or private sale process.

In its role as auctioneer, the Company matches buyers to sellers of equipment on consignment, as well as to inventory held by the Company, through the auction process. Following the auction, the Company invoices the buyer for the purchase price of the property, collects payment from the buyer, and where applicable, remits to the consignor the net sale proceeds after deducting its commissions, expenses and applicable taxes. Commissions are calculated as a percentage of the hammer price of the property sold at auction.

On the fall of the auctioneer's hammer, the highest bidder becomes legally obligated to pay the full purchase price, which is the hammer price of the property purchased and the seller is legally obligated to relinquish the property in exchange for the hammer price less any seller's commissions. Commission revenue is recognized on the date of the auction sale upon the fall of the auctioneer's hammer, which is the point in time when the Company has substantially accomplished what it must do to be entitled to the benefits represented by the commission revenue. Subsequent to the date of the auction sale, the Company's remaining obligations for its auction services relate only to the collection of the purchase price from the buyer and the remittance of the net sale proceeds to the seller.

Under the standard terms and conditions of its auction sales, the Company is not obligated to pay a consignor for property that has not been paid for by the buyer, provided that the property has not been released to the buyer. In the rare event where a buyer refuses to take title of the property, the sale is cancelled in the period in which the determination is made, and the property is returned to the consignor. Historically, cancelled sales have not been material in relation to the aggregate hammer price of property sold at auction.

Commission revenues are recorded net of commissions owed to third parties, which are principally the result of situations when the commission is shared with a consignor or with the counterparty in an auction guarantee risk and reward sharing arrangement. Additionally, in certain situations, commissions are shared with third parties who introduce the Company to consignors who sell property at auction.

Underwritten commission contracts can take the form of guarantee or inventory contracts. Guarantee contracts typically include a pre-negotiated percentage of the guaranteed gross proceeds plus a percentage of proceeds in excess of the guaranteed amount. If actual auction proceeds are less than the guaranteed amount, commission is reduced; if proceeds are sufficiently lower, the Company can incur a loss on the sale. Losses, if any, resulting from guarantee contracts are recorded in the period in which the relevant auction is completed. If a loss relating to a guarantee contract held at the period end to be sold after the period end is known or is probable and estimable at the financial statement reporting date, the loss is accrued in the financial statements for that period. The Company's exposure from these guarantee contracts fluctuates over time (note 24).

2. Significant accounting policies (continued)

(b) Revenue recognition (continued)
Revenues related to inventory contracts are recognized in the period in which the sale is completed, title to the property passes to the purchaser and the Company has fulfilled any other obligations that may be relevant to the transaction, including, but not limited to, delivery of the property. Revenue from inventory sales is presented net of costs within revenues on the income statement, as the Company takes title only for a short period of time and the risks and rewards of ownership are not substantially different than the Company's other underwritten commission contracts.

Fees
Fees earned in the process of conducting our auctions include administrative, documentation, and advertising fees. Fees from value-added services include financing and technology service fees. Fees also include subscription revenues from our listing and software services, as well as amounts paid by buyers (a "buyer's premium") on online marketplace sales. Fees are recognized in the period in which the service is provided to the customer.

(c) Costs of services, excluding depreciation and amortization expenses
Costs of services are comprised of expenses incurred in direct relation to conducting auctions ("direct expenses"), earning online marketplace revenues, and earning other fee revenues. Direct expenses include direct labour, buildings and facilities charges, and travel, advertising and promotion costs. Costs of services incurred to earn online marketplace revenues include inventory management, referral, inspection, sampling, and appraisal fees. Costs of services incurred in earning other fee revenues include direct labour (including commissions on sales), software maintenance fees, and materials. Costs of services exclude depreciation and amortization expenses. In comparative periods, costs of services consisted entirely of direct expenses. As a result of the Xcira LLC ("Xcira") and Mascus International Holdings BV ("Mascus") acquisitions, significant other costs of services are now incurred in earning our revenues (note 25).

(d) Share-based payments
The Company classifies a share-based payment award as an equity or liability payment based on the substantive terms of the award and any related arrangement.

Equity-classified share-based payments
The Company has a stock option compensation plan that provides for the award of stock options to selected employees, directors and officers of the Company. The cost of options granted is measured at the fair value of the underlying option at the grant date using the Black-Scholes option pricing model. The Company also has a senior executive performance share unit ("PSU") plan that provides for the award of PSUs to selected senior executives of the Company. The Company has the option to settle executive PSU awards in cash or shares and expects to settle them in shares. The cost of PSUs granted is measured at the fair value of the underlying PSUs at the grant date using a binomial model.

This fair value of awards expected to vest under these plans is expensed over the respective remaining service period of the individual awards, on a straight-line basis, with recognition of a corresponding increase to APIC in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in earnings, such that the consolidated expense reflects the revised estimate, with a corresponding adjustment to equity.

Any consideration paid on exercise of the stock options is credited to the common shares together with any related compensation recognized for the award. Dividend equivalents on the senior executive plan PSUs are recognized as a reduction to retained earnings over the service period.

2. Significant accounting policies (continued)

(d) Share-based payments (continued)

Equity-classified share-based payments (continued)
PSUs awarded under the senior executive and employee PSU plans (described in note 22) are contingently redeemable in cash in the event of death of the participant. The contingently redeemable portion of the senior executive PSU awards, which represents the amount that would be redeemable based on the conditions at the date of grant, to the extent attributable to prior service, is recognized as temporary equity. The balance reported in temporary equity increases on the same basis as the related compensation expense over the service period of the award, with any excess of the temporary equity value over the amount recognized in compensation expense charged against retained earnings. In the event it becomes probable an award is going to become eligible for redemption by the holder, the award would be reclassified to a liability award.

Liability-classified share-based payments
The Company maintains other share unit compensation plans that vest over a period of up to five years after grant. Under those plans, the Company is either required or expects to settle vested awards on a cash basis or by providing cash to acquire shares on the open market on the employee's behalf, where the settlement amount is determined using the volume weighted average price of the Company's common shares for the twenty days prior to the vesting date or, in the case of deferred share unit ("DSU") recipients, following cessation of service on the Board of Directors.

These awards are classified as liability awards, measured at fair value at the date of grant and re-measured at fair value at each reporting date up to and including the settlement date. The determination of the fair value of the share units under these plans is described in note 22. The fair value of the awards is expensed over the respective vesting period of the individual awards with recognition of a corresponding liability. Changes in fair value after vesting are recognized through compensation expense. Compensation expense reflects estimates of the number of instruments expected to vest.

The impact of fair value and forfeiture estimate revisions, if any, are recognized in earnings such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to the settlement liability. Liability-classified share unit liabilities due within 12 months of the reporting date are presented in trade and other payables while settlements due beyond 12 months of the reporting date are presented in non-current liabilities.

Employee share purchase plan
The Company matches employees' contributions to the share purchase plan, which is described in more detail in note 22. The Company's contributions are expensed as share-based compensation.

(e) New and amended accounting standards

(i) Effective January 1, 2016, the Company adopted ASU 2014-12, *Compensation – Stock Compensation (Topic 718), Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*, which requires that a performance target that (1) affects vesting of an award, and (2) could be achieved after the requisite service period of the employee be treated as a performance condition. The adoption of this standard did not have an impact on the Company's consolidated financial statements.

2. Significant accounting policies (continued)

(e) New and amended accounting standards (continued)

(ii) Effective January 1, 2016, the Company adopted ASU 2015-02, *Consolidation (Topic 810), Amendments to the Consolidation Analysis*, which changes the evaluation of whether limited partnerships and similar legal entities are variable interest entities ("VIEs"), and eliminates the presumption that a general partner should consolidate a limited partnership that is a voting interest entity. The new guidance also alters the analysis for determining when fees paid to a decision maker or service provider represent a variable interest in a VIE and how interests of related parties affect the primary beneficiary determination. The adoption of this standard did not have an impact on the Company's consolidated financial statements.

(iii) Effective January 1, 2016, the Company adopted ASU 2015-05, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40), Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*, which provides clarity around a customer's accounting for fees paid in a cloud computing arrangement. The amendments in ASU 2015-05 add guidance to assist customers in determining whether a cloud computing arrangement includes a software license. Software license elements of cloud computing arrangements are accounted for consistent with the acquisition of other intangible asset licenses. Where there is no software license element, the cloud computing arrangement is accounted for as a service contract. The standard was applied prospectively and did not have an impact on the Company's consolidated financial statements.

(iv) Effective January 1, 2016, the Company adopted Accounting Standards Update ("ASU") 2015-16, *Business Combinations (Topic 805), Simplifying the Accounting for Measurement-Period Adjustments*, which requires that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. The adoption of this standard did not have an impact on the Company's consolidated financial statements with respect to the acquisition of Xcira (note 25(b)) as no adjustments to provisional amounts were identified during the measurement period. During the period from February 19, 2016 to September 30, 2016, the Company recognized working capital adjustments related to the Mascus acquisition (note 25(a)), which resulted in a net $343,000 increase in goodwill.

(f) Recent accounting standards not yet adopted

(i) In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In particular, it moves away from the current industry and transaction specific requirements. ASU 2014-09 creates a five-step model that requires entities to exercise judgment when considering the terms of the contract(s) which include:

1. Identifying the contract(s) with the customer,
2. Identifying the separate performance obligations in the contract,
3. Determining the transaction price,
4. Allocating the transaction price to the separate performance obligations, and
5. Recognizing revenue as each performance obligation is satisfied.

The amendments also contain extensive disclosure requirements designed to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. In July 2015, the FASB delayed the effective date of ASU 2014-09 by one year so that ASU 2014-09 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

2. Significant accounting policies (continued)

(f) Recent accounting standards not yet adopted (continued)

(ii) In January 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities*, the first of three standards related to financial instrument accounting. The amendments of ASU 2016-01 require equity method investments (except for equity-method accounted investments and those resulting in consolidation of the investee) to be measured at fair value with changes recognized in net income. For equity investments that do not have readily determinable fair values, the entity may elect to measure the investment at cost less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. The amendments also:

- Simplify the impairment assessment of equity investments that do not have readily determinable fair values, by requiring a qualitative assessment to identify impairment. The entity is only required to measure the investment at fair value if the qualitative assessment indicates that impairment exists.
- Eliminate the requirement to disclose the method(s) and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost.
- Require the exit price notion to be used when measuring the fair value of financial instruments for disclosure purposes.
- Require separate presentation of financial assets and liabilities by measurement category and form of financial asset (i.e. securities or loans & receivables) on the balance sheet or the accompanying notes to the financial statements.

ASU 2016-01 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. Early adoption is only permitted for the provisions under ASU 2016-01 related to the recognition of changes in fair value of financial liabilities. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

(iii) In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which requires lessees to recognize almost all leases, including operating leases, on the balance sheet through a right-of-use asset and a corresponding lease liability. For short-term leases, defined as those with a term of 12 months or less, the lessee is permitted to make an accounting policy election not to recognize the lease assets and liabilities, and instead recognize the lease expense generally on a straight-line basis over the lease term. The accounting treatment under this election is consistent with current operating lease accounting. No extensive amendments were made to lessor accounting, but amendments of note include changes to the definition of initial direct costs and accounting for collectability uncertainties in a lease. ASU 2016-02 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018, with early adoption permitted. Both lessees and lessors must apply ASU 2016-02 using a "modified retrospective transition", which reflects the new guidance from the beginning of the earliest period presented in the financial statements. However, lessees and lessors can elect to apply certain practical expedients on transition. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

(iv) In March 2016, the FASB issued ASU 2016-08, *Revenue from Contracts with Customers (Topic 606), Principal versus Agent Considerations (Reporting Revenue Gross versus Net)*. The amendments in ASU 2016-08 clarify the implementation guidance on principal versus agent considerations, focusing on whether an entity controls a specified good or service before that good or service is transferred to a customer. Where such control exists – i.e. where the entity is required to provide the specified good or service itself – the entity is a 'principal'. Where the entity is required to arrange for another party to provide the good or service, it is an agent.

2. Significant accounting policies (continued)

(f) Recent accounting standards not yet adopted (continued)

The effective date and transition requirements of ASU 2016-08 are the same as for ASU 2014-09, which is for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

(v) In March 2016, the FASB issued ASU No. 2016-09, *Compensation—Stock Compensation (Topic 718)*, which makes several modifications to Topic 718 related to the accounting for forfeitures, employer tax withholding on share-based compensation and the financial statement presentation of excess tax benefits or deficiencies. ASU 2016-09 also clarifies the statement of cash flows presentation for certain components of share-based awards. Specifically, ASU 2016-09 requires an entity to recognize share-based payment award income tax effects in the income statement when the awards vest or are settled, and as a result, the requirement for entities to track APIC pools is eliminated. In addition, the amendments allow entities to make a policy election to either estimate forfeiture or recognize forfeitures as they occur. ASC 2016-09 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016, with early adoption permitted. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

(vi) In April 2016, the FASB issued ASU 2016-10, *Identifying Performance Obligations and Licensing*, which clarifies the following two aspects of ASU 2014-09 (Topic 606): identifying performance obligations and the licensing implementation guidance. ASC 2016-10 affects the guidance in ASU 2014-09, and so has the same effective date and transition requirements. ASU 2016-10 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

(vii) In May 2016, the FASB issued ASU 2016-12, *Narrow Scope Improvements and Practical Expedients*, which makes narrow scope improvements and practical expedients to the following aspects of ASU 2014-09 (Topic 606):

- Assessing one specific collectability criterion and accounting for contracts that do not meet certain criteria
- Presentation for sales taxes and other similar taxes collected from customers
- Non-cash consideration
- Contract modification at transition
- Completed contracts at transition
- Technical correction

ASC 2016-10 affects the guidance in ASU 2014-09, and so has the same effective date and transition requirements. ASU 2016-10 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

(viii) In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Statements*, which replaces the 'incurred loss methodology' credit impairment model with a new forward-looking "methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates." ASU 2016-13 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is only permitted for fiscal years beginning after December 15, 2018, including interim periods within those years. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

2. Significant accounting policies (continued)

(f) Recent accounting standards not yet adopted (continued)

(ix) In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230) – Classification of Certain Cash Receipts and Cash Payments*, which addresses eight specific cash flow issues with the objective of reducing diversity in practice. ASU 2016-15 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. The amendments are applied using a retrospective transition method to each period presented, unless impracticable to do so, in which case they are applied prospectively as of the earliest date practicable. The Company is evaluating the new guidance to determine the impact it will have on its consolidated financial statements.

3. Significant judgments, estimates and assumptions

The preparation of financial statements in conformity with US GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Future differences arising between actual results and the judgments, estimates and assumptions made by the Company at the reporting date, or future changes to estimates and assumptions, could necessitate adjustments to the underlying reported amounts of assets, liabilities, revenues and expenses in future reporting periods.

Judgments, estimates and underlying assumptions are evaluated on an ongoing basis by management, and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstance and such changes are reflected in the assumptions when they occur. Significant estimates include the estimated useful lives of long-lived assets, as well as valuation of goodwill, underwritten commission contracts, contingently redeemable non-controlling interest and share-based compensation.

4. Seasonality of operations

The Company's operations are both seasonal and event driven. Revenues tend to be highest during the second and fourth calendar quarters. The Company generally conducts more auctions during these quarters than during the first and third calendar quarters. Late December through mid-February and mid-July through August are traditionally less active periods.

5. Segmented information

The Company’s principal business activity is the sale of industrial equipment and other assets at auctions. The Company’s operations are comprised of one reportable segment and other business activities that are not reportable as follows:

- Core Auction segment, a network of auction locations that conduct live, unreserved auctions with both on-site and online bidding; and
- Other includes the results of the Company’s EquipmentOne and Mascus online services, which are not material to the Company’s consolidated financial statements. On February 19, 2016, the Company acquired Mascus and updated its segment reporting such that the results of EquipmentOne and Mascus (subsequent to acquisition) are reported as “Other.”

5. Segmented information (continued)

The Chief Operating Decision Maker evaluates segment performance based on earnings (loss) from operations, which is calculated as revenues less costs of services, selling, general and administrative ("SG&A") expenses, depreciation and amortization expenses, and impairment loss. The significant non-cash items included in segment earnings (loss) from operations are depreciation and amortization expenses and impairment loss.

	Three months ended September 30, 2016			Nine months ended September 30, 2016		
	Core Auction	Other	Consolidated	Core Auction	Other	Consolidated
Revenues	$ 122,789	$ 6,087	$ 128,876	$ 402,671	$ 16,955	$ 419,626
Costs of services, excluding depreciation and amortization	(14,131)	(619)	(14,750)	(48,354)	(1,467)	(49,821)
SG&A expenses	(63,998)	(5,002)	(69,000)	(197,222)	(13,931)	(211,153)
Depreciation and amortization expenses	(9,259)	(937)	(10,196)	(27,960)	(2,600)	(30,560)
Impairment loss	-	(28,243)	(28,243)	-	(28,243)	(28,243)
	$ 35,401	$ (28,714)	$ 6,687	$ 129,135	$ (29,286)	$ 99,849
Acquisition-related costs			(4,691)			(5,440)
Gain on disposition of property, plant and equipment			570			1,017
Foreign exchange loss			(281)			(332)
Operating income			$ 2,285			$ 95,094
Equity income			213			1,209
Other and income tax expenses			(7,498)			(30,718)
Net income (loss)			$ (5,000)			$ 65,585

	Three months ended September 30, 2015			Nine months ended September 30, 2015		
	Core Auction	Other	Consolidated	Core Auction	Other	Consolidated
Revenues	$ 105,421	$ 3,897	$ 109,318	$ 369,711	$ 10,702	$ 380,413
Costs of services, excluding depreciation and amortization	(12,045)	-	(12,045)	(40,681)	-	(40,681)
SG&A expenses	(54,797)	(3,373)	(58,170)	(177,196)	(9,969)	(187,165)
Depreciation and amortization expenses	(9,357)	(660)	(10,017)	(29,025)	(2,377)	(31,402)
	$ 29,222	$ (136)	$ 29,086	$ 122,809	$ (1,644)	$ 121,165
Gain on disposition of property, plant and equipment			234			1,200
Foreign exchange gain (loss)			(718)			2,051
Operating income			$ 28,602			$ 124,416
Equity income			363			769
Other and income tax expenses			(7,718)			(33,982)
Net income			$ 21,247			$ 91,203

6. Revenues

The Company's revenue from the rendering of services is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Commissions	$ 96,110	$ 83,648	$ 314,084	$ 301,379
Fees	32,766	25,670	105,542	79,034
	$ 128,876	$ 109,318	$ 419,626	$ 380,413

Net profits on inventory sales included in commissions are:

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Revenue from inventory sales	$ 176,381	$ 105,678	$ 411,970	$ 409,105
Cost of inventory sold	(159,850)	(97,745)	(376,364)	(372,577)
	$ 16,531	$ 7,933	$ 35,606	$ 36,528

7. Operating expenses

Certain prior period operating expenses have been reclassified to conform with current year presentation.

Costs of services, excluding depreciation and amortization

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Employee compensation expenses	$ 6,593	$ 5,309	$ 21,731	$ 16,185
Buildings, facilities and technology expenses	1,709	1,745	6,015	5,191
Travel, advertising and promotion expenses	4,991	5,120	18,287	16,207
Other costs of services	1,457	(129)	3,788	3,098
	$ 14,750	$ 12,045	$ 49,821	$ 40,681

SG&A expenses

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Employee compensation expenses	$ 43,077	$ 36,287	$ 135,129	$ 122,062
Buildings, facilities and technology expenses	12,466	10,516	36,671	30,849
Travel, advertising and promotion expenses	6,273	5,388	18,594	16,274
Professional fees	3,675	3,157	9,524	9,456
Other SG&A expenses	3,509	2,822	11,235	8,524
	$ 69,000	$ 58,170	$ 211,153	$ 187,165

7. Operating expenses (continued)

Acquisition-related costs

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Iron Planet Holdings Inc. ("IronPlanet") (note 24)	$ 4,514	$ -	$ 4,514	$ -
Mascus (note 25)	-	-	749	-
Petrowsky Auctioneers Inc. ("Petrowsky") (note 25)	177	-	177	-
	$ 4,691	$ -	$ 5,440	$ -

Depreciation and amortization expenses

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Depreciation expense	$ 7,751	$ 8,491	$ 23,466	$ 26,718
Amortization expense	2,445	1,526	7,094	4,684
	$ 10,196	$ 10,017	$ 30,560	$ 31,402

8. Impairment loss

Goodwill impairment
The Company performs impairment tests on goodwill on an annual basis in accordance with US GAAP, or more frequently if events or changes in circumstances indicate that those assets might be impaired. Goodwill is tested for impairment at a reporting unit level, which is at the same level or one level below an operating segment. A goodwill impairment loss is recognized when the carrying amount of the reporting unit is greater than its fair value. The goodwill impairment loss is calculated as the excess of the carrying amount of the goodwill over its implied fair value.

Goodwill arising from the acquisition of AssetNation, the provider of our online marketplaces, forms part of the EquipmentOne reporting unit. During the three months ended September 30, 2016, an indicator of impairment was identified with respect to the EquipmentOne reporting unit. The indicator consisted of a decline in actual and forecasted revenue and operating income compared with previously projected results, which was primarily due to the recent performance of the EquipmentOne reporting unit.

As a result of the identification of an indicator of impairment of the EquipmentOne reporting unit, a US GAAP two-step goodwill impairment test was performed at September 30, 2016. Step one of the goodwill impairment test indicated that the carrying amount (including goodwill) of the EquipmentOne reporting unit exceeded its fair value. Accordingly, the impairment test proceeded to step two, wherein the step one fair value of the EquipmentOne reporting unit was used to estimate the implied fair value of the goodwill.

The second step of the goodwill impairment test involved allocating the EquipmentOne reporting unit fair value to all the assets and liabilities of that reporting unit based on their estimated fair values. Management used a blended analysis of the earnings approach, which employs a discounted cash flow methodology, and the market approach, which employs a multiple of earnings methodology, to determine the fair values of the intangible assets and to measure the goodwill impairment loss.

8. Impairment loss (continued)

Goodwill impairment (continued)
Based on the results of the goodwill impairment test, the Company recorded an impairment loss on the EquipmentOne reporting unit goodwill of $23,574,000 on September 30, 2016.

Long-lived asset impairment
Long-lived assets, which are comprised of property, plant and equipment and definite-lived intangible assets, are assessed for impairment whenever events or circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, long-lived assets are grouped and tested for recoverability at the lowest level that generates independent cash flows from another asset group. The carrying amount of the long-lived asset group is not recoverable if it exceeds the sum of the future undiscounted cash flows expected to result from the long-lived asset group's use and eventual disposition. Where the carrying amount of the long-lived asset group is not recoverable, its fair value is determined in order to calculate any impairment loss. An impairment loss is measured as the excess of the long-lived asset group's carrying amount over its fair value.

At September 30, 2016, for the same reason noted above under the goodwill impairment test, management determined that there was an indicator that the carrying amount of the long-lived assets arising from our acquisition of AssetNation (the "EquipmentOne long-lived assets") might not have been recoverable. As such, the Company performed the recoverability test, for which purpose management determined that the asset group to which the EquipmentOne long-lived assets belonged was the EquipmentOne reporting unit.

The results of the recoverability test indicated that the EquipmentOne reporting unit carrying amount (including goodwill but excluding deferred tax assets, deferred tax liabilities, and income taxes payable) exceeded the sum of its future undiscounted cash flows. As such, management then used an earnings approach to estimate the fair values of the EquipmentOne long-lived assets and compared those fair values to their carrying amounts.

Based on the results of the long-lived asset impairment test, the Company recorded a pre-tax impairment loss on the EquipmentOne reporting unit customer relationships of $4,669,000 on September 30, 2016. In connection with this impairment loss, the Company recorded a deferred tax benefit of $1,798,000 to the income tax provision. The result of this impairment test was reflected in the carrying value of the EquipmentOne reporting unit prior to the completion of the goodwill impairment test described above.

9. Income taxes

At the end of each interim period, the Company estimates the effective tax rate expected to be applicable for the full fiscal year. The estimate reflects, among other items, management's best estimate of operating results. It does not include the estimated impact of foreign exchange rates or unusual and/or infrequent items, which may cause significant variations in the customary relationship between income tax expense and income before income taxes.

The Company's consolidated effective tax rate in respect of operations for the three and nine months ended September 30, 2016 was 329.4% and 31.3%, respectively (2015: 26.8% and 27.5%).

10. Contingently redeemable non-controlling interest in Ritchie Bros. Financial Services

Until July 12, 2016, the Company held a 51% interest in Ritchie Bros. Financial Services (”RBFS”), an entity that provides loan origination services to enable the Company’s auction customers to obtain financing from third party lenders. As a result of the Company’s involvement with RBFS, the Company is exposed to risks related to the recovery of the net assets of RBFS as well as liquidity risks associated with the put option discussed below.

Management determined that RBFS was a variable interest entity because the Company provided subordinated financial support to RBFS and because the Company’s voting interest was disproportionately low in relation to its economic interest in RBFS while substantially all the activities of RBFS involved or were conducted on behalf of the Company. Management also determined that the Company was the primary beneficiary of RBFS as the Company was part of a related party group that had the power to direct the activities that most significantly impacted RBFS’s economic performance, and although no individual member of that group had such power, the Company represented the member of the related party group that was most closely associated with RBFS.

Until July 12, 2016, the Company and the non-controlling interest (“NCI”) holders each held options pursuant to which the Company could acquire, or be required to acquire, the NCI holders’ 49% interest in RBFS. These call and put options became exercisable on April 6, 2016, and the Company had the option to elect to pay the purchase price in either cash or shares of the Company, subject to the Company obtaining all relevant security exchange and regulatory consents and approvals. As a result of the existence of the put option, the NCI was accounted for as a contingently redeemable equity instrument (the “contingently redeemable NCI”). The NCI could be redeemed at a purchase price to be determined through an independent appraisal process conducted in accordance with the terms of the agreement, or at a negotiated price (the “redemption value”).

For the comparative reporting period presented, management determined that redemption was probable and measured the carrying amount of the contingently redeemable NCI at its estimated December 31, 2015 redemption value of $24,785,000. The estimation of redemption value at that date required management to make significant judgments, estimates, and assumptions.

On July 12, 2016 the Company completed its acquisition of the NCI. On that date, the Company acquired the NCI holders’ 49% interest in RBFS for total consideration of 57,900,000 Canadian dollars ($44,141,000). That purchase price consisted of cash consideration of 53,900,000 Canadian dollars ($41,092,000) and 4,000,000 Canadian dollars ($3,049,000) representing the acquisition date fair value of contingent consideration payable to the former shareholders of RBFS. The contingent payment is payable if RBFS achieves a specified annual revenue growth rate over a three-year post-acquisition period, and is calculated as a specified percentage of the accumulated earnings of RBFS after the three-year post-acquisition period. The maximum amount payable under the contingent payment arrangement is 10,000,000 Canadian dollars. The Company may pay an additional amount not exceeding 1,500,000 Canadian dollars over a three-year period based on the former NCI holders providing continued management services to RBFS.

11. Earnings (loss) per share attributable to stockholders

Basic earnings per share ("EPS") attributable to stockholders was calculated by dividing the net income attributable to stockholders by the weighted average ("WA") number of common shares outstanding. Diluted EPS attributable to stockholders was calculated by dividing the net income attributable to stockholders after giving effect to outstanding dilutive stock options and PSUs by the WA number of shares outstanding adjusted for all dilutive securities.

	Three months ended September 30, 2016			Nine months ended September 30, 2016		
	Net loss attributable to stockholders	WA number of shares	Per share amount	Net income attributable to stockholders	WA number of shares	Per share amount
Basic	$ (5,137)	106,622,376	$ (0.05)	$ 63,979	106,595,088	$ 0.60
Effect of dilutive securities:						
PSUs	-	81,610	-	-	27,203	-
Stock options	-	821,065	-	-	599,099	-
Diluted	$ (5,137)	107,525,051	$ (0.05)	$ 63,979	107,221,390	$ 0.60

	Three months ended September 30, 2015			Nine months ended September 30, 2015		
	Net income attributable to stockholders	WA number of shares	Per share amount	Net income attributable to stockholders	WA number of shares	Per share amount
Basic	$ 20,825	107,137,417	$ 0.19	$ 89,685	107,041,819	$ 0.84
Effect of dilutive securities:						
Stock options	-	380,471	-	-	391,540	(0.01)
Diluted	$ 20,825	107,517,888	$ 0.19	$ 89,685	107,433,359	$ 0.83

In respect of PSUs awarded under the senior executive and employee PSU plans (described in note 22), performance and market conditions, depending on their outcome at the end of the contingency period, can reduce the number of vested awards to nil or to a maximum of 200% of the number of outstanding PSUs. For the three and nine months ended September 30, 2016, PSUs to purchase 253,646 and 231,671 common shares, respectively, were outstanding but excluded from the calculation of diluted EPS attributable to stockholders as they were anti-dilutive. For the three and nine months ended September 30, 2016, stock options to purchase nil and 1,002,929 common shares, respectively, were outstanding but excluded from the calculation of diluted EPS attributable to stockholders as they were anti-dilutive (2015: 113,073 and 206,733).

12. Supplemental cash flow information

Nine months ended September 30,	2016	2015
Restricted cash	$ 2,002	$ (54,547)
Trade and other receivables	(129,980)	(63,469)
Inventory	15,257	(1,565)
Advances against auction contracts	914	23,146
Prepaid expenses and deposits	(774)	711
Income taxes receivable	(3,387)	(4,226)
Auction proceeds payable	172,273	140,728
Trade and other payables	(5,331)	(15,754)
Income taxes payable	(9,410)	5,520
Share unit liabilities	2,413	3,631
Other	(4,995)	2,747
Net changes in operating assets and liabilities	$ 38,982	$ 36,922

Nine months ended September 30,	2016	2015
Interest paid, net of interest capitalized	$ 3,859	$ 3,856
Interest received	1,353	2,072
Net income taxes paid	44,869	32,775
Non-cash transactions:		
Non-cash purchase of property, plant and equipment under capital lease	1,009	53

13. Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the condensed consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement or disclosure:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs for the asset or liability.

13. Fair value measurement (continued)

	Category	September 30, 2016 Carrying amount	September 30, 2016 Fair value	December 31, 2015 Carrying amount	December 31, 2015 Fair value
Fair values disclosed, recurring:					
Cash and cash equivalents	Level 1	$ 230,984	$ 230,984	$ 210,148	$ 210,148
Restricted cash	Level 1	83,413	83,413	83,098	83,098
Short-term debt (note 20)	Level 2	39,013	39,013	12,350	12,350
Current portion of long-term debt (note 20)	Level 2	-	-	43,348	43,348
Long-term debt (note 20)	Level 2	101,590	104,558	54,567	56,126
Fair value measurements:					
EquipmentOne reporting unit:					
Customer relationships (note 17)	Level 3	$ 6,300	$ 6,300	$ 12,431	$ N/A
Goodwill (note 18)	Level 3	$ 14,357	$ 14,357	$ 37,931	$ N/A

The carrying amount of the Company‘s cash and cash equivalents, restricted cash, trade and other current receivables, advances against auction contracts, auction proceeds payable, trade and other payables, short-term debt, and current portion of long-term debt approximate their fair values due to their short terms to maturity. The fair values of the Company’s long-term debt are determined through the calculation of each liability‘s present value using market rates of interest at period close.

14. Inventory

At each period end, inventory is reviewed to ensure that it is recorded at the lower of cost and net realizable value. During the three and nine months ended September 30, 2016, the Company recorded an inventory write-down of $882,000 and $2,284,000 respectively (2015: $167,000 and $480,000).

Of inventory held at September 30, 2016, 100% is expected to be sold prior to the end of December 2016 (December 31, 2015: 91% sold by the end of March 2016 with the remainder sold by the end of June 2016).

15. Assets held for sale

Balance, December 31, 2015	$ 629
Disposal	(242)
Other	3
Balance, September 30, 2016	$ 390

During the three months ended September 30, 2016, the Company sold excess auction site acreage in Denver, United States, for net proceeds of $735,000 resulting in a gain of $493,000.

As at September 30, 2016, the Company’s assets held for sale consisted of excess auction site acreage located in Orlando, United States. Management made the strategic decision to sell this excess acreage to maximize the Company’s return on invested capital. This land asset belongs to the Core Auction reportable segment.

15. Assets held for sale (continued)

The property continues to be actively marketed for sale through an independent real estate broker, and management expects the sales to be completed within 12 months of September 30, 2016.

16. Property, plant and equipment

As at September 30, 2016	Cost	Accumulated depreciation	Net book value
Land and improvements	$ 366,504	$ (60,194)	$ 306,310
Buildings	260,472	(90,582)	169,890
Yard and automotive equipment	58,574	(39,941)	18,633
Computer software and equipment	65,205	(57,682)	7,523
Office equipment	23,249	(16,839)	6,410
Leasehold improvements	22,000	(13,780)	8,220
Assets under development	11,648	-	11,648
	$ 807,652	$ (279,018)	$ 528,634

As at December 31, 2015	Cost	Accumulated depreciation	Net book value
Land and improvements	$ 356,905	$ (54,551)	$ 302,354
Buildings	254,760	(82,100)	172,660
Yard and automotive equipment	59,957	(38,848)	21,109
Computer software and equipment	60,586	(50,754)	9,832
Office equipment	22,432	(15,660)	6,772
Leasehold improvements	20,893	(12,160)	8,733
Assets under development	7,131	-	7,131
	$ 782,664	$ (254,073)	$ 528,591

17. Intangible assets

As at September 30, 2016	Cost	Accumulated amortization	Net book value
Trade names and trademarks	$ 4,959	$ -	$ 4,959
Customer relationships	22,538	(544)	21,994
Software	34,496	(11,245)	23,251
Software under development	16,477	-	16,477
	$ 78,470	$ (11,789)	$ 66,681

17. Intangible assets (continued)

As at December 31, 2015	Cost	Accumulated amortization	Net book value
Trade names and trademarks	$ 800	$ -	$ 800
Customer relationships	22,800	(7,097)	15,703
Software	23,269	(5,848)	17,421
Software under development	13,049	-	13,049
	$ 59,918	$ (12,945)	$ 46,973

During the three and nine months ended September 30, 2016, interest of $111,000 and $287,000, respectively was capitalized to the cost of software under development (2015: $130,000 and $642,000). These interest costs relating to qualifying assets are capitalized at a weighted average rate of 5.32% (2015: 6.39%).

During the three and nine months ended September 30, 2016, an impairment loss of $4,669,000 was recognized on the customer relationships within the EquipmentOne reporting unit (note 8), reducing the carrying amount from $10,969,000 to an estimated fair value of $6,300,000, which formed the new cost basis of those assets at September 30, 2016. Subsequent to the EquipmentOne reporting unit indefinite-lived intangible asset impairment test, management concluded that an indefinite life of the EquipmentOne reporting unit trade names and trademarks could no longer be supported. Commencing September 30, 2016, the Company has commenced amortizing those trade names and trademarks over their useful life, which management has estimated to be 15 years.

18. Goodwill

Balance, December 31, 2015	$ 91,234
Additions (note 25)	23,972
Impairment loss (note 8)	(23,574)
Foreign exchange movement	675
Balance, September 30, 2016	$ 92,307

The carrying amount of goodwill has been allocated to reporting units for impairment testing purposes (note 8) as follows:

	September 30, 2016	December 31, 2015
Core Auction	$ 58,113	$ 53,303
EquipmentOne	14,357	37,931
Mascus	19,837	-
	$ 92,307	$ 91,234

19. Equity-accounted investments

The Company holds a 48% share interest in a group of companies detailed below (together, the Cura Classis entities), which have common ownership. The Cura Classis entities provide dedicated fleet management services in three jurisdictions to a common customer unrelated to the Company. The Company has determined the Cura Classis entities are variable interest entities and the Company is not the primary beneficiary, as it does not have the power to make any decisions that significantly affect the economic results of the Cura Classis entities. Accordingly, the Company accounts for its investments in the Cura Classis entities following the equity method.

A condensed summary of the Company's investments in and advances to equity-accounted investees are as follows (in thousands of U.S. dollars, except percentages):

	Ownership percentage	September 30, 2016	December 31, 2015
Cura Classis entities	48%	$ 4,821	$ 3,487
Other equity investments	32%	2,828	3,000
		7,649	6,487

As a result of the Company’s investments, the Company is exposed to risks associated with the results of operations of the Cura Classis entities. The Company has no other business relationships with the Cura Classis entities. The Company’s maximum risk of loss associated with these entities is the investment carrying amount.

20. Debt

	Carrying value	
	September 30, 2016	December 31, 2015
Short-term debt	$ 39,013	$ 12,350
Long-term debt:		
Term loan, denominated in Canadian dollars, unsecured, bearing interest at 4.225%, due in quarterly installments of interest only, with the full amount of the principal due in May 2022.	25,894	24,567
Term loan, denominated in United States dollars, unsecured, bearing interest at 3.59%, due in quarterly installments of interest only, with the full amount of the principal due in May 2022.	30,000	30,000
Revolving loan, denominated in Canadian dollars, unsecured, bearing interest at a weighted average rate of 1.75%, due in monthly installments of interest only, with the committed, revolving credit facility available until May 2018.	45,696	-
Term loan, denominated in Canadian dollars, unsecured, bearing interest at 6.385%, due in quarterly installments of interest only, with the full amount of the principal due in May 2016.	-	43,348
	101,590	97,915
Total debt	$ 140,603	$ 110,265
Total long-term debt:		
Current portion	$ -	$ 43,348
Non-current portion	101,590	54,567
	$ 101,590	$ 97,915

At December 31, 2015, the current portion of long-term debt consisted of a Canadian dollar 60,000,000 term loan under the Company's uncommitted, revolving credit facility. The Company refinanced this term loan on a long-term basis when it fell due on May 4, 2016 by drawing on its committed, revolving credit facility.

Short-term debt at September 30, 2016 is comprised of drawings in different currencies on the Company's committed and uncommitted revolving credit facilities of $359,358,000 (December 31, 2015: committed revolving credit facilities of $312,693,000), and have a weighted average interest rate of 1.6% (December 31, 2015: 1.8%).

As at September 30, 2016, the Company had available committed revolving credit facilities aggregating $256,801,000, of which $168,139,000 is available until May 2018. The Company also had available uncommitted credit facilities aggregating $193,367,000, of which $169,106,000 expires November 2017. The Company has a committed seasonal bulge credit facility of $50,000,000, which is available in February, March, August and September until May 2018. This bulge credit facility is not included in the available credit facilities totals above as at September 30, 2016.

20. Debt (continued)

On August 29, 2016, the Company obtained a financing commitment (the "Commitment Letter") from Goldman Sachs Bank USA ("GS Bank") pursuant to which GS Bank is committing to provide (i) a senior secured revolving credit facility in an aggregate principal amount of $150,000,000 (the "Revolving Facility") and (ii) a senior unsecured bridge loan facility in an aggregate principal amount of up to $850,000,000 (the "Bridge Loan Facility", and together with the Revolving Facility, the "Facilities"). Under the terms of the Commitment Letter, the Company may replace all or a portion of the Bridge Loan Facility with senior unsecured debt securities or certain other bank loan facilities. Debt issue costs related to these Facilities are discussed in note 24.

21. Equity and dividends

Share capital

Preferred stock
Unlimited number of senior preferred shares, without par value, issuable in series.
Unlimited number of junior preferred shares, without par value, issuable in series.
All issued shares are fully paid. No preferred shares have been issued.

Share repurchase
During March 2016, 1,460,000 common shares (March 2015: 1,900,000) were repurchased at a weighted average ("WA") share price of $25.16 (2015: $24.98) per common share. The repurchased shares were cancelled on March 15, 2016 (2015: March 26, 2015). There were no share repurchases during the three months ended September 30, 2016 and 2015.

The Company declared and paid the following dividends during the three and nine months ended September 30, 2016 and 2015:

	Declaration date	Dividend per share	Record date	Total dividends	Payment date
Nine months ended September 30, 2016:					
Fourth quarter 2015	January 15, 2016	$ 0.1600	February 12, 2016	$ 17,154	March 4, 2016
First quarter 2016	May 9, 2016	0.1600	May 24, 2016	17,022	June 14, 2016
Second quarter 2016	August 5, 2016	0.1700	September 2, 2016	18,127	September 23, 2016
Nine months ended September 30, 2015:					
Fourth quarter 2014	January 12, 2015	$ 0.1400	February 13, 2015	$ 15,089	March 6, 2015
First quarter 2015	May 7, 2015	0.1400	May 29, 2015	14,955	June 19, 2015
Second quarter 2015	August 6, 2015	0.1600	September 4, 2015	17,147	September 25, 2015

Declared and undistributed
Subsequent to September 30, 2016, the Company's Board of Directors declared a quarterly dividend of $0.17 cents per common share, payable on December 19, 2016 to stockholders of record on November 28, 2016. This dividend payable has not been recognized as a liability in the financial statements. The payment of this dividend will not have any tax consequence for the Company.

Foreign currency translation reserve
Foreign currency translation adjustments include intra-entity foreign currency transactions that are of a long-term investment nature, which generated net gains of $958,000 and $9,569,000 for the three and nine months ended September 30, 2016, respectively (2015: net losses of $4,609,000 and $16,136,000).

22. Share-based payments

Share-based payments consist of the following compensation costs recognized in selling, general and administrative expenses:

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Stock option compensation expense	$ 1,555	$ 1,038	$ 4,025	$ 3,094
Share unit expense:				
Equity-classified PSUs	736	-	1,222	-
Liability-classified share units	1,515	(12)	8,295	3,907
Employee share purchase plan - employer contributions	403	346	1,152	977
	$ 4,209	$ 1,372	$ 14,694	$ 7,978

Stock option plan
The Company has a stock option plan that provides for the award of stock options to selected employees, directors and officers of the Company. Stock option activity for the nine months ended September 30, 2016 and the year ended December 31, 2015 is presented below:

	Common shares under option	WA exercise price	WA remaining contractual life (in years)	Aggregate intrinsic value
Outstanding, December 31, 2014	3,897,791	22.09		
Granted	880,706	25.50		
Exercised	(1,412,535)	21.11		$ 9,426
Forfeited	(89,884)	23.10		
Outstanding, December 31, 2015	3,276,078	23.40		
Granted	1,268,101	24.34		
Exercised	(920,798)	22.48		$ 7,047
Forfeited	(82,256)	24.31		
Outstanding, September 30, 2016	3,541,125	$ 23.96	7.7	$ 39,352
Exercisable, September 30, 2016	1,413,544	$ 22.97	5.8	$ 17,110

The fair value of the stock option grants is estimated on the date of the grant using the Black-Scholes option pricing model. The significant assumptions used to estimate the fair value of stock options granted during the nine months ended September 30, 2016 and 2015 are presented in the following table on a weighted average basis:

Nine months ended September 30,	2016	2015
Risk free interest rate	1.1%	1.8%
Expected dividend yield	2.36%	2.18%
Expected lives of the stock options	5 years	5 years
Expected volatility	26.9%	26.4%

22. Share-based payments (continued)

Stock option plan (continued)
Risk free interest rate is the US Treasury Department five-year treasury yield curve rate on the date of the grant. Expected dividend yield assumes a continuation of the most recent quarterly dividend payments. Expected life of options is based on the age of the options on the exercise date over the past 25 years. Expected volatility is based on the historical common share price volatility over the past five years.

The compensation expense arising from option grants is amortized over the relevant vesting periods of the underlying options. As at September 30, 2016, the unrecognized stock-based compensation cost related to the non-vested stock options was $5,495,000, which is expected to be recognized over a weighted average period of 2.3 years.

Share unit plans
Share unit activity for the nine months ended September 30, 2016 and the year ended December 31, 2015 is presented below:

	Equity-classified awards		Liability-classified awards					
	PSUs		PSUs (1)		Restricted share units		DSUs	
	Number	WA grant date fair value	Number	WA grant date fair value	Number	WA grant date fair value	Number	WA grant date fair value
Outstanding, December 31, 2014	-	$ -	238,573	$ 23.38	403,587	$ 22.32	42,289	$ 22.33
Granted	-	-	218,699	24.57	20,528	26.38	29,072	26.07
Vested and settled	-	-	(6,870)	22.22	(28,887)	22.53	(13,365)	22.34
Forfeited	-	-	(28,817)	23.23	(62,274)	21.56	-	-
Outstanding, December 31, 2015	-	$ -	421,585	$ 24.03	332,954	$ 22.70	57,996	$ 24.21
Granted	6,593	30.41	255,728	23.25	3,836	27.68	13,489	27.66
Transferred to (from) equity awards on modification	257,934	27.34	(257,934)	23.86	-	-	-	-
Vested and settled	-	-	(68,683)	23.08	(158,704)	22.14	(1,847)	25.28
Forfeited	(11,663)	27.41	(38,341)	22.69	(15,050)	22.68	-	-
Outstanding, September 30, 2016	252,864	$ 27.43	312,355	$ 23.90	163,036	$ 23.36	69,638	$ 24.85

(1) Liability-classified PSUs include PSUs awarded under the employee PSU plan, the sign-on grant PSU plan, and other PSUs plans in place prior to 2015 that are cash-settled and not subject to market vesting conditions.

As at September 30, 2016, the unrecognized share unit expense related to equity-classified PSUs was $5,708,000, which is expected to be recognized over a weighted average period of 2.0 years. The unrecognized share unit expense related to liability-classified PSUs was $6,215,000, which is expected to be recognized over a weighted average period of 2.0 years. The unrecognized share unit expense related to liability-classified restricted share units ("RSUs") was $985,000, which is expected to be recognized over a weighted average period of 0.7 years. There is no unrecognized share unit expense related to liability-classified DSUs as they vest immediately upon grant.

Senior executive and employee PSU plans
In 2015 and 2016, the Company granted share units under two new PSU plans, a senior executive PSU plan and an employee PSU plan (the "new plans"). Under the new plans, the number of PSUs that vest is conditional upon specified market, service, and performance vesting conditions being met.

22. Share-based payments (continued)

Share unit plans (continued)

Senior executive and employee PSU plans (continued)
The market vesting condition is based on the relative performance of the Company's share price in comparison to the performance of a pre-determined portfolio of other companies' share prices. The non-market vesting conditions are based on the achievement of specific performance measures and can result in participants earning between 0% and 200% of the target number of PSUs granted.

Prior to May 2, 2016, the Company was only able to settle the PSU awards under the new plans in cash, and as such, both new plans were classified as liability awards. On May 2, 2016 (the "modification date"), the shareholders approved amendments to the new plans, allowing the Company to choose whether to settle the awards in cash or in shares. With respect to settling in shares, the new settlement options allow the Company to either (i) arrange for the purchase shares on the open market on the employee's behalf based on the cash value that otherwise would be delivered, or (ii) to issue a number of shares equal to the number of units that vest.

Under the first option, the shareholders authorized an unlimited number of open-market purchases of common shares for settlement of the PSUs. Under the second option, the shareholders authorized 1,000,000 shares to be issued for settlement of the PSUs.

On the modification date, the employee PSU plan remained classified as a liability and the senior executive PSU plan awards were reclassified to equity awards, based on the Company's settlement intentions for each plan. The fair value of the senior executive awards outstanding on the modification date was $27.34. The share unit liability, representing the portion of the fair value attributable to past service, was $2,105,000, which was reclassified to equity on that date. No incremental compensation was recognized as a result of the modification. Unrecognized compensation expense based on the fair value of the senior executive PSU awards on the modification date will be amortized over the remaining service period.

Because the PSUs awarded under the new plans are contingently redeemable in cash in the event of death of the participant, on the modification date, the Company reclassified $2,175,000 to temporary equity, representing the portion of the contingent redemption amount of the senior executive PSU awards as if redeemable on May 2, 2016, to the extent attributable to prior service.

PSUs awarded under the new plans are subject to market vesting conditions. The fair value of the liability-classified PSUs awarded under the employee PSU plan is estimated on the date of grant and at each reporting date using a binomial model. The significant assumptions used to estimate the fair value of the liability-classified PSUs awarded under the employee PSU plan during the nine months ended September 30, 2016 and 2015 are presented in the following table on a weighted average basis:

Nine months ended September 30,	2016	2015
Risk free interest rate	1.2%	1.3%
Expected dividend yield	2.49%	2.17%
Expected lives of the PSUs	3 years	3 years
Expected volatility	29.9%	29.4%
Average expected volatility of comparable companies	37.0%	32.8%

22. Share-based payments (continued)

Senior executive and employee PSU plans (continued)
Risk free interest rate is estimated using Bloomberg's U.S. dollar Swap Rate as of the valuation date. Expected dividend yield assumes a continuation of the most recent quarterly dividend payments. Given the limited historical information available for the PSUs, the Company estimated the expected life of PSUs with reference to the expected life of stock options. Stock options have five-year expected lives, whereas PSUs vest after three years. As such, the Company estimates the expected life of the PSUs to equal the three-year vesting period. Expected volatility is estimated from Bloomberg's volatility surface of the common shares as of the valuation date.

The fair value of the equity-classified PSUs was estimated on the modification date using the same binomial model and the same significant assumptions as the liability-classified PSUs during the nine months ended September 30, 2016.

Sign-on grant PSUs
On August 11, 2014, the Company awarded 102,375 one-time sign-on grant PSUs (the "SOG PSUs"). The SOG PSUs are cash-settled and subject to market vesting conditions related to the Company's share performance over rolling two, three, four, and five-year periods.

The fair value of the liability-classified SOG PSUs is estimated on the date of grant and at each reporting date using a binomial model. The significant assumptions used to estimate the fair value of the SOG PSUs during the nine months ended September 30, 2016 and 2015 are presented in the following table on a weighted average basis:

Nine months ended September 30,	2016	2015
Risk free interest rate	1.0%	1.4%
Expected dividend yield	2.34%	2.12%
Expected volatility	28.2%	33.1%

Risk free interest rate is estimated using Bloomberg's U.S. dollar Swap Rate as of the valuation date. Expected dividend yield assumes a continuation of the most recent quarterly dividend payments. Given the limited historical information available for the SOG PSUs, the Company estimated the expected life of PSUs with reference to the expected life of stock options. Stock options have five-year expected lives. Comparatively, the SOG PSUs vest in four tranches with the last tranche vesting five years after the grant date. As such, the Company estimates the expected lives of each tranche of SOG PSUs to equal the respective vesting period for the tranche, which is two, three, four, or five years. Expected volatility is estimated from Bloomberg's volatility surface of the common shares as of the valuation date.

Other PSUs
The Company also has other liability-classified PSUs granted under plans in place prior to 2015 that are cash-settled and not subject to market vesting conditions. The fair values of these liability-classified PSUs is estimated on grant date and at each reporting date using the 20-day volume weighted average price of the Company's common shares listed on the New York Stock Exchange.

RSUs and DSUs
The Company has RSU and DSU plans that are cash-settled and not subject to market vesting conditions. Fair values of share units under these plans are estimated on grant date and at each reporting date using the 20-day volume weighted average price of the Company's common shares listed on the New York Stock Exchange. DSUs are granted under the DSU plan to members of the Board of Directors.

22. Share-based payments (continued)

Employee share purchase plan
The Company has an employee share purchase plan that allows all employees that have completed 60 days of service to contribute funds to purchase common shares at the current market value at the time of share purchase. Employees may contribute up to 4% of their salary. The Company will match between 50% and 100% of employees' contributions, depending on the length of service of each employee with the Company.

23. Commitments

Commitment for inventory purchase
As at September 30, 2016, the Company had committed to, but not yet incurred, $7,900,000 relating to the purchase of inventory.

24. Contingencies

Costs contingent on consummation of IronPlanet acquisition
On August 29, 2016, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which it agreed to acquire IronPlanet (the "Merger"). Under the terms of Merger Agreement, the Company will acquire 100% of the equity of IronPlanet for approximately $740,000,000 in cash plus the assumption of unvested equity interests in IronPlanet, subject to adjustment, which brings the total transaction value to approximately $758,500,000. The Merger is subject to customary conditions, including (i) the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, as well as the obtaining of certain foreign antitrust clearances, and (ii) the Committee on Foreign Investment in the United States having provided written notice to the effect that review of the transactions contemplated by the Merger Agreement has been concluded and has terminated all action under the Section 721 of the Defence Production Act of 1950, as amended.

Debt issue costs
In connection with the execution of the Merger Agreement, the Company obtained the Commitment Letter, dated August 29, 2016, from GS Bank pursuant to which GS Bank is committing to provide the Facilities (discussed in note 20). Consideration for GS Bank's services in this regard includes one-time fees that range from a minimum of $nil to a maximum of $34,500,000. The consideration is contingent upon the timing of the Merger consummation, the amount and nature of any drawings under the Facilities, and the amount of any alternate funding used by the Company to consummate the Merger. The consideration is payable at the earlier of the consummation of the Merger, the Company drawing from the Facilities, the conversion of bridge loans to other types of debt, and the Company using alternate funding to consummate the Merger.

These debt issue costs have not been recognized at September 30, 2016.

Advisory costs
The Company has entered into various contractual arrangements with Goldman, Sachs & Co. and GS Bank (together, "Goldman Sachs") whereby Goldman Sachs has provided financial structuring and acquisition advisory services in relation to the Company's agreement to acquire IronPlanet. Consideration for Goldman Sach's services in this regard, for which the maximum amount payable by the Company at September 30, 2016 is $8,625,000, is contingent upon consummation of the Merger.

These advisory costs have not been recognized at September 30, 2016. They will be expensed as acquisition-related costs when they are recognized.

24. Contingencies (continued)

Legal and other claims
The Company is subject to legal and other claims that arise in the ordinary course of its business. Management does not believe that the results of these claims will have a material effect on the Company's balance sheet or income statement.

Guarantee contracts
In the normal course of business, the Company will in certain situations guarantee to a consignor a minimum level of proceeds in connection with the sale at auction of that consignor's equipment.

At September 30, 2016 there was $30,132,000 of industrial assets guaranteed under contract, of which 100% is expected to be sold prior to the end of December 2016 (December 31, 2015: $25,267,000 of which 100% was expected to be sold prior to the end of May 2016).

At September 30, 2016 there was $18,725,000 of agricultural assets guaranteed under contract, of which 82% is expected to be sold prior to the end of December 2016, with the remainder to be sold by the end of June 2017 (December 31, 2015: $30,509,000 of which 100% was expected to be sold prior to the end of August 2016).

The outstanding guarantee amounts are undiscounted and before estimated proceeds from sale at auction.

25. Business combinations

(a) Mascus acquisition

On February 19, 2016 (the "Mascus Acquisition Date"), the Company acquired 100% of the issued and outstanding shares of Mascus for cash consideration of €26,553,000 ($29,580,000). In addition to cash consideration, consideration of up to €3,198,000 ($3,563,000) is contingent on Mascus achieving certain operating performance targets over the three-year period following acquisition. Mascus is based in Amsterdam and provides an online equipment listing service for used heavy machines and trucks. The acquisition expands the breadth and depth of equipment disposition and management solutions the Company can offer its customers.

The acquisition was accounted for in accordance with ASC 805, *Business Combinations*. The assets acquired and liabilities assumed were recorded at their estimated fair values at the Mascus Acquisition Date. Goodwill of $19,664,000 was calculated as the fair value of consideration over the estimated fair value of the net assets acquired.

25. Business combinations

(a) Mascus acquisition (continued)

Mascus provisional purchase price allocation

	February 19, 2016
Purchase price	$ 29,580
Fair value of contingent consideration	3,431
Non-controlling interests [1]	596
Total fair value at Mascus Acquisition Date	33,607
Fair value of assets acquired:	
Cash and cash equivalents	$ 1,457
Trade and other receivables	1,290
Prepaid expenses	528
Property, plant and equipment	104
Intangible assets [2]	14,817
Fair value of liabilities assumed:	
Trade and other payables	1,533
Other non-current liabilities	37
Deferred tax liabilities	2,683
Fair value of identifiable net assets acquired	13,943
Goodwill acquired on acquisition	$ 19,664

(1) The Company acquired 100% of Mascus and within the Mascus group of entities there were two subsidiaries that were not wholly-owned, one domiciled in the United States and one domiciled in Denmark. As such, the Company acquired non-controlling interests. The fair value of each non-controlling interest was determined using an income approach based on cash flows of the respective entities that were attributable to the non-controlling interest. On May 27, 2016, Ritchie Bros. Holdings (America) Inc. acquired the remaining issued and outstanding shares of the Mascus subsidiary domiciled in the United States for cash consideration of $226,000.

(2) Intangible assets consist of customer relationships with estimated useful lives of 17 years, indefinite-lived trade names, and software assets with estimated useful lives of five years.

The amounts included in the Mascus provisional purchase price allocation are preliminary in nature and are subject to adjustment as additional information is obtained about the facts and circumstances that existed as of the Mascus Acquisition Date. The final determination of the fair values of certain assets and liabilities will be completed within the measurement period of up to one year from the Mascus Acquisition Date. Adjustments to the preliminary values during the measurement period will be recorded in the operating results of the period in which the adjustments are determined. Changes to the amounts recorded as assets and liabilities will result in a corresponding adjustment to goodwill.

25. Business combinations (continued)

(a) Mascus acquisition (continued)

Goodwill
Goodwill has been allocated entirely to the Mascus reporting unit based on an analysis of the fair value of assets acquired. The main drivers generating goodwill are the anticipated synergies from (1) the Company's core auction expertise and transactional capabilities to Mascus' existing customer base, and (2) Mascus' providing existing technology to the Company's current customer base. Other factors generating goodwill include the acquisition of Mascus' assembled work force and their associated technical expertise.

Contributed revenue and net income
The results of Mascus' operations are included in these condensed consolidated financial statements from Mascus' Acquisition Date. For the three months ended September 30, 2016, and for the period from February 19, 2016 to September 30, 2016, Mascus' contribution to the Company's revenues was $1,977,000 and $5,282,000, respectively. Mascus' contribution to net income during those periods was insignificant. Pro forma results of operations have not been presented as such pro forma financial information would not be materially different from historical results.

Contingent consideration
The Company may pay an additional amount not exceeding €3,198,000 ($3,563,000) contingent upon the achievement of certain operating performance targets over the next three-year period. The Company has recognized a liability equal to the estimated fair value of the contingent payments the Company expects to make as of the acquisition date, which is €3,080,000 ($3,431,000). The Company will re-measure this liability each reporting period and record changes in the fair value in the consolidated income statement. There was no change in the fair value in the three months ended September 30, 2016.

Transactions recognized separately from the acquisition of assets and assumptions of liabilities
Acquisition-related costs
Expenses totalling $749,000 for legal and other acquisition-related costs are included in the condensed consolidated income statement for the period ended September 30, 2016.

Employee compensation in exchange for continued services
The Company may pay additional amounts not exceeding €1,625,000 ($1,849,000) over three-year periods based on key employees' continuing employment with Mascus.

(b) Xcira acquisition

On November 4, 2015 (the "Xcira Acquisition Date"), the Company acquired 75% of the issued and outstanding shares of Xcira for cash consideration of $12,359,000. The remaining 25% interests remain with the two founders of Xcira. Xcira is a Florida-based company, incorporated in the United States and its principal activity is the provision of software and technology solutions to auction companies. By acquiring Xcira, the Company acquired information technology capability and platform to build on its strong online bidding customer experience, and further differentiate itself from other industrial auction companies.

The Company has the option to buy out the remaining interest of the Xcira sellers subject to the terms of the Xcira Purchase Agreement. The acquisition was accounted for in accordance with ASC 805. The assets acquired, liabilities assumed, and the non-controlling interest were recorded at their estimated fair values at the Xcira Acquisition Date. Full goodwill of $10,659,000 was calculated as the fair value of consideration over the estimated fair value of the net assets acquired.

25. Business combinations (continued)

(b) Xcira acquisition (continue)

Xcira final purchase price allocation

	November 4, 2015
Purchase price	$ 12,359
Non-controlling interest	4,119
Total fair value at Xcira Acquisition Date	16,478
Assets acquired:	
Cash and cash equivalents	$ 252
Trade and other receivables	1,382
Prepaid expenses	62
Property, plant and equipment	314
Other non-current assets	11
Intangible assets ~	4,300
Liabilities assumed:	
Trade and other payables	502
Fair value of identifiable net assets acquired	5,819
Goodwill acquired on acquisition	$ 10,659

~Consists of existing technology and customer relationships with an amortization life of five and 20 years, respectively

There was no contingent consideration under the terms of the acquisition, and as such no acquisition provisions were created.

Assets acquired and liabilities assumed
At the date of acquisition, the carrying amounts of the assets and liabilities acquired approximated their fair values, except intangible assets, whose fair values were determined using appropriate valuation techniques.

Goodwill
Goodwill has been allocated entirely to the Company's Core Auction segment and based on an analysis of the fair value of assets acquired. The main drivers generating goodwill are the Company's ability to utilize Xcira's experience to differentiate the Company's online bidding service from other industrial auction companies, as well as to secure Xcira's bidding technology. Online bidding represents a significant and growing portion of all bidding conducted at the Company's auctions.

Non-controlling interests
The fair value of the 25% non-controlling interest in Xcira is estimated to be $4,119,000.

Contributed revenue and net income
The results of Xcira's operations are included in these condensed consolidated financial statements from the date of acquisition. For the three and nine months ended September 30, 2016, Xcira recorded revenues of $1,892,000 and $6,189,000 respectively, and net income of $89,000 and $1,011,000, respectively. On consolidation, $845,000 and $2,707,000 of inter-entity revenues recorded by Xcira during the three and nine months ended September 30, 2016, respectively, were eliminated against the same amounts of inter-entity expenses recorded by another subsidiary within the wholly-owned group.

25. Business combinations (continued)

(b) Xcira acquisition (continued)

Pro forma results of operations have not been presented as such pro forma financial information would not be materially different from historical results.

Future development of internally-generated software
The Company may pay an additional amount not exceeding $2,700,000 over a two-year period upon achievement of certain conditions related to the delivery of an upgrade to its existing technology.

Employee compensation in exchange for continued services
The Company may pay an additional amount not exceeding $2,000,000 over a three-year period based on the Founder's continuing employment with Xcira.

(c) Petrowsky acquisition

On August 1, 2016 (the "Petrowsky Acquisition Date"), the Company acquired the assets of Petrowsky for cash consideration of $6,250,000. An additional $750,000 was paid for the retention of certain key employees. In addition to cash consideration, consideration of up to $3,000,000 is contingent on Petrowsky achieving certain revenue growth targets over the three-year period following acquisition.

Based in North Franklin, Connecticut, Petrowsky caters largely to equipment sellers in the construction and transportation industries. Petrowsky also serves customers selling assets in the underground utility, waste recycling, marine, and commercial real estate industries. The business operates one permanent auction site, in North Franklin, which will continue to hold auctions, and also specializes in off-site auctions held on the land of the consignor.

The acquisition was accounted for in accordance with ASC 805. The assets acquired were recorded at their estimated fair values at the Petrowsky Acquisition Date. Full goodwill of $4,308,000 was calculated as the fair value of consideration over the estimated fair value of the net assets acquired.

Petrowsky provisional purchase price allocation

	August 1, 2016
Purchase price	$ 6,250
Fair value of contingent consideration	1,433
Total fair value at Petrowsky Acquisition Date	7,683
Assets acquired:	
Property, plant and equipment	$ 441
Intangible assets ~	2,934
Fair value of identifiable net assets acquired	3,375
Goodwill acquired on acquisition	$ 4,308

~Consists of customer relationships with an amortization life of 10 years.

The amounts included in the Petrowsky provisional purchase price allocation are preliminary in nature and are subject to adjustment as additional information is obtained about the facts and circumstances that existed as of the Petrowsky Acquisition Date. The final determination of the fair values of certain assets and liabilities will be completed within the measurement period of up to one year from the Petrowsky Acquisition Date.

25. Business combinations (continued)

(c) Petrowsky acquisition (continued)

Adjustments to the preliminary values during the measurement period will be recorded in the operating results of the period in which the adjustments are determined. Changes to the amounts recorded as assets and liabilities will result in a corresponding adjustment to goodwill.

Assets acquired and liabilities assumed
At the date of the acquisition, the carrying amounts of the assets and liabilities acquired approximated their fair values, except customer relationships, whose fair value was determined using appropriate valuation techniques.

Goodwill
Goodwill has been allocated entirely to the Company's Core Auction segment and based on an analysis of the fair value of assets acquired. Petrowsky is a highly complementary business that will broaden the Company's base of equipment sellers, one of the main drivers generating goodwill. Petrowsky's sellers are primarily in the construction and transportation industries, which are also well aligned with the Company's sector focus.

Contributed revenue and net loss
The results of Petrowsky's operations are included in these condensed consolidated financial statements from Petrowsky Acquisition Date. For the period from August 1, 2016 to September 30, 2016, Petrowsky's contribution to the Company's revenue and net income was $401,000 of revenue and a net loss of $231,000. Pro forma results of operations have not been presented as such pro forma financial information would not be materially different from historical results.

Contingent consideration
As part of the acquisition, contingent consideration of up to $3,000,000 is payable to Petrowsky if certain revenue growth targets are achieved. The contingent consideration is based on the cumulative revenue growth during a three-year period ending July 31, 2019. Based on the Company's current three-year forecast for this new business, it is determined that the fair value of the contingent consideration is $1,433,000.

Transactions recognized separately from the acquisition of assets and assumptions of liabilities
Acquisition-related costs
Expenses totalling $177,000 for legal and other acquisition-related costs are included in the condensed consolidated income statement for the period ended September 30, 2016.

Employee compensation in exchange for continued services
As noted above, $750,000 was paid on the Petrowsky Acquisition Date in exchange for the continuing services of certain key employees. In addition, the Company may pay an amount not exceeding $1,000,000 over a three-year period based on the founder of Petrowsky's continuing employment with the Company.

26. Subsequent event

On October 27, 2016, the Company entered into a credit agreement (the "Credit Agreement") with a syndicate of lenders, including Bank of America, N.A. ("BofA") and Royal Bank of Canada, which provides the Company with:

- Multicurrency revolving facilities of up to $675,000,000 (the "Multicurrency Facilities");
- A delayed-draw term loan facility of up to $325,000,000 (the "Delayed-Draw Facility" and together, the "New Facilities"); and
- At the Company's election and subject to certain conditions, including receipt of related commitments, incremental term loan facilities and/or increases to the Multicurrency Facilities in an aggregate amount of up to $50,000,000.

The Company may use the proceeds from the Multicurrency Facilities to refinance certain existing indebtedness and for other general corporate purposes. Proceeds from the Delayed-Draw Facility can only be used to finance transactions contemplated by the Merger Agreement. The Multicurrency Facilities remain in place and outstanding even if the Merger Agreement is terminated and the Merger is not consummated.

The New Facilities will remain unsecured until the closing of the Merger, after which the New Facilities will be secured by certain Company assets. The New Facilities may become unsecured again after the Merger is consummated, subject to the Company meeting specified credit rating or leverage ratio conditions. The New Facilities will mature five years after the closing date of the Credit Agreement. The Delayed-Draw Facility will amortize in equal quarterly installments in an annual amount of 5% for the first two years after the closing of the Merger, and 10% in the third through fifth years after the closing of the Merger, with the balance payable at maturity.

Borrowings under the Credit Agreement will bear interest, at the Company's option, at a rate equal to either a base rate (or Canadian prime rate for certain Canadian dollar borrowings) or LIBOR (or such floating rate customarily used by BofA for currencies other than U.S. dollars). In either case, an applicable margin is added to the rate. The applicable margin ranges from 0.25% to 1.50% for base rate loans, and 1.25% to 2.50% for LIBOR (or the equivalent of such currency) loans, depending on the Company's leverage ratio at the time of borrowing. The Company must also pay quarterly in arrears a commitment fee equal to the daily amount of the unused commitments under the New Facilities multiplied by an applicable percentage per annum (which ranges from 0.25% to 0.50% depending on the Company's leverage ratio).

In conjunction with the closing of the Credit Agreement, the Company terminated the entire $150,000,000 Revolving Facility and $350,000,000 of the $850,000,000 Bridge Loan Facility with GS Bank. In addition, on October 27, 2016, the Company terminated its pre-existing revolving bi-lateral credit facilities, which consisted of $312,961,000 of committed revolving credit facilities and $292,159,000 of uncommitted credit facilities, as well as the $50,000,000 bulge credit facility (note 20). On the same day, the Company also prepaid all outstanding debt issued under the terminated facilities using funds from the New Facilities, which resulted in the fixed rate long-term debt being replaced by floating rate long-term debt and $6,857,000 in early termination fees, which were recognized in net income on the transaction date.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

About Us

Ritchie Bros. Auctioneers Incorporated ("Ritchie Bros.", the "Company", "we", or "us") (NYSE & TSX: RBA) is the world leader for the exchange of used equipment. Our expertise, global reach, market insight and trusted brand provide us with a unique and leading position in the used equipment market. We primarily sell equipment for our customers through unreserved auctions held on a worldwide basis. In addition, during 2013 we launched EquipmentOne, an online used equipment marketplace, to reach a broader customer base. These two complementary exchange solutions provide different value propositions to equipment owners and allow us to meet the needs and preferences of a wide spectrum of equipment sellers.

Ritchie Bros. focuses on the sale of heavy machinery. Through our unreserved auctions and online marketplaces, we sell a broad range of used and unused industrial assets, including equipment and other assets used in the construction, agricultural, transportation, energy, mining, forestry, material handling and marine industries. The majority of the assets sold through our sales channels represent construction machinery.

We operate from 45 permanent and regional auction sites in over 15 countries worldwide. Our world headquarters are located in Burnaby, Canada.

On November 4, 2015, we acquired a 75% interest in Xcira LLC ("Xcira"), a Florida-based company specializing in software and technology solutions related to online auction bidding and sales. Ritchie Bros. was one of Xcira's first customers, and has worked very closely with Xcira over the past 14 years to customize Xcira's solutions to meet our needs. Xcira primarily operates in the industrial auction space, but also offers solutions to auto, art, and other luxury item auctioneers.

On February 19, 2016, we acquired a 100% interest in Mascus International Holding BV ("Mascus"), an Amsterdam-based company that operates a global online portal for the sale and purchase of heavy equipment and vehicles, with the largest online market presence in Europe for heavy machinery and trucks. Mascus offers subscriptions to equipment dealers, brokers, exporters and equipment manufacturers to list equipment available for sale. In addition to online listing services, they also provide online advertising services, business tools, and other software solutions to many of the world's leading equipment dealerships and equipment manufacturers. Founded in Scandinavia, Mascus has grown rapidly over the past 15 years and now includes operations across Europe, Asia, Africa, and North America, catering to the construction, transport, agriculture, material handling, forestry, and grounds-care industries.

On July 12, 2016, we completed our acquisition of the 49% non-controlling interest in Ritchie Bros. Financial Services ("RBFS"). RBFS provides equipment buyers with the confidence to make offers on equipment, trucks and other industrial assets, with pre-approved loans and financing arrangements. The business finances all brands of equipment and provides equipment buyers with the option to purchase assets at Ritchie Bros. auctions, Ritchie Bros. EquipmentOne, or through other sales channels. RBFS has arrangements with a diverse group of financial partners to provide lending solutions that meet the specific needs of equipment owners and dealers. Services offered include pre-approved commercial equipment financing, re-financing, and leasing, as well as equipment dealer financing.

Also on July 12, 2016, we announced our minority investment in Machinio Corp. ("Machinio"), a global search engine for finding, buying, and selling used machinery and equipment. With more active listings than any other website, Machinio is the most comprehensive real-time database of for-sale listings. Machinio connects hundreds of thousands of buyers each month with thousands of used machinery dealers from all over the world. Having launched in late 2012, Machinio is now the fastest growing online platform for used machinery.

On August 1, 2016, we acquired 100% of the assets of Petrowsky Auctioneers ("Petrowsky"), a Connecticut-based company that sold nearly $50 million worth of equipment and other assets at auctions in 2015, mostly in the New England, United States region.

On August 29, 2016, we entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which Ritchie Bros. agreed to acquire a 100% interest in IronPlanet Holdings, Inc. ("IronPlanet"), a private company based in the United States, for approximately $740 million in cash plus the assumption of unvested equity interests in IronPlanet, subject to adjustment, which brings the total transaction value to approximately $758.5 million. Under the terms of the Merger Agreement, a wholly-owned subsidiary of the Company will merge with and into IronPlanet, with the latter surviving the Merger as a wholly-owned subsidiary of the Company (the "Merger"). IronPlanet sold approximately $787 million worth of equipment and other assets through its sales channels during 2015, and has achieved a 25.2% compounded growth rate in assets sold from 2013 through 2015.

Consummation of the Merger is subject to customary conditions, including (i) the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and procurement of certain foreign antitrust clearances; (ii) the absence of a material adverse change with respect to IronPlanet since the date of the Merger Agreement, as described in the Merger Agreement; (iii) the Committee on Foreign Investment in the United States having provided written notice to the effect that review of the transactions contemplated by the Merger Agreement has been concluded and has terminated all action under Section 721 of the Defense Production Act of 1950, as amended; and (iv) absent termination of IronPlanet's registrations or withdrawal of registrations under the International Traffic in Arms Regulations, the United States Department of State having concluded its review and not taken action to block or prevent the consummation of the Merger.

Also on August 29, 2016, we entered into a Strategic Alliance and Remarketing Agreement (the "Alliance") with IronPlanet, Inc. ("IronPlanet subsidiary") and Caterpillar Inc. ("Caterpillar"). The Alliance is subject to, contingent upon, and will not be effective until consummation of the Merger. The Merger and Alliance are discussed further below under "strategy".

Overview

The following discussion and analysis summarizes significant factors affecting our consolidated operating results and financial condition for the three and nine months ended September 30, 2016 and 2015. This discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those expressed or implied in any forward-looking statements as a result of various factors, including those set forth in "Part II, Item 1A: Risk Factors" of this Quarterly Report on Form 10-Q and in "Part I, Item 1A: Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2015, which is available on our website at *www.rbauction.com*, on EDGAR at *www.sec.gov*, or on SEDAR at *www.sedar.com*.

This discussion and analysis should be read in conjunction with the "Cautionary Note Regarding Forward-Looking Statements" and the consolidated financial statements and the notes thereto included in "Part I, Item 1: Consolidated Financial Statements" of this Quarterly Report on Form 10-Q. The following discussion should also be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2015. None of the information on our website, EDGAR, or SEDAR is incorporated by reference into this document by this or any other reference.

We prepare our consolidated financial statements in accordance with United States generally accepted accounting principles ("US GAAP"). Except for Gross Auction Proceeds[1] ("GAP") and Gross Transaction Value ("GTV") (both described below), which are measures of operational performance and not measures of financial performance, liquidity, or revenue, the amounts discussed below are based on our consolidated financial statements and are presented in United States ("U.S.") dollars. Unless indicated otherwise, all tabular dollar amounts, including related footnotes, presented below are expressed in thousands of dollars.

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1 GAP represents the total proceeds from all items sold at our auctions and online marketplaces. It is a measure of operational performance and not a measure of financial performance, liquidity, or revenue. It is not presented in our consolidated financial statements.

We make reference to various non-GAAP financial and performance measures throughout this discussion and analysis. These measures do not have a standardized meaning, and are therefore unlikely to be comparable to similar measures presented by other companies.

Consolidated Highlights
Key third quarter and first nine months 2016 financial results include:

- Record third quarter 2016 revenues increased 18% over third quarter 2015
- Third quarter Revenue Rate (as described below) of 12.90%, driven mostly by growing fee-based revenue streams
- Announcement of Merger Agreement with IronPlanet, which is associated with the recognition of $4.5 million of IronPlanet acquisition-related costs
- Impairment loss of $28.2 million recognized on EquipmentOne reporting unit goodwill and customer relationships
- Diluted loss per share attributable to stockholders of $0.05 in the third quarter, a 126% decrease relative to diluted earnings per share ("EPS") of $0.19 in the third quarter of 2015
- Acquisition of the 49% non-controlling interest in RBFS on July 12, 2016 and acquisition of 100% of the assets of Petrowsky on August 1, 2016
- Net cash provided by operating activities during the first nine months of 2016 of $163.4 million, a 3% increase over the first nine months of 2015
- Record third quarter and first nine months GAP of $1.0 billion and $3.3 billion, respectively
- $1.0 billion of credit facilities completed with bank syndicate subsequent to the third quarter 2016

Strategy
The following discussion highlights how we acted on the three main drivers to our strategy during the first nine months of 2016.

GROW Revenues and Net Income
Our revenues are comprised of:

- commissions earned at our auctions where we act as an agent for consignors of equipment and other assets, as well as commissions on online marketplace sales; and
- fees earned in the process of conducting auctions through all our auction channels and from value-added service offerings, as well as subscription revenues from our listing and software services.

Commissions from sales at our auctions represent the percentage we earn on GAP. GAP represents the total proceeds from all items sold at our auctions and the GTV of all items sold through our online marketplaces[2]. GTV represents total proceeds from all items sold at our online marketplaces, as well as a buyers' premium component applicable only to our online marketplace transactions. The majority of commissions are earned as a pre-negotiated fixed rate of the gross selling price. Other commissions are earned from underwritten commission contracts, when we guarantee a certain level of proceeds to a consignor or purchase inventory to be sold at auction. We believe that revenues are best understood by considering their relationship to GAP. We use Revenue Rate, which is calculated by dividing revenues by GAP, to determine the amount of GAP changes that flow through to our revenues.

We saw strong revenue growth in the third quarter and first nine months of 2016, primarily as a result of an increase in GAP combined with a strong Revenue Rate compared to 2015. Changes in our Revenue Rate are driven by fluctuations in the commissions we charge on GAP and in our fee revenues, which are not directly linked to GAP.

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2 GAP and GTV are measures of operational performance and are not measures of our financial performance, liquidity or revenue. GAP and GTV are not presented in our consolidated income statements. We believe that comparing GAP and GTV for different financial periods provides useful information about the growth or decline of our revenue and net income for the relevant financial period.

The increase in Revenue Rate in the third quarter and first nine months of 2016 compared to the third quarter and first nine months of 2015 was primarily the result of the performance of our straight commission contracts combined with an increase in fee revenues.

Foreign currency exchange rates did not significantly impact our third quarter 2016 results. However, we did experience negative foreign currency exchange rate impacts on GAP and revenues in the first half of 2016 primarily due to the declining value of the Canadian dollar relative to the U.S. dollar, which ultimately had an insignificant impact on operating income as a result of the partially mitigating natural hedge we experience between our foreign-currency denominated revenues and operating expenses.

On a U.S. dollar basis, the proportion of GAP earned in Canada (30% of total GAP) grew in the first nine months of 2016 compared to the first nine months of 2015 (28% of total GAP), which is consistent with our focus on driving geographic depth in our existing geographies. The proportion of revenues attributable to Canada also grew by 131 basis points ("bps") in the first nine months of 2016 compared to the first nine months of 2015.

On February 19, 2016, we acquired Mascus, a leading global online equipment listing service. The acquisition expands the breadth of equipment disposition and management solutions we can offer our customers. Mascus operates a vibrant online equipment listing service with over 360,000 items for sale and 3.3 million monthly website visits across 58 countries and in 42 languages. The business also provides equipment sellers with a turn-key suite of business tools and software solutions. Mascus customers will benefit from our deep equipment experience and extensive global buying audience, providing further global exposure for Mascus equipment listings.

On July 12, 2016, we completed our acquisition of the 49% non-controlling interest in RBFS and announced our strategic investment in Machinio. In 2015, RBFS received more than $1 billion of credit applications and facilitated $222 million in equipment financing for Ritchie Bros. customers – representing 31% growth in funded loans compared to 2014, and 116% growth compared to 2013. RBFS acts as an intermediary with select lending partners to find financing solutions for customers purchasing equipment, including loans and lease-to-own programs. RBFS does not utilize Ritchie Bros. capital in its financing activities. These corporate development initiatives are expected to help position us for future growth and further extend our involvement in the digital innovation of the equipment industry.

On August 1, 2016, we acquired Petrowsky, significantly enhancing our market presence in the New England, United States region and providing Ritchie Bros. with a new live reserve auction platform. Petrowsky's auction sales are well aligned with Ritchie Bros.' sector focus as they cater largely to equipment sellers in the construction and transportation industries. Petrowsky also serves customers selling assets in the underground utility, waste recycling, marine, and commercial real estate industries. The business operates one permanent auction site, in North Franklin, United States, which will continue to hold auctions, and also specializes in off-site auctions held on the land of the consignor. All Petrowsky auctions are also simulcast live online, allowing online bidders to participate. The Petrowsky brand will be maintained as a brand extension within the Ritchie Bros. family of brands, given its strong and loyal customer base and its offering of reserve auction options.

On August 29, 2016, we announced the Merger Agreement with IronPlanet. We believe that the Merger will accelerate our customer-centric, multi-channel diversification strategy by increasing customer choice, enhancing online offerings, and providing penetration into large, additional sectors. The Merger is expected to significantly increase revenue and net income by using the strength of our balance sheet. Founded in 1999, IronPlanet complements Ritchie Bros.' primarily end-user customer base, as it focuses largely on the needs of corporate accounts, equipment manufacturers, dealers, and government entities in equipment disposition solutions. It conducts sales primarily through online-only platforms, with weekly online auctions and in other equipment marketplaces.

Also on August 29, 2016, we entered into the Alliance, which provides that upon consummation of the Merger, Caterpillar shall designate Ritchie Bros. as a 'preferred' but nonexclusive provider of online and on-site auctions and marketplaces (including those of IronPlanet) in the countries where we do business. In exchange for this designation, Caterpillar will receive commission rate discounts to our standard rates, as well access to certain data and information. We believe the Alliance will significantly strengthen our relationship with Caterpillar dealers.

DRIVE Efficiencies and Effectiveness
In early 2016, we initiated a revision to our short-term incentive plans for all management levels. This revision simplified the plans to focus on three rather than four financial measures. For directors and above, the revision prioritizes financial measures above individual goals, with a minimum of 70% of the short-term incentive based on financial results, as opposed to a 50% minimum. We believe that such a shift will better align employee incentives with our objective of increasing shareholder value.

In addition, we announced the following appointments, which improved the alignment of our organizational structure:

- Becky Alseth as Chief Marketing Officer effective January 4, 2016

- Marianne Marck as Chief Information Officer effective April 18, 2016

Also in early 2016, we implemented a new capital expenditure approval process, which included the establishment of a Capital Committee to review and approve all significant capital information technology projects. The primary goal of the Capital Committee is to continue to control our capital expenditure, maximizing returns on information technology investments and realizing 'quick wins' with respect to process and customer service improvements.

During the second quarter of 2016, our first 'quick win' project was successfully launched. This project involved an integration of our auction site operational processes with our administrative office accounting procedures. By automating the post-sale customer receipt process, we were able to greatly reduce the amount of time and expense required to match customer receipts with sale invoices, thereby ensuring timely release of customer equipment purchased at auction. These time savings have enabled our personnel to focus on customer needs and improve the customer experience. The project qualified as a 'quick win' due to the minimal capital expenditure that was required, the short implementation timeframe, and the fact that it drove significant efficiencies in our post-sale processes.

During the first nine months of 2016, we continued to be diligent in our valuations and methodology as it pertains to sectors that continue to experience pressure, including oil and gas and mining, in order to compete effectively and grow the business in those sectors.

OPTIMIZE our Balance Sheet
On March 1, 2016, we were granted approval of a new normal course issuer bid by the Toronto Stock Exchange ("TSX"), to allow us to continue pursuing share repurchases through both the New York Stock Exchange and the TSX. We intend to continue using our share repurchase program to primarily neutralize dilution from options. In March 2016, we repurchased 1.46 million of our common shares at a total cost of $36.7 million in order to address option dilution, consistent with our capital allocation priorities.

Also during the first nine months of 2016, we paid dividends of $52.3 million to our stockholders. In total we returned $89.0 million to our stockholders as we executed on our capital allocation strategy during the first nine months of 2016. We also managed our net capital spending such that it remains well below our target of 10% of our revenues on a trailing 12-month basis. We calculate the GAAP measure, net capital spending, directly from consolidated statement of cash flows by adding property, plant and equipment additions to intangible asset additions, and subtracting proceeds on disposition of property, plant and equipment.

On August 29 ,2016, in connection with the execution of the Merger Agreement, we obtained a financing commitment (the "Commitment Letter") from Goldman Sachs Bank USA ("GS Bank") pursuant to which GS Bank was committed to provide (i) a senior secured revolving credit facility in an aggregate principal amount of $150 million (the "Revolving Facility"), and (ii) a senior unsecured bridge loan facility in an aggregate principal amount of $850 million (the "Bridge Facility", and together with the Revolving Facility, the "Facilities").

As noted above, the Merger between Ritchie Bros. and IronPlanet is expected to significantly increase revenue and net income by using the strength of our balance sheet.

On October 27, 2016, we closed a new five-year credit agreement (the "Credit Agreement") with a syndicate of lenders, including Bank of America, N.A. ("BofA") and Royal Bank of Canada, which provides us with:

1) Multicurrency revolving facilities of up to $675.0 million (the "Multicurrency Facilities");
2) A delayed-draw term loan facility of up to $325.0 million (the "Delayed-Draw Facility" and together, the "New Facilities"); and
3) At our election and subject to certain conditions, including receipt of related commitments, incremental term loan facilities and/or increases to the Multicurrency Facilities in an aggregate amount of up to $50 million.

In conjunction with the closing of the Credit Agreement, we terminated the entire $150 million Revolving Facility and $350 million of the $850 million Bridge Facility in order to provide us with more suitable covenants and financial flexibility. Debt from the Credit Agreement will initially be used to finance the Merger with IronPlanet.

Used Equipment Market Update

Overall, the used equipment market was stable through the first nine months of 2016. We saw a marginal improvement in pricing during the third quarter of 2016. However, pricing remained lower than the used equipment valuation peak that occurred in the first quarter of 2015.

We continued to see performance vary among asset sectors and geographies. Sectors that had been under extreme downward pressure in previous quarters, including the oil and gas and mining sectors, saw some positive movement in commodity pricing in the third quarter of 2016. As a result, we started to see some assets that had been immobile since early 2015 slowly begin to be utilized in certain geographies. In terms of equipment values, North America continued to be our strongest geographical region in the first nine months of 2016, responding most favorably to changes in commodity pricing and the overall economic environment.

We also continued to see an improvement in the overall age of equipment coming to market relative to recent years; a trend that we believe results from the increase in Original Equipment Manufacturer production that began in 2010 and is generating more transactions in the current used equipment marketplace, as well as creating larger pools of used equipment for future transactions. We continue to closely monitor new equipment production models, dealer and rental sales performance, and pricing actions in light of pressures in the broader industrial equipment sector.

Results of Operations
Third Quarter Update

Financial overview	Three months ended September 30,		
			Change
(in U.S.$000's, except EPS)	2016	2015	2016 over 2015
Revenues	$ 128,876	$ 109,318	18%
Costs of services, excluding depreciation and amortization	14,750	12,045	22%
Selling, general and administrative expenses	69,000	58,170	19%
Acquisition-related costs	4,691	-	100%
Depreciation and amortization expenses	10,196	10,017	2%
Gain on disposal of property, plant and equipment	(570)	(234)	144%
Impairment loss	28,243	-	100%
Foreign exchange loss	281	718	(61%)
Operating income	2,285	28,602	(92%)
Operating income margin	1.8%	26.2%	-2440 bps
Other income (expense)	(105)	411	(126%)
Income tax expense	7,180	7,766	(8%)
Net income (loss) attributable to stockholders	(5,137)	20,825	(125%)
Diluted EPS (loss per share) attributable to stockholders	$ (0.05)	$ 0.19	(126%)
Effective tax rate	329.4%	26.8%	30259 bps
GAP	$ 998,859	$ 894,509	12%
Revenue Rate	12.90%	12.22%	68 bps

Gross Auction Proceeds
GAP was $1.0 billion for the three months ended September 30, 2016, a third quarter record and a 12% increase over the third quarter of 2015. Included in our third quarter 2016 GAP is $42.1 million of GTV from our online marketplaces, which represents a 39% increase over GTV of $30.4 million in the third quarter of 2015. The increase in GAP is primarily due to an increase in the number of core auction lots year-over-year. The total number of lots at industrial and agricultural auctions grew 6%, increasing to 98,500 in the third quarter of 2016 from 92,600 in the third quarter of 2015. In addition, core auction GAP increased 4% on a per-lot basis to $9,700 in the third quarter of 2016 from $9,300 in the third quarter of 2015.

GAP, on a U.S. dollar basis, grew in the United States and Canada in the third quarter of 2016 compared to the third quarter of 2015. However, this growth was partially offset by reductions in GAP in Europe and the rest of the world over the same comparative period.

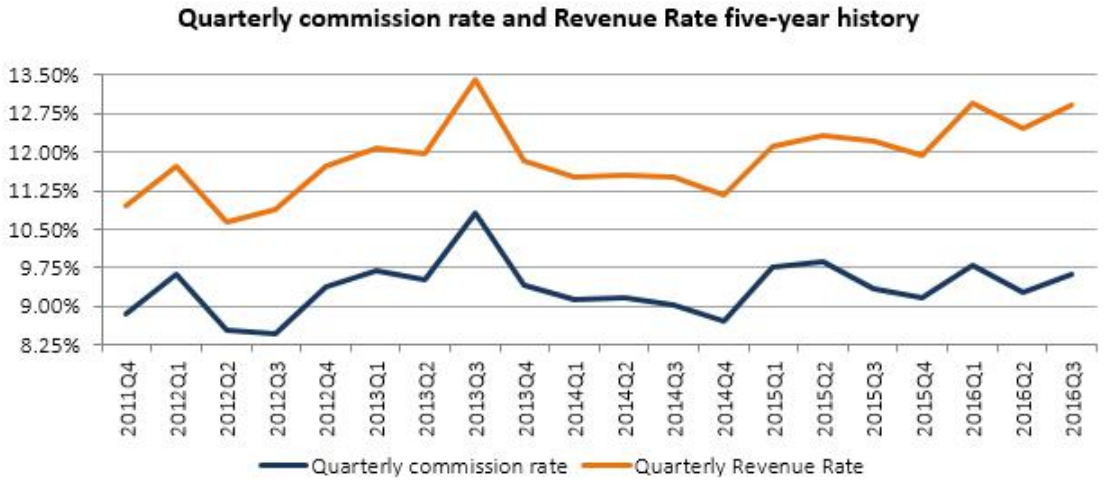
Foreign exchange rates did not have a significant impact on GAP in the third quarter of 2016.

During the third quarter of 2016, we continued to actively pursue the use of underwritten commission contracts from a strategic perspective, entering into such contracts only when the risk/reward profile of the terms were agreeable. The volume of underwritten commission contracts increased to 27% of our GAP in the third quarter of 2016 from 24% in the third quarter of 2015. Straight commission contracts continue to account for the majority of our GAP.

Revenues and Revenue Rate

(in U.S. $000's)	Three months ended September 30,		
			Better/(Worse)
	2016	2015	2016 over 2015
United States	$ 72,469	$ 58,368	24%
Canada	35,590	27,047	32%
Europe	10,810	12,891	(16%)
Other	10,007	11,012	(9%)
Revenues	$ 128,876	$ 109,318	18%

Our commission rate and overall Revenue Rate are presented in the graph below:



The distribution of our revenues across the geographic regions in which we operate was as follows, where the geographic location of revenues corresponds to the location in which the sale occurred, or in the case of online sales, where the company earning the revenues is incorporated:

Revenue distribution	Canada	Outside of Canada	United States	Europe	Other
Three months ended September 30, 2016	28%	72%	56%	8%	8%
Three months ended September 30, 2015	25%	75%	53%	12%	10%

Revenues increased 18% in the third quarter of 2016 compared to the third quarter of 2015, primarily due to volume increases in GAP combined with a strong Revenue Rate. Included in third quarter 2016 revenues were $4.1 million of revenues from EquipmentOne, which represents a 5% increase over EquipmentOne revenues of $3.9 million in the third quarter of 2015. Petrowsky contributed $0.4 million in revenues during the third quarter of 2016, of which $0.2 million were commissions.

Our Revenue Rate increased 68 bps to 12.90% in the third quarter of 2016 compared to 12.22% in the third quarter of 2015. This increase is primarily due to the performance of our underwritten contracts combined with an increase in fee revenue, which is not directly linked to GAP. Our third quarter 2016 overall average commission rate was 9.62%, compared to 9.35% in the third quarter of 2015. This increase is primarily due to the performance of our underwritten business. Our underwritten contract commission rates and volume increased during the three months ended September 30, 2016 compared to the same period in 2015.

Our fee revenue earned in the third quarter of 2016 represented 3.28% of GAP compared to 2.87% of GAP in the third quarter of 2015. The increase was primarily due to an increase in financing and other fees resulting from the improved performance of our value-added service offerings, combined with the mix of equipment sold at our auctions. Financing fees from RBFS increased 36% to $2.9 million in the third quarter of 2016 from $2.1 million in the third quarter of 2015. Mascus contributed $2.0 million of subscription, license, and other fee revenues in the third quarter of 2016. Xcira contributed $1.0 million of technology service fees in the third quarter of 2016. Petrowsky contributed $0.2 million of fees during the third quarter of 2016.

Revenue grew in Canada and the United States during the three months ended September 30, 2016 compared to the same period in 2015, primarily due to increases in GAP in those regions. Comparatively, revenues in Europe and the rest of the world decreased in the third quarter of 2016 compared to the third quarter of 2015, primarily due to the decreases in GAP in those regions.

Foreign exchange rates did not have a significant impact on revenues in the third quarter of 2016.

Costs of services

Costs of services are comprised of expenses incurred in direct relation to conducting auctions, earning online marketplace revenues, and earning other fee revenues. Costs incurred in direct relation to conducting our auctions include labour, buildings, facilities and technology expenses, and travel, advertising and promotion expenses. Costs of services incurred to earn online marketplace revenues include inventory management, referral, inspection, sampling, and appraisal fees. Costs of services incurred in earning other fee revenues include labour, commissions on sales, software maintenance fees, and materials.

Costs of services exclude depreciation, and amortization expenses. In comparative periods, costs of services consisted entirely of direct expenses. Primarily as a result of the Xcira and Mascus acquisitions, significant other costs of services are now incurred in earning our revenues.

Costs of services increased $2.7 million or 22% in the third quarter of 2016 compared to the third quarter of 2015. Costs of services related to our Core Auction segment were $14.1 million, or 1.41% of GAP, in the third quarter of 2016 compared $12.0 million, or 1.35% of GAP, in the third quarter of 2015. This $2.1 million increase is primarily due to the increase in number of lots at our auctions, combined with an increase in the number of agricultural auctions and auctions located in frontier regions – which typically cost more to operate than auctions held at our permanent and regional auction sites – and the recognition of costs of services from Xcira and Petrowsky of $0.7 million and $0.1 million, respectively.

During the third quarter of 2016, 88% of our GAP was attributable to auctions held at our permanent and regional auction sites, including those located in frontier regions, compared to 87% in the third quarter of 2015. We held 73 auctions in the each of the third quarters of 2016 and 2015.

EquipmentOne and Mascus contributed $0.4 million and $0.2 million, respectively, to our total costs of services in the third quarter of 2016. Prior to fiscal 2016, costs of services generated by EquipmentOne were insignificant and recorded within selling, general and administrative (“SG&A”) expenses.

Selling, general and administrative expenses
SG&A expenses by nature are presented below:

(in U.S. $000's)	Three months ended September 30,		
			% Change
	2016	2015	2016 over 2015
Employee compensation	$ 43,077	$ 36,287	19%
Buildings, facilities and technology	12,466	10,516	19%
Travel, advertising and promotion	6,273	5,388	16%
Professional fees	3,675	3,157	16%
Other SG&A expenses	3,509	2,822	24%
	$ 69,000	$ 58,170	19%

Our SG&A expenses increased $10.8 million, or 19%, in the third quarter of 2016 compared to the third quarter of 2015. Foreign exchange rates did not have a significant impact on SG&A expenses in the third quarter of 2016.

Employee compensation expenses increased $6.8 million in the third quarter of 2016 compared to the third quarter of 2015. The primary drivers of the increase in employee compensation were $2.8 million higher share-based payments and the 8% net growth of our headcount. Mascus, Xcira, and Petrowsky contributed $1.0 million, $0.8 million, and $0.3 million, respectively, to employee compensation expenses in the third quarter of 2016.

The increase in share-based payment expenses over the same period is primarily due to an increase in the fair value of our share units related to the performance of our common share price and an increase in the number of participants in the plans as a result of promotions and headcount increases (including new executives). Our share price closed at $35.07 per common share on September 30, 2016, compared to $25.88 per common share on September 30, 2015.

Buildings, facilities and technology costs increased $2.0 million in the third quarter of 2016 compared to the third quarter of 2015. This increase is primarily attributable to our value-added service offerings, and in particular, the costs required to support the growing fee revenues generated by that business. Mascus, Petrowsky, and Xcira contributed $0.2 million, $0.1 million, and $0.1 million, respectively, to buildings, facilities and technology costs in the third quarter of 2016.

Travel, advertising and promotion increased $0.9 million in the third quarter of 2016 compared to the third quarter of 2015, primarily due to an increase in rental fees as a result of a replacement of our aged and retired company vehicles with new vehicles under operating leases. Mascus and Petrowsky contributed $0.2 million and $0.1 million to travel, advertising and promotion expenses in the third quarter of 2016.

Professional fees increased $0.5 million in the third quarter of 2016 compared to the third quarter of 2015, primarily due to legal fees and accretion of deferred consulting service fees related to our acquisition of the 49% non-controlling interest in RBFS. These costs are not classified as ‘acquisition-related costs’ (as discussed below) as this transaction does not represent a business combination.

Other SG&A increased $0.7 million in the third quarter of 2016 compared to the third quarter of 2015, primarily in response to the increase in ancillary services and auction activity.

Included in third quarter 2016 SG&A expenses are $3.5 million of SG&A expenses from EquipmentOne, which increased 3% over EquipmentOne SG&A expenses of $3.4 million in the third quarter of 2015.

Acquisition-related costs
Acquisition-related costs consist of operating expenses directly incurred as part of a business combination and the Merger, including advisory, legal, accounting, valuation, and other professional or consulting fees, as well as travel and securities filing fees.

Third quarter 2016 acquisition-related costs consisted of $4.5 million and $0.2 million associated with IronPlanet and Petrowsky, respectively.

Impairment loss
During the third quarter of 2016, we identified an indicator of impairment on our EquipmentOne reporting unit. The indicator consisted of a decline in actual and forecasted revenue and operating income compared with previously projected results, which was primarily due to the recent performance of the EquipmentOne reporting unit. Accordingly, we performed an impairment test that resulted in the recognition of an impairment loss of $28.2 million on our EquipmentOne reporting unit goodwill and customer relationships as at September 30, 2016. Refer to "Critical Accounting Policies, Judgments, Estimates and Assumptions" below for details of the EquipmentOne reporting unit impairment testing.

Operating income
Operating income decreased $26.3 million, or 92%, to $2.3 million in the third quarter of 2016 compared to $28.6 million in the third quarter of 2015. This decrease is primarily due to the impairment loss recognized on the EquipmentOne reporting unit goodwill and customer relationships during the third quarter of 2016 combined with increases in SG&A expenses, acquisition-related costs, and costs of services, and partially offset by the increase in revenues during the third quarter of 2016 compared to the third quarter of 2015. Adjusted operating income[3] (non-GAAP measure) increased $1.9 million, or 7%, to $30.5 million in the third quarter of 2016 compared to $28.6 million in the third quarter of 2015.

Operating income margin, which is our operating income divided by revenues, decreased 2440 bps to 1.8% in the third quarter of 2016 compared to 26.2% in the third quarter of 2015. This decrease is primarily due to the impairment loss recognized on the EquipmentOne reporting unit goodwill and customer relationships during the third quarter of 2016 combined with increases in SG&A expenses, acquisition-related costs, and costs of services, partially offset by the increase in revenues during the third quarter of 2016 compared to the third quarter of 2015. Adjusted operating income margin[4] (non-GAAP measure) decreased 250 bps to 23.7% in the third quarter of 2016 from 26.2% in the third quarter of 2015.

Foreign exchange rates did not have a significant impact on operating income in the third quarter of 2016.

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3 Adjusted operating income is a non-GAAP measure. We use income statement and balance sheet performance scorecards to align our operations with our strategic priorities. We concentrate on a limited number of metrics to ensure focus and to facilitate quarterly performance discussions. Our income statement scorecard includes the performance metric, adjusted operating income. We believe that comparing adjusted operating income for different financial periods provides useful information about the growth or decline of operating income for the relevant financial period. We calculate adjusted operating income by eliminating from operating income the pre-tax effects of significant non-recurring items that we do not consider to be part of our normal operating results, such as management reorganization costs, severance, gains/losses on sale of certain property, plant and equipment, impairment losses, and certain other items, which we refer to as 'adjusting items'. Adjusted operating income is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under "Non-GAAP Measures" below.

4 Our income statement scorecard includes the performance metric, adjusted operating income margin, which is a non-GAAP measure. We believe that comparing adjusted operating income margin for different financial periods provides useful information about the growth or decline of our operating income for the relevant financial period. We calculate adjusted operating income margin by dividing adjusted operating income (non-GAAP measure) by revenues. Adjusted operating income margin is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under "Non-GAAP Measures" below.

Other income (expense)
Other income (expense) is comprised of the following:

(in U.S. $000's)	Three months ended September 30,		
			% Change
	2016	2015	2016 over 2015
Interest income	$ 369	$ 548	(33%)
Interest expense	(934)	(1,239)	(25%)
Equity income	213	363	(41%)
Other, net	247	739	(67%)
Other income (expense)	$ (105)	$ 411	(126%)

Income tax expense and effective tax rate
At the end of each interim period, we make our best estimate of the effective tax rate expected to be applicable for the full fiscal year. The estimate reflects, among other items, our best estimate of operating results. It does not include the estimated impact of foreign exchange rates or unusual and/or infrequent items, which may cause significant variations in the customary relationship between income tax expense and income before income taxes.

For the three months ended September 30, 2016, income tax expense was $7.2 million, compared to an income tax expense of $7.8 million for the same comparative period in 2015. Our effective tax rate was 329.4% in the third quarter of 2016, compared to 26.8% in the third quarter of 2015. The increase in the effective tax rate in the third quarter of 2016 compared to the third quarter of 2015 was primarily due to the higher estimate of non-deductible goodwill impairment loss and acquisition-related costs.

Net income (loss)
Net income attributable to stockholders decreased $26.0 million, or 125% to a net loss attributable to stockholders of $5.1 million in the third quarter of 2016 compared to net income attributable to stockholders of $20.8 million in the third quarter of 2015. This decrease is primarily due the recognition of the $28.2 million impairment loss on the EquipmentOne reporting unit goodwill and customer relationships, combined with the increase in SG&A expenses, acquisition-related costs, and costs of services, and partially offset by the increase in revenues over the same comparative period. Adjusted net income attributable to stockholders[5] (non-GAAP measure) increased $0.5 million, or 2%, to $21.3 million in the third quarter of 2016 from $20.8 million in the third quarter of 2015.

For these same reasons, net income decreased $26.2 million, or 124%, to a net loss of $5.0 million in the third quarter of 2016 from net income of $21.2 million in the third quarter of 2015. Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")[6] (non-GAAP measure) increased $1.5 million, or 4%, to $41.2 million, in the third quarter of 2016 from $39.7 million in the third quarter of 2015.

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5 Adjusted net income attributable to stockholders is a non-GAAP financial measure. We believe that comparing adjusted net income attributable to stockholders for different financial periods provides useful information about the growth or decline of our net income attributable to stockholders for the relevant financial period, and eliminates the financial impact of adjusting items we do not consider to be part of our normal operating results. Adjusted net income attributable to stockholders represents net income attributable to stockholders excluding the effects of adjusting items and is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under "Non-GAAP Measures" below.

6 Adjusted EBITDA is a non-GAAP financial measure that we believe provides useful information about the growth or decline of our net income when compared between different financial periods. Adjusted EBITDA is also an element of the performance criteria for certain performance share units we granted to our employees and officers in 2013 and 2014. Adjusted EBITDA is calculated by adding back depreciation and amortization expenses, interest expense, and current income tax expense, and subtracting interest income and deferred income tax recovery from net income excluding the pre-tax effects of adjusting items. Adjusted EBITDA is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under "Non-GAAP Measures" below.

Net income margin, which we calculate by dividing net income by revenues, decreased 2330 bps to -3.9% in the third quarter of 2016 from 19.4% in the third quarter of 2015. This decrease is primarily due to the impairment loss on the EquipmentOne reporting unit goodwill and customer relationships, combined with the increase in SG&A expenses, acquisition-related costs, and costs of services, and partially offset by the increase in revenues over the same comparative period. Adjusted EBITDA margin[7] (non-GAAP measure) decreased 430 bps to 32.0% in the third quarter of 2016 from 36.3% in the third quarter of 2015.

Diluted EPS

Diluted EPS attributable to stockholders decreased 126% to a diluted net loss per share attributable to stockholders of $0.05 per share in the third quarter of 2016 from diluted EPS attributable to stockholders of $0.19 per share in the third quarter of 2015. This decrease is primarily due to the decrease in net income attributable to stockholders over the same comparative period. Diluted adjusted EPS attributable to stockholders[8] (non-GAAP measure) increased 5% to $0.20 per share in the third quarter of 2016 from $0.19 per share in the third quarter of 2015.

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7 Adjusted EBITDA margin is a non-GAAP financial measure that we believe provides useful information about the growth or decline of our net income when compared between different financial periods. Adjusted EBITDA margin presents adjusted EBITDA (non-GAAP measure) as a multiple of revenues. Adjusted EBITDA margin is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under “Non-GAAP Measures” below.

8 Diluted adjusted EPS attributable to stockholders is a non-GAAP financial measure. We believe that comparing diluted adjusted EPS attributable to stockholders for different financial periods provides useful information about the growth or decline of our diluted EPS attributable to stockholders for the relevant financial period, and eliminates the financial impact of adjusting items we do not consider to be part of our normal operating results. Diluted adjusted EPS attributable to stockholders is calculated by dividing adjusted net income attributable to stockholders (non-GAAP measure) by the weighted average number of dilutive shares outstanding. Diluted adjusted EPS attributable to stockholders is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under “Non-GAAP Measures” below.

Year-to-Date Performance

Financial overview	Nine months ended September 30,		
			Change
(in U.S.$000's, except EPS)	2016	2015	2016 over 2015
Revenues	$ 419,626	$ 380,413	10%
Costs of services, excluding depreciation and amortization	49,821	40,681	22%
Selling, general and administrative expenses	211,153	187,165	13%
Acquisition-related costs	5,440	-	100%
Depreciation and amortization expenses	30,560	31,402	(3%)
Gain on disposal of property, plant and equipment	(1,017)	(1,200)	(15%)
Impairment loss	28,243	-	100%
Foreign exchange loss (gain)	332	(2,051)	(116%)
Operating income	95,094	124,416	(24%)
Operating income margin	22.7%	32.7%	-1000 bps
Other income	420	1,398	(70%)
Income tax expense	29,929	34,611	(14%)
Net income attributable to stockholders	63,979	89,685	(29%)
Diluted EPS attributable to stockholders	$ 0.60	$ 0.83	(28%)
Effective tax rate	31.3%	27.5%	380 bps
GAP	$ 3,294,463	$ 3,112,238	6%
Revenue Rate	12.74%	12.22%	52 bps

Gross Auction Proceeds

GAP was $3.3 billion for the nine months ended September 30, 2016, a 6% increase over the first nine months of 2015. Included in GAP for the first nine months of 2016 is $107.4 million of GTV from our online marketplaces, which represents a 28% increase over GTV of $83.9 million in the first nine months of 2015. The increase in GAP is primarily due to an increase in the number of core auction lots year-over-year. The total number of lots at industrial and agricultural auctions grew 14%, increasing to 321,400 in the first nine months of 2016 from 280,700 in the first nine months of 2015. However, core auction GAP decreased 8% on a per-lot basis to $9,900 in the first nine months of 2016 from $10,800 in the first nine months of 2015.

GAP, on a U.S. dollar basis, grew in the United States and Canada in the first nine months of 2016 compared to the first nine months of 2015. However, this growth was partially offset by a reduction in GAP in Europe over the same comparative period. GAP in the rest of the world grew during the nine months ended September 30, 2016 compared to the same period in 2015. GAP in the first nine months of 2016 would have been $52.6 million higher, resulting in an 8% increase over the first nine months of 2015, if foreign exchange rates had remained consistent with those in 2015. This adverse effect on GAP is primarily due to the declining value of the Canadian dollar and the Euro relative to the U.S. dollar.

During the first nine months of 2016, we continued to actively pursue the use of underwritten commission contracts from a strategic perspective, entering into such contracts only when the risk/reward profile of the terms were agreeable. The volume of underwritten commission contracts decreased to 25% of our GAP in the first nine months of 2016 from 29% in the first nine months of 2015, primarily due to the underwritten contracts associated with the Casper, Wyoming, offsite auction that was held on March 25, 2015. Straight commission contracts continue to account for the majority of our GAP.

Revenues and Revenue Rate

(in U.S. $000's)	Nine months ended September 30,		
			Better/(Worse)
	2016	2015	2016 over 2015
United States	$ 215,961	$ 195,382	11%
Canada	131,142	113,918	15%
Europe	37,214	35,700	4%
Other	35,309	35,413	-
Revenues	$ 419,626	$ 380,413	10%

The distribution of our revenues across the geographic regions in which we operate was as follows, where the geographic location of revenues corresponds to the location in which the sale occurred, or in the case of online sales, where the company earning the revenues is incorporated:

Revenue distribution	Canada	Outside of Canada	United States	Europe	Other
Nine months ended September 30, 2016	31%	69%	51%	9%	9%
Nine months ended September 30, 2015	30%	70%	51%	9%	10%

Revenues increased 10% in the first nine months of 2016 compared to the first nine months of 2015, primarily due to volume increases in GAP combined with a strong Revenue Rate. Included in revenues for the first nine months of 2016 were $11.7 million of revenues from EquipmentOne, which represents a 9% increase over EquipmentOne revenues of $10.7 million in the first nine months of 2015.

Our Revenue Rate increased 52 bps to 12.74% in the first nine months of 2016 compared to 12.22% in the first nine months of 2015. This increase is primarily due to the performance of our straight commission contracts combined with an increase in fee revenue, which is not directly linked to GAP. Our overall average commission rate was 9.53% for the first nine months of 2016, compared to 9.68% in the first nine months of 2015. This decrease is primarily due to the performance of our underwritten business. Our underwritten contract commission rates and volume decreased during the first nine months of 2016 compared to the first nine months of 2015.

Our fee revenue earned in the first nine months of 2016 represented 3.20% of GAP compared to 2.54% of GAP in the first nine months of 2015. The increase was primarily due to an increase in financing and other fees resulting from the improved performance of our value-added service offerings, combined with the mix of equipment sold at our auctions. Financing fees from RBFS increased 32% to $8.9 million in the first nine months of 2016 from $6.8 million in the first nine months of 2015. Mascus contributed $5.3 million of subscription, license, and other fee revenues in the first nine months of 2016. Xcira contributed $3.5 million of technology service fees in the first nine months of 2016.

Revenue grew in Canada, the United States, and Europe in the first nine months of 2016 compared to the same period in 2015, primarily as a result of increases in GAP in Canada and the United States, an increase in Revenue Rate in the United States, as well as the acquisitions of Mascus and Xcira. Comparatively, revenues in the rest of the world were consistent year-over-year.

Foreign exchange rates had a negative impact on revenues in the first nine months of 2016 as a significant portion of revenues are in Canada and the Netherlands. Refer to the table under "Translational impact of foreign exchange rates" below for details of the foreign exchange rate impact.

Costs of services

Costs of services increased $9.1 million or 22% in the first nine months of 2016 compared to the first nine months of 2015. Costs of services related to our Core Auction segment were $48.4 million, or 1.47% of GAP, in the first nine months of 2016 compared to $40.7 million, or 1.31% of GAP, in the first nine months of 2015.

This $7.7 million increase is primarily due to the increase in number of lots at our auctions, the increase in the number of agricultural auctions and auctions located in frontier regions, the recognition of costs of services from Xcira of $2.1 million, and a strategic increase in advertising and promotional expenditure targeted at our larger auctions, including our five-day, premier global auction in Orlando, United States. We believe the targeted increase in advertising and promotional expenditure contributed to the increase in GAP.

During the first nine months of 2016, 87% of our GAP was attributable to auctions held at our permanent and regional auction sites, including those located in frontier regions, compared to 85% in the first nine months of 2015. We held 267 auctions in the first nine months of 2016, compared to 262 in the first nine months of 2015. The proportion of GAP earned at those sites increased over the same comparative period.

EquipmentOne and Mascus contributed $0.9 million and $0.6 million, respectively, to our total costs of services in the first nine months of 2016. Prior to fiscal 2016, costs of services generated by EquipmentOne were insignificant and recorded within SG&A expenses.

Certain prior quarter expenses have been reclassified within costs of services to confirm with current year presentation.

Selling, general and administrative expenses

SG&A expenses by nature are presented below:

(in U.S. $000's)	Nine months ended September 30,		
			% Change
	2016	2015	2016 over 2015
Employee compensation	$ 135,129	$ 122,062	11%
Buildings, facilities and technology	36,671	30,849	19%
Travel, advertising and promotion	18,594	16,274	14%
Professional fees	9,524	9,456	1%
Other SG&A expenses	11,235	8,524	32%
	$ 211,153	$ 187,165	13%

Our SG&A expenses increased $24.0 million, or 13%, in the first nine months of 2016 compared to the first nine months of 2015. Foreign exchange rates had a positive impact on SG&A expenses in the first nine months of 2016 as a significant portion of administration expenses are in Canada and the Netherlands. Refer to the table under "Translational impact of foreign exchange rates" below for details of the foreign exchange rate impact.

Prior period acquisition-related costs have been reclassified and presented separately from SG&A expenses to conform with current quarter presentation.

Employee compensation expenses increased $13.1 million in the first nine months of 2016 compared to the first nine months of 2015. This increase included a positive effect from foreign exchange rates of $2.5 million. Removing foreign exchange impacts, the primary drivers of the increase in employee compensation were the 8% net growth of our headcount, $6.6 million higher share-based payments, $2.9 million from Mascus, and $2.1 million from Xcira. Employee compensation expenses in the first nine months of 2015 included $2.1 million in termination benefits resulting from the Separation Agreement with our former Chief Sales Officer.

The increase in share-based payment expenses over the same period is primarily due to an increase in the fair value of our share units related to the performance of our common share price, the impact of the change in accounting treatment of certain of our performance share units ("PSUs") from liability to equity-classified as a result of shareholder approval of our PSU plans on May 2, 2016, and an increase in the number of participants in the plans as a result of promotions and headcount increases (including new executives).

Buildings, facilities and technology costs increased $5.8 million in the first nine months of 2016 compared to the first nine months of 2015. This increase is primarily attributable to our value-added service offerings, and in particular, the costs required to support the growing fee revenues generated by that business. Mascus and Xcira contributed $0.5 million and $0.3 million, respectively, in the first nine months of 2016. The increase is also due to the fact that we had fewer software capitalization projects to which various information technology costs were able to be capitalized to in the first nine months of 2016 compared to the first nine months of 2015. The reduction in the number of projects is a result of significant system transformation projects (in which legacy software systems were replaced or upgraded) having reached completion at the end of the first quarter of 2015, combined with controlled capital spending.

Travel, advertising and promotion increased $2.3 million in the first nine months of 2016 compared to the first nine months of 2015, primarily due to an increase in rental fees as a result of a replacement of our aged and retired company vehicles with new vehicles under operating leases. The increase was also due to a strategic increase in advertising and promotional expenditure targeted at our larger auction events and integration of acquired businesses, as well as an increase in the number of tradeshows we participated in during the first nine months of 2016 compared to the same period in 2015.

Other SG&A increased $2.7 million in the first nine months of 2016 compared to the first nine months of 2015, primarily due to increased yard and office supplies required to support the increased ancillary service and auction activity, as well as headcount.

Included in SG&A expenses for the first nine months of 2016 are $9.7 million of SG&A expenses from EquipmentOne, which decreased 3% over EquipmentOne SG&A expenses of $10.0 million in the first nine months of 2015.

Acquisition-related costs
Acquisition-related costs for the first nine months of 2016 consisted of $4.5 million, $0.7 million, and $0.2 million associated with IronPlanet, Mascus, and Petrowsky, respectively.

Impairment loss
During the nine months ended September 30, 2016, we recognized an impairment loss of $28.2 million on our EquipmentOne reporting unit goodwill and customer relationships.

Operating income
Operating income decreased $29.3 million, or 24% to $95.1 million in the first nine months of 2016 compared to $124.4 million in the first nine months of 2015. This decrease is primarily due to the impairment loss recognized on the EquipmentOne reporting unit goodwill and customer relationships during the third quarter of 2016 combined with increases in SG&A expenses, costs of services, acquisition-related costs, and foreign exchange losses, and partially offset by the increase in revenues during the first nine months of 2016 compared to the first nine months of 2015. Adjusted operating income (non-GAAP measure) decreased $1.1 million, or 1%, to $123.3 million in the first nine months of 2016 compared to $124.4 million in the first nine months of 2015.

Operating income margin decreased 1000 bps to 22.7% in the first nine months of 2016 compared to 32.7% in the first nine months of 2015. This decrease is primarily due to the impairment loss recognized on the EquipmentOne reporting unit goodwill and customer relationships during the third quarter of 2016 combined with increases in SG&A expenses, costs of services, acquisition-related costs, and foreign exchange losses, and partially offset by the increase in revenues during the first nine months of 2016 compared to the first nine months of 2015. Adjusted operating income margin (non-GAAP measure) decreased 330 bps to 29.4% in the first nine months of 2016 from 32.7% in the first nine months of 2015.

Foreign exchange rates had a negative impact on operating income in the first nine months of 2016. Refer to the table under "Translational impact of foreign exchange rates" below for details of the foreign exchange rate impact.

Other income (expense)
Other income (expense) is comprised of the following:

(in U.S. $000's)	Nine months ended September 30,		
			% Change
	2016	2015	2016 over 2015
Interest income	$ 1,354	$ 2,075	(35%)
Interest expense	(3,357)	(3,816)	(12%)
Equity income	1,209	769	57%
Other, net	1,214	2,370	(49%)
Other income	$ 420	$ 1,398	(70%)

Income tax expense and effective tax rate
For the nine months ended September 30, 2016, income tax expense was $29.9 million, compared to an income tax expense of $34.6 million for the same comparative period in 2015. Our effective tax rate was 31.3% in the first nine months of 2016, compared to 27.5% in the first nine months of 2015. The increase in the effective tax rate in the first nine months of 2016 compared to the first nine months of 2015 was primarily due to the higher estimate of non-deductible goodwill impairment loss and acquisition-related costs, partially offset by a greater estimated proportion of annual earnings taxed in jurisdictions with lower tax rates for fiscal 2016 compared to fiscal 2015.

Net income
Net income attributable to stockholders decreased $25.7 million, or 29%, to $64.0 million in the first nine months of 2016 compared to $89.7 million in the first nine months of 2015. This decrease is primarily due to the impairment loss on the EquipmentOne reporting unit goodwill and customer relationships, combined with increases in SG&A expenses, costs of services, acquisition-related costs, and foreign exchange loss, and partially offset by the increase in revenues and decrease in income tax expense over the same comparative period. Adjusted net income attributable to stockholders (non-GAAP measure) increased $0.7 million, or 1%, to $90.4 million during the nine months ended September 30, 2016 from $89.7 million during the same period in 2015.

For these same reasons, net income decreased $25.6 million, or 28%, to $65.6 million in the first nine months of 2016 from $91.2 million in the first nine months of 2015. Adjusted EBITDA (non-GAAP measure) decreased $2.6 million, or 2%, to $156.3 million, in the first nine months of 2016 from $159.0 million in the first nine months of 2015.

Net income margin decreased 840 bps to 15.6% in the first nine months of 2016 from 24.0% in the first nine months of 2015. This decrease is primarily due to the impairment loss on the EquipmentOne reporting unit goodwill and customer relationships, combined with increases in SG&A expenses, costs of services, acquisition-related costs, and foreign exchange loss, and partially offset by the increase in revenues and decrease in income tax expense over the same comparative period. Adjusted EBITDA margin (non-GAAP measure) decreased 450 bps to 37.3% in the first nine months of 2016 from 41.8% in the first nine months of 2015.

Debt at September 30, 2016 represented 1.2 times net income as at and for the 12 months ended September 30, 2016. This compares to debt at September 30, 2015, which represented 0.9 times net income as at and for the 12 months ended September 30, 2015. The increase in this debt/net income multiplier is primarily due to an increase in debt from September 30, 2015 to September 30, 2016, combined with a decrease in net income for the 12 months ended September 30, 2016 compared to the 12 months ended September 30, 2015. The increase in debt is primarily due to an increase in short-term debt, which was $39.0 million at September 30, 2016 compared to $9.7 million at September 30, 2015. This $29.3 million, or 302%, increase in short-term debt is primarily due to borrowings during the third quarter of 2016 to fund the acquisition of the 49% non-controlling interest in RBFS. Net income for the 12 months ended September 30, 2016 was $113.0 million compared to $123.2 million for the same period ended September 30, 2015. This $10.2 million, or 8%, decrease is primarily due to the impairment loss on the EquipmentOne reporting unit goodwill customer relationships, as well as increases in SG&A expenses, costs of services, and acquisition-related costs, partially offset by the increase in revenues and gains on disposition of property, plant and equipment, combined with a decrease in income tax expense. Debt/adjusted EBITDA[9] (non-GAAP measure) was 0.7 as at and for the 12 months ended September 30, 2016 compared to 0.5 as at and for the 12 months ended September 30, 2015.

Diluted EPS
Diluted EPS attributable to stockholders decreased 28% to $0.60 per share in the first nine months of 2016 from $0.83 per share in the first nine months of 2015. This decrease is primarily due to the decrease in net income attributable to stockholders, partially offset by a 211,969 decrease in the weighted average number of dilutive shares outstanding over the same comparative period. Diluted adjusted EPS attributable to stockholders (non-GAAP measure) increased 1% to $0.84 per share in the first nine months of 2016 from $0.83 per share in the first nine months of 2015.

Foreign exchange loss and effect of exchange rate movement on income statement components
We conduct operations around the world in a number of different currencies, but our presentation currency is the U.S. dollar. In the first nine months of 2016, approximately 44% of our revenues and 57% of our operating expenses were denominated in currencies other than the U.S. dollar, compared to 43% and 58%, respectively in the first nine months of 2015.

Transactional impact of foreign exchange rates
We recognized $0.3 million of transactional foreign exchange losses in the first nine months of 2016, compared to $2.1 million of transactional foreign exchange gains during the same period in 2015. Foreign exchange losses and gains are primarily the result of settlement of foreign-denominated monetary assets and liabilities.

Translational impact of foreign exchange rates
Since late 2014, there has been significant weakening of the Canadian dollar and the Euro relative to the U.S. dollar. This weakening of the Canadian dollar and Euro has affected our reported operating income when non-U.S. dollar amounts were translated into U.S. dollars for financial statement reporting purposes.

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9 Our balance sheet scorecard includes the performance metric, debt/adjusted EBITDA, which is a non-GAAP financial measure. We believe that comparing debt/adjusted EBIDTA on a trailing 12-month basis for different financial periods provides useful information about the performance of our operations, and in particular, it is an indicator of the amount of time it would take for us to settle both our short and long-term debt. We do not consider this to be a measure of our liquidity, which is our ability to settle only short-term obligations, but rather a measure of how well we fund liquidity. Measures of liquidity are discussed further below under “liquidity and capital resources”. We calculate debt/adjusted EBITDA by dividing debt by adjusted EBITDA (non-GAAP measure). Debt/adjusted EBITDA is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under “Non-GAAP Measures” below.

Constant Currency amounts and Translational FX Impact are non-GAAP financial measures. We calculate our Constant Currency amounts by applying prior period foreign exchange rates to current period transactional currency amounts. We define Translational FX Impact as the amounts we report under GAAP, less Constant Currency amounts. We believe that presenting Constant Currency amounts and Translational FX Impact, and comparing Constant Currency amounts to prior period results, provides useful information regarding the potential effect of changes in foreign exchange rates on our performance and the growth or decline in our operating income by eliminating the financial impact of items we do not consider to be part of our normal operating results.

The following tables present our Constant Currency results and Translational FX Impact for the nine months ended September 30, 2016 and 2015, as well as reconcile those metrics to first nine months of 2016, 2015 and 2014 revenues, costs of services, SG&A expenses, acquisition-related costs, depreciation and amortization expenses, gain on disposition of property, plant and equipment, impairment loss, foreign exchange loss/gain, and operating income, which are the most directly comparable GAAP measures in our consolidated financial statements:

(in U.S. $000's)	Nine months ended September 30,				2016 over 2015 reported change		Constant Currency change	
	2016							
	As reported	Translational FX Impact	Constant Currency	2015	$	%	$	%
GAP	$ 3,294,463	$ 52,563	$3,347,026	$3,112,238	$ 182,225	6%	$ 234,788	8%
Revenues	419,626	6,364	425,990	$ 380,413	$ 39,213	10%	$ 45,577	12%
Costs of services, excluding depreciation and amortization	49,821	528	50,349	40,681	9,140	22%	9,668	24%
SG&A expenses	211,153	3,918	215,071	187,165	23,988	13%	27,906	15%
Acquisition-related costs	5,440	-	5,440	-	5,440	100%	5,440	100%
Depreciation and amortization expenses	30,560	650	31,210	31,402	(842)	(3%)	(192)	(1%)
Gain on disposition of property, plant and equipment	(1,017)	(4)	(1,021)	(1,200)	183	(15%)	179	(15%)
Impairment loss	28,243	-	28,243	-	28,243	100%	28,243	100%
Foreign exchange loss (gain)	332	543	875	(2,051)	2,383	(116%)	2,926	(143%)
Operating income	$ 95,094	$ 729	$ 95,823	$ 124,416	$ (29,322)	(24%)	$ (28,593)	(23%)

(in U.S. $000's)	Nine months ended September 30,				2015 over 2014 reported change		Constant Currency change	
	2015							
	As reported	Translational FX Impact	Constant Currency	2014	$	%	$	%
GAP	$ 3,112,238	$ 227,225	$3,339,463	$2,971,457	$ 140,781	5%	$ 368,006	12%
Revenues	380,413	28,620	409,033	$ 342,640	$ 37,773	11%	$ 66,393	19%
Costs of services, excluding depreciation and amortization	40,681	3,178	43,859	40,366	315	1%	3,493	9%
SG&A expenses	187,165	16,274	203,439	180,041	7,124	4%	23,398	13%
Depreciation and amortization expenses	31,402	2,807	34,209	32,982	(1,580)	(5%)	1,227	4%
Gain on disposition of property, plant and equipment	(1,200)	(51)	(1,251)	(3,433)	2,233	(65%)	2,182	(64%)
Impairment loss	-	-	-	8,084	(8,084)	(100%)	(8,084)	(100%)
Foreign exchange gain	(2,051)	(170)	(2,221)	(2,157)	106	(5%)	(64)	3%
Operating income	$ 124,416	$ 6,582	$ 130,998	$ 86,757	$ 37,659	43%	$ 44,241	51%

U.S. dollar exchange rate comparison

Value of one U.S. dollar	Nine months ended September 30,		
	2016	2015	% Change 2016 over 2015
Period-end exchange rate			
Canadian dollar	$ 1.3130	$ 1.3312	(1%)
Euro	0.8897	0.8947	(1%)
Average exchange rate			
Canadian dollar	$ 1.3228	$ 1.2600	5%
Euro	0.8962	0.8975	-

The majority of the change in the value of the U.S. dollar to the Canadian dollar and the Euro occurred during the first quarter of 2015. Since that time, the U.S. dollar continued a more moderate appreciation against those currencies. The weakening of the U.S. dollar relative to the Canadian dollar and the Euro between September 30, 2015 and September 30, 2016 substantially occurred during the third quarter of 2016.

Operations Update

The majority of our business continues to be generated by our core auction operations. During the first nine months of 2016, we conducted 162 unreserved industrial auctions at locations in North America, Central America, Europe, the Middle East, Australia, New Zealand, and Asia, compared to 162 during the first nine months of 2015. We also held 105 unreserved agricultural auctions in the first nine months of 2016, compared to 100 in the first nine months of 2015.

Our key industrial auction metrics[10] are shown below:

	Nine months ended September 30,		
	2016	2015	% Change 2016 over 2015
Bidder registrations	395,500	354,500	12%
Consignments	39,250	33,450	17%
Buyers	101,000	86,300	17%
Lots	294,000	253,500	16%

We continued to see increases in all key industrial auction metrics in the first nine months of 2016 compared to the first nine months of 2015, primarily as a result of our focused efforts on growing the business combined with a stable used equipment market.

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10 For a breakdown of these key industrial auction metrics by month, please refer to our website at *www.rbauction.com*. None of the information in our website is incorporated by reference into this document by this or any other reference.

Although our auctions vary in size, our average industrial auction results on a trailing 12-month basis are described in the following table:

	12 months ended September 30,		
			Change
	2016	2015	2016 over 2015
GAP	$ 17.5 million	$ 6.5 million	$ 1.0 million
Bidder registrations	2,397	2,109	14%
Consignors	234	195	20%
Lots	1,718	1,473	17%

For the same reasons discussed above, we continued to see improvements in all of our average industrial auction metrics for the 12 months ended September 30, 2016 compared to the 12 months ended September 30, 2015.

Website metrics[11]
The Ritchie Bros. website (*www.rbauction.com*) is a gateway to our online bidding system that allows bidders to participate in our auctions over the internet and showcases upcoming auctions and equipment to be sold. This online bidding service gives our auction customers the choice of how they want to do business with us and access to both live and online auction participation.

Internet bidders comprised 65% of the total bidder registrations at our industrial auctions in the first nine months of 2016, compared to 62% in the first nine months of 2015. This increase in the level of internet bidders continues to demonstrate our ability to drive multichannel participation at our auctions.

Our EquipmentOne website (*www.equipmentone.com*) provides access to our online equipment marketplace.

The following table provides information about the average monthly users of our websites:

	As at September 30,		
			% Change
	2016	2015	2016 over 2015
www.rbauction.com	841,536	828,833	2%
www.equipmentone.com	99,965	110,872	(10%)

We continued to see an increase in the number of average monthly users of *www.rbauction.com* between September 30, 2015 and September 30, 2016. This increase is primarily due to greater search traffic, which we believe is a direct result of our search engine optimization efforts that were focused on adapting our website to mobile devices.

We saw a decrease in the number of average monthly users of *www.equipmentone.com* between September 30, 2015 and September 30, 2016, yet over that same comparative period, we saw an increase in bidding activity. We believe these variances are primarily the result of our continued efforts to focus the marketing to target an audience that is more likely to transact on the online marketplace. As such, we believe this targeted marketing contributed to the increase in EquipmentOne revenues in the first nine months of 2016 compared to the first nine months of 2015.

During the first nine months of 2016, the average number of monthly visits to Mascus' global websites was 3,221,100.

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11 None of the information in our websites is incorporated by reference into this document by this or any other reference.

Online bidding and equipment marketplace purchase metrics

We continue to see an increase in the use and popularity of both our online bidding system and our online equipment marketplace. During the first nine months of 2016, we attracted record first nine months online bidder registrations and sold approximately $1.6 billion of equipment, trucks and other assets to online auction bidders and EquipmentOne customers. This represents a 13% increase over the $1.4 billion of assets sold online in the first nine months of 2015, and a first nine months sales record.

Productivity

We measure Sales Force Productivity as trailing 12-month core auction GAP per Revenue Producer[12]. It is an operational statistic that we believe provides a gauge of the effectiveness of Revenue Producers in increasing our GAP, and ultimately our net income. Sales Force Productivity increased to $12.1 million per Revenue Producer at September 30, 2016 from $11.9 million per Revenue Producer at September 30, 2015. The increase was primarily due to the fact that we maintained a consistent level of Revenue Producers while increasing our GAP during the 12 months ended September 30, 2016 compared to the 12 months ended September 30, 2015. In particular, we experienced increased productivity from our Strategic Accounts team in the United States, as well as from our Canadian, Australian, and East Asian Revenue Producers.

Our headcount statistics, which exclude Xcira and Mascus employees, as at the end of each period are presented below:

	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014
Total full-time employees	1,641	1,600	1,559	1,522	1,513	1,515	1,479	1,468
Regional Sales Managers	50	45	49	46	48	46	45	46
Territory Managers	304	304	296	296	307	307	308	307
Revenue Producers	354	349	345	342	355	353	353	353
Trainee Territory Managers	22	28	26	31	26	24	30	29
Other sales personnel	110	103	99	95	88	87	79	81
Sales personnel	486	480	470	468	469	464	462	463

Total headcount (excluding Xcira and Mascus employees) increased by net 128 between September 30, 2015 and September 30, 2016, which consisted of increases of net 17 sales personnel and net 111 administrative and operational personnel. Included in the administrative and operational personnel increase was an increase of net 24 equipment inspectors, yard staff, and other personnel at our Edmonton, Canada, auction site to support growth in that region. While some of this increase came from the addition of new employees, a portion of the headcount increase in Edmonton was also the result of the conversion of part time employees to full time employees. The increase in administrative and operational personnel also included net 17 from RBFS[13], net 15 from EquipmentOne, and net 11 from Petrowsky. In addition, between September 30, 2015 and September 30, 2016, our finance team increased by net 13 as a result of a restructure of the finance department for the strategic purpose of partnering finance personnel with the leaders responsible for driving growth in the business.

Between September 30, 2015 and September 30, 2016, the number of Revenue Producers decreased by net one while the number of Trainee Territory Managers and other sales personnel increased by net 18, resulting in the overall net 17 increase in total sales personnel. Compared to December 31, 2015, the number of Revenue Producers and Territory Managers increased by net 12 and eight, respectively, during the nine-month period ended September 30, 2016.

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12 Revenue Producers is a term used to describe our revenue-producing sales personnel. This definition is comprised of Regional Sales Managers and Territory Managers.

13 RBFS account managers generate financing fee revenue but do not produce GAP. As such, they are excluded from our definition of Revenue Producers and the measurement of Sales Force Productivity, which is based on core auction GAP.

Xcira had a total headcount of 54 full time employees at September 30, 2016, which has increased by net four since December 31, 2015. Mascus had a total headcount of 49 at September 30, 2016.

Outstanding Share Data

We are a public company and our common shares are listed under the symbol "RBA" on the NYSE and the TSX. On November 8, 2016, we had 106,679,740 common shares issued and outstanding, 434,413 share units awarded under our senior executive and employee PSU plans, and stock options outstanding to purchase a total of 3,520,202 common shares. No preferred shares have been issued or are outstanding. The outstanding stock options had a weighted average exercise price of $23.96 per share and a weighted average remaining term of 7.6 years. In respect of PSUs awarded under the senior executive and employee PSU plans, performance and market conditions, depending on their outcome at the end of the contingency period, can reduce the number of vested awards to nil or to a maximum of 200% of the number of outstanding PSUs. Certain of our PSUs are only cash-settled, whereas others may be settled, at our discretion, in cash or through the issuance of shares, by open market purchases of shares.

Share repurchase program

In March 2016, we executed the following share repurchases at a total cost of $36.7 million:

	Issuer purchases of equity securities			
	(a) Total number of shares purchased [2]	(b) Average price paid per share [2]	(c) Total number of shares purchased as part of publically announced program [2]	(d) Maximum approximate dollar value of shares that may yet be purchased under the program [1]
March 2016 [3]	1,460,000	$ 25.15	1,460,000	$ 15.8 million

(1) On January 12, 2015, we announced that our Board of Directors had authorized a share repurchase program for the repurchase of up $100 million worth of our common shares (subject to TSX approval) over the next three years. The initial normal course issuer bid approved by the TSX (the "initial NCIB") was for a one-year period from March 3, 2015 through March 2, 2016. No purchases were made under the initial NCIB during the first quarter of 2016, and the initial NCIB expired in accordance with its terms on March 2, 2016.

(2) On February 25, 2016, we announced our intention to renew our normal course issuer bid on the expiry of the initial NCIB. On March 1, 2016, the TSX approved a new normal course issuer bid (the "new NCIB") for a one-year period from March 3, 2016 to March 2, 2017. The information in the above table relates to purchases made, and eligible to be made in the future, pursuant to the new NCIB.

(3) Repurchases under the new NCIB during the month of March 2016 began on March 8, 2016 and ended on March 15, 2016. All repurchased shares were cancelled on March 15, 2016. No further share repurchases were made pursuant to the new NCIB, or by any other means, during the nine months ended September 30, 2016.

Liquidity and Capital Resources

Working capital

(in U.S. $000's)	September 30, 2016	December 31, 2015	% Change
Cash and cash equivalents	$ 230,984	$ 210,148	10%
Restricted cash	$ 83,413	$ 83,098	-
Current assets	$ 571,971	$ 430,099	33%
Current liabilities	440,341	289,966	52%
Working capital	$ 131,630	$ 140,133	(6%)

We believe that working capital is a more meaningful measure of our liquidity than cash alone. Our working capital decreased during the nine months ended September 30, 2016, primarily due to the payment of dividends of $55.7 million, the acquisition of the 49% non-controlling interest in RBFS for cash consideration of $41.1 million during the third quarter of 2016, and the repurchase of 1.46 million common shares for $36.7 million in the first quarter of 2016. Net income generated during the period partially offset this decrease, as did the refinancing of our long-term loan that fell due in May 2016, which resulted in the replacement of the current portion of long-term debt with non-current long-term debt.

Cash flows

(in U.S. $000's)	Nine months ended September 30,		
	2016	2015	% Change 2016 over 2015
Cash provided by (used in):			
Operating activities	$ 163,423	$ 158,428	3%
Investing activities	(97,316)	(12,191)	698%
Financing activities	(49,610)	(66,285)	(25%)
Effect of changes in foreign currency rates	4,339	(13,212)	(133%)
Net increase in cash and cash equivalents	$ 20,836	$ 66,740	(69%)

Operating activities

Cash provided by operating activities increased $5.0 million, or 3%, during the first nine months of 2016 compared to the first nine months of 2015. Cash provided by operating activities can fluctuate significantly from period to period due to factors such as differences in the timing, size and number of auctions during the period, the timing of the receipt of auction proceeds from buyers and of the payment of net amounts due to consignors, as well as the location of the auction with respect to restrictions on the use of cash generated therein.

Investing activities

Net cash used in investing activities increased $85.1 million, or 698%, during the first nine months of 2016 compared to the first nine months of 2015. This increase is primarily due to the acquisition of the 49% non-controlling interest in RBFS for cash consideration of $41.1 million, the acquisition of Mascus for cash consideration of $28.1 million, net of cash and cash equivalents acquired, an increase in intangible asset additions of $7.8 million, and the acquisition of Petrowsky for cash consideration of $6.3 million. The increase in intangible asset additions is primarily due to the capitalization of costs to assets under development. Significant software development projects include those related to computer system transformation, customer experience and process improvements, website enhancement, adaptation of our website to mobile devices, and disaster recovery preparedness.

CAPEX Intensity presents net capital spending as a percentage of revenue. We believe that comparing CAPEX Intensity on a trailing 12-month basis for different financial periods provides useful information as to the amount of capital expenditure that we require to generate revenues.

(in U.S. $ millions)	For the 12 months ended September 30,		
			Change
	2016	2015	2016 over 2015
Property, plant and equipment additions	$ 22.0	$ 19.6	12%
Intangible asset additions	16.6	7.5	121%
Proceeds on disposition of property plant and equipment	(15.2)	(5.5)	176%
Net capital spending	$ 23.4	$ 21.6	8%
Revenues	$ 555.1	$ 518.9	7%
CAPEX intensity	4.2%	4.2%	-

CAPEX Intensity for the 12 months ended September 30, 2016 remained consistent with CAPEX Intensity for the 12 months ended September 30, 2015 due to the fact that the increase in net capital spending was offset by the increase in revenues. The net capital spending increase was primarily the result of a $9.1 million, or 121%, increase in intangible asset additions and a $2.4 million, or 12%, increase in property, plant and equipment additions, partially offset by a $9.7 million, or 176%, increase in proceeds on disposition of property, plant and equipment.

The majority of the intangible asset and property, plant and equipment additions during the 12 months ended September 30, 2016 primarily relate to the capitalization of costs to assets under development. Significant software development projects include those related to computer system transformation, customer experience and process improvements, website enhancement, adaptation of our website to mobile devices, and disaster recovery preparedness. Significant property, plant and equipment additions primarily consist of property development projects that relate to auction site improvements, as well as the acquisition of yard and automotive equipment to support our operational and headcount growth.

The increase in proceeds on disposition of property, plant and equipment during the 12 months ended September 30, 2016 compared to the 12 months ended September 30, 2015 is primarily due to $8.4 million of proceeds from the sale of excess property in Edmonton, Canada, recognized in the fourth quarter of 2015.

Financing activities

Net cash used in financing activities decreased $16.7 million, or 25%, in the first nine months of 2016 compared to the first nine months of 2015, primarily due to a net increase in cash provided by short-term debt financing activities. In particular, proceeds from short-term debt increased $44.0 million during the nine months ended September 30, 2016 compared to the nine months ended September 30, 2015. This increase was partially offset by a $22.1 million increase in short-term debt repayments over the same comparative period.

The repayment of long-term debt of $46.6 million related to the Canadian dollar 60 million term loan that fell due in May 2016 was offset by the proceeds from long-term debt of $46.6 million received during the nine months ended September 30, 2016 in order to refinance the aforementioned term loan.

We declared and paid regular cash dividends of $0.16 per common share for the quarters ended September 30, 2015, December 31, 2015, and March 31, 2016, and we declared and paid regular cash dividends of $0.17 per common share for the quarter ended June 30, 2016. We have declared, but not yet paid, a dividend of $0.17 per common share for the quarter ended September 30, 2016.

Total dividend payments during the nine months ended September 30, 2016 were $52.3 million to stockholders and $3.4 million to non-controlling interests. This compares to total dividend payments of $47.2 million to stockholders and $1.3 million to non-controlling interests during the nine months ended September 30, 2015. All dividends we pay are "eligible dividends" for Canadian income tax purposes unless indicated otherwise.

Our dividend payout ratio, which we calculate as dividends paid to stockholders divided by net income attributable to stockholders, increased 1153 bps to 62.9% for the 12 months ended September 30, 2016 from 51.4% for the 12 months ended September 30, 2015. This increase is primarily the result of the increase in our dividends paid to stockholders combined with the decrease in net income attributable to stockholders over the same comparative period. Our adjusted dividend payout ratio[14] (non-GAAP measure) increased 750 bps to 57.1% for the 12 months ended September 30, 2016 from 49.6% for the 12 months ended September 30, 2015.

Cash provided by operating activities decreased $49.6 million, or 20%, to $201.4 million during the 12 months ended September 30, 2016 from $251.0 million during the 12 months ended September 30, 2015. This decrease was primarily due to changes in our operating assets and liabilities, and in particular, an increase in cash used in relation to trade and other receivables, inventory, income taxes payable, trade and other payables, and advances against auction contracts, partially offset by an increase in cash provided by restricted cash and auction proceeds payable. These balances can fluctuate significantly from period to period due to factors such as differences in the timing, size and location of the auction and the volume of our underwritten commission contracts. Operating free cash flow ("OFCF")[15] (non-GAAP measure) decreased $51.4 million, or 22%, to $178.0 million during the 12 months ended September 30, 2016 from $229.4 million during the 12 months ended September 30, 2015.

Our return on average invested capital is calculated as net income attributable to stockholders divided by our average invested capital. We measure average invested capital over a trailing 12-month period by adding the average long-term debt over that period to the average stockholders' equity over that period. Return on average invested capital decreased 124 bps to 14.0% during the 12 months ended September 30, 2016 from 15.2% for the 12 months ended September 30, 2015. This decrease is primarily due to a $10.6 million, or 9%, decrease in net income attributable to stockholders over this same comparative period, partially offset by a $5.5 million decrease in average invested capital from September 30, 2015 to September 30, 2016. Return on invested capital ("ROIC")[16] (non-GAAP measure) decreased 40 bps to 15.4% during the 12 months ended September 30, 2016 from 15.8% for the 12 months ended September 30, 2015.

Debt and credit facilities

At September 30, 2016, our short-term debt of $39.0 million consisted of borrowings under our committed and uncommitted, revolving credit facilities, and had a weighted average annual interest rate of 1.6%. This compares to current borrowings of $12.4 million as at December 31, 2015, with a weighted average annual interest rate of 1.8%.

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14 Adjusted dividend payout ratio is non-GAAP financial measure. We believe that comparing the adjusted dividend payout ratio for different financial periods provides useful information about how well our net income supports our dividend payments. Adjusted dividend payout ratio is calculated by dividing dividends paid to stockholders by adjusted net income attributable to stockholders (non-GAAP measure). Adjusted dividend payout ratio is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under "Non-GAAP Measures" below.

15 OFCF is non-GAAP financial measure that we believe, when compared on a trailing 12-month basis to different financial periods provides an effective measure of the cash generated by our business and provides useful information regarding cash flows remaining for discretionary return to stockholders, mergers and acquisitions, or debt reduction. Our balance sheet scorecard includes the performance metric, OFCF. OFCF is also an element of the performance criteria for certain annual short-term incentive awards we grant to our employees and officers. We calculate OFCF by subtracting net capital spending from cash provided by operating activities. OFCF is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under "Non-GAAP Measures" below.

16 ROIC is a non-GAAP financial measure that we believe, by comparing on a trailing 12-month basis for different financial periods provides useful information about the after-tax return generated by our investments. Our balance sheet scorecard includes the performance metric, ROIC. ROIC is also an element of the performance criteria for certain PSUs we granted to our employees and officers in 2013 and 2014. We calculate ROIC as net income attributable to stockholders excluding the effects of adjusting items divided by average invested capital. Average invested capital is a GAAP measure calculated as the average long-term debt (including current and non-current portions) and stockholders' equity over a trailing 12-month period. ROIC is reconciled to the most directly comparable GAAP measures in our consolidated financial statements under "Non-GAAP Measures" below.

The $43.3 million current portion of long-term debt as at December 31, 2015 consisted entirely of our Canadian dollar 60 million term loan under our uncommitted, revolving credit facility. We refinanced this term loan on a long-term basis when it fell due on May 4, 2016 by drawing on our committed, revolving credit facility. As at September 30, 2016, we had a total of $101.6 million long-term debt, with a weighted average annual interest rate of 2.9%. This compares to long-term debt of $97.9 million as at December 31, 2015, with a weighted average annual interest rate of 5.0%.

As noted under "Strategy" above, on August 29 ,2016, we obtained the Commitment Letter from GS Bank pursuant to which GS Bank was committed to provide the $150 million Revolving Facility and the $850 million Bridge Facility. No draws were made against these Facilities as at September 30, 2016.

Future scheduled interest payments over the next five years relating to our long-term debt outstanding at September 30, 2016 were as follows:

(in U.S. $000's)	Scheduled interest payments					
	In 2016	In 2017	In 2018	In 2019	In 2020	Thereafter
On long-term debt	$ 741	$ 2,963	$ 2,499	$ 2,171	$ 2,171	$ 2,991

On September 30, 2016, our credit facilities were with financial institutions in the United States, Canada and the Netherlands. Certain of the facilities include commitment fees applicable to the unused credit amount. We were in compliance with all financial and other covenants applicable to our credit facilities at September 30, 2016.

Subsequent event

As noted under "Strategy" above, on October 27, 2016, we closed the new five-year Credit Agreement with a syndicate of lenders, including BofA and Royal Bank of Canada, which provides us with:

1) The $675.0 million Multicurrency Facilities;
2) The $325.0 million Delayed-Draw Facility; and
3) At our election and subject to certain conditions, including receipt of related commitments, incremental term loan facilities and/or increases to the Multicurrency Facilities in an aggregate amount of up to $50 million.

In conjunction with the closing of the Credit Agreement, and as contemplated in the Commitment Letter, we terminated the entire $150 million Revolving Facility and $350 million of the $850 million Bridge Facility, neither of which had any draws at the date of cancellation, in order to provide us with more suitable covenants and financial flexibility. In addition, on October 27, 2016, the Company terminated its pre-existing revolving bi-lateral credit facilities, which consisted of $313.0 million of committed revolving credit facilities and $292.2 million of uncommitted credit facilities, as well as the $50 million bulge credit facility. On the same day, the Company also prepaid all outstanding debt issued under the terminated facilities using funds from the New Facilities, which resulted in the fixed rate long-term debt being replaced by floating rate long-term debt and $6.9 million in early termination fees, which were recognized as acquisition-related costs on the transaction date.

We may use the proceeds from the Multicurrency Facilities to refinance certain existing indebtedness and for other general corporate purposes. Proceeds from the Delayed-Draw Facility can only be used to finance transactions contemplated by the Merger Agreement. The Multicurrency Facilities remain in place and outstanding even if the Merger Agreement is terminated and the Merger is not consummated.

The New Facilities will remain unsecured until the closing of the Merger, after which the New Facilities will be secured by various of our assets. The New Facilities may become unsecured again after the Merger is consummated, subject to Ritchie Bros. meeting specified credit rating or leverage ratio conditions. The New Facilities will mature five years after the closing date of the Credit Agreement. The Delayed-Draw Facility will amortize in equal quarterly installments in an annual amount of 5% for the first two years after the closing of the Merger, and 10% in the third through fifth years after the closing of the Merger, with the balance payable at maturity.

Borrowings under the Credit Agreement will bear floating rates of interest, which, at our option, will be based on either a base rate (or Canadian prime rate for certain Canadian dollar borrowings) or LIBOR (or such customary floating rate customarily used by BofA for currencies other than U.S. dollars). In either case, an applicable margin is added to the rate. The applicable margin ranges from 0.25% to 1.50% for base rate loans, and 1.25% to 2.50% for LIBOR (or the equivalent of such currency) loans, depending on our leverage ratio at the time of borrowing. We must also pay quarterly in arrears a commitment fee equal to the daily amount of the unused commitments under the New Facilities multiplied by an applicable percentage per annum (which ranges from 0.25% to 0.50% depending on our leverage ratio). On November 8, 2016, our draws on the New Facilities totaled $160.4 million.

We believe our existing working capital and availability under our credit facilities, including the New Facilities and the Bridge Facility remaining under the Commitment Letter, are sufficient to satisfy our present operating requirements, as well as to fund future growth including, but not limited to, mergers and acquisitions, development of EquipmentOne, and other growth opportunities.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, financial performance, liquidity, capital expenditures or capital resources.

Critical Accounting Policies, Judgments, Estimates and Assumptions

Aside from those discussed below, there were no material changes in our critical accounting policies, judgments, estimates and assumptions from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2015, which is available on our website at *www.rbauction.com*, on EDGAR at *www.sec.gov*, or on SEDAR at *www.sedar.com*, or in the notes to our consolidated financial statements included in "Part I, Item 1: Consolidated Financial Statements" in this Quarterly Report on Form 10-Q.

Recoverability of goodwill

We perform impairment tests on goodwill on an annual basis in accordance with US GAAP, or more frequently if events or changes in circumstances indicate that those assets might be impaired. Goodwill is tested for impairment at a reporting unit level, which is at the same level or one level below an operating segment.

The first step of the two-step impairment test prescribed by US GAAP is to identify potential impairment by comparing the reporting unit fair value with its carrying amount, including goodwill. If the carrying amount of the reporting unit exceeds its fair value, the second step of the impairment test is performed, wherein the carrying amount of the goodwill in the reporting unit is compared to its implied fair value. The implied fair value is calculated by performing a hypothetical purchase price allocation in the same manner as if the reporting unit was being acquired in a business combination. An impairment loss is recognized for the excess of the goodwill's carrying amount over its implied fair value.

We measure the fair value of our reporting units using a blended analysis of the earnings approach, which employs a discounted cash flow methodology, and the market approach, which employs a multiple of earnings methodology. We believe that using a blended approach compensates for the inherent risks associated with each model if used on a stand-alone basis. In applying these approaches, management is required to make significant estimates and assumptions about the timing and amount of future cash flows, revenue growth rates, and discount rates, which requires a significant amount of judgment. As a result, actual results may differ from those used in the two-step goodwill impairment test.

EquipmentOne reporting unit goodwill

Goodwill arising from the acquisition of AssetNation, the provider of our online marketplaces, forms part of the EquipmentOne reporting unit. During the three months ended September 30, 2016, an indicator of impairment was identified with respect to the EquipmentOne reporting unit.

The indicator consisted of a decline in actual and forecasted revenue and operating income compared with previously projected results, which was primarily due to the recent performance of the EquipmentOne reporting unit.

As a result of the identification of an indicator of impairment of the EquipmentOne reporting unit, we performed the US GAAP two-step goodwill impairment test at September 30, 2016. Consistent with our policy noted above, we measured the fair value of the EquipmentOne reporting unit using a blended analysis of the earnings approach and the market approach, giving equal weighting to both.

Using the cash flow methodology of the earnings approach, the fair value of the EquipmentOne reporting unit was measured based on the present value of the cash flows that we expect the reporting unit to generate in the future. The earnings approach valuation was most sensitive to the following assumptions:

(i) Revenue growth rate

Cash flow forecasts estimate a compound annual growth rate of 5.5% in fiscal 2017, 10% in each of fiscal 2018 through 2021, 8.3% in fiscal 2022, 6.5% in fiscal 2023, and 4.8% in fiscal 2023. The estimated growth rate used in determining the EquipmentOne reporting unit's future cash flows is based on our expectation of future growth rates resulting from application of our business strategy.

(ii) Discount rate

We applied a discount rate of 12% based on the revenue growth rate for the EquipmentOne reporting unit, with this discount rate reflecting the risk premium based on an assessment of risk related to projected cash flows. We have exercised significant judgment in determining that the discount rate reflects investors' expectations and takes into consideration market rates of return, capital structure, company size, and industry risk.

Cash flows beyond the five-year period were extrapolated using a long-term growth rate estimated to be 3.0%.

The most significant estimates used in the market approach were (i) the determination of the most comparable publicly-traded firms in terms of the nature, size, growth, and profitability of the business, (ii) the risk and return on the investment, and (iii) an assessment of comparable revenue and operating income multiples.

As step one of the goodwill impairment test indicated that the carrying amount (including goodwill) of the EquipmentOne reporting unit exceeded its fair value, we proceeded to step two, wherein the step one fair value of the EquipmentOne reporting unit was used to estimate the implied fair value of the goodwill. The second step of the goodwill impairment test involved allocating the EquipmentOne reporting unit fair value to all the assets and liabilities of that reporting unit, including identifiable intangible assets, deferred tax assets, and deferred tax liabilities, based on their estimated fair values.

Based on the results of the goodwill impairment test, we recorded an impairment loss on the EquipmentOne reporting unit goodwill of $23.6 million during the quarter ended September 30, 2016.

Recoverability of long-lived assets

Long-lived assets, which are comprised of property, plant and equipment and definite-lived intangible assets, are assessed for impairment whenever events or circumstances indicate that their carrying amounts may not be recoverable, or earlier when the asset is classified as held for sale. For the purpose of impairment testing, long-lived assets are grouped and tested for recoverability at the lowest level that generates independent cash flows from another asset group. The carrying amount of the long-lived asset group is not recoverable if it exceeds the sum of the future undiscounted cash flows expected to result from the long-lived asset group's use and eventual disposition.

In order to determine the future undiscounted cash flows, we are required to estimate the useful lives of the long-lived asset groups, as well as form expectations of future revenues and expenses, including costs to maintain the long-lived asset groups over their respective useful lives.

Forming such expectations involves the use of significant judgments and estimates, which can vary depending on our intention with respect to the future use of the long-lived asset group, the past performance of the asset group, and availability of approved budgets and forecasts.

Where the carrying amount of the long-lived asset group is not recoverable because it exceeds the sum of the future undiscounted cash flows, the fair value of the long-lived asset group is determined in order to calculate any impairment loss. An impairment loss is measured as the excess of the long-lived asset group's carrying amount over its fair value.

Fair value is based on valuation techniques or third party appraisals. Significant judgments and estimates used in determining fair value vary depending on the valuation approach adopted, but can include an assessment of who the comparable market participants are, which recent events impact the market the long-lived asset group operates in, planned future use of the long-lived asset group, our experience with similar long-lived asset group sales and related selling fees, as well as costs to prepare the long-lived asset group for sale.

At September 30, 2016, for the same reason noted above under the goodwill impairment test, management determined that there was an indicator that the carrying amount of the long-lived assets arising from our acquisition of AssetNation (the "EquipmentOne long-lived assets") might not have been recoverable. As such, we performed the recoverability test, for which purpose management determined that the asset group to which the EquipmentOne long-lived assets belonged was the EquipmentOne reporting unit.

The results of the recoverability test indicated that the EquipmentOne reporting unit carrying amount (including goodwill but excluding deferred tax assets, deferred tax liabilities, and income taxes payable) exceeded the sum of its future undiscounted cash flows. As such, management then used an earnings approach to estimate the fair values of the EquipmentOne long-lived assets and compared those fair values to their carrying amounts.

Based on the results of the long-lived asset impairment test, we recorded a pre-tax impairment loss on the EquipmentOne reporting unit customer relationships of $4.7 million on September 30, 2016. In connection with this impairment loss, we recorded a deferred tax benefit of $1.8 million to the income tax provision. The result of this impairment test was reflected in the carrying value of the EquipmentOne reporting unit prior to the completion of the goodwill impairment test described above.

Recoverability of indefinite-lived intangible assets

We perform impairment tests on indefinite-lived intangible assets on an annual basis in accordance with US GAAP, or more frequently if events or changes in circumstances indicate that it is more likely than not that those assets are impaired. Generally, a qualitative assessment is performed first and where there is an indication that it is more likely than not that the asset is impaired, then a quantitative impairment test is performed. The quantitative impairment test compares the fair value of the asset to its carrying amount. If the carrying amount exceeds the fair value, then an impairment loss is recognized in an amount equal to that excess.

Management performed a qualitative assessment at September 30, 2016 on the trade names and trademarks arising from our acquisition of AssetNation (the "EquipmentOne trade names and trademarks"). Referencing the same indicator of impairment identified as part of the goodwill impairment test described above, management determined that it was more likely than not that the EquipmentOne trade names and trademarks were impaired at September 30, 2016 and proceeded to the quantitative impairment test.

Management used an income approach to determine the fair value of the EquipmentOne trade names and trademarks for purposes of conducting the quantitative impairment test. Based on the results of this test, the fair value was determined to exceed the carrying amount at September 30, 2016, and accordingly, no impairment loss was recognized.

Subsequent to performing this impairment test, management concluded that an indefinite life for these assets could no longer be supported. Commencing September 30, 2016, we began amortizing the EquipmentOne trade names and trademarks over their useful lives, which management has estimated to be 15 years.

Changes in Accounting Policies
There have been no changes in our significant accounting policies during the three months ended September 30, 2016.

Non-GAAP Measures
We make reference to various non-GAAP measures throughout this Quarterly Report on Form 10-Q. These measures do not have a standardized meaning and are, therefore, unlikely to be comparable to similar measures presented by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with generally accepted accounting principles.

The following tables present our adjusted operating income (non-GAAP measure) and adjusted operating income margin (non-GAAP measure) results for the three and nine months ended September 30, 2016 and 2015, as well as reconcile those metrics to operating income, revenues, and operating income margin, which are the most directly comparable GAAP measures in, or calculated from, our consolidated income statements:

(in U.S. $ thousands)	Three months ended September 30,		
			Change
	2016	2015	2016 over 2015
Operating income	$ 2,285	$ 28,602	(92%)
Pre-tax adjusting item:			
Impairment loss	28,243	-	100%
Adjusted operating income (non-GAAP measure)	$ 30,528	$ 28,602	7%
Revenues	$ 128,876	$ 109,318	18%
Operating income margin	1.8%	26.2%	-2440 bps
Adjusted operating income margin (non-GAAP measure)	23.7%	26.2%	-250 bps

(in U.S. $ thousands)	Nine months ended September 30,		
			Change
	2016	2015	2016 over 2015
Operating income	$ 95,094	$ 124,416	(24%)
Pre-tax adjusting item:			
Impairment loss	28,243	-	100%
Adjusted operating income (non-GAAP measure)	$ 123,337	$ 124,416	(1%)
Revenues	$ 419,626	$ 380,413	10%
Operating income margin	22.7%	32.7%	-1000 bps
Adjusted operating income margin (non-GAAP measure)	29.4%	32.7%	-330 bps

The adjusting item for the three and nine months ended September 30, 2016 was a $26.4 million ($28.2 million before tax, or $0.25 per diluted share) impairment loss on our EquipmentOne reporting unit goodwill and customer relationships recognized in the third quarter of 2016.

The following tables present our adjusted net income attributable to stockholders (non-GAAP measure) and diluted adjusted EPS attributable to stockholders (non-GAAP measure) results for the three and nine months ended September 30, 2016 and 2015, as well as reconcile those metrics to net income (loss) attributable to stockholders, the weighted average number of dilutive shares outstanding, and diluted EPS (loss per share) attributable to stockholders, which are the most directly comparable GAAP measures in our consolidated income statements:

(in U.S. $ thousands, except share and per share data)	Three months ended September 30,		
			Change
	2016	2015	2016 over 2015
Net income (loss) attributable to stockholders	$ (5,137)	$ 20,825	(125%)
Pre-tax adjusting item:			
Impairment loss	28,243	-	100%
Deferred income tax effect of adjusting item:			
Impairment loss	(1,798)	-	(100%)
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 21,308	$ 20,825	2%
Weighted average number of dilutive shares outstanding	107,525,051	107,517,888	-
Diluted EPS (loss per share) attributable to stockholders	$ (0.05)	$ 0.19	(126%)
Diluted adjusted EPS attributable to stockholders (non-GAAP measure)	$ 0.20	$ 0.19	5%

(in U.S. $ thousands, except share and per share data)	Nine months ended September 30,		
			Change
	2016	2015	2016 over 2015
Net income attributable to stockholders	$ 63,979	$ 89,685	(29%)
Pre-tax adjusting item:			
Impairment loss	28,243	-	100%
Deferred income tax effect of adjusting item:			
Impairment loss	(1,798)	-	(100%)
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 90,424	$ 89,685	1%
Weighted average number of dilutive shares outstanding	107,221,390	107,433,359	-
Diluted EPS attributable to stockholders	$ 0.60	$ 0.83	(28%)
Diluted adjusted EPS attributable to stockholders (non-GAAP measure)	$ 0.84	$ 0.83	1%

The adjusting item for the three and nine months ended September 30, 2016 was a $26.4 million ($28.2 million before tax, or $0.25 per diluted share) impairment loss on our EquipmentOne reporting unit goodwill and customer relationships recognized in the third quarter of 2016.

The following tables present our adjusted EBITDA (non-GAAP measure) and adjusted EBITDA margin (non-GAAP measure) results for the three and nine months ended September 30, 2016 and 2015, as well as reconcile those metrics to net income (loss), revenues, and net income margin, which are the most directly comparable GAAP measures in, or calculated from, our consolidated income statements:

(in U.S. $ thousands)	Three months ended September 30,		
			Change
	2016	2015	2016 over 2015
Net income (loss)	$ (5,000)	$ 21,247	(124%)
Add: depreciation and amortization expenses	10,196	10,017	2%
Less: interest income	(369)	(548)	(33%)
Add: interest expense	934	1,239	(25%)
Add: current income tax expense	9,652	8,700	11%
Less: deferred income tax recovery	(2,472)	(934)	165%
Pre-tax adjusting item:			
Impairment loss	28,243	-	100%
Adjusted EBITDA (non-GAAP measure)	$ 41,184	$ 39,721	4%
Revenues	$ 128,876	$ 109,318	18%
Net income margin	-3.9%	19.4%	-2330 bps
Adjusted EBITDA margin (non-GAAP measure)	32.0%	36.3%	-430 bps

(in U.S. $ thousands)	Nine months ended September 30,		
			Change
	2016	2015	2016 over 2015
Net income	$ 65,585	$ 91,203	(28%)
Add: depreciation and amortization expenses	30,560	31,402	(3%)
Less: interest income	(1,354)	(2,075)	(35%)
Add: interest expense	3,357	3,816	(12%)
Add: current income tax expense	35,767	38,778	(8%)
Less: deferred income tax recovery	(5,838)	(4,167)	40%
Pre-tax adjusting item:			
Impairment loss	28,243	-	100%
Adjusted EBITDA	$ 156,320	$ 158,957	(2%)
Revenues	$ 419,626	$ 380,413	10%
Net income margin	15.6%	24.0%	-840 bps
Adjusted EBITDA margin (non-GAAP measure)	37.3%	41.8%	-450 bps

The adjusting item for the three and nine months ended September 30, 2016 was a $26.4 million ($28.2 million before tax, or $0.25 per diluted share) impairment loss on our EquipmentOne reporting unit goodwill and customer relationships recognized in the third quarter of 2016.

The following table presents our debt/adjusted EBITDA (non-GAAP measures) results as at and for the 12 months ended September 30, 2016 and 2015, as well as reconciles that metric to debt, net income, and debt as a multiple of net income, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements:

(in U.S. $ millions)	As at and for the 12 months ended September 30,		
			Change
	2016	2015	2016 over 2015
Short-term debt	$ 39.0	$ 9.7	302%
Long-term debt	101.6	100.6	1%
Debt	$ 140.6	$ 110.3	27%
Net income	$ 113.0	$ 123.2	(8%)
Add: depreciation and amortization expenses	41.2	43.0	(4%)
Less: interest income	(1.9)	(2.6)	(27%)
Add: interest expense	4.5	5.1	(12%)
Add: current income tax expense	39.4	48.4	(19%)
Less: deferred income tax recovery	(6.2)	(3.3)	88%
Pre-tax adjusting item:			
Management reorganization	-	5.5	(100%)
Gain on sale of excess property	(8.4)	-	(100%)
Impairment loss	28.2	-	100%
Adjusted EBITDA	$ 209.8	$ 219.3	(4%)
Debt/net income	1.2x	0.9x	33%
Debt/adjusted EBITDA (non-GAAP measure)	0.7x	0.5x	40%

Adjusting items for the 12 months ended September 30, 2016 included a $7.3 million ($8.4 million before tax, or $0.07 per diluted share) gain on the sale of excess property in Edmonton, Canada, recognized in the fourth quarter of 2015, and a $26.4 million ($28.2 million before tax, or $0.25 per diluted share) impairment loss on our EquipmentOne reporting unit goodwill and customer relationships recognized in the third quarter of 2016.

The adjusting item for the 12 months ended September 30, 2015 was a $4.2 million ($5.5 million before tax, or $0.04 per diluted share) termination benefit expense related to the fourth quarter 2014 management reorganization.

The following table presents our adjusted net income attributable to stockholders (non-GAAP measure) and adjusted dividend payout ratio (non-GAAP measure) results on a trailing 12-month basis, and reconciles those metrics to dividends paid to stockholders, net income attributable to stockholders, and dividend payout ratio, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements:

(in U.S. $ millions)	For the 12 months ended September 30,		
			Change
	2016	2015	2016 over 2015
Dividends paid to stockholders	$ 69.5	$ 62.2	12%
Net income attributable to stockholders	$ 110.5	$ 121.1	(9%)
Pre-tax adjusting items:			
Management reorganization	-	5.5	(100%)
Gain on sale of excess property	(8.4)	-	(100%)
Impairment loss	28.2	-	100%
Current income tax effect of adjusting items:			
Management reorganization	-	(1.3)	100%
Gain on sale of excess property	1.1	-	100%
Deferred income tax effect of adjusting items:			
Impairment loss	(1.8)	-	(100%)
Deferred tax adjusting items:			
Tax loss utilization	(7.9)	-	(100%)
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 121.8	$ 125.3	(3%)
Dividend payout ratio	62.9%	51.4%	1153 bps
Adjusted dividend payout ratio (non-GAAP measure)	57.1%	49.6%	750 bps

Adjusting items for the 12 months ended September 30, 2016 included a $7.3 million ($8.4 million before tax, or $0.07 per diluted share) gain on the sale of excess property in Edmonton, Canada, and a $7.9 million (or $0.07 per diluted share) tax saving generated by tax loss utilization, both recognized in the fourth quarter of 2015, as well as a $26.4 million ($28.2 million before tax, or $0.25 per diluted share) impairment loss on our EquipmentOne reporting unit goodwill and customer relationships recognized in the third quarter of 2016.

The adjusting item for the 12 months ended September 30, 2015 was a $4.2 million ($5.5 million before tax, or $0.04 per diluted share) termination benefit expense related to the fourth quarter 2014 management reorganization.

The following table presents our OFCF (non-GAAP measure) results on a trailing 12-month basis, and reconciles that metric to cash provided by operating activities and net capital spending, which are the most directly comparable GAAP measures in our consolidated statements of cash flows:

(in U.S. $ millions)	For the 12 months ended September 30,		
			Change
	2016	2015	2016 over 2015
Cash provided by operating activities	$ 201.4	$ 251.0	(20%)
Property, plant and equipment additions	22.0	19.6	12%
Intangible asset additions	16.6	7.5	121%
Proceeds on disposition of property plant and equipment	(15.2)	(5.5)	176%
Net capital spending	$ 23.4	$ 21.6	8%
OFCF (non-GAAP measure)	$ 178.0	$ 229.4	(22%)

The following table presents our ROIC (non-GAAP measure) results on a trailing 12-month basis, and reconciles that metric to net income attributable to stockholders, long-term debt, stockholders' equity, and return on average invested capital, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements:

(in U.S. $ millions)	For the 12 months ended September 30,		
			Change
	2016	2015	2016 over 2015
Net income attributable to stockholders	$ 110.5	$ 121.1	(9%)
Pre-tax adjusting items:			
Management reorganization	-	5.5	(100%)
Gain on sale of excess property	(8.4)	-	(100%)
Impairment loss	28.2	-	100%
Current income tax effect of adjusting items:			
Management reorganization	-	(1.3)	100%
Gain on sale of excess property	1.1	-	100%
Deferred income tax effect of adjusting items:			
Impairment loss	(1.8)	-	(100%)
Deferred tax adjusting item:			
Tax loss utilization	(7.9)	-	(100%)
Adjusted net; income attributable to stockholders (non-GAAP measure)	$ 121.8	$ 125.3	(3%)
Opening long-term debt	100.6	113.9	(12%)
Ending long-term debt	101.6	100.6	1%
Average long-term debt	$ 101.1	$ 107.3	(6%)
Opening stockholders' equity	686.3	688.3	-
Ending stockholders' equity	689.6	686.3	-
Average stockholders' equity	$ 688.0	$ 687.3	-
Average invested capital	$ 789.1	$ 794.6	(1%)
Return on average invested capital	14.0%	15.2%	-124 bps
ROIC (non-GAAP measure)	15.4%	15.8%	-40 bps

Adjusting items for the 12 months ended September 30, 2016 included a $7.3 million ($8.4 million before tax, or $0.07 per diluted share) gain on the sale of excess property in Edmonton, Canada, and a $7.9 million (or $0.07 per diluted share) tax saving generated by tax loss utilization, both recognized in the fourth quarter of 2015, as well as a $26.4 million ($28.2 million before tax, or $0.25 per diluted share) impairment loss on our EquipmentOne reporting unit goodwill and customer relationships recognized in the third quarter of 2016.

The adjusting item for the 12 months ended September 30, 2015 was a $4.2 million ($5.5 million before tax, or $0.04 per diluted share) termination benefit expense related to the fourth quarter 2014 management reorganization.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to the Company's market risk during the nine months ended September 30, 2016 from those disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2015, which is available on our website at *www.rbauction.com*, on EDGAR at *www.sec.gov*, or on SEDAR at *www.sedar.com*.

ITEM 4: CONTROLS AND PROCEDURES

Disclosure Controls and Procedures
Management of the Company, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), have evaluated the effectiveness of the Company's disclosure controls and procedures as at September 30, 2016. The term "disclosure controls and procedures" means controls and other procedures established by the Company that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's ("SEC's") rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Based upon their evaluation of the Company's disclosure controls and procedures, the CEO and the CFO concluded that the disclosure controls are effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure and are effective to provide reasonable assurance that such information is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms.

The Company, including its CEO and CFO, does not expect that its internal controls and procedures will prevent or detect all error and all fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Changes in Internal Control over Financial Reporting
Management, with the participation of the CEO and CFO, concluded that there were no changes in the Company's internal control over financial reporting during the quarter ended September 30, 2016 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II

ITEM 1: LEGAL PROCEEDINGS

The Company has no material legal proceedings pending, other than ordinary routine litigation incidental to the business, and management does not know of any material proceedings contemplated by governmental authorities.

ITEM 1A: RISK FACTORS

Our business is subject to a number of risks and uncertainties, and our past performance is no guarantee of our performance in future periods. In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risks and uncertainties discussed in "Part I, Item 1A: Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2015, which is available on our website at *www.rbauction.com*, on EDGAR at *www.sec.gov*, or on SEDAR at *www.sedar.com*, before purchasing our common shares. Our business could also be affected by additional risks not currently known to us or that we currently deem to be immaterial. If any of the risks actually occur, our business, financial condition and results of operations could materially suffer. As a result, the trading price of our common shares could decline, and you may lose all or part of your investment.

There were no material changes in risk factors during the nine months ended September 30, 2016, except as outlined below.

Significant costs have been incurred and are expected to be incurred in connection with the consummation of the Merger and the integration of IronPlanet with Ritchie Bros. into a combined company, including legal, accounting, financial advisory and other costs.
We expect to incur one-time costs in connection with integrating our operations, products and personnel with those of IronPlanet into a combined company, in addition to costs related directly to completing the Merger. We would expect similar costs to be incurred in connection with any future acquisition. These costs may include expenditures for:

- reorganization or closures of facilities;
- employee redeployment, relocation or severance; and
- integration of operations and information systems.

In addition, we expect to incur a number of non-recurring costs associated with combining our operations with those of IronPlanet. Additional unanticipated costs may yet be incurred as we integrate our business with IronPlanet. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of our operations with IronPlanet, may offset incremental transaction and transaction-related costs over time, this net benefit may not be achieved in the near term.

We may not realize the anticipated benefits of, and synergies from, the Merger and may become responsible for certain liabilities and integration costs as a result.
Business acquisitions involve the integration of new businesses that have previously operated independently from us. The integration of our operations with those of IronPlanet is expected to result in financial and operational benefits, including certain tax and run-rate synergies. There can be no assurance, however, regarding when or the extent to which we will be able to realize these and other benefits. Integration may also be difficult, unpredictable and subject to delay because of possible company culture conflicts and different opinions on future business development. We may be required to integrate or, in some cases, replace, numerous systems, including those involving management information, purchasing, accounting and finance, sales, billing, employee benefits, payroll and regulatory compliance, many of which may be dissimilar. Difficulties associated with the integration of acquired businesses could have a material adverse effect on our business.

In addition, in connection with the Merger, we have assumed, and may assume in connection with future acquisitions, certain potential liabilities. To the extent such liabilities are not identified by us or to the extent indemnifications obtained from third parties are insufficient to cover such liabilities, these liabilities could have a material adverse effect on our business.

Integrating our business with IronPlanet's may divert our management's attention away from operations.
Successful integration of IronPlanet's operations, products and personnel with ours may place a significant burden on our management and other internal resources. The diversion of management's attention, and any difficulties encountered in the transition and integration process, could adversely affect our business, financial condition and operating results.

The Merger is subject to a number of conditions and may not be completed on the terms or timeline currently contemplated, or at all.
The completion of the Merger is subject to certain conditions, including, among other things: (a) the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended; (b) receipt by Ritchie Bros. of a warrant holder consent agreement duly executed by each holder of IronPlanet warrants; (c) the Committee on Foreign Investment in the United States having provided written notice to the effect that review of the transactions contemplated by the Merger Agreement has been concluded and has terminated all action under Section 721 of the Defense Production Act of 1950, as amended; (d) absent termination of IronPlanet's registrations or withdrawal of registrations under the International Traffic in Arms Regulations, the United States Department of State having concluded its review and not taken action to block or prevent the consummation of the Merger; (e) the applicable time periods for the perfection of appraisal rights under Section 262(d)(2) of the Delaware General Corporation Law having lapsed and, as of the closing date, the total number of dissenting shares not exceeding 5% of the issued and outstanding shares of IronPlanet common stock; (f) the absence of any law, order or other legal restraint or prohibition entered, enacted, promulgated, enforced or issued by any court or other governmental authority of competent jurisdiction, which prohibits consummation of the Merger; (g) the truth of the other party's representations and warranties in the merger agreement, subject to certain materiality standards; and (h) no material adverse change (as defined in the Merger Agreement) having occurred since the date of the Merger Agreement.

We cannot assure you that the Merger will be consummated on the terms or timeline currently contemplated, or at all. Many of the conditions to completion of the Merger are not within our control, and we cannot predict when or if these conditions will be satisfied. The failure to meet all of the required conditions could delay the completion of the Merger for a significant period of time or prevent it from occurring. Any delay in completing the Merger could cause Ritchie Bros. not to realize some or all of the benefits that it expects to achieve if the Merger is successfully completed within its expected timeframe.

We will incur a substantial amount of debt to complete the Merger. This indebtedness could have a material adverse effect on our business and financial condition.
At September 30, 2016, we had total debt of $140.6 million. We have the ability under the Credit Agreement to incur substantial additional indebtedness in the future, and we plan to incur significant additional indebtedness in the event we complete the planned Merger with IronPlanet. We expect to incur up to $850.0 million of debt to complete the acquisition of IronPlanet. Our ability to make payments on our debt, fund our other liquidity needs and make planned capital expenditures will depend on our ability to generate cash in the future. Our historical financial results have been, and we anticipate that our future financial results will be, subject to fluctuations. Our ability to generate cash is subject in part to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We cannot guarantee that our business will generate sufficient cash flow from our operations or that future borrowings will be available to us in an amount sufficient to enable us to make payments of our debt, fund other liquidity needs and make planned capital expenditures. If our cash flows and capital resources are insufficient to fund debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance our indebtedness.

We may not be able to effect any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternatives may not allow us to meet our scheduled debt service obligations.

The degree to which we are currently leveraged and will be leveraged following the completion of the Merger could have important consequences for shareholders. For example, it could:

- limit our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements;
- require us to dedicate a substantial portion of our cash flow from operations to the payment of debt service, reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions, dividends and other corporate purposes;
- increase our vulnerability to general adverse economic or industry conditions;
- expose us to the risk of increased interest rates for any borrowings at variable rates of interest;
- limit our flexibility in planning for and reacting to changes in our industry; and
- place us at a competitive disadvantage compared to businesses in our industry that have less debt.

Additionally, the Credit Agreement contains a number of covenants that impose operating and financial restrictions on Ritchie Bros. and may limit our ability to engage in acts that may be in our long-term best interests. The Credit Agreement contains customary restrictions and limitations on the ability of Ritchie Bros. and its subsidiaries to take certain actions, including incurring additional indebtedness, granting liens, making certain investments and making dividend payments or other distributions, in each case subject to customary carve-outs and exceptions. The Credit Agreement also includes a requirement that Ritchie Bros. maintain certain leverage and interest coverage ratios (each as defined in the Credit Agreement), in each case tested on a quarterly basis. Any failure to comply with covenants in the instruments governing our debt could result in an event of default which, if not cured or waived, would have a material adverse effect on us.

In conjunction with the Merger, we will grant security interests in favor of our Credit Agreement lenders over a substantial portion of the assets of Ritchie Bros. and certain of our subsidiaries in Canada and the United States, which may have a material adverse effect on us.
To secure our obligations under the Credit Agreement, upon closing of the Merger, we will enter into certain security agreements under which we will grant security interests in favor of the lenders under our Credit Agreement over a substantial portion of the assets of Ritchie Bros. and certain of our subsidiaries in Canada and the United States. The obligations under the Credit Agreement will remain unsecured until the closing of the Merger, after which they will become secured. After the closing of the Merger, if we meet certain specified credit ratings or leverage ratio conditions, the obligations under the Credit Agreement will again become unsecured. An event of default under the Credit Agreement would also allow the lenders to accelerate their debt and terminate all commitments to extend further credit thereunder. If we were unable to repay amounts due and payable under the Credit Agreement, the lenders would have the right to proceed against the collateral securing the indebtedness. In any of these events, we may seek to refinance our indebtedness but be unable to do so on commercially reasonable terms. As a result, such event of default could result in the loss of our interests in the secured assets and have a material adverse effect on us, including by limiting our ability to conduct our business, to raise additional debt or equity financing and to compete effectively or take advantage of new business opportunities.

ITEM 2: UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None during the three months ended September 30, 2016.

ITEM 6: EXHIBITS

Exhibits
The exhibits listed in below are filed as part of this Quarterly Report on Form 10-Q and incorporated herein by reference.

Exhibit Number	Document
2.1*	Agreement and Plan of Merger, dated August 29, 2016, by and among the Company, Topaz Mergersub, Inc., IronPlanet, and Fortis Advisors LLC (as representative of the indemnifying securityholders thereunder) (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by the Company on August 31, 2016)
10.1**	Strategic Alliance and Remarketing Agreement, entered into as of August 29, 2016, by and between the Company, IronPlanet, Inc. and Caterpillar, Inc.
10.2	Commitment Letter, dated August 29, 2016, from Goldman Sachs Bank USA
10.3	Amended and Restated Commitment Letter, dated September 16, 2016, from Goldman Sachs Bank USA and Royal Bank of Canada
10.4	Credit Agreement, dated as of October 27, 2016, by and among the Company, the other borrowers and guarantors party thereto, Bank of America, N.A., as administrative agent, U.S. swing line lender and L/C issuer, Royal Bank of Canada, as Canadian swing line lender and L/C issuer, and the other lenders party thereto (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K/A filed by the Company on November 4, 2016)
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant will furnish copies of any such schedules to the U.S. Securities and Exchange Commission upon request.

** Certain portions of this exhibit have been omitted pursuant to a request for confidential treatment and have been filed separately with the Securities and Exchange Commission.

SIGNATURES

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

RITCHIE BROS. AUCTIONEERS INCORPORATED

Dated: November 9, 2016

By: */s/ Ravichandra K. Saligram*
Ravichandra K. Saligram
Chief Executive Officer

Dated: November 9, 2016

By: */s/ Sharon R. Driscoll*
Sharon R. Driscoll
Chief Financial Officer

CONFIDENTIAL TREATMENT REQUESTED BY RITCHIE BROS. AUCTIONEERS INCORPORATED PURSUANT TO RULE 24b-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934. PORTIONS OF THIS DOCUMENT HAVE BEEN OMITTED PURSUANT TO SUCH REQUEST, HAVE BEEN MARKED WITH THE SYMBOL "[*]" TO DENOTE WHERE OMISSIONS HAVE BEEN MADE AND HAVE BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.**

STRATEGIC ALLIANCE AND REMARKETING AGREEMENT

This **STRATEGIC ALLIANCE AND REMARKETING AGREEMENT** ("**Agreement**") is entered into as August 29, 2016 (the "**Execution Date**") by and between **RITCHIE BROS. AUCTIONEERS INCORPORATED**, a Canadian corporation having its principal place of business at 9500 Glenlyon Parkway, Burnaby, British Columbia, V5J 0C6 ("**RBA**"), on behalf of itself and its other wholly-owned subsidiaries (collectively, "**RCC**"), **IRONPLANET, INC.,** a Delaware corporation having its principal place of business at 3825 Hopyard Road, Suite 250, Pleasanton, CA 94588, solely for purposes of Sections 3, 7, 8 and 9 ("**IronPlanet**"), and **CATERPILLAR INC.**, a Delaware corporation having it principal place of business at 100 North East Adams Street, Peoria, IL 61629, on behalf of itself and its wholly-owned subsidiaries (collectively, "**Caterpillar**" and together with RCC, the "**Parties**" and each a "**Party**").

RECITALS

WHEREAS, RBA and IronPlanet are in the business of facilitating the exchange, buying, selling and auctioneering of industrial equipment;

WHEREAS, pursuant to an Agreement and Plan of Merger, dated as of the date hereof (the "**Merger Agreement**"), RBA will acquire one hundred percent (100%) of the issued and outstanding capital stock of IronPlanet Holdings, Inc. ("**IP**"), the parent of IronPlanet, upon the Closing (as such term is defined in the Merger Agreement) (the "**Merger**");

WHEREAS, Caterpillar is the world's leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial turbines and diesel-electric locomotives and has a long history of innovation and using leading edge technology to provide customer solutions to ensure their success;

WHEREAS, commencing upon, subject to and contingent upon the occurrence of the Closing, RCC and Caterpillar desire to create a strategic alliance to provide a reliable volume of used CAT equipment to customers through RCC live onsite auctions and online auctions and marketplaces in the countries where RCC does business (the "**Alliance**"); and

NOW, THEREFORE, in consideration of the premises and mutual covenants and promises described herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, RCC and Caterpillar hereby agree as follows:

1. GOVERNING PRINCIPLES

1.1 Objectives. Pursuant to this Agreement, the Parties' objectives ("**Objectives**") for the Alliance include, but are not limited to collaborating together to:

a) Provide Caterpillar's authorized dealers ("**Cat dealers**") other relevant channels to sell used Cat equipment;
b) Serve the used equipment disposition needs of Caterpillar;

c) Provide Caterpillar with rich data and customer insights to allow Caterpillar to better serve owners and users of equipment branded with a trademark owned by Caterpillar;

d) Encourage an increased flow of high quality Cat machines for sale through RCC's sales channels;

e) Drive international growth and operational efficiency for RCC; and

f) Maintain RCC's neutrality among different equipment manufacturers, dealers and end-users.

1.2 **Cat Customer Advisory Board.** In order to better implement this Agreement and achieve the Objectives, RCC and Caterpillar have established, as of the Effective Date (as defined below) a Cat Customer Advisory Board (the "**Advisory Board**") that will meet in person quarterly during the one (1) year following the Effective Date and semi-annually thereafter during the Term of this Agreement, including any Renewal Term. The Advisory Board shall consist of nine (9) people, comprised of three (3) representatives appointed by Caterpillar, three (3) representatives appointed by RCC and three (3) representatives of Cat dealers, appointed by Caterpillar with input from Cat dealers. As of the Effective Date, the three (3) representatives of Caterpillar are George Taylor, Marketing & Digital Division Vice President, Phil Kelliher, Americas & Europe Distribution Vice President, and Pierre-Alain Masson, Global Rental & Used, and the three (3) representatives of RCC are Ravi Saligram, RCC CEO, Jim Barr, RCC Group President, and Karl Werner, RCC Chief Operations Officer. The Advisory Board shall review and advise on the overall strategic direction of the Alliance as well as monitor Alliance performance against the Objectives and obligations set forth in this Agreement. The Advisory Board shall be responsible for and work together in good faith to execute the following tasks: (i) coordinate, monitor and resolve any issue related to the day-to-day implementation of this Agreement; (ii) identify and address any strategic, tactical or operational issues that may arise from time to time; and (iii) review reported equipment volumes sold through RCC Auctions by Caterpillar and Cat dealers in connection with Caterpillar's obligations under Section 4.12 of this Agreement and each Cat dealer's obligations under the agreement entered into between RCC and the individual Cat dealer relating to RCC's services and the provision of rich customer data ("**Dealer Remarketing Agreement**").

1.3 **Salesforce Engagement**. Within 90 days after the Effective Date, RCC will propose a salesforce engagement plan to the Advisory Board for consideration. The plan will discuss how RCC will coach its salesforce to engage with Cat dealers and educate such salesforce about the Cat dealers' value proposition and business model. The goal of the plan will be for the RCC salesforce and the Cat dealers to develop value-added customer solutions consistent with the Alliance and Objectives. Members of the Advisory Board and RCC will establish a task force to develop specific actions that ensure strong communication and alignment in execution of the adopted plan.

1.4 **Brand.** Caterpillar recognizes that RCC's model is based on brand neutrality and that its marketplaces and auctions attract used equipment from various manufacturers, distributors and customers. Any use by RCC of a brand owned by Caterpillar will be governed by a separate agreement between the Parties. The Parties intend to enter into such an agreement in support of the Alliance.

1.5 **[***]**

1.6 **Preferred Status.**

a) During the Term or any Renewal Term of this Agreement, RCC shall be designated as a "preferred" but nonexclusive provider of online and on-site auction services by Caterpillar as provided in this Agreement. In consideration of such designation and in accordance with the terms of this Agreement, RCC shall provide use of its sites (physical and online) to Caterpillar and Cat dealers on which Caterpillar and Cat dealers can consign, list and advertise equipment and other items for sale to potential buyers, as further described below, on a commission rate structure that is a discount to RCC's standard rates and as further described in Section 4.4.

b) Subject to the terms of Section 4.12 of this Agreement, RCC shall designate Cat Financial and Cat Insurance as "preferred" but nonexclusive providers of financial and insurance products that purchasers of equipment branded with a trademark owned by Caterpillar may desire or require, provided that Cat Financial (i) offers financial terms that are equal to or better than other providers, (ii) pays the same fees paid by other providers, (iii) integrates into the Ritchie Bros. Financial Services' ("**RBFS**") platform and (iv) maintains the same standards of service required of other lenders on the RBFS platform (e.g., timeliness of credit decision).

[*] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.**

c) Subject to the terms of Section 4.12 of this Agreement, RCC shall include Cat Financial and Cat Insurance products (including powertrain assurance programs) in its RBFS and RCC offerings, as applicable, for all equipment, provided that Cat Financial (i) pays the same fees paid by other providers, (ii) integrates into the RBFS platform and (iii) maintains the same standards of service required of other lenders on the RBFS platform (e.g., timeliness of credit decision).

d) RCC agrees to designate Cat dealers as preferred service providers for the servicing of equipment branded with a trademark owned by Caterpillar to the extent RCC uses an outside or non-RCC service provider for such servicing.

1.7 **Mascus**. In order to help grow Mascus and build deeper relationships between Mascus and Cat dealers, RCC will provide volume discounts to Caterpillar and Cat dealers (through Dealer Remarketing Agreements) on Mascus advertising and syndication worldwide. Specifics of such discounts will be agreed between the parties and based on analysis of current aggregate Caterpillar and Cat dealer Mascus volume, with more substantial discounts on incremental volume. Caterpillar will strive to support RCC's building of the Mascus business in North and South America through RCC creation and marketing of a Mascus advertising program to Caterpillar, Cat Financial and Cat dealers. RCC will strive to support CatUsed.com up to and including RCC running CatUsed.com on behalf of Caterpillar, as agreed between the Parties.

2. SCOPE OF AGREEMENT. This Agreement is a "master" form of contract that will allow the parties to contract for equipment auction and listing services, to enter into marketing programs as agreed upon by the parties, and to exchange commercial data as more specifically described herein.

3. EFFECTIVENESS OF AGREEMENT.

3.1 This Agreement is executed as of the Execution Date but shall only become effective as set forth in Section 3.2 below.

3.2 Unless otherwise terminated or voided as provided herein, this Agreement shall become effective upon (the "**Effective Date**") the consummation of the Merger contemplated by the Merger Agreement; provided, however, that (a) if the Merger has not been consummated prior to the End Date (as such term is defined in the Merger Agreement), or (b) the Merger is approved by any regulatory authority on the condition that RCC make any changes to its business (structure, process or otherwise) that may materially impact Caterpillar's value and benefit derived from the Alliance or intents of this Agreement (as determined by Caterpillar in its reasonable discretion), this Agreement shall be null and void and of no further force or effect.

4. AUCTION AND LISTING SERVICES.

4.1 **Standard Terms.** This Agreement incorporates by reference RCC's Seller Terms and Conditions attached hereto as Schedule A ("**Standard Terms**"). Unless otherwise defined, capitalized terms used in this Agreement shall have the same meaning ascribed to them in the Standard Terms. In the event of a conflict between the provisions of this Agreement and the Standard Terms, this Agreement shall control. The terms and conditions of this Agreement and the Standard Terms shall supersede and take precedence over the terms in any Caterpillar purchase order or other ordering document provided to RCC by Caterpillar.

4.2 **Equipment Listings.** The specific details of each equipment listing or consignment shall be separately specified in writing on terms and in a form acceptable to the Parties ("**Equipment Listing Form**"). A sample Equipment Listing Form is attached as Schedule B. Each Equipment Listing Form will include, as appropriate, Caterpillar's contact information, equipment location, list of equipment to be offered for sale, contact for inspections, lien holder information, and payment instructions. Caterpillar has the option of outlining each equipment listing or consignment in a separate Equipment Listing Form or via a Caterpillar-generated e-mail or fax that contains the foregoing information regarding the equipment, in each case sent from an authorized representative designated by Caterpillar (a "**Designated Seller Representative**") to RCC's designated corporate office.

4.3 **Affiliates.** This Agreement covers the provision of services by RCC and its corporate affiliates in any geographic area in which RCC or its corporate affiliates conduct business. Accordingly, this Agreement represents a vehicle by which Caterpillar and its corporate affiliates can efficiently contract with RCC and its corporate affiliates in any geographic area in which RCC or its corporate affiliates conducts business for online marketplace services and live, on-site auction services. Any affiliate of RCC or Caterpillar may enter into Equipment Listing Forms outlining equipment to be placed for sale, and the terms, conditions and rights in this Agreement shall be incorporated into the Equipment Listing Form and be binding on such affiliate. For greater certainty, any consignment of equipment to an RB Channel (as defined below) would be made with the RCC corporate affiliate operating in the corresponding country of the specific auction. The term "**affiliate**" shall mean all entities controlling, controlled by or under common control with a Party. The term "**control**" shall mean the ability to vote fifty percent (50%) or more of the voting securities of any entity or otherwise having the ability to influence and direct the polices and direction of an entity.

4.4 **Commission Rate.**

a) During the Term of this Agreement, Caterpillar is entitled to the fixed, volume-based commission rates set forth on Schedule C for all consignments sold through RCC's online auctions and marketplaces ("**Auction Sites**") and/or RCC's live, on-site auction marketplaces ("**Live Auctions**", and together with Auctions Sites, "**RCC Auctions**"). For the avoidance of doubt, the term "RCC Auctions" shall not include any closed sales channels among Caterpillar and Cat dealers.

b) Notwithstanding the foregoing, Caterpillar is entitled to a maximum commission rate of **[***]**% for all consignments sold via closed sales channels among Caterpillar and Cat dealers conducted through RCC Auctions during the Term.

c) Ninety (90) days in advance of the expiration of the Term and any Renewal Term, the Parties will review the commission rates and Caterpillar Volume then in effect and negotiate in good faith potential rate or Caterpillar Volume increases or decreases in determining the Caterpillar Volume and rates that will apply during the succeeding Renewal Term. When negotiating such rates, the Parties will consider factors such as RCC costs, industry commission rate benchmarking, and the incremental value that Caterpillar and Cat dealers have brought RCC to the extent they exceeded the Caterpillar Volume in the prior Term or Renewal Term. In no event shall such rates increase by more than **[***]** (**[***]**) basis points over the rates for the initial Term nor, in respect of the next Renewal Term, by more than a further **[***]** (**[***]**) basis points over the rates for the first Renewal Term. If the Parties cannot agree on the Caterpillar Volume for the Renewal Term, the Caterpillar Volume for such Renewal Term shall be **[***]** percent (**[***]**%).

4.5 **Listing Fee.** As set forth in the Standard Terms, a listing fee ("**Listing Fee**") is charged for each item of equipment inspected by RCC in advance of an RCC Auction. Caterpillar will be charged the prevailing Listing Fee at the time of each equipment Listing. Listing fees shall only be revised annually and any such revisions will be communicated to Caterpillar no later than thirty (30) days prior to such revised Listing Fees taking effect. To the extent equipment is not inspected by RCC in advance of an RCC Auction, no Listing Fee will be charged.

4.6 **Out-of-Pocket Expenses.** RCC shall be reimbursed for all pre-approved out-of-pocket expenses related to the sale of equipment consigned by Caterpillar for RCC Auction, including, but not limited to, refurbishment, repair, painting, cleaning, and moving and storage charges necessary for the sale of the equipment.

4.7 **Reporting and Payment to Caterpillar.** No later than seven (7) days after the RCC Auction, RCC shall issue to Caterpillar a settlement report (the "**Settlement Report**") that will set forth in detail information regarding the sale of equipment and the allocation of the funds, subject to open items or uncollected accounts, if any. The Settlement Report also will set forth all reimbursable expenses. The sale of equipment shall be on a cash only basis. In the event of non-payment by a buyer, RCC may cancel the sale, enforce payment by the buyer, or sell the equipment and take any other action permitted by law. In addition, RCC shall be granted a security interest in such equipment to secure any amounts owed to RCC including any amounts advanced to Caterpillar by RCC for which the proceeds have not been collected from the buyer.

[*] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.**

4.8 **Timing of Proceeds from Sales of Equipment.** Payment of proceeds from sales of equipment shall be made to Caterpillar as set forth in the Standard Terms.

4.9 **Certification of Liens and Encumbrances.** For each equipment listing, Caterpillar shall provide RCC with information (name and contact information) regarding outstanding liens or encumbrances on such equipment at the time of listing. Unless as otherwise disclosed at the time of such equipment listing, Caterpillar shall be deemed to have certified that the equipment is or shall be free of all liens and encumbrances prior to being placed for auction with RCC. Caterpillar hereby authorizes RCC to contact potential lien holders for the disclosure of liens, charges, encumbrances and security interests and to obtain pay-off balances and releases. Caterpillar also consents to the release to RCC of any and all information pertaining to any such lien, charge, encumbrance or security interest by the holder thereof.

4.10 **Titles.** For sales completed on an Auction Site or IP Channel, subject to Caterpillar's receipt of payment for the equipment, Caterpillar, at its own expense, shall deliver to RCC a bill of sale and such other documentation as may be reasonably necessary to transfer title to the equipment to the buyer. For each consignment of equipment to a live, onsite auction in the RB Channel, Caterpillar, at its own expense, will deliver to RCC all documents as may be reasonably necessary to transfer title to the equipment to the buyer in accordance with the Standard Terms. Caterpillar agrees and acknowledges that pursuant to the Standard Terms, Caterpillar hereby appoints RCC as its attorney-in-fact with a limited power of attorney ("**LPOA**") to execute on Caterpillar's behalf, all documents necessary and required to transfer title to, and permit registration of ownership of, any portion of the equipment to the buyer; provided, however, if original titles or a notarized LPOA are required by state or local regulation to transfer title, Caterpillar shall provide RCC with either, as applicable, (i) signed original titles or (ii) a notarized LPOA and unsigned original titles at least two weeks prior to the sale date. Failure to provide title(s) and/or an LPOA as required will prevent the equipment from being made available for sale until such documentation is provided. For IP Channels, titles shall be sent to: IronPlanet Holdings, Inc., Attn: Title Specialist, 3825 Hopyard Road, Ste. 250, Pleasanton, CA 94588. Phone: 925-225-8800, as such address may be updated from time to time. For RB Channels, titles shall be sent to the local RCC auction office at which the corresponding equipment will be sold.

4.11 **Currency and Payment.** All prices noted in this Agreement are listed in U.S. Dollars. Other than equipment Listing Forms entered into in respect of Live Auctions through RB Channels: (a) Equipment Listing Forms entered into with Caterpillar in the U.S. will be invoiced and paid in U.S. Dollars; (b) Equipment Listing Forms entered into with Caterpillar in Canada will be invoiced and paid in Canadian Dollars; (c) Equipment Listing Forms entered into with Caterpillar in Europe will be invoiced and paid in Euros; (d) Equipment Listing Forms entered into with Caterpillar in the United Kingdom will be invoiced and paid in Pounds Sterling; (e) Equipment Listing Forms entered into with Caterpillar in Australia will be invoiced and paid in Australian Dollars; and (f) Equipment Listing Forms entered into with Caterpillar in a country other than the U.S., Canada, the UK, Australia or country within Europe will be invoiced and paid in U.S. Dollars. Unless otherwise agreed by the Parties in writing, Equipment Listing Forms entered into with RCC in respect of Live Auctions through RB Channels will be invoiced and paid in the local currency of the applicable RCC office, except in the case of Mexico, Panama, and the United Arab Emirates which will be invoiced and paid in U.S. Dollars.

4.12 **Caterpillar Volume Commitments.**

a) **Commitment.** From time to time Caterpillar and Cat dealers may choose to dispose of equipment via public online or on-site auctions in the following jurisdictions: North America (United States, Canada and Mexico); the United Kingdom (England, Scotland, Wales and Northern Ireland); Australia; the Middle East (Turkey, Israel, Saudi Arabia, United Arab Emirates, Egypt, Iraq, Yemen, Jordan, Palestine, Lebanon, Oman, Kuwait, Qatar and Bahrain); or the European Union (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden) ("**Total Volume**"). Of the Total Volume, Caterpillar agrees that the following percentages of equipment, as calculated per below, shall be disposed of through RCC Auctions ("**Caterpillar Volume**"):

2017	2018	2019	2020
[*]%**	**[***]%**	**[***]%**	**[***]%**

For the avoidance of doubt and for purposes of the Total Volume definition, public online or on-site auctions do not include closed auctions among Caterpillar and/or Cat dealers.

b) **Calculation.** The Caterpillar Volume will reflect, in the aggregate, the percent of equipment as compared to the Total Volume that Caterpillar and Cat dealers sell through RCC Auctions. Within sixty (60) days of the end of each calendar year, as set forth in the table above, Caterpillar will report to RCC the Caterpillar Volume as a percent of the Total Volume. When calculating the Caterpillar Volume, Caterpillar will consider the percent of dollars represented by the Total Volume.

c) **Effect of Caterpillar Volume Commitments**. To the extent Caterpillar fails to achieve the Caterpillar Volume in any calendar year, RCC may, subject to the terms hereof, (i) revoke Caterpillar's access to the Tool granted in Section 6.1, (ii) discontinue provision of the Information set forth in Section 6.2, and/or (iii) only to the extent Caterpillar fails to cure as set forth in Section 4.12(d), terminate this Agreement in accordance with Section 7. The Parties agree that the remedies set forth herein are the exclusive RCC remedies for failure by Caterpillar to achieve the Caterpillar Volume and such failure shall not be considered grounds to claim damages for breach. RCC further agrees not to revoke Caterpillar's access to the Tool granted in Section 6.1 or discontinue providing Information set forth in Section 6.2 to Caterpillar (the "**Data Remedies**") for the first twelve (12) months following the Effective Date, regardless of the Caterpillar Volume commitments set forth in this Section 4.12. For the avoidance of doubt, RCC taking action on the Data Remedies shall not affect Caterpillar's rights in the Information, granted pursuant to Section 6.3, previously received, extracted, used, reviewed, shared, distributed, transferred, analyzed or processed and shall also not affect Caterpillar rights in any derivative works made therefrom.

d) **Caterpillar Cure**. To the extent Caterpillar fails to meet the Caterpillar Volume commitment for a calendar year, RCC agrees that before RCC may take action on any of the remedies set forth in Section 4.12(c), the Advisory Board shall meet within thirty (30) days after determination of such failure to discuss in good faith waiving or modifying the Caterpillar Volume commitment for that year or granting Caterpillar the opportunity to achieve the Caterpillar Volume with an extended timeline. Following such Advisory Board meeting, RCC shall provide Caterpillar with at least thirty (30) days' prior written notice before it takes action on the Data Remedies. RCC shall resume sharing data pursuant to its commitments under Section 6 immediately following Caterpillar achieving the Caterpillar Volume percentage for the then current year as set forth in Section 4.12(a) for the three (3) months following RCC's actions regarding the Data Remedies.

e) **Cat dealers**. Caterpillar understands that RCC will require a minimum volume commitment from Cat dealers as further described in Section 4.14 as a condition to granting Cat dealers access to certain data elements. Caterpillar further understands that such requirements will be agreed between RCC and each Cat dealer that agrees to so contract with RCC in a Dealer Remarketing Agreement or other such agreement.

4.13 **Volume Commitment Audit Rights**. RCC shall have the right to audit Caterpillar's reporting of Caterpillar Volume through the use of a "clean team" which will be comprised of independent outside consultants that do not interact with Caterpillar and are not involved with the Alliance and Objectives. Such consultants will review Caterpillar's methodology for creating the reports, together with the data and records used in generating the reports. Such consultant will be engaged to perform such work and share only their conclusions with RCC, not Caterpillar's internal business processes and reporting procedures.

4.14 **Dealer Volume Requests.** Caterpillar understands that RCC will require Cat dealers that choose to enter into a Dealer Remarketing Agreement to sell greater than **[***]** of equipment sold through RCC Auctions (for greater certainty, excluding the use of non-transactional listing services),**[***]**. RCC will agree in the Dealer Remarketing Agreement not to revoke Cat dealers' access to the data provided thereunder for the first twelve (12) months following the effective date of such agreement, regardless of the Cat dealer's volume commitments. For the avoidance of doubt, Caterpillar makes no commitments to RCC about the volume of equipment Cat dealers will sell through RCC Auctions.

[*] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.**

4.15 **Auction Locations**. For Live Auctions where RCC does not have a permanent location, RCC shall seek to use Cat dealer sites when appropriate. Additionally, in preparation for Live Auctions and at RCC's locations, RCC will use equipment branded with a trademark owned by Caterpillar as its preferred equipment.

4.16 **Cat Parts**. RCC will use genuine Cat parts for servicing equipment branded with a trademark owned by Caterpillar that is (a) used in RCC's operations or (b) in RCC's care, to the extent RCC may select the brand of parts to use. RCC will encourage sellers and buyers at RCC Auctions to select Cat parts for service.

5. MARKETING.

5.1 RCC will provide Caterpillar with preferred access for marketing opportunities such as the following, which opportunities RCC agrees will also be reflected in the Dealer Remarketing Agreement with each Cat dealer that chooses to so contract with RCC:

a) Prominent signage, in conformance with Caterpillar brand standards;
b) Warranty sale opportunities;
c) Ability to promote service offerings; and
d) Ability to promote finance offerings (for Caterpillar consistent with Section 1.6).

5.2 RCC will work with Caterpillar and Cat dealers to help drive demand for new sectors (such as power generation) in both the IP Channels and RB Channels.

5.3 The Parties shall review and discuss adoption of additional marketing programs that may include: (a) additional lead generation and co-marketing arrangements; (b) appropriate business intelligence gathering and sharing; and (c) direct marketing programs to the Caterpillar's and RCC's customer bases.

5.4 Caterpillar will assist RCC (a) with verification of emissions regulatory status of certain serial numbers and (b) by connecting RCC with Cat dealers to purchase appropriate decals for equipment. RCC is ultimately responsible for confirming an item's regulatory status and the placement of appropriate decals.

5.5 Caterpillar will provide RCC with publicly available product information and specifications so RCC can better market equipment branded with a trademark owned by Caterpillar.

5.6 RCC and Cat dealers will work together to create a "welcome kit" to encourage winning bidders to become Cat dealer customers.

6. DATA SHARING.

6.1 **Tool**. RCC will provide Caterpillar with access to the Dealer Portal (the "**Tool**"), which shall be an access point to certain applications including the IronPlanet Auction Pricing Tool. Such access shall be provided through the Internet at a web address to be provided by RCC. RCC hereby grants Caterpillar a worldwide, fully paid up, royalty free, non-exclusive, license to access the Tool. The Tool provides the following data related to equipment sales: Year, Make, Model, Sales Price, Serial Number, Date of Sale, Buyer Location and Description of the equipment.

6.2 **Data**. Pursuant to the data licenses below and in addition to access to the data set forth in the Tool, RCC shall in accordance with Sections 6.4(a) and 6.4 (b) provide Caterpillar with the following information (together with the data set forth in the Tool, the "**Information**"):

a) In respect of all equipment branded with a trademark owned by Caterpillar ("**Cat Branded Equipment**"), Customer Information (as defined below) for:

i) **[***]**, together with the **[***]** and **[***]**, for such Cat Branded Equipment sold through an Auction Site that was previously owned by IP, a Live Auction of the type previously run by IP or any other online marketplace previously owned by IP (the "**IP Channels**") or any other equipment sale marketplace that is not within the IP Channels ("**RB Channels**"); and

[*] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.**

ii) **[***]**for such Cat Branded Equipment sold through IP Channels or RB Channels, provided that in the context of a live on-site auction within the IP Channels or RB Channels, RCC agrees to provide the information set forth in this section 6.2(a)(ii) only to the extent RCC collects such information;

b) In respect of all equipment consigned by Caterpillar or a Cat dealer ("**Cat Consigned Equipment**"), Customer Information for:

i) **[***]**, together with the **[***]** and **[***]**, for such Cat Consigned Equipment sold through IP Channels or RB Channels; and

ii) **[***]** for such Cat Consigned Equipment sold through IP Channels or RB Channels, provided that in the context of a live on-site auction within the IP Channels or RB Channels, RCC agrees to provide the information set forth in this Section 6.2(b)(ii) only to the extent RCC collects such information.

c) A one-time report with **[***]** of equipment branded with a trademark owned by Caterpillar and sold through the RB Channels; and

d) (A) Inspection and condition reports for all equipment branded with a trademark owned by Caterpillar regardless of the channel to the extent RCC conducts an inspection; and (B) Inspection and condition reports for all equipment consigned by Caterpillar or a Cat dealer regardless of the channel to the extent RCC conducts an inspection.

"**Customer Information**" shall mean: **[***].**

RCC further agrees that the Information it will provide Caterpillar under Section 6.2(a) regarding equipment branded with a trademark owned by Caterpillar shall be provided to Caterpillar exclusively, provided RCC shall not be restricted from sharing such information with the consignor of the specific equipment or from using the Information for its business operations in the ordinary course.

6.3 **License**. RCC further grants Caterpillar a worldwide, perpetual, fully paid up, royalty free, non-exclusive, irrevocable, transferable license to receive, use, review, share, distribute and make derivative works from Information. For the avoidance of doubt, Caterpillar may use, distribute, transfer, analyze and process the Information, including through the use of third party processors. The license set forth in this Section 6.3 is intended to grant such rights in the Information to Caterpillar for use in Caterpillar's internal business purposes which, for the avoidance of doubt, includes, without limitation, (a) incorporating or integrating such data into products and services that Caterpillar sells to customers, either directly, through Cat dealers or by other means, provided that the data is not being sold on a standalone basis as a data set regardless of form, (b) incorporating such data into products and services used by Cat dealers, (c) business intelligence, and (d) marketing.

For the avoidance of doubt, this Section 6.3 does not restrict RCC's rights to use the Information for its internal business purposes or from developing services and products (for which it may derive a fee) that utilize aggregated Information. Further, RCC shall not be restricted or prevented (through this Agreement) from entering into similar data sharing arrangements with other customers or manufacturers as it relates to such customers' or manufacturers' equipment.

6.4 **Data Delivery**.

a) **Method**. As of the Effective Date and subject to the terms of this Agreement, RCC shall deliver the Information to Caterpillar through the Tool and by such other means as are necessary to fully deliver the Information, as agreed between Caterpillar and RCC. RCC is committed to enhancing the delivery of data directly to Caterpillar through a data feed (or other similar means) and to develop other mutually acceptable means and methods to accelerate the delivery of information where time is of the essence.

b) **Timing**. For Information that is collected on IP Channels, RCC shall provide such Information to Caterpillar immediately upon the Effective Date. In the case of data collected on RB Channels, RCC shall provide such Information as soon as reasonably practicable for RCC technologically, but no later than one hundred and twenty (120) days following the Effective Date.

[*] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.**

c) **Delivery to Cat dealers Working with IP as of the Execution Date**. Cat dealers that are engaged with IP and receiving certain customer data as of the Execution Date shall continue to receive such data consistent with past practice following the Effective Date. Caterpillar understands that RCC will require Cat dealers to enter into Dealer Remarketing Agreements that include certain terms for such Cat dealers to begin receiving service territory specific data from RCC that is broader than what is received as of the Execution Date. RCC shall be prepared (technologically and otherwise) to commence sharing this broader set of service territory specific data with Cat dealers within one hundred twenty (120) days following the Effective Date.

d) **Delivery to other Cat dealers**. For Cat dealers not engaged with IP as of the Execution Date but that wish to engage with RCC under a Dealer Remarketing Agreement or otherwise, RCC agrees that such Cat dealers will commence receiving the agreed upon data as soon as possible following execution of the Dealer Remarketing Agreement and being on-boarded by RCC onto the RCC data interface then in effect.

6.5 **Customer Documentation**. RCC will revise its template customer agreements and other related documentation, including its privacy policy, if any and as needed, to reflect the data sharing principals expressed herein such that RCC is permitted in the future to share data consistent with its obligations set forth in this Agreement and as permissible under applicable privacy laws and regulations. To the extent Caterpillar wishes to use data acquired under this Agreement for purposes other than those expressly outlined in this Agreement, Caterpillar will be solely responsible for obtaining such consent from customers as it deems necessary in its discretion.

6.6 **Warranty; Limitation of Liability.** EACH PARTY WARRANTS THAT THE SERVICES IT PROVIDES UNDER THIS AGREEMENT WILL BE PROVIDED IN A PROFESSIONAL MANNER AND TO THE REASONABLE SATISFACTION OF THE RECEIVING PARTY. ADDITIONALLY, EACH PARTY WARRANTS THAT THE INFORMATION IT PROVIDES UNDER THIS AGREEMENT WILL BE PROVIDED IN A PROFESSIONAL MANNER. EXCEPT AS EXPRESSLY PROVIDED IN THE IMMEDIATELY PRECEDING SENTENCES OR AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT OR AN EQUIPMENT LISTING FORM, ALL SERVICES AND INFORMATION PROVIDED BY OR THROUGH THIS AGREEMENT ARE PROVIDED WITHOUT WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TO THE FULLEST EXTENT PERMITTED BY LAW AND EXCEPT FOR EITHER PARTY'S BREACH OF THE LICENSES GRANTED TO THE INFORMATION IN SECTION 6.3 OR SECTION 8 OF THIS AGREEMENT, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INDIRECT, PUNITIVE, COVER, INCIDENTAL OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, WHETHER IN CONTRACT OR TORT OR UNDER ANY OTHER THEORY OF LIABILITY, INCLUDING LOSS OF REVENUE, PROFITS, OR BUSINESS, ANY LOSS OF GOODWILL OR REPUTATION, OR COST OF REPLACEMENT GOODS AND/OR SERVICES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

6.7 **Telematics.**

a) **Live Auctions**. For Live Auctions, RCC, in compliance with all applicable law, shall use its best reasonable efforts to obtain any necessary consent to place and activate a data transmitter, such as a telematics device ("**Data Transmitter**"), on (i) each piece of equipment listed by Caterpillar or Cat dealers for sale via IP Channels or RB Channels and (ii) each piece of equipment branded with a trademark owned by Caterpillar and listed by others, to the extent the equipment is not already outfitted with such a device. Such request for consent shall be included in RCC's initial documentation with customers or as otherwise agreed between RCC and Caterpillar. For equipment sellers and purchasers that consent to the placement of a Data Transmitter and its activation, RCC would further provide any necessary notice to activate such Data Transmitter so as to collect information from the equipment and transmit the same to Caterpillar. The form of such consent is attached hereto as Schedule D. Notwithstanding anything in this Agreement to the contrary, Caterpillar may amend Schedule D to this Agreement at any time by sending a copy of the revised Schedule D to any RCC representative on the Advisory Board. The amended consent form will be used in replacement of the previously provided consent form no later than thirty (30) days from the date of delivery, and for greater certainty, RCC will be under no obligation to obtain consent from any customers retroactively or for any Live Auctions already in process.

b) **Auction Sites**. For auctions conducted through the Auction Sites, RCC would provide the purchaser of each piece of equipment purchased via RCC's services with Caterpillar's then current promotion for the installation of a Data Transmitter on such purchased equipment.

c) **Costs.** Caterpillar and Cat dealers will be responsible for the cost of hardware and installation of Data Transmitters, while RCC will be responsible for the implicit cost of obtaining the necessary consents through its business processes.

d) **Data Sharing to RCC**. RCC shall be entitled to receive certain data from the equipment sold through the RCC Auctions that RCC causes to become equipped with a Data Transmitter, accompanied by consent as set forth in Section 6.7(a) from the equipment owner as outlined above and as allowed by applicable law. The data RCC shall receive pursuant to this Section 6.7(d) shall be provided for RCC's internal use (and not for RCC resale) and shall include (i) the machine hours at the later of the activation of the telematics device or the date the equipment is sold using the RCC Auctions and (ii) the location of the equipment 120 days after the date the equipment is sold using the RCC Auctions.

e) **Audit**. Caterpillar shall have the right at reasonable times and during normal business hours to audit, inspect and copy RCC's records maintained in connection with this Section 6.7, including any consents, notices and other documents.

f) **Advance Notice**. To allow Caterpillar to effectively market Data Transmitters and other related services to customers, RCC shall provide Caterpillar with a list of equipment serial numbers for equipment that is (i) branded with a trademark owned by Caterpillar or (ii) listed or consigned by Caterpillar or a Cat dealer via RCC's services, at least five (5) days in advance of the applicable RCC Auction for all equipment that has been consigned to such RCC Auction or otherwise as promptly as reasonably practicable.

7. TERM AND TERMINATION.

7.1 **Term**. The term ("**Term**") of this Agreement shall be a five (5) year period commencing on the Effective Date (the "**Initial Term**"). Thereafter, this Agreement will automatically renew for consecutive renewal terms of three (3) years (each, a "**Renewal Term**"), except that if the Caterpillar Volume has not been met for the previous calendar year RCC may elect to terminate subject to compliance with the provisions of Sections 4.12(d) and 7.2. The Parties will make reasonable efforts to resolve any disputes between them. Reasonable efforts shall include the relevant business team, or portions thereof, from each of Caterpillar, RCC and the affected Cat dealer, if appropriate, meeting to attempt to resolve the dispute. To the extent that team cannot come to a resolution of the dispute, the Advisory Board shall meet to attempt to resolve the dispute.

7.2 **Termination**. To the extent the Parties are unable to resolve a dispute, either Party may terminate the Agreement for cause upon not less than twelve (12) months written notice prior to the end of the then-current Initial Term or Renewal Term, as the case may be. The termination of this Agreement shall not affect any right or obligation of a Party that accrues under this Agreement prior to the effective date of the termination of this Agreement. The Parties' rights and obligations under the last sentence of Section 4.12(c) – Effect of Volume Commitments; Section 7 –Term and Termination, Section 8 – Confidentiality, and Section 9 – Miscellaneous will survive termination of this Agreement.

7.3 **Transition Services**. To the extent this Agreement is terminated per Section 7.2, the Parties will work together to devise mechanisms to provide continuity of benefits for a transition and wind-down period (the "**Transition Period**") of up to twenty-four (24) months (at Caterpillar's election, or as few as twelve (12) months if RCC has terminated for cause) following notice of any termination. During the Transition Period, RCC shall: (a) continue to provide auction services and access to the Information as set forth in Section 6; and (b) provide transition services to enable Caterpillar to achieve a smooth transition and avoid disruption while it explores alternative auction solutions. Caterpillar will pay RCC for transition services at RCC's cost plus **[***]** percent (**[***]**%). During the Transition Period and notwithstanding the terms of Section 6.2, access to the Information shall be provided to Caterpillar on a non-exclusive, royalty free basis. For the sake of clarity, data sharing pursuant to Section 6 and commission rates then in effect shall remain unchanged during the Transition Period, subject to continued observance by Caterpillar of the Caterpillar Volume described in Section 4.12. The Parties shall work cooperatively during the Transition Period to ensure an orderly wind-down and transition.

[*] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.**

8. CONFIDENTIALITY.

8.1 In the spirit of the strategic alliance described in this Agreement, Caterpillar and RCC anticipate disclosing to one another information that each deems to be confidential or proprietary. The receiving Party shall (a) accord Confidential Information (as defined below) received by it from the disclosing Party with the same degree of confidential treatment that it accords its similar proprietary and confidential business and technical information, which shall not be less than the care a reasonable business person would exercise under similar circumstances, (b) use such Confidential Information only as permitted in writing by the disclosing Party or as contemplated in this Agreement, and (c) not disclose any of such Confidential Information to any Person other than its directors, officers, employees, and representatives (collectively "**Representatives**") who have a need to know in connection with this Agreement.

8.2 Notwithstanding any other provision of Section 8.1, the receiving Party may disclose Confidential Information of the disclosing Party, without liability for such disclosure, to the extent that such disclosure is (a) required to be made pursuant to applicable law, government authority, duly authorized subpoena, or court order, in which case the receiving Party will provide prompt notice to the disclosing Party and endeavor to give the disclosing Party an opportunity to respond prior to such disclosure, (b) required to be made to a court or other tribunal in connection with the enforcement of the receiving Party's rights under this Agreement, or (c) approved by the prior written consent of the disclosing Party.

8.3 The rights and obligations under this Section 8 with respect to any Confidential Information will survive for as long as such information continues to qualify as Confidential Information under Section 8.6.

8.4 Upon the request of the disclosing Party following the termination of this Agreement, and in accordance with the disclosing Party's written instructions and at the disclosing Party's expense, the receiving Party will promptly return or destroy all of the disclosing Party's Confidential Information in the receiving Party's possession or control; provided, that the receiving Party may retain a legal file copy and will not be required to destroy electronic back-up copies made in the ordinary course of business, so long as the receiving Party does not use such copies following the termination of this Agreement.

8.5 No Party shall issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of the other Party; provided, however, that either Party may make any public disclosure it believes in good faith is required by applicable laws, in which case the disclosing Party will use its reasonable efforts to advise the other Party prior to making the disclosure. Notwithstanding any other provision of this Agreement, if RCC believes in good faith that it is required to file or publicly disclose a copy of this Agreement to comply with any applicable disclosure laws or regulations (including any reporting requirement of the Securities Exchange Commission), or any listing requirement of any stock exchange, RCC shall (a) use its reasonable efforts to notify Caterpillar prior to any such filing of this Agreement; (b) use its reasonable efforts to redact pricing and other competitively sensitive terms and conditions of this Agreement as Caterpillar may reasonably request prior to any such filing; and (c) file a confidential treatment request reasonably acceptable to Caterpillar with respect to such redacted document as part of any such filing.

8.6 "**Confidential Information**" means any design, specification, idea, concept, plan, copy, formula, drawing, procedure, business process, organizational data, customer or supplier lists, or other business or technical information that the disclosing Party holds confidential or considers proprietary whether oral, written or viewed by audit, in connection with this Agreement. Notwithstanding the foregoing, the term "Confidential Information" does not include any information that (a) was already in the possession of the receiving Party prior to the receipt of the information from the disclosing Party without restriction on its use or disclosure; (b) is or becomes available to the general public through no act or fault of the receiving Party; (c) is rightfully disclosed to the receiving Party by a third party without restriction on its use or disclosure; or (d) is independently developed by the receiving Party without any use of or reference to the disclosing Party's Confidential Information.

8.7 Notwithstanding the foregoing to the contrary, RCC shall be free to use and disclose to persons and entities (a) any information regarding the pricing and specifications of any equipment sold at public auction or available for sale at public auction through Auction Sites and/or Live Auctions to the extent disclosed as part of the auction and provided to all bidders, and (b) any relevant commercial data from RCC's business, including, but not limited to, market data, real-time public auction pricing, equipment utilization data, and regional sales trend information, so long as such commercial data does not identify Caterpillar and cannot be segmented to separately identify Caterpillar. Further, RCC may share any information regarding any equipment branded with a trademark owned by Caterpillar sold at public auction or available for sale at public auction through Auction Sites and/or Live Auctions with the consignors of such items.

8.8 Further, in the event that RCC is engaged to provide services to a manufacturer of products competitive with those of Caterpillar, its affiliate, dealers or distributors, then RCC is obligated and will not disclose to Caterpillar confidential commercial information regarding the business of such manufacturers of such products and such manufacturers' dealers and distributors.

9. MISCELLANEOUS.

9.1 **Counterparts.** This Agreement may be executed in counterparts, each of which shall be considered an original, but all of which together shall constitute the same instrument. Execution and delivery of the Agreement may be evidenced by facsimile, PDF (Portable Document Format), or electronic signature and shall hold the same force and effect as an original signature for purposes of binding the Parties.

9.2 **Entire Agreement**. This Agreement constitutes the entire agreement between the Parties regarding their strategic alliance and supersedes any prior understandings, agreements, or representations by the Parties, written or oral, to the extent that they relate in any way to the Alliance. For the avoidance of doubt and only upon the Effective Date, this Agreement supersedes and terminates that certain Master Operating and Remarketing Agreement dated as of April 1, 2015 by and between Caterpillar and IP.

9.3 **Amendment**. This Agreement may be amended or modified only by a writing that is signed by the Parties and that refers explicitly to this Agreement.

9.4 **Succession and Assignment**. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Neither Party may assign any of its rights or obligations under this Agreement, directly or indirectly, without the prior written consent of the other Party, and any attempt to do so without the required consent will be void and of no effect.

9.5 **No Third Party Beneficiaries.** This Agreement will not confer any rights or remedies upon any Person other than the Parties.

9.6 **Severability.** Any provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining provisions of this Agreement or the validity or enforceability of the offending provision in any other situation or in any other jurisdiction. The Parties will attempt in good faith to replace any such invalid or unenforceable provision with a valid and enforceable provision designed to achieve, to the extent possible under applicable laws, the business purpose and intent of such invalid or unenforceable provision.

9.7 **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the domestic laws of the State of Delaware without giving effect to any choice or conflict of law rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than the State of Delaware.

9.8 **Forum.** The Parties agree and further acknowledge that any claim, demand or suit made in connection with any lien, claim, demand or suit arising from this Agreement be initiated in the U.S. District Court for the Southern District of New York and that only in the event such federal court is not available may a dispute arising from this Agreement be initiated in any of the Superior Courts in the State of New York. Each Party irrevocably waives, to the fullest extent allowed by applicable law, the defense of an inconvenient forum in any such action or proceeding.

9.9 **Relationship.** Nothing in this Agreement is to imply an agency, joint venture, partnership, or fiduciary relationship between the Parties. Neither Party is authorized to make any representations or commitments on behalf of the other Party.

9.10 **Expenses.** Except as otherwise expressly set forth in this Agreement, each Party shall bear all of its own costs and expenses incurred in performing and complying with such Party's obligations related to or arising out of this Agreement.

9.11 **Force Majeure**. No failure or delay by any Party in the performance of any of its obligations under this Agreement will be deemed a breach of this Agreement or create any liability, if such failure or delay arises from a general strike, labor dispute, lockout, fire, flood, severe weather, or other act of God, war, terrorism, insurrection, civil disturbance, embargoes of goods by any government or any other governmental action, and any such cause will absolve the affected Party from liability for such failure or delay in performing such obligation or responsibility; provided, that the affected Party uses commercially reasonable efforts to avoid or promptly remove such causes of nonperformance and promptly resumes performance when such causes are removed. The affected Party will provide the other Party with prompt written notice describing any failure or delay in performance that occurs by reason of force majeure and stating the estimated delay in performance due to such force majeure. The Parties will remain liable for those obligations under this Agreement that are not affected by the force majeure event.

9.12 **Waiver**. No waiver by a Party of any provision of this Agreement or any default, misrepresentation, or breach of warranty under this Agreement, whether intentional or not, will be valid unless such waiver is in writing and signed by the Party making such waiver, nor will such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty under this Agreement or affect in any way any rights arising by virtue of any prior or subsequent such default, misrepresentation, or breach of warranty.

9.13 **Incorporation of Schedules**. The schedules identified in this Agreement are incorporated in this Agreement by reference and made a part of this Agreement.

9.14 **Notices**. Any notice, request, instruction, or other document to be given under this Agreement by a Party will be in writing and will be deemed to have been given (a) when received, if given in person or by courier or a reputable courier service (e.g., FedEx, UPS, DHL, etc.), (b) on the date of transmission, if sent by facsimile or other wire transmission including electronic mail (receipt confirmed) or (c) five (5) Business Days after being deposited in the mail, certified or registered, postage prepaid.

If to RCC:	If to Caterpillar:
Ritchie Bros.	Caterpillar Inc.
9500 Glenlyon Parkway	100 NW Adams
Burnaby, BC V5J 0C6	Peoria, IL 61629
Attn: Jim Barr	Attn: George H. Taylor, Jr.
Email:	Email:
Facsimile:	Facsimile:
With a copy to:	With a copy to:
Ritchie Bros.	Caterpillar Inc.
9500 Glenlyon Parkway	100 N.E. Adams Street
Burnaby, BC V5J 0C6	Peoria, Illinois 61629
Attn: Legal Affairs	Attn: General Counsel
Facsimile:	Facsimile:

9.15 **Construction**. Capitalized terms defined in the singular include the plural and vice versa. The words "include," "includes," and "including" mean include, includes, and including "without limitation." Unless otherwise provided in this Agreement, all references to a "Section" or a "Schedule" are to a Section of or a Schedule attached to this Agreement. Reference to and the definition of any document will be deemed a reference to such document, including any schedules or exhibits to such document, as it may be amended, supplemented, revised, or modified upon mutual written agreement of the Parties. The headings appearing in this Agreement are inserted for convenience only and in no way define, limit, construe, or describe the scope or extent of any Section or in any way affect any Section.

9.16 **Jointly Drafted**. The Parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties, and no presumption or burden of proof will arise favoring or disfavoring either Party by virtue of the authorship of any provisions of this Agreement.

9.17 **Independent Legal Counsel**. The Parties acknowledge that they have been advised or had the opportunity to be advised by their own independently selected counsel and other advisors in connection with this Agreement and enter into this Agreement solely on the basis of that advice and on the basis of their own independent investigation of all of the facts, laws, and circumstances material to this Agreement, and not in any manner or to any degree based upon any statement or omission by the other Party or its counsel.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this Strategic Alliance and Remarketing Agreement to be executed by their duly authorized representatives as of the Execution Date, and each represents and warrants to the other that it has validly executed this Strategic Alliance and Remarketing Agreement and has the legal power to do so.

CATERPILLAR INC.

By: /s/ George H. Taylor

Name: George H. Taylor

Title: Vice President

RITCHIE BROS. AUCTIONEERS INCORPORATED

By: /s/ Ravichandra Saligram

Name: Ravichandra Saligram

Title: Chief Executive Officer

IRONPLANET, INC. (solely for purposes of Sections 3, 7, 8 and 9)

By: /s/ Douglas P. Feick

Name: Douglas P. Feick

Title: Senior Vice President and Chief Legal Officer

SCHEDULE A TO STRATEGIC ALLIANCE AND REMARKETING AGREEMENT

SELLER TERMS AND CONDITIONS

This SCHEDULE A to Strategic Alliance and Remarketing Agreement provides additional terms that govern the sale of the equipment and the provision of related services by RCC.

These Seller Terms and Conditions, including all schedules and other policies, establish the terms of your use of RCC's sites and services (e.g., www.rbauction.com, www.ironplanet.com, eu.IronPlanet.com, www.truckplanet.com, www.govplanet.com, www.allequip.com, www.catauctions.com and any third party online marketplace owned by RCC) and are incorporated by reference into the Strategic Alliance and Remarketing Agreement between Caterpillar and RCC for the consigning, or listing and advertising of equipment for sale to buyers at RCC Auctions.

1. **Services.** RCC offers you the use of the Auction Sites, which function as an online marketplace and platform on which you can list and advertise equipment for sale to potential buyers ("**Buyers**"), as well as live, on-site auctions in the RB Channel or the IP Channel, such as Cat Auction Services' eQuipment Yard timed out auction marketplace. In respect of sale completed using the Action Sites or IP Channels, each Party is acting on its own behalf, and RCC is not a party to the subsequent purchase contract for equipment that is entered into between Caterpillar and the Buyer. The Auction Sites and/or the live, on-site auctions in the IP Channel shall be a listing site for the equipment, and Caterpillar shall not offer for sale or sell the equipment in any other manner until the earlier of (i) the date the equipment is sold in Live Auction or Auction Sites, or (ii) for the period of ninety (90) days following the date Caterpillar withdraws the equipment from the applicable auction. By listing a piece of equipment with RCC on an Auction Site or in the IP Channel Caterpillar extends an irrevocable offer to sell the equipment, as applicable, (a) to a Buyer who is the highest bidder and who meets or exceeds the opening bid or reserve price, or (b) to a Buyer who commits to purchase equipment at the buy now price. After the winning bid for a piece of equipment has been established by RCC or the Buyer has committed to purchase the equipment at the buy now price, the bid or purchase commitment of Buyer will be automatically accepted by the Caterpillar and a purchase contract between Caterpillar and Buyer is automatically concluded ("**Purchase Contract**"). All applicable terms and conditions of this Agreement shall apply to the Purchase Contract. Buyer and Caterpillar will be notified of the conclusion of the Purchase Contract by an email or other notification that is generated automatically by the Auction Site or at the live, on-site auction in the IP Channel. There is no guarantee as to the gross proceeds that may be realized from the sale of equipment through the Auction Site other than by Caterpillar establishing a reserve price which may or may not be accepted by a Buyer. In respect of sales via live, on-site auctions in the RB Channels (an "**RB Auction**"), RCC shall, as agent of Caterpillar, offer for sale to Buyers the equipment designated for sale at the RB Auction. After the winning bid for a piece of equipment has been accepted and established by RCC, the Buyer will be unconditionally and irrevocably bound to complete the purchase of such piece of equipment. Auctions within the RB Channel will have the exclusive right to sell any equipment designated on an Equipment Listing Form for sale by such means and Caterpillar shall not withdraw such equipment, or offer for sale or sell such equipment in any other manner, from the date the equipment is first advertised for sale at an RB Auction which generally occurs twenty (20) days in advance of said auction. All Live Auctions are unreserved and equipment offered for sale will be sold to the highest bidder on the date of the auction. There is no guarantee as to the gross proceeds that may be realized from sales of equipment at Live Auctions and RCC has no obligation or duty to withdraw equipment from such auctions or cancel the same. The timing of the sale of equipment and opening bid shall be set by RCC. RCC shall use its best efforts to sell the equipment on behalf of Caterpillar in a commercially reasonable manner. Caterpillar may not intentionally manipulate, directly or indirectly, the price of equipment by any means. To the extent Caterpillar wishes to sell equipment at Live Auction outside of the U.S., Canada, U.K., Europe and Australia, the Parties will cooperate and review the terms in this Schedule A to ensure any local laws and requirements relating to the sale of equipment are addressed in a mutually satisfactory manner.

2. **Inspections.** For all requested inspections, Caterpillar agrees to permit RCC and/or its authorized representatives to test and inspect each piece of equipment at a time and place specified in the Agreement or as otherwise mutually agreed. To the extent conducted as part of the ordinary course of business, RCC shall produce an inspection report ("**Inspection Report**") for each piece of equipment. RCC inspections are solely for the purpose of reporting on the condition of the equipment's major systems and attachments. RCC inspections are NOT intended to detect latent or hidden defects or conditions that could only be found in connection with the physical dismantling of the equipment or the use of diagnostic equipment or techniques. As such, RCC provides all Inspection Reports to Caterpillar "as is." Caterpillar's failure to properly maintain the equipment from the date of inspection until its removal from Caterpillar's location by Buyer will void the inspection. If Caterpillar alters or performs repairs or other maintenance to the equipment after the inspection, another inspection will be required, and Caterpillar will be subject to a re-inspection fee for the actual costs of such additional inspection. Subject to the foregoing, all Inspection Reports and reports related to re-inspection shall be shared by RCC with Caterpillar. RCC acknowledges and agrees that Caterpillar is permitted to use, share and distribute all information that will be contained in such Inspection Reports, consistent with the terms of the Agreement, including sharing such information and Inspection Reports with its consultants, data processors, legal counsel and financial advisors.

3. **Equipment Availability; Risk of Loss; Insurance.** Caterpillar agrees to have the equipment available for transportation, complete with ignition key, to the Buyer no later than one (1) business day after the conclusion of the sale. The responsibility and risk of loss for equipment shall be and remain with Caterpillar (and not RCC) until the earlier of: (i) the removal of the equipment from the posted equipment location by the Buyer or the Buyer's designated transportation provider or (ii) receipt by Caterpillar of all proceeds from the sale of equipment. Thereafter, the equipment shall be and remain at the risk of the Buyer or the Buyer's designated transportation provider (and not RCC). With respect to sales through live, on-site auction, Caterpillar shall be responsible for maintaining insurance coverage pertaining to the equipment and its transfer to and from, and storage at, the auction site, until the earlier of transfer of title of the equipment or removal from the equipment from the auction site. RCC has no obligation to maintain insurance coverage pertaining to the equipment in the possession of RCC for purposes hereunder.

4. **Delivery.** For sales of equipment to be conducted by RCC through live, on-site auctions, Caterpillar, at its expense, shall deliver the equipment and all related titles, certifications, or other documents relating to ownership to RCC at the auction site no later than fifteen (15) days prior to the auction. At the time of delivery to the auction site the equipment shall be in compliance with all Federal and State regulations regarding emissions, safety or any other regulations as required by law. Titled items must have a legible VIN or other I.D. as required by law. Caterpillar will disclose to RCC any and all modifications or omissions to the aforementioned Federal and State regulations.

5. **Fees; Payment of Proceeds; Taxes**. All fees and payment instructions are set forth in the Agreement. Caterpillar shall be responsible for the payment of any tax or duty that is Caterpillar's responsibility as a seller of the equipment. After the Purchase Contract is concluded between Caterpillar and the Buyer, the Site will generate a third party invoice that is issued to Buyer on your behalf. The Buyer is responsible for paying to Caterpillar the purchase price for the equipment upon conclusion of a Purchase Contract, and Caterpillar hereby instructs RCC to act as a payment processor and facilitate receipt of the purchase price. Further, Caterpillar hereby grants RCC the right, in its own name, to enforce your right to payment. Caterpillar agrees that no monies shall be payable to Caterpillar until paid by the Buyer. For equipment sold via RB Channels, RCC will invoice the Buyer directly and the Buyer is responsible for paying RCC the purchase price for the equipment. The net proceeds collected from sales of equipment via RB Channels (net of agreed amounts due to RCC) will be paid by RCC to Caterpillar within twenty-one (21) days after the auction in accordance with the payment instructions provided by Caterpillar. Caterpillar acknowledges that Buyers may fail to perform or pay on a timely basis and that RCC shall not have any liability to Caterpillar for any act or omission of Buyers.

6. **Representations**. (i) Caterpillar represents and warrants that: (a) to its knowledge, no equipment shall be fraudulent, stolen or counterfeit; (b) Caterpillar is duly authorized to enter into the Agreement and sell such equipment; (c) Caterpillar is solvent and has not made any assignment, proposal or other proceeding for the benefit of its creditors; (d) Caterpillar owns all right, title and interest in and to the equipment and the equipment is free and clear of all liens or other encumbrances, except as otherwise disclosed by Caterpillar to RCC in writing; and (e) Caterpillar operates its business and will perform under this Agreement in compliance with all applicable laws, agreements and policies by which Caterpillar is bound, including applicable emissions regulation. (ii) RCC represents and warrants that: (w) RCC is duly authorized under the laws of the jurisdiction of its organization; (x) RCC is duly authorized to enter into the Agreement and take all actions required of RCC pursuant to the Agreement; (y) RCC operates its business and will perform under this Agreement in compliance with all applicable laws, agreements and policies by which RCC is bound, including applicable emissions regulation; and (z) RCC employs and maintains security policies and standards in accordance with industry standards for similarly-situated organizations.

7. **Disclaimer; Limitation of Liability.** RCC WARRANTS THAT THE SITE AND SERVICES PROVIDED UNDER THIS AGREEMENT WILL BE PROVIDED IN A PROFESSIONAL MANNER AND TO THE REASONABLE SATISFACTION OF CATERPILLAR. EXCEPT AS EXPRESSLY PROVIDED IN THE IMMEDIATELY PRECEDING SENTENCE OR AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT OR AN EQUIPMENT LISTING FORM, THE SITE AND SERVICES PROVIDED BY OR THROUGH COMPANY ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TO THE FULLEST EXTENT PERMITTED BY LAW, IN NO EVENT SHALL COMPANY OR SELLER BE LIABLE FOR ANY SPECIAL, INDIRECT, PUNITIVE, COVER, INCIDENTAL OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, WHETHER IN CONTRACT OR TORT OR UNDER ANY OTHER THEORY OF LIABILITY, INCLUDING LOSS OF REVENUE, PROFITS, OR BUSINESS, ANY LOSS OF GOODWILL OR REPUTATION, OR THE COSTS OF SUBSTITUTE GOODS OR SERVICES, EVEN IF COMPANY OR AN AUTHORIZED REPRESENTATIVE THEREOF HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8. **Indemnification.** Each of RCC and Caterpillar agrees to indemnify ("**indemnifying party**") and hold harmless the other party, its affiliated companies and their respective officers, directors, employees, agents, successors and assigns ("**indemnified parties**") from and against any claim or demand (including reasonable attorneys' and experts' fees and costs) made by any third party due to or arising out of a party's breach of this Agreement or violation of any law. The indemnified party shall promptly notify the indemnifying party in writing of any threatened or actual claim or demand and reasonably cooperate with indemnifying party to facilitate the settlement or defense thereof. Indemnifying party shall have sole control of the defense or settlement of any claim or demand, provided that indemnified party, at its option and expense, may participate and appear on an equal footing with indemnifying party. Indemnifying party shall not settle any claim or demand without the written consent of the indemnified parties, with such consent not to be unreasonably withheld or delayed.

9. **Additional Liens**. RCC shall have the right, in its sole discretion, to rescind the sale of equipment to a Buyer in whole or in part in the event there are liens, encumbrances or adverse claim on or to any equipment in addition to those that are listed in the Agreement.

SCHEDULE B TO STRATEGIC ALLIANCE AND REMARKETING AGREEMENT

SAMPLE EQUIPMENT LISTING REQUEST FORM

SELLER: **DATE OF SUBMISSION:**
DESIGNATED SELLER REPRESENTATIVE: **DATE OF MASTER OPERATING AND REMARKETING AGREEMENT**
COMPANY SALES CONTRACT NO.:

Pursuant to the terms of the Strategic Alliance and Remarketing Agreement referenced above, Seller hereby authorizes _____ to place the following Equipment for sale:

No.	Seller Ref #	Location	Year	Make	Model	Serial #	Hours/ Miles	Sale Type	Insp. Reqs.	Liens (Y/N)	Features/Equipment Detail; Attachment Detail	Equip. Code	Listing Fee
1.													
2.													
3.													
4.													
5.													
6.													
7.													
8.													
9.													
10.													
11.													
12.													

BY AND ON BEHALF OF SELLER: _____
(Signature of Designated Seller Representative)

LEGEND:					
Sale Type:	**FE** = Featured Event **CAS = CAT Auction** **DM** = Daily Marketplace RB = RB Auction	**Inspection Reqs:**	**FI** = Full Inspection	**B** = Photos and Basic Functionality	**PO** = Photos Only (non-powered units)

PAYMENT INSTRUCTIONS: RCC shall remit payment to Seller according to the instructions provided below. If no selection is made, payment shall be by check.

Select Payment Method:	_____ Company Check	____ Wire Transfer
If Wire Transfer, instructions:	Beneficiary Name:	_____
	Beneficiary Acct. No.:	_____
	Bank Name:	_____
	Bank Location:	_____
	Bank (ABA) Routing No.:	_____

SCHEDULE C TO STRATEGIC ALLIANCE AND REMARKETING AGREEMENT

COMMISSION RATES

Auction Sites (*e.g. IP, E1 etc.*):

GTV[2]	Commission Rate	Fees
[***]	[***]%	Standard Listing Fee
[***]	[***]%	Standard Listing Fee
[***]	[***]%	Standard Listing Fee

Live Auction (*e.g. CAS*[1], *RBA, etc.*):

US and Canada

GAP[2]	Commission Rate	Annual Threshold Rebate	Effective Rate
[***]	[***]%	[***]%	[***]%
[***]	[***]%	[***]%	[***]%
[***]	[***]%	[***]%	[***]%
[***]	[***]%	[***]%	[***]%
[***]	[***]%	[***]%	[***]%

Rest of the World

GAP[2]	Commission Rate	Annual Threshold Rebate	Effective Rate
[***]	[***]%	[***]%	[***]%
[***]	[***]%	[***]%	[***]%
[***]	[***]%	[***]%	[***]%
[***]	[***]%	[***]%	[***]%
[***]	[***]%	[***]%	[***]%

[1] Onsite Dealer CAS or RBA/CAS Cobranded Events

[2] Aggregate GTV and GAP threshold levels in USD only applicable to straight commission business volume at a dealer level

[*] Confidential Information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.**

SCHEDULE D TO STRATEGIC ALLIANCE AND REMARKETING AGREEMENT

FORM OF CONSENT

I agree and acknowledge that to the extent this equipment is equipped with a telematics system (e.g., Product Link), that data concerning this equipment, its condition, and its operation is being collected and transmitted to Caterpillar Inc., its affiliates (collectively, "Caterpillar"), and/or its dealers.

Caterpillar Inc. recognizes and respects customer privacy. The Caterpillar Telematics Data Privacy Statement (the "Privacy Statement") describes the categories of information collected, the purposes of the processing of the information, how the information is shared, how to ask questions about telematics and how to revoke your consent. The Privacy Statement is available online at www.cat.com and attached to this consent form.

I consent, agree to allow, and grant a worldwide, perpetual, fully paid up, non-exclusive, nonrevocable, license to, Caterpillar and/or its dealers to use, access and transfer this information in accordance with this consent form and the Privacy Statement, including for this information to be transferred to jurisdictions that may not offer the same level of data protection as the jurisdiction in which I am located. Furthermore, I acknowledge and agree that to the extent consent of the operator is required that I will have and will obtain their consent prior to allowing them to use the equipment.

Further, I consent that Caterpillar and/or its dealers to transfer to Richie Bros. Auctioneers Incorporated and its affiliates (the "RB Entities") for its and their internal use, but not for resale, information regarding the hours of usage of this equipment at the later of the activation of the telematics system or the date the equipment is sold through RB Entities and the location of the equipment 120 days after the date the equipment is sold through RB Entities.

In the event that I transfer ownership of the equipment, I agree to notify the next owner about the telematics system, the information being transmitted and the Purposes and this language including the link to the privacy statement. In addition, I will notify my dealer that I have transferred ownership of the equipment.

- ☐ I have been provided a copy of the Caterpillar Telematics Data Privacy Statement.
- ☐ I have read and I understand the Caterpillar Telematics Data Privacy Statement.
- ☐ I freely consent to the data collection and transfers described in this consent form, including the Caterpillar Telematics Data Privacy Statement.

The undersigned company hereby gives its voluntary consent and agreement:

Company Name: _____

Represented by (printed): _____

Signature: _____

Date: _____

Exhibit 10.2

Execution Version

GOLDMAN SACHS BANK USA
200 West Street
New York, New York 10282

CONFIDENTIAL

August 29, 2016

Ritchie Bros. Auctioneers Incorporated
9500 Glenlyon Parkway
Burnaby, British Columbia
Canada V5J 0C6

$150.0 MILLION SENIOR SECURED REVOLVING CREDIT FACILITY
$850.0 MILLION SENIOR UNSECURED BRIDGE LOAN FACILITY
COMMITMENT LETTER

Ladies and Gentlemen:

You have advised Goldman Sachs Bank USA (acting through such of its affiliates or branches as it deems appropriate, "***Goldman Sachs***" or, as the case may be, the "***Initial Lender***", the "***Commitment Party***", "***we***" or "***us***") that Ritchie Bros. Auctioneers Incorporated, a public company incorporated in Canada (the "***Borrower***" or "***you***"), through one of its direct or indirect subsidiaries Topaz Mergersub, Inc., a Delaware corporation ("***MergerSub***"), intends to acquire (the "***Acquisition***") all of the capital stock of IronPlanet Holdings, Inc. (the "***Target***"). You have further advised us that, in connection with the foregoing, you intend to consummate the Transactions (such term and each other capitalized term used but not defined herein having the meaning assigned to such term in the Summary of Principal Terms and Conditions attached hereto as ***Exhibit A*** (the "***RCF Term Sheet***") and in the Summary of Principal Terms and Conditions attached hereto as ***Exhibit B*** (together with the RCF Term Sheet, the "***Term Sheets***")).

You have further advised us that, in connection therewith, the Borrower (a) may enter into the Revolving Facility (as defined in ***Exhibit A***) in an initial aggregate principal amount of up to $150.0 million (as such amount may be reduced as set forth in Exhibit A) and (b)(i) will issue senior unsecured notes in an aggregate principal amount of up to $850.0 million (the "***Senior Unsecured Notes***") pursuant to a Rule 144A/Regulation S private placement or (ii) if all or any portion of the Senior Unsecured Notes are not issued on or prior to the Closing Date (as defined below), will incur the Senior Unsecured Bridge Facility (as defined in ***Exhibit B***) in an aggregate principal amount of up to $850.0 million *less* the sum of (x) the gross cash proceeds received from Senior Unsecured Notes or Takeout Indebtedness (as defined in the Fee Letters referred to below) issued on or prior to the Closing Date and (y) the net cash proceeds from outstanding borrowings by the Borrower or any of its Subsidiaries on the Closing Date under commercial bank or other credit facilities (excluding any working capital financings of any foreign subsidiaries and after giving effect to the Refinancing and any other repayments of indebtedness occurring on the Closing Date) in excess of $30.0 million (such borrowings, the "***Replacement Loans***"). The Revolving Facility, together with the Senior Unsecured Bridge Facility, are defined as the "***Facilities***".

1. COMMITMENTS.

In connection with the foregoing, Goldman Sachs is pleased to advise you of its commitment to provide 100% of the principal amount of each of the Facilities, upon the terms set forth in this commitment letter (including the Term Sheets and other attachments hereto, this "*Commitment Letter*") and subject solely to the applicable conditions set forth in Section 6 hereof.

2. TITLES AND ROLES.

It is agreed that Goldman Sachs will act as (a) a bookrunner and lead arranger (in such capacities, as applicable, the "***Lead Arranger***" or the "***Bookrunner***") for the Facilities, (b) the sole administrative agent for both the Senior Unsecured Bridge Facility (in such capacity, the "***Senior Unsecured Bridge Agent***") and for the Revolving Facility (in such capacity, the "***RCF Agent***"; together with the Senior Unsecured Bridge Agent, the "***Administrative Agents***", and each an "***Administrative Agent***") and (c) the sole collateral agent for the Revolving Facility (in such capacity, the "***Collateral Agent***"; together with the Administrative Agents, the "***Agents***" and each an "***Agent***"); in each case upon the terms set forth in this Commitment Letter and subject solely to the applicable conditions set forth in Section 6 hereof. We, in such capacities, will perform the duties and exercise the authority customarily performed and exercised by us in such roles. Except as set forth below, you agree that no other titles will be awarded and no compensation (other than that expressly contemplated by this Commitment Letter and the Fee Letters referred to below) will be paid to any Lender (as defined below) in order to obtain its commitment to participate in the Senior Unsecured Bridge Facility or the Revolving Facility unless you and we shall so agree.

Notwithstanding the foregoing, you may, within 10 business days after the date hereof, appoint (a) up to 2 other financial institutions as additional lead arrangers, bookrunners or arrangers for the Facilities and (b) other financial institutions as additional agents, co-agents or co-managers to provide commitments hereunder in respect of up to 30% of the aggregate commitments under the Facilities or confer other titles in respect of the Facilities (any such agent, co-agent, lead arranger, bookrunner, manager, arranger or other titled institution, an "***Additional Agent***") in a manner and with economics determined by you in consultation with the Lead Arranger (it being understood that (i) the economics (expressed as a percentage of the relevant person's commitments) granted to any Additional Agent shall not exceed the economics (expressed as a percentage of the relevant person's commitments) granted to the Commitment Party, (ii) each such Additional Agent (or its affiliate) shall assume a proportion of the commitments with respect to each Facility that is equal to the proportion of the economics allocated to such Additional Agent (or its affiliates), (iii) the economics allocated to, and the commitment amount of, the Commitment Party in respect of the Facilities will be reduced pro rata by the amount of the economics allocated to, and the commitment amount of, such Additional Agent (or its affiliate), in each case, upon the execution and delivery during such 10 business day period referenced above by such Additional Agent of customary joinder documentation reasonably acceptable to you and us, and (iv) (x) Goldman Sachs shall have not less than 70% of the total economics for the Revolving Facility on the Closing Date and (y) not less than 70% of the total economics for the Senior Unsecured Bridge Facility on the Closing Date, and thereafter, each such Additional Agent shall constitute a "Commitment Party", an "Initial Lender," and/or a "Lead Arranger", as applicable, under this Commitment Letter and under the Fee Letters. In addition, you agree that Goldman Sachs will have "left side" designation and shall appear on the top left of any Information Materials (as defined below) and all other offering or marketing materials in respect of the Senior Unsecured Bridge Facility and the Revolving Facility.

3. SYNDICATION.

The Lead Arranger reserves the right, prior to and/or after the execution of definitive documentation for the Facilities (the "***Facilities Documentation***") to syndicate all or a portion of the Initial Lender's commitments with respect to the Facilities to a group of banks, financial institutions and other institutional lenders (together with the Initial Lenders, the "***Lenders***") identified by us in consultation with you and reasonably acceptable to you with respect to both the identity of such Lender and the amount of such Lender's commitments (such consent not to be unreasonably withheld or delayed); *provided* that (a) we will not syndicate our commitments to (i) certain banks, financial institutions and other institutional lenders that have been specified to us by you in writing by name prior to the date hereof, (ii) those persons who are competitors of the Borrower and its subsidiaries or of the Target and its subsidiaries that are separately identified in writing by you to us by name (or, after the Closing Date, to the applicable Administrative Agent) from time to time, and (iii) in the case of each of clauses (i) and (ii), any of their affiliates (other than any bona fide debt funds) that are either (x) identified in writing by you from time to time or (y) clearly identifiable on the basis of such affiliates' names (the persons referred to in clauses (i), (ii) and (iii) above, collectively, "***Disqualified Lenders***"), and (b) notwithstanding the right of the Initial Lender to syndicate the Facilities and receive commitments with respect thereto, except as expressly provided in Section 2 hereof in respect of any Additional Agents and in Section 9 hereof in respect of assignments among Goldman Sachs and Goldman Sachs Lending Partners LLC, (i) the Initial Lender shall not be relieved, released or novated from its obligations hereunder (including the obligation to fund the applicable Facility if all applicable conditions thereto have been satisfied on the date of the consummation of the Acquisition with the proceeds of the initial funding under the Facilities (the date of such funding, the "***Closing Date***")) in connection with any syndication, assignment or participation of the Facilities, including our commitments in respect thereof, until after the Closing Date has occurred, (ii) no assignment or novation by the Initial Lender shall become effective as between you and the Initial Lender with respect to all or any portion of the Initial Lender's commitments in respect of the Facilities until the initial funding of the Facilities has occurred and (iii) unless you otherwise agree in writing, the Initial Lender shall retain exclusive control over all rights and obligations with respect to its respective commitments in respect of each of the Facilities, including all rights with respect to satisfaction with closing conditions, consents, modifications, supplements, waivers and amendments, until the Closing Date has occurred.

Without limiting your obligations to assist with syndication efforts as set forth herein, it is understood that the Initial Lender's commitments hereunder are not conditioned upon the syndication of, or receipt of commitments in respect of, the Facilities and in no event shall successful completion of syndication of the Facilities constitute a condition to the availability of the Facilities on the Closing Date. We intend to commence syndication efforts promptly upon the execution of this Commitment Letter, and you agree to actively assist us in completing a syndication reasonably satisfactory to you and us until the earlier of (x) 45 days after the Closing Date and (y) the date on which the Commitment Party and its affiliates hold no more than $0 of the Senior Unsecured Bridge Facility and the Commitment Party determines that the Revolving Facility has been successfully syndicated (such earlier date, the "***Syndication Date***"). Such assistance shall include (a) your using commercially reasonable efforts to ensure that any syndication efforts benefit from your existing lending and investment banking relationships, (b) direct contact between appropriate members of senior management, representatives and advisors of you (and using your commercially reasonable efforts to arrange direct contact between appropriate members of senior management, representatives and advisors of the Target) and the proposed Lenders, in all such cases at times and locations mutually agreed upon, (c) assistance by you (and using your commercially reasonable efforts to arrange direct contact between appropriate members of senior management, representatives and advisors of the Target) in the preparation of a customary confidential information memorandum and a customary lender presentation for each of the Facilities and other customary marketing materials and presentations reasonably requested by us in connection with the syndication (the "***Information Materials***"), (d) your providing or causing to be provided customary financial information and projections (the "***Projections***") for you and your subsidiaries and the Target and its subsidiaries and the transactions contemplated hereby, (e) your preparing and providing (and using commercially reasonable efforts to cause the Target to provide) to the Commitment Party all other customary and reasonably available information reasonably requested and deemed necessary by the Lead Arranger to complete such syndication with respect to you and the Target and each of your and its respective subsidiaries and the Transactions, (f) using your commercially reasonable efforts to procure at your expense, prior to the launch of syndication, a public corporate credit rating from Standard & Poor's Ratings Service ("***S&P***") and a public corporate family rating from Moody's Investors Service, Inc. ("***Moody's***"), in each case with respect to the Borrower after giving effect to the Transactions, and public ratings for the Senior Unsecured Notes from each of S&P and Moody's (it being understood that, in each case, no specific ratings need to be obtained), (g) the hosting, with the Lead Arranger, of a reasonable number of general meetings of prospective Lenders at mutually agreed times and venues (and any additional meetings which may be held by one or more conference calls with prospective Lenders to the extent necessary) and (h) (i) until the Syndication Date, ensuring that you and your subsidiaries will not have (and using commercially reasonable efforts to ensure that the Target and its subsidiaries will not have) any issues of debt securities or commercial bank or other credit facilities (other than (1) the Senior Unsecured Notes or any Takeout Securities issued in lieu of the Senior Unsecured Notes, (2) (a) the Facilities or (b) up to $1.0 billion in aggregate commitments under other revolving credit or term loan A facilities (with greater than nominal scheduled amortization payments) to be entered into in lieu of the entire Revolving Facility (which may also provide a portion of the financing for the Acquisition and the other Transactions); *provided* that the aggregate amount of borrowings under any such facilities under this clause (b) on the Closing Date shall not exceed $350 million (the facilities entered into under this paragraph (2)(b), the "***Alternate Facilities***"), (3) any other indebtedness of the Target or any of its subsidiaries permitted to be incurred pursuant to the Purchase Agreement and (4) indebtedness incurred in the ordinary course of business, including any extensions of credit under the Existing Debt (as defined in ***Exhibit A***) and any other existing revolving credit facilities of the Borrower, the Target or any of their respective subsidiaries, being announced, offered, placed or arranged without the consent of the Commitment Party (not to be unreasonably withheld), if such issuance, offering, placement or arrangement could reasonably be expected to impair the primary syndication of the Facilities (it being understood that deferred purchase price obligations and ordinary course capital lease, purchase money and equipment financings shall be permitted). Notwithstanding anything to the contrary contained in this Commitment Letter or the Fee Letters or any other letter agreement or undertaking concerning the financing of the Transactions to the contrary, none of the receipt of ratings referred to in clause (f) above nor the commencement, conduct or completion of such syndication shall constitute a condition to the commitments hereunder or the availability or funding of the Facilities on the Closing Date. For the avoidance of doubt, you will not be required to provide any information to the extent that the provision thereof would violate any law, rule or regulation, or any obligation of confidentiality binding upon (so long as such obligations are not entered into in contemplation of this Commitment Letter), or waive any privilege that may be asserted by, you, the Target or any of your or their respective subsidiaries or affiliates (in which case you agree to use commercially reasonable efforts to have any such confidentiality obligation waived, and otherwise in all instances, to the extent practicable and not prohibited by applicable law, rule or regulation, promptly notify us that information is being withheld pursuant to this sentence). Notwithstanding anything herein to the contrary, the only financial statements that shall be required to be provided to the Commitment Party in connection with the syndication of the Facilities shall be those required to be delivered pursuant to paragraphs 5 and 6 of ***Exhibit C***.

You agree, at the request of the Commitment Party, to assist in the preparation of a version of the Information Materials to be used in connection with the syndication of the Facilities, consisting exclusively of information and documentation that is (i) of a type that would be publicly available if the Borrower (after giving effect to the Acquisition) and the Target were public reporting companies (as reasonably determined by you), (ii) publicly available or (iii) not material with respect to the Borrower, the Target or its respective subsidiaries or any of their respective securities for purposes of foreign, United States Federal and state securities laws (all such Information Materials being "***Public Lender Information***", and Lenders that do not wish to receive information other than Public Lender Information, each, a "***Public Lender***")). Any information and documentation that is not Public Lender Information is referred to herein as "***Private Lender Information***" and any Lender that is not a Public Lender is each referred to herein as a "***Private Lender***". The information (to the extent customarily included in a confidential information memorandum for a credit facility substantially similar to the Revolving Facility) to be included in the additional version of the Information Materials for Public Lenders will be substantially consistent with the information included in any offering memorandum for the offering for the Senior Unsecured Notes. Before distribution of any Information Materials to prospective Lenders (other than the Initial Lender), you agree to execute and deliver to the Commitment Party, (i) to the extent reasonably requested by the Commitment Party, a customary letter in which you authorize distribution of the Information Materials to Lenders willing to receive Private Lender Information and (ii) a separate customary letter in which you authorize distribution of Information Materials containing solely Public Lender Information and represent that such Information Materials do not contain any Private Lender Information, which letter shall in each case include a customary "10b-5" representation substantially identical to the representations in Section 4 below (which representations shall not be qualified by knowledge). Each version of the Information Materials shall (i) exculpate you, the Target and your and its respective affiliates with respect to any liability related to the misuse of such Information Materials or any related marketing materials by the recipients thereof and (ii) exculpate us and our respective affiliates with respect to any liability related to the use or misuse of such Information Materials or any related marketing materials by the recipients thereof.

You further agree, (a) at the request of the Commitment Party, to use your commercially reasonable efforts to identify Public Lender Information by clearly and conspicuously designating the same as "PUBLIC" and (b) the Commitment Party shall be entitled to treat any Information Materials that are not specifically identified as "PUBLIC" as being Private Lender Information. You acknowledge that the following documents contain solely Public Lender Information (unless you notify us prior to their intended distribution that any such document contains Private Lender Information) (provided, that such documents have been provided to you and your counsel for review a reasonable period of time prior thereto): (i) drafts and final copies of the Facilities Documentation, including term sheets; (ii) administrative materials prepared by the Commitment Party for prospective Lenders (such as a lender meeting invitation, bank allocation, if any, and funding and closing memoranda); and (iii) notification of changes in the terms of the Facilities. If you advise us in writing (including by e-mail) that any of the foregoing items should be distributed only to Private Lenders, then the Lead Arranger will not distribute such materials to Public Lenders without your consent. We shall be entitled to treat any Information Materials that are not specifically identified as "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Lenders" to which Public Lenders do not have access.

The Lead Arranger will manage all aspects of any syndication in consultation with you, including decisions as to the selection of institutions to be approached (excluding Disqualified Lenders) and when they will be approached, when their commitments will be accepted, which institutions will participate (excluding Disqualified Lenders), the allocation of the commitments among the Lenders, any naming rights and the amount and distribution of fees among the Lenders.

4. INFORMATION.

You hereby represent and warrant that (in the case of information regarding the Target and its subsidiaries prior to the Closing Date, to your knowledge), (a) all written information (other than the Projections and other than information of a general economic, forward-looking or industry-specific nature) (the "***Information***") that has been or will be made available to the Initial Lender by or on behalf of you, the Target or any of your or its respective representatives, when taken as a whole, is or will be, when furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made (after giving effect to all supplements and updates thereto) and (b) the Projections that have been or will be prepared by or on behalf of you and made available to the Initial Lender by or on behalf of you or any of your representatives have been or will be prepared in good faith based upon assumptions that are believed by you to be reasonable at the time made and at the time the related Projections are made available to the Initial Lender (it being understood that the Projections are subject to significant uncertainties and contingencies, many of which are beyond your control, and that no assurance can be given that any particular Projections will be realized and variances from the Projections may be material). In arranging and syndicating the Facilities, we will be entitled to use and rely on the Information and the Projections without responsibility for independent verification thereof.

5. FEES.

As consideration for the Initial Lender's commitments hereunder, and our agreements to perform the services described herein, you agree to pay to the Agents, the Lead Arranger and the Initial Lender the fees set forth in this Commitment Letter (including the Term Sheets), in that certain Joint Fee Letter dated the date hereof and delivered herewith with respect to the Facilities (the "***Joint Fee Letter***"), and in that certain Agency Fee Letter dated the date hereof and delivered herewith with respect to the Facilities (the "***Agency Fee Letter***", and together with the Joint Fee Letter, the "***Fee Letters***").

6. CONDITIONS PRECEDENT.

The Initial Lender's commitments hereunder to fund the Facilities on the Closing Date, and the Commitment Party's and each Agent's agreement to perform the services described herein, are subject solely to the applicable conditions set forth in ***Exhibit C*** hereto, and upon satisfaction (or waiver by the Commitment Party) of such conditions, the initial funding of the Facilities shall occur (except to the extent the amount of the gross proceeds of Senior Unsecured Notes or Takeout Securities or Replacement Loans, to the extent Senior Unsecured Notes or Takeout Securities are issued or any Replacement Loans are incurred in lieu of the Senior Unsecured Bridge Facility or a portion thereof); it being understood that there are no conditions (implied or otherwise) to the commitments hereunder, including compliance with the terms of this Commitment Letter, the Fee Letters and the Facilities Documentation, other than those that are expressly stated in ***Exhibit C*** hereto.

Notwithstanding anything in this Commitment Letter (including each of the exhibits hereto), the Fee Letters or the Facilities Documentation or any other agreement or undertaking related to the Facilities to the contrary, (a) the only representations and warranties, the accuracy of which shall be a condition to the availability of the Facilities on the Closing Date, shall be (i) such of the representations and warranties made by the Target in the Purchase Agreement as are material to the interests of the Lenders, but only to the extent that you have (or an affiliate of yours has) the right (taking into account any applicable cure provisions) to terminate your (or its) obligations under the Purchase Agreement as a result of the failure of such representations and warranties to be accurate or the right to decline to consummate the Acquisition (in each case, in accordance with the terms thereof) due to the failure of such representations and warranties to be accurate (the "***Purchase Agreement Representations***") and (ii) the Specified Representations (as defined below) and (b) the terms of the Facilities Documentation shall be in a form such that they do not impair the availability of the Facilities on the Closing Date if the applicable conditions set forth in ***Exhibit C*** to this Commitment Letter are satisfied or waived by the Initial Lender (it being understood that (A) other than with respect to any UCC Filing Collateral or Stock Certificates (each as defined below), to the extent any Collateral (as defined in ***Exhibit A***) is not or cannot be delivered, or a security interest in any Collateral cannot be perfected, on the Closing Date after your use of commercially reasonable efforts to do so, the delivery of, or perfection of a security interest in, such Collateral shall not constitute a condition precedent to the availability of the Revolving Facility on the Closing Date, but such Collateral shall instead be required to be delivered, or a security interest in such Collateral perfected, within 90 days after the Closing Date (or such later date as mutually agreed by you and the Commitment Party) (subject to extensions reasonably agreed to by the RCF Agent) (other than, in the case of the Target and its applicable subsidiaries, with respect to any such certificate that has not been made available to you at least two (2) business days prior to the Closing Date, to the extent you have used commercially reasonable efforts to procure delivery thereof, in which case, such stock or equivalent certificate may instead be delivered within two (2) business days after the Closing Date), (B) with respect to perfection of security interests in UCC Filing Collateral, your sole obligation shall be to deliver, or cause to be delivered, necessary Uniform Commercial Code ("***UCC***") or Personal Property Security Act of the applicable provinces of Canada ("***PPSA***") financing statements to the RCF Agent in proper form for filing in the relevant US state or commonwealth UCC filing office(s) or other similar Canadian filing office and to authorize and to cause the applicable grantor to authorize the RCF Agent to file such UCC or PPSA financing statements and (C) with respect to perfection of security interests in Stock Certificates, your sole obligation shall be to deliver to the RCF Agent or its legal counsel Stock Certificates together with undated stock powers executed in blank). For purposes hereof, (1) "***UCC Filing Collateral***" means Collateral consisting of assets of the Borrower, the Target and its respective applicable subsidiaries for which a security interest can be perfected by filing a UCC or PPSA financing statement, (2) "***Stock Certificates***" means Collateral consisting of stock certificates representing capital stock or other equity interests of the Target and its material, wholly-owned subsidiaries and the other material, wholly-owned Restricted Subsidiaries of the Borrower organized under the laws of any state, province or other political subdivision of the United States of America or Canada that is required as Collateral pursuant to the RCF Term Sheet and delivery of which is sufficient to perfect a security interest therein and, in the case of Stock Certificates of the Target and its subsidiaries, which have been delivered to you under the Purchase Agreement, and (3) "***Specified Representations***" means the representations and warranties of the Target and the Borrower to be set forth in the applicable Facilities Documentation relating to corporate or other organizational existence, organizational power and authority, due authorization, execution and delivery, in each case only as they relate to the entering into and performance of the applicable Facilities Documentation; the enforceability of the applicable Facilities Documentation; Federal Reserve margin regulations; use of proceeds not in violation of the PATRIOT Act (as defined below), the U.S. Treasury's Office of Foreign Assets Control ("***OFAC***") regulations and the U.S. Foreign Corrupt Practices Act (the "***FCPA***"); use of proceeds not in violation of the United Nations Act (Canada) ("***UNA***"), the Corruption of Foreign Public Officials Act (Canada) ("***CFPOA***"), Part II.1 of the Criminal Code (Canada) ("***Criminal Code***") and the Special Economic Measures Act (Canada) ("***SEMA***") and other applicable anti-terrorism, anti-money laundering and anti-corruption laws; the Investment Company Act; no conflicts between the applicable Facilities Documentation and the organizational documents of the Target, the Borrower and each of their respective applicable subsidiaries (in each case, only as they relate to the entering into and performance of the applicable Facilities Documentation); solvency of Borrower and its subsidiaries on a consolidated basis as of the Closing Date (defined in a manner consistent with the form of solvency certificate attached hereto as ***Exhibit D***); and, solely in the case of the Revolving Facility and subject to permitted liens and the limitations set forth in the prior sentence, creation, validity and perfection of security interests. This paragraph, and the provisions herein, shall be referred to as the "***Certain Funds Provision***". Without limiting the conditions precedent provided herein to funding the consummation of the Acquisition with the proceeds of the Facilities, the Commitment Party will cooperate with you as reasonably requested in coordinating the timing and procedures for the funding of the Facilities in a manner consistent with the Purchase Agreement.

7. INDEMNIFICATION; EXPENSES.

You agree:

(a) to indemnify and hold harmless the Commitment Party and its affiliates and its and its affiliates' respective officers, directors, employees, agents, advisors, representatives, controlling persons and members, partners and successors and permitted assigns (other than any Excluded Affiliate) (each a "***Representative***") of each of the foregoing (each, an "***Indemnified Person***"), from and against any and all losses, claims, damages, liabilities and expenses, joint or several, to which any such Indemnified Person may become subject arising out of or in connection with this Commitment Letter, the Fee Letters, the Purchase Agreement, the Transactions, the Facilities or any other transactions related to the foregoing or any claim, litigation, investigation or proceeding (each, an "***Action***") relating to any of the foregoing, regardless of whether any such Indemnified Person is a party to such Action (and regardless of whether such Action is initiated by a third party, the Borrower, the Target or any of its respective affiliates or equity holders), and to reimburse each such Indemnified Person, promptly upon receipt of a written request therefor together with customary backup documentation in reasonable detail, for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating or defending any such Action (limited to one counsel for all Indemnified Persons taken as a whole and, if reasonably necessary, a single local counsel for all Indemnified Persons taken as a whole in each relevant material jurisdiction (which may be a single local counsel acting in multiple material jurisdictions) and, solely in the case of an actual or perceived conflict of interest between Indemnified Persons where the Indemnified Persons affected by such conflict inform you of such conflict, one additional counsel in each relevant material jurisdiction to each group of affected Indemnified Persons similarly situated, taken as a whole); *provided* that the foregoing indemnity will not, as to any Indemnified Person, apply to losses, claims, damages, liabilities or related expenses to the extent they are found in a final, non-appealable judgment of a court of competent jurisdiction to have resulted from (i) the willful misconduct, bad faith or gross negligence of such Indemnified Person or any Representative of such Indemnified Person, (ii) a material breach of the obligations of such Indemnified Person or any such Indemnified Person's affiliates under this Commitment Letter, the Fee Letters or the Facilities Documentation or (iii) any Action that is brought by an Indemnified Person against any other Indemnified Person (other than any Action against an arranger, bookrunner or agent under the Facilities acting in its capacity as such or any claims arising out of an act or omission on the part of you or any of your respective affiliates) (*provided*, that each Indemnified Person agrees (by accepting the benefits hereof) to refund and return any and all amounts paid by you to such Indemnified Person to the extent such Indemnified Person is not entitled to payment of such amounts in accordance with any of the foregoing items described in clauses (i), (ii), (iii) or (iv) occurs).

(b) whether or not the Transactions are consummated or the Closing Date occurs, to reimburse the Commitment Party after receipt of a written request together with customary backup documentation in reasonable detail, for all reasonable out-of-pocket expenses (including, but not limited to, (i) expenses of the Commitment Party's due diligence investigation, (ii) syndication expenses, (iii) travel expenses and (iv) fees, disbursements and other charges of one counsel to the Commitment Party identified in the Term Sheets, and, if necessary, of a single local counsel in each appropriate jurisdiction (which may include a single special counsel acting in multiple jurisdictions)) for all Indemnified Persons, taken as a whole, incurred solely in connection with the Facilities and the preparation and negotiation of this Commitment Letter, the Fee Letters, the Facilities Documentation and any related definitive documentation (collectively, the "***Expenses***"); *provided* that, without limiting clause (a) above, if the Closing Date does not occur, you shall not be obligated to reimburse the Commitment Party in respect of legal fees and expenses pursuant to this clause (b) in excess of $500,000.

You shall not be liable for any settlement of any Action effected without your prior written consent (such consent not to be unreasonably withheld or delayed), but, if settled with your prior written consent or if there is a final judgment in any such Action, you agree to indemnify and hold harmless each Indemnified Person from and against any and all losses, claims, damages, liabilities and expenses by reason of such settlement or final judgment in accordance with this Section 7. You shall not, without the prior written consent of an Indemnified Person (which consent shall not be unreasonably withheld or delayed in the case of any third-party Action), effect any settlement of any Action in respect of which indemnity could have been sought hereunder by such Indemnified Person unless such settlement (x) includes an unconditional release of such Indemnified Person from all liability on claims that are the subject matter of such Actions and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of such Indemnified Person. Notwithstanding the foregoing, each Indemnified Person shall be obligated to refund or return any and all amounts paid by you under this Section 7 to such Indemnified Person for any losses, claims, damages, liabilities and expenses to the extent such Indemnified Person is not entitled to payment of such amounts in accordance with the terms hereof.

You agree that, notwithstanding any other provision of this Commitment Letter, none of we or you or any Indemnified Person, the Target, or any of its respective subsidiaries, shall have any liability for any special, indirect, consequential or punitive damages (including, without limitation any loss of profits, business or anticipated savings) in connection with this Commitment Letter, the Fee Letters, the Transactions (including the Facilities and the use of proceeds thereunder), or with respect to any activities related to the Facilities, including the preparation of this Commitment Letter, the Fee Letters and the Facilities Documentation; *provided* that nothing contained in this paragraph shall limit your indemnity and reimbursement obligations to the extent such indirect, special, punitive or consequential damages are included in any third-party claim with respect to which the applicable Indemnified Person is entitled to indemnification under the first paragraph of this Section 7.

You acknowledge that we may receive a future benefit on matters unrelated to this matter, including, without limitation, discount, credit or other accommodation, from any of such counsel based on the fees such counsel may receive on account of their relationship with us, including without limitation fees paid pursuant hereto (it being understood and agreed that, in no event, shall the Expenses include items in respect of any unrelated matter or otherwise be increased as a result of such counsel's representation of us on another matter or on account of our relationship with such counsel).

8. SHARING INFORMATION; ABSENCE OF FIDUCIARY RELATIONSHIP; AFFILIATE ACTIVITIES.

Consistent with the Commitment Party's policies to hold in confidence the affairs of their customers, the Commitment Party will not furnish confidential information obtained from you by virtue of the transactions contemplated by this Commitment Letter or their other relationships with you to other companies. You acknowledge that we do not have any obligation to use in connection with the transactions contemplated by this Commitment Letter, or to furnish to you, confidential information obtained by us or any of our respective affiliates from other companies. The Commitment Party may have economic interests that conflict with yours or those of your equity holders or affiliates. You further acknowledge and agree that (a) no fiduciary, advisory or agency relationship between you and the Commitment Party or their respective affiliates is intended to be or has been created in respect of any of the transactions contemplated by this Commitment Letter (or the Fee Letters, including the exercise of rights and remedies hereunder or thereunder), irrespective of whether the Commitment Party or its respective affiliates have advised or are advising you on other matters, (b) the transactions contemplated by this Commitment Letter and the Fee Letters (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Commitment Party and its respective affiliates, on the one hand, and you, on the other hand, that does not directly or indirectly give rise to, nor do you rely on, any fiduciary duty on the part of the Commitment Party or its respective affiliates, (c) you are capable of evaluating and understanding, and you understand and accept, the terms, risks and conditions of the transactions contemplated by this Commitment Letter, (d) you have been advised that the Commitment Party and its respective affiliates are engaged in a broad range of transactions that may involve interests that differ from your interests and that the Commitment Party and its respective affiliates have no obligation to disclose such interests and transactions to you by virtue of any fiduciary, advisory or agency relationship and (e) you waive, to the fullest extent permitted by law, any claims you may have against the Commitment Party or its respective affiliates for breach of fiduciary duty or alleged breach of fiduciary duty and agree that the Commitment Party and its respective affiliates shall have no liability (whether direct or indirect) to you in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors, in each case in connection with the Transactions. Additionally, you acknowledge and agree that the Commitment Party is not advising you as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction (including, without limitation, with respect to any consents needed in connection with the transactions contemplated hereby). You shall consult with your own advisors concerning such matters to the extent you deem appropriate and shall be responsible for making your own independent investigation and appraisal of the transactions contemplated hereby (including, without limitation, with respect to any consents needed in connection therewith), and the Commitment Party and its respective affiliates shall have no responsibility or liability to you with respect thereto. Any review by the Commitment Party or its respective affiliates of the Borrower or any of its subsidiaries, the Target, the Transactions, the other transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Commitment Party and its respective affiliates and shall not be on behalf of you or any of your affiliates.

You further acknowledge that the Commitment Party and its respective affiliates are full-service securities firms engaged in securities trading and brokerage activities as well as providing investment banking and other financial services, including to other companies in respect of which you may have conflicting interests. In the ordinary course of business, the Commitment Party and its respective affiliates may provide investment banking and other financial services to, and/or acquire, hold or sell, for their own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of you, the Borrower, the Target and other companies with which you, the Borrower, or the Target may have commercial or other relationships. Although the Commitment Party in the course of such other activities and relationships may acquire information about the transactions contemplated by this Commitment Letter or other entities and persons that may be the subject of the financing contemplated by this Commitment Letter, the Commitment Party shall have no obligation to disclose such information, or the fact that such Commitment Party is in possession of such information, to you or any of your affiliates or to use such information on your or your affiliates' behalf. With respect to any securities and/or financial instruments so held by the Commitment Party and its respective affiliates or any of their customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

As you know, Goldman Sachs has been retained by the Borrower (or one of its affiliates) as financial advisor (in such capacity, the "***Financial Advisor***") in connection with the Acquisition and the Transactions. You have agreed to such retention, and further agree not to assert any claim you might allege based on any actual or potential conflicts of interest that might be asserted to arise or result from the engagement of the Financial Advisor, on the one hand, and our and our affiliates' relationships with you as described and referred to herein, on the other. Each other Commitment Party hereto acknowledges (i) the retention of Goldman Sachs as the Financial Advisor and (ii) that such relationship does not create any fiduciary duties or fiduciary responsibilities to such Commitment Party on the part of Goldman Sachs or its affiliates.

9. ASSIGNMENTS; AMENDMENTS; GOVERNING LAW, ETC.

This Commitment Letter and the commitments hereunder shall not be assignable by any party hereto (other than, subject to the provisions of Section 2 hereof, by the Initial Lender to any Additional Agent or its affiliates) without the prior written consent of the other parties hereto (and any attempted assignment without such consent shall be null and void), is intended to be solely for the benefit of the parties hereto (and Indemnified Persons), and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto (and Indemnified Persons). Any and all obligations of, and services to be provided by, us hereunder (including, without limitation, the Initial Lender's commitments) may be performed and any and all of our rights hereunder may be exercised by or through any of our respective affiliates or branches and, in connection with such performance or exercise, we may exchange with such affiliates or branches information concerning you and your affiliates that may be the subject of the transactions contemplated hereby and, to the extent so employed, such affiliates and branches shall be entitled to the benefits afforded to us hereunder; *provided* that nothing in this Commitment Letter shall relieve us of any of our obligations hereunder except as expressly provided in Section 2 or 3 above and (y) notwithstanding anything to the contrary set forth herein, we may assign our commitment and agreements hereunder, in whole or in part, to Goldman Sachs Lending Partners LLC and our commitments and agreements hereunder may be performed by or through Goldman Sachs Lending Partners LLC. This Commitment Letter may not be amended or any provision hereof waived or modified except by an instrument in writing signed by us and you.

This Commitment Letter may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Commitment Letter by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof. Section headings used herein are for convenience of reference only, are not part of this Commitment Letter and are not to affect the construction of, or to be taken into consideration in interpreting, this Commitment Letter.

You acknowledge that information and documents relating to the Facilities may be transmitted through SyndTrak, Intralinks, the Internet, e-mail or similar electronic transmission systems, and that the Commitment Party shall not be liable for any damages arising from the unauthorized use by others of information or documents transmitted in such manner except to the extent such damages are found in a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the willful misconduct, bad faith or gross negligence of the Commitment Party. This Commitment Letter and the Fee Letters supersede all prior understandings, whether written or oral, between you and us with respect to the Facilities.

Each of the parties hereto agrees that (i) this Commitment Letter is a binding and enforceable agreement (subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law)) with respect to the subject matter contained herein, including an agreement to negotiate in good faith the Facilities Documentation by the parties hereto in a manner consistent with this Commitment Letter, it being acknowledged and agreed that the funding of the Facilities is subject only to the applicable conditions precedent set forth in ***Exhibit C*** hereto and (ii) the Fee Letters is a binding and enforceable agreement (subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law)) of the parties thereto with respect to the subject matter set forth therein.

THIS COMMITMENT LETTER AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS COMMITMENT LETTER OR THE FEE LETTERS (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER HEREOF) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; *provided, however*, that (a) the interpretation of the definition of Material Adverse Change (as defined in ***Exhibit C*** hereto) (and whether or not a Material Adverse Change has occurred), (b) the determination of the accuracy of any Purchase Agreement Representations and whether as a result of any inaccuracy of any Purchase Agreement Representations you have (or an affiliate of yours has) the right (taking into account any applicable cure provisions) to terminate your (or its) obligations under the Purchase Agreement as a result of the failure of such representations to be accurate or the right to decline to consummate the Acquisition due to the failure of such representations to be accurate and (c) the determination of whether the Acquisition has been consummated in accordance with the terms of the Purchase Agreement shall, in each case, be governed by, and construed and interpreted in accordance with, the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware.

10. JURISDICTION.

Each of the parties hereto hereby irrevocably and unconditionally (a) submits, for itself and its property, to the exclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in the Borough of Manhattan in New York City, and any appellate court from any thereof, in any suit, action or proceeding arising out of or relating to this Commitment Letter, the Fee Letters or the transactions contemplated hereby or thereby, and agrees that all claims in respect of any such suit, action or proceeding may be heard and determined only in such New York State court or, to the extent permitted by law, in such Federal court, (b) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Commitment Letter, the Fee Letters or the transactions contemplated hereby or thereby in any such New York State court or in any such Federal court, (c) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such suit, action or proceeding in any such court and (d) agrees that a final judgment in any such suit, 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. The Borrower shall provide evidence that it has appointed Corporation Service Company at 80 State Street, Albany, NY, 12207-2543 as its agent for service of process for the purpose of the submission to jurisdiction as set forth above. Service of any process, summons, notice or document by registered mail addressed to you at the address above shall be effective service of process against you for any suit, action or proceeding brought in any such court. **To the extent that the Borrower has or hereafter may acquire any immunity (sovereign or otherwise) from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, the Borrower irrevocably waives (to the extent permitted by applicable law) such immunity in respect of its obligations hereunder.**

11. WAIVER OF JURY TRIAL.

EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY OR ON BEHALF OF ANY PARTY RELATED TO OR ARISING OUT OF THIS COMMITMENT LETTER, THE FEE LETTERS OR THE PERFORMANCE OF SERVICES HEREUNDER OR THEREUNDER.

12. CONFIDENTIALITY.

This Commitment Letter is delivered to you on the understanding that none of this Commitment Letter, the Fee Letters or any of their terms or substance, nor the activities of the Commitment Party pursuant hereto, shall be disclosed, directly or indirectly, to any other person except (a) your affiliates and the officers, directors, employees, attorneys, accountants or advisors of you or any such affiliate on a confidential basis, (b) pursuant to the order of any court or administrative agency in any pending legal or administrative proceeding, or otherwise as required by applicable law or stock exchange requirement or compulsory legal process (in which case you agree to inform us promptly thereof to the extent lawfully permitted to do so), (c) if the Commitment Party consents in writing to such proposed disclosure, (d) the Term Sheets and the existence of this Commitment Letter (but not this Commitment Letter or the Fee Letters) may be disclosed to any rating agency in connection with the Transactions, or (e) in connection with the enforcement of your rights hereunder; *provided* that you may disclose (i) this Commitment Letter and the contents hereof to the Target and each of its officers, directors, employees, attorneys, accountants, agents and advisors involved in the consideration of the Transactions on a confidential basis and to equity investors involved in the consideration of the Transactions on a confidential basis; (ii) the Fee Letters, to the extent the Fee Letters has been redacted with respect to the fee amounts and the pricing and other economic terms of the "Market Flex" provisions to the Target and its officers, directors, employees, attorneys, accountants, agents and advisors involved in the consideration of the Transactions, on a confidential basis; (iii) the aggregate fee amounts contained in the Fee Letters as part of Projections, *pro forma* information or a generic disclosure of aggregate sources and uses related to fee amounts related to the Transactions to the Target and its respective officers, directors, employees, attorneys, accountants and advisors involved in the consideration of the Transactions, on a confidential basis, or to the extent customary or required in offering and marketing materials for the Facilities or the Senior Unsecured Notes or Takeout Securities or in any public filing relating to the Transactions; (iv) the Term Sheets and the other exhibits and annexes to this Commitment Letter in any syndication of the Facilities or other marketing efforts for debt to be used to finance the Transactions; (v) this Commitment Letter and the Fee Letters and the contents hereof and thereof to any Additional Agent in either case to the extent in contemplation of appointing such person pursuant to Section 2 of this Commitment Letter and to any such person's affiliates and its and their respective officers, directors, employees, agents, attorneys, accountants and other advisors, on a confidential need-to-know basis; and (vi) you may disclose this Commitment Letter (but not the Fee Letters) and its contents in any proxy statement or other public filing relating to the Acquisition. We agree that we will permit you to review and approve (such approval not to be unreasonably withheld or delayed) any reference to you or any of your respective affiliates in connection with the Facilities or the transactions contemplated hereby contained in any press release or similar written disclosure prior to public release. The obligations under this paragraph with respect to this Commitment Letter shall terminate automatically after the Facilities Documentation has been executed and delivered by the parties thereto to the extent superseded thereby. To the extent not earlier terminated, the provisions of this paragraph with respect to this Commitment Letter shall automatically terminate on the second anniversary of the date hereof. Notwithstanding the foregoing, the Agency Fee Letter may not be disclosed to any Additional Agent without the prior consent of Goldman Sachs.

We and our affiliates will use all confidential information provided to us or such affiliates by or on behalf of you hereunder (including any information obtained by us or our affiliates based on a review of the books and records relating to you or the Target or any of your or its respective subsidiaries or affiliates) or in connection with the Acquisition and the related Transactions solely for the purpose of providing the services which are the subject of this Commitment Letter and shall treat confidentially all such information and shall not publish, disclose or otherwise divulge, such information; *provided* that nothing herein shall prevent us and our affiliates from disclosing any such information (a) pursuant to the order of any court or administrative agency or in any pending legal, judicial or administrative proceeding, or otherwise as required by applicable law or compulsory legal process based on the advice of counsel (in which case we agree (except with respect to any audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, to inform you promptly thereof prior to disclosure), (b) upon the request or demand of any regulatory authority (including any self-regulatory authority) having jurisdiction over us or any of our affiliates (in which case we agree (except with respect to any audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, to inform you promptly thereof prior to disclosure), (c) to the extent that such information becomes publicly available other than by reason of improper disclosure by us or any of our affiliates or Representatives in violation of any confidentiality obligations owing to you, the Target or any of your or its respective affiliates (including those set forth in this paragraph), (d) to the extent that such information is received by us from a third party that is not, to our knowledge, subject to contractual or fiduciary confidentiality obligations owing to you or any of your or its respective affiliates or related parties, (e) to the extent that such information is independently developed by us, (f) to our affiliates and to our and its respective employees, legal counsel, independent auditors, professionals and other experts or agents who need to know such information in connection with the Transactions and who are informed of the confidential nature of such information and have been advised of their obligation to keep information of this type confidential, (g) in the case of the Term Sheets, or marketing term sheets based substantially on the Term Sheets, to ratings agencies in connection with obtaining ratings for the Borrower and the Senior Unsecured Bridge Facility or the Senior Unsecured Notes or to potential or prospective Lenders (other than any Disqualified Lenders), participants or assignees and to any direct or indirect contractual counterparty to any swap or derivative transaction relating to the Borrower or any of its subsidiaries or their respective obligations, in each case who agree to be bound by the terms of this paragraph (or language substantially similar to this paragraph); (h) to the extent you have consented to such disclosure, (i) for purposes of establishing a "due diligence" defense or in connection with any remedy or enforcement of any right hereunder or under the Fee Letters, or (j) to the extent necessary or customary for inclusion in league table measurement; *provided*, *further*, that the disclosure of any such information to any Lenders or prospective Lenders or participants or prospective participants referred to above shall be made subject to the acknowledgment and acceptance by such Lender or prospective Lender or participant or prospective participant that such information is being disseminated on a confidential basis (on substantially the terms set forth in this paragraph or as is otherwise reasonably acceptable to you and us, including, without limitation, as agreed in any Information Materials or other marketing materials) in accordance with customary syndication processes and customary market standards for dissemination of such type of information. In addition, each Commitment Party may disclose the existence of the Facilities and the information about the Facilities contained in the Term Sheets in customary fashion to market data collectors, similar services providers to the lending industry, and service providers to any other Commitment Party in connection with the administration and management of the Facilities. Our and our affiliates' obligations under this paragraph shall terminate automatically and be superseded by the confidentiality provisions in the Facilities Documentation upon the Closing Date; *provided*, *further*, that if the Closing Date does not occur, this paragraph shall automatically terminate on the second anniversary hereof. Neither the Commitment Party nor any of its affiliates will use confidential information obtained from you by virtue of the transactions contemplated by this Commitment Letter or their other relationships with you in connection with the performance by it of services for other persons.

Notwithstanding anything herein to the contrary, you (and any of your employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Commitment Letter and the Fee Letters and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax treatment and tax structure, except that (i) tax treatment and tax structure shall not include the identity of any existing or future party (or any affiliate of such party) to this Commitment Letter or the Fee Letters and (ii) no party shall disclose any information relating to such tax treatment and tax structure to the extent nondisclosure is reasonably necessary in order to comply with applicable securities laws. For this purpose, the tax treatment of the transactions contemplated by this Commitment Letter and the Fee Letters is the purported or claimed U.S. Federal income tax treatment of such transactions and the tax structure of such transactions is any fact that may be relevant to understanding the purported or claimed U.S. Federal income tax treatment of such transactions.

13. SURVIVING PROVISIONS.

The reimbursement, indemnification, confidentiality (to the extent provided above), syndication, information, jurisdiction, governing law, venue and waiver of jury trial provisions contained herein, in the Fee Letters and the provisions of Section 8 of this Commitment Letter shall remain in full force and effect regardless of whether the Facilities Documentation shall be executed and delivered and (other than in the case of the syndication provisions) notwithstanding the termination of this Commitment Letter or the Initial Lender's commitments hereunder and our agreements to perform the services described herein; *provided* that your obligations under this Commitment Letter, other than those relating to confidentiality and to the syndication of the Facilities, shall automatically terminate and be superseded by the corresponding provisions of the Facilities Documentation (with respect to indemnification, reimbursement and confidentiality, to the extent covered thereby) upon the initial funding under the Facilities and the payment of all amounts owing at such time hereunder and under the Fee Letters, and you shall be released from all liability in connection therewith at such time.

14. PATRIOT ACT NOTIFICATION.

We hereby notify you that, pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "***PATRIOT Act***"), each of us and each Lender is required to obtain, verify and record information that identifies the borrower and each guarantor of the Facilities, which information includes the name, address, tax identification number and other information regarding the borrower and each guarantor of the Facilities that will allow us or such Lender to identify each borrower and each guarantor of the Facilities in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective as to each of us and each Lender. You hereby acknowledge and agree that we shall be permitted to share any or all such information with the Lenders.

15. ACCEPTANCE AND TERMINATION.

If the foregoing correctly sets forth our agreement with you, please indicate your acceptance of the terms of this Commitment Letter and of the Fee Letters (such date of acceptance, the "***Acceptance Date***") by returning to Goldman Sachs executed counterparts hereof and of the Fee Letter not later than 11:59 p.m., New York City time, on September 3, 2016. The Initial Lender's commitments hereunder, and the Commitment Party's agreements to perform the services described herein, will expire automatically and without further action or notice and without further obligation to you at such time in the event Goldman Sachs has not received such executed counterparts in accordance with the immediately preceding sentence. This Commitment Letter will become a binding commitment on the Commitment Party only after it has been duly executed and delivered by you in accordance with the first sentence of this Section 15. In the event that the Closing Date does not occur on or prior to the earliest to occur of (x) the date that is five business days following the End Date (as defined in the Purchase Agreement as of the date hereof), (y) the termination of the Purchase Agreement in accordance with its terms in the event the Acquisition is not consummated and (z) the consummation of the Acquisition (with or without the funding of the Facilities), then this Commitment Letter and the commitments of the Initial Lender hereunder, and the Commitment Party's agreements to perform the services described herein, shall automatically terminate without further action or notice and without further obligation to you unless the Commitment Party shall, in its discretion, agree to an extension in writing. Notwithstanding the foregoing, to the extent you obtain commitments under any Alternate Facility, you shall promptly notify us and the entire commitment under the Revolving Facility will be terminated. You shall have the right to terminate this Commitment Letter and the commitments of the Lenders hereunder (in whole or in part) at any time upon written notice to them from you, subject to your surviving obligations as set forth in Section 13 of this Commitment Letter and in the Fee Letters. Notwithstanding anything in this Section 15 to the contrary, the termination of any commitment pursuant to this Section 15 does not prejudice your or our rights and remedies in respect of any breach of this Commitment Letter that occurred prior to such termination.

[*Signature page follows.*]

We are pleased to have been given the opportunity to assist you in connection with the financing for the Acquisition.

Very truly yours,

GOLDMAN SACHS BANK USA

By: /s/ Thomas M. Manning
Name: Thomas M. Manning
Title: Authorized Signatory

Accepted and agreed to as of
the date first above written:

RITCHIE BROS. AUCTIONEERS INCORPORATED

By: /s/ Sharon Driscoll
Name: Sharon Driscoll
Title: Chief Financial Officer

EXHIBIT A

$150.0 MILLION REVOLVING CREDIT FACILITY
SUMMARY OF PRINCIPAL TERMS AND CONDITIONS [1]

BORROWER: Ritchie Bros. Auctioneers Incorporated, a public company incorporated in Canada (the "***Borrower***").

TRANSACTIONS: The Borrower, through one of its direct or indirect subsidiaries, intends to acquire (the "***Acquisition***") the Target pursuant to an Agreement and Plan of Merger (together with all exhibits, schedules and annexes thereto, the "***Purchase Agreement***") to be entered into among the Borrower, MergerSub, the Target and Fortis Advisors LLC as representative for the Indemnifying Security-Holders referred to therein.

In connection with the Acquisition:

(a) on or before the Closing Date, (i) the Borrower's existing revolving credit facility governed by that certain Amended and Restated Credit Agreement, dated as of May 31, 2013, as amended (the "***BofA Credit Agreement***"), among Bank of America, N.A. as the lender, the additional revolving borrowers party thereto, and the other lenders and parties thereto, will be repaid in full, and all commitments thereunder will be terminated and all security interests (if any) relating thereto shall be released, and (ii) the Borrower's existing notes governed by that certain Second Amended and Restated Private Shelf Agreement, dated as of November 14, 2014, as amended (the "***Shelf Agreement***"), the Borrower, the co-obligors party thereto and the purchasers from time to time party thereto, will be repaid in full, and the Shelf Agreement will be terminated (all indebtedness referred to in this clause (a), the "***Existing Debt"***);

(b) the Borrower may obtain the senior secured revolving credit facility described below under the caption "Revolving Facility";

(c) either (i) the Borrower will issue the Senior Unsecured Notes in a Rule 144A / Regulation S offering or other private placement or issue Takeout Securities or incur Replacement Loans in an aggregate principal amount of $850.0 million or (ii) if all or any portion of the Senior Unsecured Notes or Takeout Securities are not issued or Replacement Loans are not incurred, the Borrower will obtain the senior unsecured bridge loan facility (the "***Senior Unsecured Bridge Facility***") described under the caption "Senior Unsecured Bridge Facility" in ***Exhibit B*** to the Commitment Letter to which this Term Sheet is attached;

[1] All capitalized terms used but not defined herein have the meanings given to them in the Commitment Letter to which this term sheet (the "***RCF Term Sheet***") is attached, ***Exhibit B***, the annexes to ***Exhibit A*** or ***Exhibit B*** or the other exhibits thereto. In the event any such capitalized term is subject to multiple and differing definitions, the appropriate meaning thereof for purposes of this ***Exhibit A*** shall be determined by reference to the context in which it is used.

(d) the Acquisition will be consummated on the Closing Date and the Target will become a subsidiary of the Borrower;

(e) the existing indebtedness for borrowed money of the Target and its subsidiaries under the Target's existing credit facility governed by that certain Credit Agreement, dated as of September 16, 2015, as amended ("***Target's Existing Debt***" and, together with indebtedness referred to in clause (a) above, the "***Existing Debt***") will be repaid (and all liens with respect thereto shall have been terminated and released) (such transactions, together with the transactions referred to in paragraph (c) above, the "***Refinancing***"); and

(f) fees and expenses incurred in connection with the foregoing (the "***Transaction Costs***") will be paid. The Acquisition, the Refinancing, the Facilities, the offering of the Senior Unsecured Notes and the other transactions described in this paragraph are collectively referred to herein as the "***Transactions***".

ADMINISTRATIVE AGENT: Goldman Sachs, acting through one or more of its branches or affiliates, will act as sole administrative agent (in such capacity, the "***RCF Agent***") for a syndicate of banks, financial institutions and other institutional lenders reasonably acceptable to the Borrower (together with the Initial Lender holding Revolving Commitments (as defined below), the "***Revolving Lenders***") and will perform the duties customarily associated with such role.

COLLATERAL AGENT: Goldman Sachs, acting through one or more of its branches or affiliates, will act as the collateral agent (in such capacity, the "***Collateral Agent***") for the Revolving Lenders and will perform the duties customarily associated with such role.

LEAD ARRANGER AND BOOKRUNNER: The Lead Arranger and Bookrunner (each as defined in the Commitment Letter and together with any Additional Agents as provided in the Commitment Letter) will act as a lead arranger and bookrunner, respectively, for the Revolving Facility and will perform the duties customarily associated with such roles.

REVOLVING FACILITY: A senior secured revolving credit facility (the "***Revolving Facility***"; the commitments to fund the loans thereunder, the "***Revolving Commitments***") made available to the Borrower in an aggregate principal amount of $150.0 million under which Borrower may borrow loans from time to time (the loans thereunder, together with Swingline Loans referred to below, the "***Revolving Loans***"), and an amount to be mutually agreed of which will be available through a sub-facility of the Revolving Facility (as further increased from time to time as provided under the section titled "Commitment Increase" below, the "***Letter of Credit Cap***") in the form of Letters of Credit (as defined below) for the account of Borrower or any of its Restricted Subsidiaries subject to availability as described under the heading "Availability and Amounts" below; *provided* that the Revolving Commitments under the Revolving Facility on the Closing Date shall be reduced by any commitments made available under the Revolving Facility entered into upon an Escrow Securities Demand (as defined in the Joint Fee Letter) prior to the Closing Date; *provided further* that a portion of the Revolving Facility to be mutually agreed may be made available in Canadian Dollars, British Pounds Sterling, Euros and Australian Dollars, in each case, subject to sublimits to be mutually agreed (each a "***Permitted Foreign Currency***").

SWINGLINE LOANS: In connection with the Revolving Facility, the RCF Agent (in such capacity, the "***Swingline Lender***") will make available to the Borrower, upon same-day notice, a swingline facility under which the Borrower may make short-term borrowings in U.S. dollars only of up to an aggregate amount to be mutually agreed upon. Except for purposes of calculating the commitment fee described in Annex I hereto, such swingline borrowings will reduce availability under the Revolving Facility on a dollar-for-dollar basis.

Defaulting Lender provisions will be consistent with the RCF Credit Documentation (as defined below).

COMMITMENT INCREASE: The Borrower shall have the right to solicit existing Revolving Lenders or prospective lenders who are eligible assignees reasonably acceptable to the RCF Agent and the Issuing Banks (as defined below) to provide additional revolving loan commitments under the Revolving Facility (a "***Commitment Increase***") in an aggregate amount not to exceed an amount to be agreed and on such other terms and conditions to be mutually agreed.

PURPOSE: The proceeds of Revolving Loans will be used by the Borrower from time to time for general corporate purposes after the Closing Date; *provided* that the amount of Revolving Loans permitted to be incurred on the Closing Date shall be subject to the restrictions set forth in the "Availability and Amounts" section below.

AVAILABILITY AND AMOUNTS: From and after the Closing Date, Revolving Loans under the Revolving Facility (exclusive of Letter of Credit usage) will be available at any time prior to the final maturity of the Revolving Facility, in minimum principal amounts and upon notice to be mutually agreed upon; *provided* that Revolving Loans made on the Closing Date will be limited to an amount sufficient to, at the option of the Borrower, (i) pay consideration under the Purchase Agreement, (ii) pay Transaction Costs and/or (iii) backstop, replace or cash collateralize letters of credit outstanding on the Closing Date; *provided* that the aggregate amount of Revolving Loans drawn under the Revolving Facility on the Closing Date shall not exceed $30 million (the "***Closing Date Draw Amount***"); *provided further* that the Commitment Party's commitments to provide Revolving Commitments under the Revolving Facility on the Closing Date shall be reduced by any commitments made under the Revolving Facility entered into pursuant to an Escrow Securities Demand prior to the Closing Date.

Subject to customary terms and conditions to be mutually agreed, the Borrower and/or a Local Borrowing Subsidiary (to be defined in a manner mutually agreed) may borrow Revolving Loans (or, in the sole discretion of the relevant Local Lender (as defined below), bankers' acceptances) in U.S. dollars or a Permitted Foreign Currency from affiliates of the RCF Agent (or, if such affiliates of the RCF Agent decline to act as a Local Lender, such other financial institutions reasonably acceptable to the RCF Agent) (each, a "***Local Lender***"), with each Revolving Lender taking a U.S. dollar-denominated irrevocable and unconditional participating interest therein (amounts available under this facility, the "***Local Loan Subfacility***"; and the loans thereunder, the "***Local Loans***").

The Local Loan Subfacility shall include terms no less favorable to the Borrower than such corresponding terms under the Existing Revolving Facility and shall address the structure and operating requirements of the Borrower and its subsidiaries after giving effect to the Acquisition.

INTEREST RATES AND FEES: As set forth on ***Annex I*** hereto.

DEFAULT RATE: The applicable interest rate plus 2.0% per annum payable on overdue amounts only.

FINAL MATURITY: The Revolving Facility will mature and the Revolving Commitments thereunder will terminate on the date that is 5 years after the Closing Date; *provided* that the RCF Credit Documentation shall provide the right for individual Revolving Lenders to agree to extend the maturity date of all or a portion of the commitments and outstanding loans under the Revolving Facility upon the request of the Borrower and without the consent of any other Revolving Lender; it being understood that each Revolving Lender shall have the opportunity to participate in such extension on the same terms and conditions as each other Revolving Lender (it being understood that no existing Revolving Lender will have any obligation to commit to any such extension); *provided*, *further*, that any such extension, without limitation, may, subject to the Borrower's consent, contain an increase in the interest rate payable with respect to such extended loans and commitments, with such extensions not subject to any "default stoppers", financial tests or "most favored nation" pricing provisions.

LETTERS OF CREDIT:

Letters of credit under the Revolving Facility ("***Letters of Credit***") will be issued by the RCF Agent and other Revolving Lenders acceptable to the Borrower and the RCF Agent that shall have consented to such role (each, an "***Issuing Bank***"); *provided* that, no Revolving Lender as of the Closing Date shall be required to issue Letters of Credit in excess of its ratable share of the Letters of Credit sublimit (determined based on its ratable share of the Revolving Commitments as of the Closing Date); *provided further*, that Goldman Sachs (or its affiliates) shall only be required to issue standby Letters of Credit denominated in U.S. dollars or a Permitted Foreign Currency and shall not be required to issue any documentary, commercial or trade Letters of Credit. Letters of Credit will be denominated in U.S. Dollars or a Permitted Foreign Currency. Each Letter of Credit shall expire not later than the earlier of (a) 12 months after its date of issuance and (b) unless arrangements reasonably satisfactory to the applicable Issuing Bank and the RCF Agent have been entered into, the fifth business day prior to the final maturity of the Revolving Facility; *provided*, *however*, that any Letter of Credit may provide for renewal thereof for additional periods of up to 12 months or such longer period as may be agreed by the applicable Issuing Bank pursuant to arrangements reasonably satisfactory to it (which in no event shall extend beyond the date referred to in clause (b) above, unless cash collateralized or backstopped in a manner reasonably satisfactory to such Issuing Bank).

Drawings under any Letter of Credit shall be reimbursed by the Borrower within one business day after notice of such drawing is received by the Borrower from the applicable Issuing Bank. To the extent that the Borrower does not reimburse such Issuing Bank on such day, the Revolving Lenders under the Revolving Facility shall be irrevocably obligated to reimburse such Issuing Bank *pro rata* based upon their respective Revolving Commitments in the currency in which the applicable Letter of Credit is denominated.

The issuance of all Letters of Credit shall be subject to the customary procedures of the applicable Issuing Bank.

GUARANTEES:

All obligations of the Borrower under the Revolving Facility (collectively, the "***Obligations***") (including, at the option of the Borrower, all obligations of any Loan Party (as defined below) under any currency, interest rate protection or other hedging arrangements (the "***Secured Hedging Obligations***") and any cash management arrangements (the "***Secured Cash Management Obligations***"), in each case entered into with the RCF Agent, the Lead Arranger, a Revolving Lender or an affiliate of any of the foregoing at the time such transaction is entered into) (other than any obligation of any Loan Party to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act (a "***Swap***") will be unconditionally guaranteed (the "***Guarantees***") by (x) the Borrower (other than with respect to its own obligations) and (y) each of the Borrower's existing and subsequently acquired or organized direct or indirect wholly-owned Restricted Subsidiaries (as defined below), other than any Excluded Subsidiaries (the entities described in the foregoing clauses (x) and (y), the "***Guarantors***" and, together with the Borrower, the "***Loan Parties***"); *provided* that Guarantors shall not include (unless at the option of the Borrower, such subsidiary is designated as a Guarantor by the Borrower) (a) Unrestricted Subsidiaries, (b) immaterial subsidiaries (to be defined in a manner to be mutually agreed), (c) any subsidiary that is prohibited by applicable law, rule or regulation or by any contractual obligation existing on the Closing Date (or, if later, the date it becomes a Restricted Subsidiary), and not created in contemplation hereof or of such subsidiary becoming a Restricted Subsidiary, from guaranteeing the Revolving Facility or which would require governmental (including regulatory) consent, approval, license or authorization to provide a Guarantee unless such consent, approval, license or authorization has been received, (d) subsidiaries that are not wholly owned, (e) not-for-profit subsidiaries, (f) captive insurance subsidiaries, (g) special purpose entities in connection with permitted receivables securitizations or (h) any subsidiaries organized outside the United States or Canada (the "***Excluded Subsidiaries***").

The Borrower may, at its option, cause any subsidiary that is not otherwise required to become a Guarantor to become a Guarantor.

Notwithstanding the foregoing, (A) subsidiaries may be excluded from the guarantee requirements in circumstances where the Borrower and the RCF Agent reasonably agree that the cost or material tax consequences of providing such a guarantee is excessive in relation to the value afforded thereby and (B) the Guarantees shall be subject to general statutory and common law limitations, including, in the case of Guarantors organized under the laws of the United States or a jurisdiction thereof, fraudulent transfer restrictions (it being understood that such restrictions shall be addressed only by customary savings clauses).

For purposes of the RCF Credit Documentation, "***Restricted Subsidiary***" means any existing and future direct or indirect subsidiary of the Borrower other than any Unrestricted Subsidiary (as defined below).

SECURITY:	Subject in all respects to the Certain Funds Provision, the Obligations (including, at the option of the Borrower, the Secured Hedging Obligations and Secured Cash Management Obligations) will be secured by perfected first-priority security interests in substantially (i) all personal property of the respective Loan Party to the extent consisting of accounts receivable, credit card receivables, loans receivable, other receivables, tax refunds, inventory, cash, cash equivalents, securities and deposit accounts (subject to exceptions for Excluded Accounts (as defined below)), and other assets in such accounts, commercial tort claims, general intangibles related to the foregoing (including rights under customer lease agreements and other customer contracts, but excluding capital stock and intellectual property), payment intangibles, rights to business interruption insurance, intellectual property to the extent attached to or necessary to sell the foregoing, insurance policies related to the foregoing, chattel paper, documents and supporting obligations, and books and records to the extent related to the foregoing, in each case, whether owned on the Closing Date or thereafter acquired (and any proceeds and products thereof in whatever form received), and (ii) all now owned or hereafter acquired personal property and real property of the respective Loan Party, including without limitation, with respect to obligations of the Loan Parties, a pledge of the capital stock of each Restricted Subsidiary directly held by each Loan Party (clauses (i) and (ii) together, the "***Collateral***"), in each case other than Excluded Assets (as defined below). All the above-described pledges, security interests and mortgages shall be created on terms consistent with the RCF Credit Documentation Principles, and none of the Collateral shall be subject to any other liens (except for permitted liens).

Notwithstanding anything to the contrary, the Collateral shall exclude the following: (i) (x) any fee-owned real property located outside of the United States or Canada, (y) any fee-owned real property with a fair market value less than $15 million (with all required mortgages being permitted to be delivered after the Closing Date) and (z) all real property leasehold interests (and there will be no requirements to deliver landlord lien waivers, bailee letters, estoppels or collateral access letters), (ii) motor vehicles and other assets subject to certificates of title, (iii) letter of credit rights (other than to the extent such rights can be perfected by filing a UCC or a PPSA financing statement) and commercial tort claims below a threshold to be mutually agreed, (iv) "margin stock" (within the meaning of Regulation U) and pledges and security interests prohibited by applicable law, rule or regulation or agreements with any governmental authority or which would require governmental (including regulatory) consent, approval, license or authorization to provide such security interest unless such consent, approval, license or authorization has been received, in each case, after giving effect to the applicable anti-assignment provisions of the UCC or PPSA or other applicable law, (v) equity interests in any entities other than wholly-owned subsidiaries to the extent not permitted by the terms of such entity's organizational or joint venture documents, (vi) deposit accounts, securities accounts, commodities accounts, and other similar accounts (A) for the sole purpose of funding payroll obligations, employee benefit or health benefit obligations, tax obligations, escrow arrangements or holding funds owned by persons other than a Loan Party, (B) that are zero-balance accounts, (C) that are accounts in jurisdictions other than in the jurisdiction of organization of the applicable granting Loan Party, the United States or any state thereof or Canada or any province or territory thereof, (D) qualifying under exceptions consistent with the RCF Credit Documentation Principles, or (E) that are accounts other than those described in the preceding clauses (A) through (D) with respect to which the average daily balance of the funds maintained on deposit therein does not exceed an amount consistent with the RCF Credit Documentation Principles ("***Excluded Accounts***") (vii) any lease, license or other agreement or any property subject to a purchase money security interest, capital lease obligation, or other arrangement to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement, purchase money, capital lease obligation, or other arrangement or create a right of termination in favor of any other party thereto (other than a Loan Party) after giving effect to the applicable anti-assignment provisions of the UCC, PPSA or other applicable law, other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the UCC, the PPSA or other applicable law notwithstanding such prohibition, (viii) those assets as to which the RCF Agent and the Borrower reasonably agree that the cost or material tax consequences of providing or obtaining such a security interest or perfection thereof are excessive in relation to the benefit to the Revolving Lenders of the security to be afforded thereby, (ix) receivables and related assets sold to any receivables subsidiary or otherwise pledged in connection with any permitted receivables securitizations, (x) equity interests in immaterial subsidiaries (or any person that is not a subsidiary which, if a subsidiary would constitute an immaterial subsidiary), captive insurance subsidiaries, not-for-profit subsidiaries, special purpose entities in connection with permitted receivables securitizations and Unrestricted Subsidiaries, (xi) intellectual property requiring filing in a jurisdiction outside of the United States or Canada, (xii) any intent-to-use trademark application prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark application under applicable U.S. federal law, (xiii) equity interests in Cura Classis (US) Hold Co LLC, Cura Classis Canada (Hold Co) Inc., and Cura Classis UK (Hold Co) Limited and (xiv) other exceptions to be mutually agreed upon (the foregoing described in clauses (i) through (xiv) are, collectively, the "***Excluded Assets***").

Notwithstanding anything to the contrary, no Loan Party shall be required, nor shall the RCF Agent be authorized, to (i) perfect the above-described pledges, security interests and mortgages by any means other than by (A)(1) filings pursuant to the UCC or the PPSA in the office of the secretary of state (or similar central filing office) of the relevant State(s) or provinces or territories and (2) filings in the applicable real estate records with respect to real properties included in the Collateral or any fixtures relating to such properties, (B) filings in the USPTO and/or USCO and/or comparable Canadian filing office, as applicable, with respect to intellectual property as expressly required in the RCF Credit Documentation, and (C) delivery to the RCF Agent of all Stock Certificates, intercompany notes and other instruments and tangible chattel paper (in the case of instruments and tangible chattel paper, to the extent such intercompany note or other instrument or tangible chattel paper is in an amount in excess of an amount consistent with the RCF Credit Documentation Principles) to be held in its possession, in each case as expressly required in the RCF Credit Documentation, (ii) enter into any control agreement with respect to any Excluded Account or any other deposit account, securities account or commodities account, (iii) take any action (other than the actions listed in clause (A)(1), (B), and (C) above) with respect to any assets located outside of the United States or Canada, or (iv) to take any actions in any jurisdiction other than the United States or Canada (or any political subdivision thereof) or enter into any collateral documents governed by the laws of any jurisdiction (other than the United States or Canada or any political subdivision thereof) (the foregoing described in clauses (i) through (iv) are, collectively, the "***Excluded Perfection Requirements***").

Notwithstanding anything to the contrary contained herein, the above requirements under "Security" shall be, as of the Closing Date, subject to the Certain Funds Provision set forth in the Commitment Letter.

Notwithstanding the foregoing, the Collateral shall be subject to, in the case of Loan Parties organized under the laws of the United States or a jurisdiction thereof, fraudulent transfer restrictions (it being understood that such restrictions shall be addressed only by customary savings clauses).

MANDATORY PREPAYMENTS: Limited to the following: If the sum of (x) the aggregate principal amount of Revolving Loans outstanding at such time and (y) the aggregate Letter of Credit exposure of the Revolving Lender at such time shall exceed the aggregate Revolving Commitments at such time (after giving effect to any concurrent termination or reduction thereof), the Borrower will promptly after receiving written notice from the RCF Agent of such excess, at the Borrower's option: (i) prepay Revolving Loans (without premium or penalty) and/or (ii) cash collateralize the Letter of Credit exposure, in the aggregate amount of such excess.

VOLUNTARY COMMITMENT REDUCTIONS AND PREPAYMENTS: Voluntary reductions of the unutilized portion of the Revolving Commitments and prepayments of borrowings under the Revolving Facility will be permitted at any time, in minimum principal amounts to be mutually agreed, subject to customary notice requirements and without premium or penalty (subject to customary reimbursement of the Revolving Lender's redeployment costs (other than lost profits) in the case of a prepayment of Adjusted LIBOR borrowings other than on the last day of the relevant interest period).

UNRESTRICTED SUBSIDIARIES: The RCF Credit Documentation will contain provisions pursuant to which, subject to limitations on loans, advances, guarantees and other investments in Unrestricted Subsidiaries (but no other limitations), the Borrower will be permitted to designate any existing or subsequently acquired or organized subsidiary as an "Unrestricted Subsidiary" and subsequently re-designate any such Unrestricted Subsidiary as a Restricted Subsidiary so long as, after giving effect to any such designation or re-designation, (a) any such designation as a "Restricted Subsidiary" shall constitute the incurrence at the time of designation of any indebtedness or liens of such subsidiary existing at such time, (b) the fair market value of such subsidiary at the time it is designated as an "Unrestricted Subsidiary" shall be treated as an investment by the Borrower at such time, which is permitted under the RCF Credit Documentation, (c) no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it was previously designated as an Unrestricted Subsidiary, (d) giving effect to any such designation as an Unrestricted Subsidiary (but not in connection with any re-designation as a Restricted Subsidiary), the resultant investment is otherwise permitted by the investment covenant described under "Negative Covenants" below, and (e) each subsidiary that is a Restricted Subsidiary under the Senior Unsecured Notes or Senior Unsecured Bridge Facility (if applicable) shall not be designated as an "Unrestricted Subsidiary" under the Revolving Facility (if applicable) unless it is designated as an Unrestricted Subsidiary under the Senior Unsecured Notes or Senior Unsecured Bridge Facility substantially contemporaneously therewith. Unrestricted Subsidiaries will not be subject to the guarantee requirements, representations and warranties, affirmative or negative covenants, events of default or other provisions of the RCF Credit Documentation and the results of operations and indebtedness of Unrestricted Subsidiaries will not be taken into account for purposes of determining compliance with the financial ratio tests except to the extent of distributions received therefrom.

DOCUMENTATION:

The definitive documentation for the Revolving Facility (the "***RCF Credit Documentation***") will be documented under a single credit agreement, will contain the terms set forth in this ***Exhibit A*** and ***Exhibit C***, and to the extent not covered by this ***Exhibit A*** and ***Exhibit C***, will be substantially consistent with a precedent to be mutually agreed, with changes and modifications that give due regard to (a) the operational and strategic requirements of the Borrower and its subsidiaries in light of their size, capital structure, industries, businesses, business practices, jurisdiction of incorporation and related currency and other provisions and (b) qualifications, thresholds, exceptions, "baskets" and grace and cure periods shall be as mutually agreed; provided that the RCF Credit Documentation shall contain only those conditions to borrowing, mandatory prepayments, representations and warranties, covenants (affirmative, negative and financial) and events of default expressly set forth in this RCF Term Sheet, in each case, applicable to the Borrower and its Restricted Subsidiaries (collectively, for purposes of this ***Exhibit A***, the "***RCF Credit Documentation Principles***"). The RCF Credit Documentation will be negotiated in good faith within a reasonable time period to be determined based on the expected Closing Date and shall be subject in all respects to the Certain Funds Provision.

For purposes of calculating Consolidated EBITDA (as defined below), the First Lien Net Leverage Ratio, and the Total Net Leverage Ratio (each of the foregoing to be defined in a manner to be mutually agreed, but in any event the First Lien Net Leverage Ratio and the Total Net Leverage Ratio (i) shall include netting of all cash and cash equivalents and (ii) will only include debt for borrowed money and capital lease obligations and all amounts drawn (and unreimbursed) under outstanding Letters of Credit in the numerator), *pro forma* effect will be given to acquisitions and other investments, material dispositions and certain other specified transactions.

"***Consolidated EBITDA***" to be defined in a manner to be mutually agreed, with adjustments to include, without limitation and without duplication, the following:

(i) expected cost savings, operating expense reductions, restructuring charges and expenses and synergies related to the Transactions projected by the Borrower in good faith to result from actions with respect to which substantial steps have been, will be, or are expected to be, realizable (in the good faith determination of the Borrower) within 18 months after the Closing Date, which are reasonably identifiable and factually supportable; *provided* that amounts added-back for any period pursuant to this clause (i), together with amounts added back pursuant to clause (ii), shall not exceed 20% of EBITDA for such period (calculated prior to giving effect to such adjustments);

(ii) expected cost savings, operating expense reductions, restructuring charges and expenses and synergies related to mergers and other business combinations, acquisitions, divestitures, restructuring, cost savings initiatives which are reasonably identifiable and factually supportable and other similar initiatives and projected by the Borrower in good faith to result from actions with respect to which substantial steps have been, will be, or are expected to be, realizable (in the good faith determination of the Borrower) within 18 months after such transaction or initiative is consummated; *provided* that amounts added-back for any period pursuant to this clause (ii), together with amounts added back pursuant to clause (i), shall not exceed 20% of EBITDA for such period (calculated prior to giving effect to such adjustments);

(iii) non-cash losses, charges and expenses (including non-cash compensation charges);

(iv) extraordinary, unusual or non-recurring losses, charges and expenses;

(v) cash restructuring and related charges and business optimization expenses;

(vi) unrealized gains and losses due to foreign exchange adjustments (including, without limitation, losses and expenses in connection with currency and exchange rate fluctuations);

(vii) costs and expenses in connection with the Transactions;

(viii) expenses or charges related to any equity offering, permitted investment, acquisition, disposition, recapitalization or incurrence of permitted indebtedness (whether or not consummated), including non-operating or non-recurring professional fees, costs and expenses related thereto;

(ix) interest, taxes, amortization, depreciation and other add-backs consistent with the RCF Credit Documentation Principles; and

(x) losses from discontinued operations and non-ordinary course asset sales.

The RCF Credit Documentation will contain language to address the European Union bail-in rules in customary form.

REPRESENTATIONS AND WARRANTIES: Applicable to the Borrower and its Restricted Subsidiaries and limited to the following with respect to the RCF Credit Documentation: corporate or other organizational status and power; authorization and non-contravention with respect to the execution, delivery and performance of the RCF Credit Documentation, legal, valid and binding documentation and no consents or governmental authorizations with respect to the execution, delivery and performance of the RCF Credit Documentation; accuracy of financial statements and disclosures, confidential information memorandum and other information and good faith financial forecasts; no Material Adverse Effect (as defined below); absence of material litigation; with respect to the execution, delivery and performance of the RCF Credit Documentation, no material violation of, or conflicts with, law or material agreements; compliance with laws (including ERISA and Canadian pension standards legislation, margin regulations, laws applicable to sanctioned persons, OFAC, SEMA, the FCPA, CFPOA, the Criminal Code and other anti-corruption, anti-terrorism and anti-money laundering laws); payment of taxes; ownership of properties; Intellectual Property; inapplicability of the Investment Company Act; solvency as of the Closing Date of the Borrower and its Subsidiaries on a consolidated basis defined in a manner consistent with ***Exhibit D*** to the Commitment Letter; labor matters (including pensions); environmental laws and other regulatory matters; validity and perfection of security interests in the Collateral; insurance; use of proceeds; it being understood that representations and warranties shall in no event be a condition to the availability of any Facility on the Closing Date in a manner that is inconsistent with the Certain Funds Provision.

	"***Material Adverse Effect***" means (a) a material adverse effect on the business, assets, financial condition or results of operations of the Borrower and its Restricted Subsidiaries, taken as a whole, (b) a material and adverse effect on the rights and remedies of the RCF Agent and the Revolving Lenders, taken as a whole, under the RCF Credit Documentation or (c) a material and adverse effect on the ability of the Loan Parties, taken as a whole, to perform their payment obligations under the RCF Credit Documentation.
CONDITIONS PRECEDENT TO INITIAL BORROWING:	The initial borrowing under the Revolving Facility on the Closing Date will be subject solely to the applicable conditions precedent set forth in ***Exhibit C*** to the Commitment Letter.
CONDITIONS PRECEDENT TO BORROWINGS AFTER THE CLOSING DATE:	All of the representations and warranties in the RCF Credit Documentation shall be true and correct in all material respects (but in all respects if such representation or warranty is qualified by "material" or "Material Adverse Effect"); no default or event of default shall be continuing; and delivery of any relevant customary borrowing notices or Letter of Credit requests (other than with respect to any amendment, modification, renewal or extension of a Letter of Credit which does not increase the face amount of such Letter of Credit).
AFFIRMATIVE COVENANTS:	Limited to the following (to be applicable to the Borrower and its Restricted Subsidiaries): maintenance of corporate or other organizational existence and rights; payment of taxes; delivery of consolidated financial statements (together with accompanying management discussion and analysis and budgets in the case of annual financial statements) (with (x) 90 days for delivery of annual financial statements and (y) 45 days for delivery of quarterly financial statements for the first three fiscal quarters of a fiscal year), and with annual financial statements to be accompanied by an audit opinion from nationally recognized auditors that is not subject to qualification as to "going concern" or the scope of such audit (other than any exception, qualification or explanatory paragraph with respect to, or resulting from (i) an upcoming maturity date under any indebtedness or (ii) any potential inability to satisfy any financial maintenance covenant on a future date or in a future period), delivery of customary certificates and other information (other than information subject to attorney/client privilege or confidentiality provisions), including information required under the PATRIOT Act; delivery of notices of default, material litigation, material ERISA events and material events relating to Canadian pension matters and Material Adverse Effect; maintenance of properties in good working order; maintenance of insurance; maintenance of books and records; material compliance with laws and regulations (including FCPA, CFPOA, OFAC, SEMA, the PATRIOT Act, UNA, ERISA, Canadian pension standards legislation and environmental laws); use of proceeds; inspection of books and properties; annual lender calls; covenant to guarantee obligations and give security and further assurances, subject, in the case of each of the foregoing covenants, to exceptions and qualifications consistent with the RCF Credit Documentation Principles; *provided* that, compliance with affirmative covenants shall in no event be a condition to the availability of any Facility on the Closing Date in a manner that is inconsistent with the Certain Funds Provision.

NEGATIVE COVENANTS:	Consistent with the RCF Credit Documentation Principles, subject to baskets and exceptions to be mutually agreed and limited solely to the following (to be applicable to the Borrower and its Restricted Subsidiaries) limitations on: liens; investments; indebtedness; fundamental changes; non-ordinary course dispositions of assets; restricted payments (including dividends, and voluntary prepayments of subordinated or junior lien indebtedness), provided that (in addition to other baskets and exceptions to be mutually agreed), so long as no default or event of default shall have occurred and be continuing or would result therefrom, restricted payments shall be permitted (i) in an unlimited amount, if the Total Net Leverage Ratio at the time of such restricted payment is no greater than 3.50:1.00 (or, if the Senior Unsecured Bridge Facility is funded, 0.50x inside the Total Net Leverage Ratio as of the Closing Date), and (ii) in an amount not to exceed $125 million (or, if the Senior Unsecured Bridge Facility is funded, $50.0 million) in any fiscal year if the Total Net Leverage Ratio at the time of such restricted payment is greater than or equal to 3.50:1.00 (or, if the Senior Unsecured Bridge Facility is funded, 0.50x inside the Total Net Leverage Ratio as of the Closing Date); material change in nature of business; transactions with affiliates; Canadian pension matters, restrictions on negative pledge clauses; changes in fiscal year without the RCF Agent's consent; and amendments to subordinated or junior lien and organizational documents, in each case, to the extent such amendments are materially adverse to the Revolving Lenders.

FINANCIAL COVENANT:	Consistent with the RCF Credit Documentation Principles, the definitive documentation will contain only a maximum First Lien Net Leverage Ratio covenant (to be defined in a manner to be mutually agreed, but in any event the First Lien Net Leverage Ratio (i) shall include netting of all cash and cash equivalents and (ii) will only include debt for borrowed money and capital lease obligations and all amounts drawn (and unreimbursed) under outstanding Letters of Credit in the numerator) to be set at levels to be agreed (the "***Financial Covenant***") with cushion to be agreed to the financial model as of the Closing Date respect to the Borrower and its Restricted Subsidiaries on a consolidated basis. The Financial Covenant will be tested as of the last day of every fiscal quarter (commencing with the first full fiscal quarter of the Borrower ending after the Closing Date) if the aggregate revolving credit exposure under the Revolving Facility on such day exceeds 30% of the aggregate commitments under the Revolving Facility.
EVENTS OF DEFAULT:	Consistent with the RCF Credit Documentation Principles and limited to the following (to be applicable to the Borrower and its respective Restricted Subsidiaries and subject, to thresholds and grace periods consistent with the RCF Credit Documentation Principles): nonpayment of principal, interest or other amounts (with grace periods for interest and other amounts); violation of negative covenants and affirmative covenants to maintain legal existence (with respect to the Borrower only), to provide notice of default (*provided*, that the delivery of such notice at any time will cure any such event of default arising from the failure to timely deliver such notice of default) or with respect to use of proceeds provisions; violation of other covenants (subject to a 30-day cure period after the date on which notice of default from the RCF Agent is received by the Borrower); incorrectness of representations and warranties in any material respect; cross default to material indebtedness in excess of an amount to be agreed; bankruptcy; monetary judgments in excess of an amount to be mutually agreed (subject to customary qualifications for appeals and stays of such judgment); ERISA events and events relating to Canadian pension matters that would reasonably be expected to have a Material Adverse Effect; invalidity (actual or asserted (in writing) by any Loan Party) of guarantees or security documents representing a material portion of the Guarantees or Collateral; and Change of Control (to be defined in a manner to be mutually agreed).

VOTING:

Amendments and waivers of the RCF Credit Documentation will require the approval of Revolving Lenders (other than Defaulting Lenders (as defined below)) holding more than 50% of the aggregate amount of the loans and commitments under the Revolving Facility (the "***Required Revolving Lenders***"), except that (a) the consent of each Revolving Lender directly affected thereby (but not the Required Revolving Lenders, other than in the case of clause (a)(ii), which shall require the consent of each Revolving Lender increasing its commitments as well as the consent of the Required Revolving Lenders if such increase is effectuated other than pursuant to provisions in the RCF Credit Documentation specifically permitting increases of commitments without the further approval of Required Revolving Lenders, including as described under "Commitment Increases" in this ***Exhibit A***) shall be required with respect to: (i) modifications to any provision requiring *pro rata* treatment of the Revolving Lenders (other than for purposes of any amendment that would extend the final maturity date of any Revolving Loans under the Revolving Facility on terms consistent with the RCF Credit Documentation Principles), (ii) increases in the commitment of such Revolving Lender, (iii) reductions or forgiveness of principal, interest, fees or reimbursement obligations payable to such Revolving Lender and (iv) extensions of final maturity of the loans or commitments of such Revolving Lender or of the date for payment to such Revolving Lender of any interest, fees, or any reimbursement obligation and (b) the consent of each Revolving Lender shall be required with respect to, among other things: (i) modifications to voting requirements or percentages, (ii) releases of all or substantially all of the value of the Guarantees, or all or substantially all of the Collateral and (iii) changes that impose any additional restriction on a Revolving Lender's ability to assign any of its rights or obligations under the Revolving Facility.

The Borrower or (in the case of (b) or (c) only) the RCF Agent shall, subject to usual and customary conditions, have the right to replace a Revolving Lender or terminate the commitment of a Revolving Lender on a non-*pro rata* basis (a) in connection with amendments and waivers requiring the consent of all Revolving Lenders or of all Revolving Lenders directly affected thereby so long as the consent of the Required Revolving Lenders has been obtained, (b) if such Revolving Lender asserts a claim for any funding protection, whether for increased costs, taxes, required indemnity payments or otherwise or (c) if such Lender is a Defaulting Lender.

Participants shall have the same benefits as the Revolving Lenders with respect to yield protection and increased cost provisions, subject to customary limitations and restrictions. Voting rights of participants shall be limited solely to those matters set forth in clause (a)(ii) under the first paragraph under the heading "Voting" with respect to which the affirmative vote of the Revolving Lender from which it purchased its participation would be required. Pledges of loans in accordance with applicable law shall be permitted without restriction. The RCF Agent shall have no responsibility to ensure that the foregoing limitations as to participations are observed by the Revolving Lenders.

In addition, if the RCF Agent and the Borrower shall have jointly identified an obvious error or any error or omission of a technical nature in the RCF Credit Documentation, then the RCF Agent and the Borrower shall be permitted to amend such provision without further action or consent by any other party, provided that the Required Revolving Lenders shall not have objected to such amendment within 5 business days after receiving a copy thereof.

DEFAULTING LENDERS: The RCF Credit Documentation shall contain customary provisions relating to "defaulting" Lenders ("***Defaulting Lenders***") (including provisions relating to reallocation of participations in, or the Revolving Lenders providing reasonable cash collateral to support, Letters of Credit, to the suspension of voting rights and rights to receive certain fees, and to termination or assignment of the Revolving Commitments or Revolving Loans of such Defaulting Lenders).

COST AND YIELD PROTECTION: Usual and customary for facilities and transactions of this type, including (a) provisions protecting the Revolving Lenders against increased costs or loss of yield resulting from changes in reserve, capital adequacy, liquidity and other requirements of law, in each case, occurring after the Closing Date (including but not limited to provisions relating to Dodd-Frank and Basel III (regardless of the date arising), (b) provisions indemnifying the Revolving Lenders for "breakage costs" actually incurred in connection with, among other things, any prepayment of LIBOR Rate borrowings on a day prior to the last day of an interest period with respect thereto, and (c) customary tax gross-up provisions; *provided* there will be customary exceptions to the tax gross-up obligations, including for, but not limited to, withholding taxes imposed as a result of the failure of a Revolving Lender to comply with the requirements of current Sections 1471 through 1474 of the US Internal Code as in effect on the date the RCF Credit Documentation is entered into (or any amended or successor version that is substantively comparable and not materially more onerous to comply with).

ASSIGNMENTS AND PARTICIPATIONS: The Revolving Lenders will be permitted to assign Revolving Commitments and Revolving Loans under the Revolving Facility (other than to a Disqualified Lender) with the consent of the Borrower and RCF Agent, not to be unreasonably withheld or delayed (it being understood that the withholding of consent by the Borrower to any assignment to a Disqualified Lender shall be deemed reasonable); *provided* that such consent of the Borrower (x) shall not be required (i) if such assignment of any Revolving Loans or Revolving Commitment is made to another Revolving Lender or an affiliate or approved fund of any such Revolving Lender, (ii) during the primary syndication of Revolving Loans and Revolving Commitments to persons identified to the Borrower and approved by the Borrower prior to the Syndication Date or (iii) after the occurrence and during the continuance of a payment or bankruptcy event of default and (y) in each case, shall be deemed to have been given (other than with respect to a Disqualified Lender) if the Borrower has not responded within 10 business days of a written request for such consent. All assignments will also require the consent of the RCF Agent and each Issuing Bank, in each case not to be unreasonably withheld or delayed. Each assignment will be in an amount of an integral multiple of $5.0 million or, if less, all of such Revolving Lender's remaining loans and commitments of the applicable class; *provided* that such assignments made to Revolving Lenders and affiliates of Revolving Lenders will not be subject to the above described minimum assignment amounts. The Revolving Lenders will also have the right to sell participations in their loans and commitments under the Revolving Facility on customary terms, subject to limitations on voting rights set forth above and provided that no participation shall be sold to any Disqualified Lender.

The RCF Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce compliance with the provisions hereof relating to Disqualified Lenders.

Any assignment or participation by a Revolving Lender without the Borrower's consent (such consent not to be unreasonably withheld, delayed or conditioned) to a Disqualified Lender (or any affiliate thereof) or, to the extent the Borrower's consent is required under the terms of the RCF Credit Documentation, to any other person, shall be null and void, and the Borrower shall be entitled to (a) seek specific performance to unwind any such assignment or participation and/or (b) exercise any other remedy set forth in the RCF Credit Documentation available to the Borrower in addition to any other remedy available to the Borrower at law or at equity; *provided* that the list of Disqualified Lenders is made available to any Revolving Lender which specifically requests a copy thereof.

EXPENSES AND INDEMNIFICATION:

The Borrower will indemnify the Lead Arranger, the RCF Agent, the Collateral Agent, the Issuing Banks, the Revolving Lenders, their respective affiliates, successors and assigns and the officers, directors, employees, agents, advisors, controlling persons, members and representatives of each of the foregoing (each, an "***Indemnified Person***") and will hold them harmless from and against any and all reasonable and documented (in reasonable detail) out-of-pocket costs, expenses (limited to the reasonable and documented fees, disbursements and other charges one counsel for all Indemnified Persons taken as a whole and, if reasonably necessary, a single local counsel for all Indemnified Persons taken as a whole in each relevant material jurisdiction (which may be a single local counsel acting in multiple jurisdictions)), damages, losses and liabilities of such Indemnified Person arising out of or relating to any claim, any litigation, any investigation or other proceeding (regardless of whether such Indemnified Person is a party thereto and regardless of whether such matter is initiated by a third party or by the Borrower or any of its respective affiliates or equity holders) that relates to the Transactions, including the financing contemplated hereby, the Acquisition or any transactions in connection therewith; *provided* that no Indemnified Person will be indemnified for any cost, expense or liability from (i) its willful misconduct, bad faith or gross negligence (as determined by a court of competent jurisdiction in a final and non-appealable decision), (ii) a material breach of the obligations of such Indemnified Person under the RCF Credit Documentation (as determined by a court of competent jurisdiction in a final and non-appealable decision), or (iii) any proceeding that is brought by an Indemnified Person against any other Indemnified Person (other than an agent or arranger under the definitive documentation acting in its capacity as such or any claims arising out of an act or omission on the part of the Borrower or any of their affiliates, to all of which this indemnity shall be applicable). In addition, if the Closing Date occurs, the Borrower shall pay (a) all reasonable and documented out-of-pocket expenses (limited to the reasonable and documented fees, disbursements and other charges one counsel for all Indemnified Persons taken as a whole and, if reasonably necessary, a single local counsel for all Indemnified Persons taken as a whole in each relevant material jurisdiction (which may be a single special counsel acting in multiple material jurisdictions)) for all Indemnified Persons, taken as a whole (and, in the case of an actual or perceived conflict of interest where the Indemnified Person affected by such conflict informs the Borrower of such conflict and thereafter retains its own counsel, of another firm of counsel for such affected Indemnified Person) of the Lead Arranger, the RCF Agent, the Collateral Agent and the Issuing Banks in connection with the syndication of the Revolving Facility, the preparation and administration of the Commitment Letter, the Fee Letters and the RCF Credit Documentation, and amendments, modifications and waivers thereto, and (b) all reasonable and documented out-of-pocket expenses (limited to the reasonable and documented fees, disbursements and other charges of a single special counsel to the Commitment Party in each appropriate jurisdiction (which may include a single special counsel acting in multiple jurisdictions)) of the Lead Arranger, the RCF Agent, the Collateral Agent, the Issuing Banks and the Revolving Lenders for enforcement costs and documentary taxes associated with the Revolving Facility.

CONFIDENTIALITY:	The RCF Credit Documentation will contain customary confidentiality provisions with respect to information regarding the Borrower, its subsidiaries, their business, operations, assets and related matters, which shall in any event prohibit disclosure of any confidential information to competitors.
GOVERNING LAW AND FORUM:	New York.
COUNSEL TO RCF AGENT:	Latham & Watkins LLP

EXHIBIT A-II

INTEREST RATES:

The interest rates under the Revolving Facility will be, at the option of the Borrower, Adjusted LIBOR *plus* 2.00% or ABR *plus* 1.00% (with step-downs to be mutually agreed). The Borrower may elect interest periods of one, two, three or six months (or 12 months or any shorter period if available to all Revolving Lenders) for Adjusted LIBOR borrowings.

Calculation of interest shall be on the basis of the actual number of days elapsed over a 360-day year (or 365- or 366-day year, as the case may be, in the case of ABR loans based on the Prime Rate) and interest shall be payable at the end of each interest period and, in any event, at least every three months.

"***ABR***" is the Alternate Base Rate, which is the highest of (i) the rate of interest quoted in the print edition of *The Wall Street Journal*, Money Rates Section as the prime rate as in effect from time to time, (ii) the Federal Funds Effective Rate plus 1/2 of 1.00% and (iii) one-month Published US LIBOR (as defined below) plus 1.00%.

"***Adjusted LIBOR***" or "***LIBOR Rate***" is the London interbank offered rate for dollars appearing on Reuters Screen LIBOR01 Page (or otherwise on the Reuters Screen) adjusted for statutory reserve requirements; *provided* that Adjusted LIBOR will at all times include statutory reserves and shall, in each case, be deemed to be not less than 0% *per annum*.

LETTER OF CREDIT FEES:

A *per annum* fee equal to the spread over LIBOR Rate under the Revolving Facility multiplied by the average daily maximum aggregate amount available to be drawn under all Letters of Credit, payable in US dollars in arrears at the end of each quarter and upon the termination of the Revolving Facility, in each case for the actual number of days elapsed over a 360-day year. Such fees shall be distributed with respect to Letters of Credit, to the Revolving Lenders participating in the Revolving Facility *pro rata* in accordance with the amount of each such Revolving Lender's Revolving Commitment (other than Defaulting Lenders). In addition, the Borrower shall pay to the applicable Issuing Bank, for its own account, (a) a fronting fee in US dollars in an amount to be agreed, payable in arrears at the end of each quarter and upon the termination of the Revolving Facility, calculated based upon the actual number of days elapsed over a 360-day year, and (b) customary issuance and administration fees.

COMMITMENT FEES:	Commitment fees equal to 0.25% *per annum* times the daily average undrawn portion of the Revolving Facility of each Revolving Lender (other than any Defaulting Lender) (reduced by the amount of Letters of Credit issued and outstanding) will accrue from the Closing Date and will be payable quarterly in arrears.

EXHIBIT B

$850.0 MILLION SENIOR UNSECURED BRIDGE LOAN FACILITY
SUMMARY OF PRINCIPAL TERMS AND CONDITIONS [2]

BORROWER:	The Borrower under the Revolving Facility (the "***Borrower***").
TRANSACTIONS:	As set forth in ***Exhibit A*** to the Commitment Letter.
AGENT:	Goldman Sachs Bank USA, acting through one or more of its branches or affiliates, will act as sole administrative agent (in such capacity, the "***Senior Unsecured Bridge Agent***") for a syndicate of banks, financial institutions and other institutional lenders (together with the Initial Lender, the "***Senior Unsecured Bridge Lenders***"; the Senior Unsecured Bridge Lenders, together with the Revolving Lenders, collectively, the "***Lenders***"), and will perform the duties customarily associated with such roles.
LEAD ARRANGER AND BOOKRUNNER:	The Lead Arranger and Bookrunner (each as defined in the Commitment Letter) will act as a bookrunner and a lead arranger, respectively, for the Senior Unsecured Bridge Facility, and will perform the duties customarily associated with such roles.
SENIOR UNSECURED BRIDGE FACILITY:	The senior unsecured bridge loan facility will consist of an aggregate principal amount of $850.0 million of senior unsecured bridge loans and will be made available to the Borrower in US dollars (the "***Senior Unsecured Bridge Loans***"); *provided* that, the gross cash proceeds, net of any OID or other discount to market, from the issuance of any Senior Unsecured Notes or Takeout Indebtedness (as defined in the Joint Fee Letter) on or prior to the Closing Date (including into escrow) or the incurrence of any Replacement Loans that are outstanding on the Closing Date, shall reduce the Senior Unsecured Bridge Loans on a dollar for dollar basis (the "***Senior Unsecured Bridge Facility***").
PURPOSE:	The proceeds of the Senior Unsecured Bridge Facility will be used by the Borrower, on the Closing Date, together with any Closing Date Draw Amount, any Replacement Loans, any Senior Unsecured Notes and any Takeout Securities issued on or prior to the Closing Date, (a) to finance the Acquisition and the Refinancing, and (b) to pay the Transaction Costs.
AVAILABILITY:	The full amount of the Senior Unsecured Bridge Facility must be drawn in a single drawing on the Closing Date. Amounts borrowed under the Senior Unsecured Bridge Facility that are repaid or prepaid may not be reborrowed. The Senior Unsecured Bridge Loans will be funded at par.

[2] All capitalized terms used but not defined herein have the meanings given to them in the Commitment Letter to which this term sheet is attached, including the RCF Term Sheet and ***Annex I*** thereto or the other exhibits thereto. In the event any such capitalized term is subject to multiple and differing definitions, the appropriate meaning thereof for purposes of this ***Exhibit B*** shall be determined by reference to the context in which it is used.

INTEREST RATES AND FEES:	As set forth on ***Annex I*** hereto.
DEFAULT RATE:	The applicable interest rate plus 2.00% per annum payable on overdue amounts only.
FINAL MATURITY AND AMORTIZATION OF SENIOR UNSECURED BRIDGE LOANS:	The Senior Unsecured Bridge Facility will mature on the date that is one year after the Closing Date (the "***Senior Unsecured Bridge Loans Maturity Date***"). The Senior Unsecured Bridge Facility will not be subject to interim amortization.
CONVERSION OF THE SENIOR UNSECURED BRIDGE LOANS; EXCHANGE OF SENIOR UNSECURED EXTENDED TERM LOANS:	If any Senior Unsecured Bridge Loan has not been previously repaid in full on or prior to the Senior Unsecured Bridge Loans Maturity Date, such Senior Unsecured Bridge Loan shall, automatically be converted into a senior unsecured term loan (the "***Senior Unsecured Extended Term Loans***") having an equal principal amount and due on the date that is 8 years following the Closing Date. Except as provided herein, the Senior Unsecured Extended Term Loans shall have the same terms and conditions as the Senior Unsecured Bridge Loans, and applicable references in the Commitment Letter to the Senior Unsecured Bridge Loans and the Senior Unsecured Bridge Facility shall include the Senior Unsecured Extended Term Loans. The date on which the Senior Unsecured Bridge Loans are converted into Senior Unsecured Extended Term Loans is referred to as the "***Conversion Date***". On the Conversion Date, and on the 15th calendar day of each month thereafter (or the immediately succeeding business day if such calendar day is not a business day), at the option of the applicable Senior Unsecured Bridge Lender, Senior Unsecured Extended Term Loans may be exchanged for senior unsecured exchange notes (the "***Senior Unsecured Exchange Securities***") having an equal principal amount. Notwithstanding the foregoing, the Borrower shall not be required to exchange Senior Unsecured Extended Term Loans for Senior Unsecured Exchange Securities unless at least $100 million in aggregate principal amount of Senior Unsecured Exchange Securities would be outstanding immediately after such exchange.

	The Senior Unsecured Bridge Loans and the Senior Unsecured Extended Term Loans will be governed by the provisions of the Senior Unsecured Bridge Facility Documentation. When issued, the Senior Unsecured Exchange Securities will be governed by an indenture to be entered into between the Borrower and a trustee reasonably acceptable to the Senior Unsecured Bridge Lenders and the Borrower, which indenture shall be, except as otherwise provided herein consistent with the Senior Unsecured Bridge Documentation Principles (as defined below). The Senior Unsecured Extended Term Loans and the Senior Unsecured Exchange Securities shall rank equal in right of payment for all purposes. The obligations in respect of the Senior Unsecured Bridge Loans, the Senior Unsecured Extended Term Loans, the Senior Unsecured Exchange Securities and the Senior Unsecured Notes are referred to herein as the "***Senior Unsecured Obligations***".
MATURITY OF SENIOR UNSECURED EXCHANGE SECURITIES:	8 years from the Closing Date.
AVAILABILITY OF THE SENIOR UNSECURED EXCHANGE SECURITIES:	The Senior Unsecured Exchange Securities will be available in exchange for the Senior Unsecured Extended Term Loans on the terms and conditions set forth herein. The principal amount of any Senior Unsecured Exchange Security will equal 100% of the aggregate principal amount of the Senior Unsecured Extended Term Loans for which it is exchanged.
GUARANTEES:	All obligations of the Borrower under the Senior Unsecured Bridge Facility will be unconditionally guaranteed by each Guarantor (as defined in ***Exhibit A***) of the Revolving Facility (such guarantees, the "***Senior Unsecured Bridge Guarantees***"). The Senior Unsecured Bridge Guarantees will rank *pari passu* in right of payment with the guarantees of the Revolving Facility.
SECURITY:	None.

MANDATORY PREPAYMENTS: Prior to the Senior Unsecured Bridge Loans Maturity Date and consistent with the Senior Unsecured Bridge Documentation Principles and subject to the last paragraph of this section titled "Mandatory Prepayments", the Borrower will be required to prepay the Senior Unsecured Bridge Loans at 100% of the outstanding principal amount thereof plus accrued and unpaid interest with (i) the net cash proceeds from the issuance of the Takeout Securities (as defined in the Joint Fee Letter); *provided* that in the event any Senior Unsecured Bridge Lender or affiliate of a Senior Unsecured Bridge Lender purchases Takeout Securities from the Borrower at a price above the level at which such Senior Unsecured Bridge Lender or affiliate has reasonably determined such Takeout Security can be resold by such Senior Unsecured Bridge Lender or affiliate to a bona fide third party at the time of such purchase (and notifies the Borrower thereof), without regard to such difference being required or applied by such Senior Unsecured Bridge Lender or affiliate as an additional fee, the net cash proceeds received by the Borrower in respect of such debt security may, at the option of such Senior Unsecured Bridge Lender or affiliate, be applied first to prepay the Senior Unsecured Bridge Loans of such Senior Unsecured Bridge Lender or affiliate (provided that if there is more than one such Senior Unsecured Bridge Lender or affiliate then such net cash proceeds will be applied pro rata to prepay the Senior Unsecured Bridge Loans of all such Senior Unsecured Bridge Lenders or affiliates in proportion to such Senior Unsecured Bridge Lenders' or affiliates' principal amount of Takeout Securities purchased from the Borrower) prior to being applied to prepay the Senior Unsecured Bridge Loans held by other Senior Unsecured Bridge Lenders; (ii) 100% of the net cash proceeds of all non-ordinary course asset sales or other dispositions of property by the Borrower and its Restricted Subsidiaries (with exceptions for sales of inventory, ordinary course dispositions, dispositions of obsolete or worn-out property and property no longer useful in the business, amounts required to be applied to any secured indebtedness of the Borrower and other exceptions to be set forth in the Senior Unsecured Bridge Facility Documentation) (subject to the right of the Borrower and its Restricted Subsidiaries to reinvest 100% of such net proceeds if such proceeds are reinvested (or committed to be reinvested) within 365 days and, if so committed to be reinvested, so long as such reinvestment is actually completed within six months thereafter, and other exceptions to be set forth in the Senior Unsecured Bridge Documentation); (iii) 100% of the net cash proceeds received from the sale of the Senior Unsecured Notes or any other debt financing other than the Revolving Facility and any Alternate Facilities subject to other exceptions to be mutually agreed (collectively, the "***Bridge Facility Permanent Debt***"); and (iv) the net cash proceeds received from public issuances of equity of the Borrower after the Closing Date (subject to exceptions to be mutually agreed, including pursuant to employee stock and compensation plans), in the case of any such prepayments pursuant to the foregoing clauses (i), (ii), (iii) and (iv) above, with exceptions and baskets as are consistent with the Senior Unsecured Bridge Documentation Principles.

Following the occurrence of a Change of Control (to be defined in a manner to be mutually agreed), the Borrower will also be required to offer to prepay (a) the Senior Unsecured Bridge Loans at 100% of the outstanding principal amount thereof and (b) the Senior Unsecured Extended Term Loans and Senior Unsecured Exchange Securities at 101% of the outstanding principal amount thereof, in each case plus accrued and unpaid interest to the date of prepayment. Any proceeds from the sale of any Bridge Facility Permanent Debt issued to a Senior Unsecured Bridge Lender or one of its affiliates (other than bona fide investment funds and entities that manage assets on behalf of unaffiliated third-parties (the "***Asset Management Affiliates***")) will be applied to refinance the Senior Unsecured Bridge Loans held by such Senior Unsecured Bridge Lender or its affiliates, without premium or penalty, notwithstanding the *pro rata* provisions otherwise applicable to redemptions and prepayments.

The Borrower will also be required to offer to prepay the Senior Unsecured Exchange Securities at 100% of the outstanding principal amount thereof plus accrued and unpaid interest with 100% of the net cash proceeds of all non-ordinary course asset sales or other dispositions of property by the Borrower and its Restricted Subsidiaries (subject to the right of the Borrower and its Restricted Subsidiaries to reinvest 100% of such net proceeds if such proceeds are reinvested (or committed to be reinvested) within 365 days and, if so committed to be reinvested, so long as such reinvestment is actually completed within twelve months thereafter, and other exceptions to be set forth in the applicable definitive documentation).

The Senior Unsecured Extended Term Loans will have the mandatory prepayment and repurchase offer provisions applicable to the Senior Unsecured Exchange Securities (rather than the mandatory prepayment provisions applicable to the Senior Unsecured Bridge Loans).

VOLUNTARY PREPAYMENTS: Voluntary prepayments of Senior Unsecured Bridge Loans and the Senior Unsecured Extended Term Loans will be permitted at any time, in minimum principal amounts to be mutually agreed upon, subject to customary notice requirements and without premium or penalty.

The Senior Unsecured Exchange Securities will be non-callable for 3 years from the Closing Date (subject to customary 35% clawback provisions with the proceeds of equity offerings at par plus accrued interest plus a premium equal to the coupon) and will be callable (i) during the fourth year after the Closing Date, at par plus accrued interest plus a premium equal to three-quarters of the coupon, (ii) during the fifth year after the Closing Date, at par plus accrued interest plus a premium equal to one-half the coupon, (iii) during the sixth year after the Closing Date, at par plus accrued interest plus a premium equal to one-quarter the coupon and (iv) from and after the seventh anniversary of the Closing Date, at par plus accrued interest (without premium); *provided*, *however*, that any Senior Unsecured Exchange Securities will be callable prior to the third anniversary of the Closing Date at a redemption price equal to par plus accrued interest plus a make whole premium calculated on the basis of a discount rate equal to the then applicable U.S. Treasury Rate plus one-half of one percent (0.50%). In addition, so long as any such Senior Unsecured Exchange Securities are held by the Commitment Party or its affiliates (other than Asset Management Affiliates), such Senior Unsecured Exchange Securities will be callable at par plus accrued and unpaid interest on a non-*pro rata* basis.

UNRESTRICTED SUBSIDIARIES:	Consistent with the Revolving Facility.
DOCUMENTATION:	The definitive documentation for the Senior Unsecured Bridge Facility (the "***Senior Unsecured Bridge Facility Documentation***") (including the Senior Unsecured Exchange Securities) will contain the terms and conditions set forth in this Exhibit B and to the extent not covered by this Exhibit B, will be based on a specified precedent to be mutually agreed (the "***Senior Unsecured Bridge Documentation Precedent***") with changes and modifications that give due regard to (a) the operational and strategic requirements of the Borrower and its subsidiaries in light of their size, capital structure, industries, businesses, business practices, jurisdiction of incorporation and related currency and other provisions and (b) qualifications, thresholds, exceptions, "baskets" and grace and cure periods that shall be as mutually agreed (including a provision that permits restricted payments in an unlimited amount if the Total Net Leverage Ratio (to be defined in a manner to be mutually agreed) at the time of such restricted payment is no greater than 0.5x less than such ratio as of the Closing Date) (collectively for purposes of this Exhibit B, the "***Senior Unsecured Bridge Documentation Principles***" and together with the RCF Credit Documentation Principles, the "***Documentation Principles***"); provided that the Senior Unsecured Bridge Facility Documentation shall contain only those conditions to borrowing, mandatory prepayments, representations and warranties, covenants and events of default expressly set forth in this Term Sheet, in each case, applicable to the Borrower and its Restricted Subsidiaries. The Senior Unsecured Bridge Facility Documentation will be negotiated in good faith within a reasonable time period to be determined based on the expected Closing Date. The Senior Unsecured Bridge Facility Documentation will contain language to address the European Union bail-in rules in customary form.
REPRESENTATIONS AND WARRANTIES:	Substantially similar to those for the Revolving Facility, with modifications consistent with the Senior Unsecured Bridge Documentation Principles to the extent necessary to reflect differences in documentation, but in any event no less favorable to the Borrower than those in the RCF Credit Documentation; it being understood that representations and warranties shall be subject to the Certain Funds Provision.

CONDITIONS PRECEDENT TO SENIOR UNSECURED BRIDGE LOANS:	The borrowing under the Senior Unsecured Bridge Facility on the Closing Date will be subject solely to the applicable conditions precedent set forth in ***Exhibit C*** to the Commitment Letter.
COVENANTS:	The Senior Unsecured Bridge Facility Documentation will contain such affirmative and incurrence-based (but not financial maintenance) negative covenants with respect to the Borrower and its Restricted Subsidiaries applicable to the Senior Unsecured Bridge Loans and the Senior Unsecured Extended Term Loans as are consistent with the Senior Unsecured Bridge Documentation Principles, including an affirmative covenant with respect to marketing efforts and securities demand, and will not include any covenants not included in the Revolving Facility except an affirmative covenant with respect to marketing efforts and securities demand, a covenant to use commercially reasonable efforts to refinance the Senior Unsecured Bridge Loans as promptly as practicable following the Closing Date, to use commercially reasonable efforts to maintain corporate level and facility level ratings (but not any minimum rating) and to conduct calls with the Senior unsecured Bridge Lenders on no less than a quarterly basis. Prior to the Senior Unsecured Bridge Loans Maturity Date, the restricted payments, liens and debt incurrence covenants of the Senior Unsecured Bridge Facility may be more restrictive than those applicable to the Senior Unsecured Extended Term Loans and the Senior Unsecured Exchange Securities, as reasonably agreed by the Senior Unsecured Bridge Agent and the Borrower. It is understood that compliance with covenants shall in no event be a condition to the availability of the Senior Unsecured Bridge Facility on the Closing Date in a manner that is inconsistent with the Certain Funds Provision. Upon and after the earlier of the Senior Unsecured Bridge Loans Maturity Date and the occurrence of a Takeout Demand Failure (as defined in the Joint Fee Letter), the covenants which would be applicable to the Senior Unsecured Exchange Securities, if issued, will also be applicable to the Senior Unsecured Extended Term Loans in lieu of the corresponding provisions of the documentation governing the Senior Unsecured Bridge Loans. The indenture governing the Senior Unsecured Exchange Securities will contain such covenants with respect to the Borrower and its Restricted Subsidiaries as are consistent with the Senior Unsecured Bridge Documentation Principles (but, in any event, no more restrictive than those for the Senior Unsecured Bridge Facility), including a provision that permits restricted payments in an unlimited amount if the Total Net Leverage Ratio at the time of such restricted payment is no greater than 0.5x less than such ratio as of the Closing Date.

FINANCIAL COVENANT:	None.
EVENTS OF DEFAULT:	The events of default applicable to the Senior Unsecured Bridge Loans will be consistent with the Senior Unsecured Bridge Documentation Principles; *provided* that, a default or event of default (other than a payment default) with respect to the Revolving Facility shall not give rise to a default or event of default under the Senior Unsecured Bridge Facility unless and until the Revolving Lenders accelerate the Revolving Loans and other obligations under the Revolving Facility as a result of such default. The indenture governing the Senior Unsecured Exchange Securities will contain such events of default (including grace periods and threshold amounts) as are consistent with the Senior Unsecured Bridge Documentation Principles (but, in any event, no more restrictive than those for the Senior Unsecured Bridge Facility) but not including a cross default (and, in lieu thereof, a cross-acceleration and cross-payment default at maturity to material debt). Upon and after the Senior Unsecured Bridge Loans Maturity Date, the events of default which would be applicable to the Senior Unsecured Exchange Securities, if issued, will also be applicable to the Senior Unsecured Extended Term Loans in lieu of the corresponding provisions of the Senior Unsecured Bridge Facility Documentation.
REGISTRATION RIGHTS:	No registration rights. The Senior Unsecured Exchange Securities will be "private for life".
TRUST INDENTURE ACT:	The Indenture governing the Senior Unsecured Exchange Securities shall not be subject to the Trust Indenture Act, as amended (the "***TIA***"), including the provisions of Section 316 thereof and shall not contain any provision substantially similar to Section 316(b) of the TIA (other than similar provisions that relate solely to the amendment of payment terms).
DEFEASANCE AND DISCHARGE:	The indenture governing the Senior Unsecured Exchange Securities will contain such defeasance and discharge provisions as are consistent with the Senior Unsecured Bridge Documentation Principles.

VOTING:	Amendments and waivers of the Senior Unsecured Bridge Facility Documentation applicable to the Senior Unsecured Bridge Loans and the Senior Unsecured Extended Term Loans will require the approval of Senior Unsecured Bridge Lenders holding more than 50% of the aggregate amount of the outstanding Senior Unsecured Bridge Loans or Senior Unsecured Extended Term Loans, as applicable (the "***Required Lenders***"), except that (a) the consent of each Senior Unsecured Bridge Lender directly affected thereby (rather than Required Lenders) shall be required with respect to: (i) modifications to any provision requiring *pro rata* treatment of the Lenders, (ii) increases in the commitment of such Senior Unsecured Bridge Lender, (iii) reductions or forgiveness of principal, interest, fees payable to such Senior Unsecured Bridge Lender, (iv) extensions of final maturity of the loans of such Senior Unsecured Bridge Lender or of the date for payment to such Senior Unsecured Bridge Lender of any interest or fees, and (v) additional restrictions on the right to exchange Senior Unsecured Extended Term Loans for Senior Unsecured Exchange Securities and (b) the consent of each Senior Unsecured Bridge Lender shall be required with respect to: (i) modifications to voting requirements or percentages and (ii) releases of all or substantially all of the value of the Guarantees. The indenture governing the Senior Unsecured Exchange Securities will contain such modification provisions as are consistent with the Senior Unsecured Bridge Documentation Principles.
COST AND YIELD PROTECTION:	Substantially similar to the tax gross up, cost and yield provisions contained in the Revolving Facility, with appropriate modifications for a bridge facility.
ASSIGNMENTS AND PARTICIPATIONS OF SENIOR UNSECURED BRIDGE LOANS AND SENIOR UNSECURED EXTENDED TERM LOANS:	The Senior Unsecured Bridge Lenders will be permitted to assign Senior Unsecured Bridge Loans without the consent of (but with notice to) the Borrower (except that no such assignments to Disqualified Lenders will be permitted); *provided* that, prior to the Senior Unsecured Bridge Loans Maturity Date, unless a Takeout Demand Failure (as defined in the Joint Fee Letter) or a payment or bankruptcy event of default has occurred and is at such time continuing, the consent of the Borrower shall be required with respect to any assignment if, subsequent thereto, the Initial Lender would hold, in the aggregate, less than 50.1% of the outstanding Senior Unsecured Bridge Loans. The Senior Unsecured Bridge Lenders will be permitted to participate their Senior Unsecured Bridge Loans to other financial institutions without restrictions, other than customary voting limitations. Participants will have the same benefits as the selling Lenders would have (and will be limited to the amount of such benefits) with regard to yield protection and increased costs, subject to customary limitations and restrictions.

RIGHT TO TRANSFER SENIOR UNSECURED EXCHANGE SECURITIES:	The holders of the Senior Unsecured Exchange Securities shall have the absolute and unconditional right to transfer such Senior Unsecured Exchange Securities in compliance with applicable law to any third parties.
EXPENSES AND INDEMNIFICATION:	Substantially similar to the expenses and indemnification provisions contained in the Revolving Facility, with modifications consistent with the Senior Unsecured Bridge Documentation Principles to the extent necessary to reflect differences in documentation, but in any event not applicable to the Senior Unsecured Exchange Securities.
GOVERNING LAW AND FORUM:	New York.
COUNSEL TO SENIOR UNSECURED BRIDGE AGENT:	Latham & Watkins LLP.

ANNEX I to
EXHIBIT B

PRICING APPLICABLE TO SENIOR UNSECURED BRIDGE LOANS

INTEREST RATES:

The Senior Unsecured Bridge Loans shall accrue interest at a rate per annum equal to the LIBOR Rate (as defined in ***Exhibit A***), plus 450 basis points (the "***Senior Unsecured Bridge Initial Margin***"), with a LIBOR Rate floor of 1.00%. The Senior Unsecured Bridge Initial Margin will increase by an additional 50 basis points on the date that is three months after the Closing Date and an additional 50 basis points for each additional three-month period thereafter; *provided* that, at no time shall the interest rate in effect on the Senior Unsecured Bridge Loans exceed the Total Interest Cap (as defined in the Joint Fee Letter) (excluding interest at the default rate as described above).

The Borrower may elect interest periods of one, two, three, or six months (or 12 months or shorter period if available to all Senior Unsecured Bridge Lenders) for Adjusted LIBOR borrowings.

Any Senior Unsecured Bridge Loans converted into Senior Unsecured Extended Term Loans will accrue interest at the fixed rate equal to the Total Interest Cap (as defined in the Joint Fee Letter).

Calculation of interest shall be on the basis of the actual number of days elapsed over a 360-day year and interest shall be payable quarterly in arrears.

PRICING APPLICABLE TO SENIOR UNSECURED EXCHANGE SECURITIES

INTEREST RATES: The Senior Unsecured Exchange Securities will bear interest at a fixed rate equal to the Total Interest Cap and interest will be payable semiannually in arrears.

Calculation of interest shall be on the basis of a year of 12 months of 30 days each.

EXHIBIT C

$150.0 MILLION SENIOR SECURED REVOLVING CREDIT FACILITY
$850.0 MILLION SENIOR UNSECURED BRIDGE LOAN FACILITY
SUMMARY OF CONDITIONS PRECEDENT [3]

This Summary of Conditions Precedent outlines certain of the conditions precedent to the Facilities referred to in the Commitment Letter, of which this Exhibit C is a part. Certain capitalized terms used herein are defined in the Commitment Letter.

The initial borrowings under the Facilities shall be subject to the following applicable conditions (subject in all respects to the Certain Funds Provision):

1. **Purchase Agreement**. The Acquisition shall have been consummated or shall be consummated substantially simultaneously with the initial borrowings under the Facilities in accordance in all material respects with the terms of the Purchase Agreement (without any amendment, modification or waiver thereof or any consent thereunder that is materially adverse to the Initial Lender for the applicable Facility (in its capacity as such) without the prior written consent of the Commitment Party (such consent not to be unreasonably withheld, delayed or conditioned); *provided* that (i) a reduction in the consideration payable under the Purchase Agreement of less than 10% shall not be deemed to be materially adverse to the interests of the Initial Lender; *provided further* that such reduction is applied 100% to reduce the Senior Unsecured Bridge Facility, and (ii) an increase in such purchase price amount shall not be deemed to be materially adverse to the Initial Lender if such increase is not funded with indebtedness for borrowed money; *provided* that no purchase price or similar adjustment provisions set forth in the Purchase Agreement shall constitute a reduction or increase in the purchase price).

2. **Refinancing**. The Refinancing shall have occurred, or shall occur substantially concurrently with the initial borrowings under the Facilities. The applicable Agent shall have received evidence that in connection with the Refinancing, all guarantees of, and security granted by, the Target and its subsidiaries with respect to the Target's Existing Debt have been discharged and released or shall be discharged and released substantially concurrently with the initial borrowings under the applicable Facility (or customary arrangements for such discharge and release shall have been agreed upon with the applicable Agent).

3. **Revolving Facility Documentation**. Subject to the Certain Funds Provision and solely as a condition to the availability of the Revolving Facility, the execution and delivery of (i) the RCF Credit Documentation by each Loan Party thereto (ii) customary legal opinions with respect to the Revolving Facility, certified organizational documents of each Loan Party, customary evidence of authorization with respect to each Loan Party, customary officer's certificates of each Loan Party (provided that such certificate shall not include any representations or statement as to the absence (or existence) of any default or event of default under the RCF Credit Documentation or a bring-down of representations and warranties) and good standing certificates with respect to each Loan Party (to the extent such concept exists in the applicable jurisdiction) in the jurisdiction of organization of such Loan Party; (iii) a solvency certificate substantially in the form of ***Exhibit D*** to the Commitment Letter, (iv) all documents and instruments required to create and perfect the Collateral Agent's security interests in the Collateral under the Revolving Facility, which shall be, if applicable, in proper form for filing, in each case, subject to the Certain Funds Provision and consistent with the provisions of the RCF Term Sheet, and (v) a customary borrowing notice (provided that such notice shall not include any representations or statement as to the absence (or existence) of any default or event of default under the RCF Credit Documentation or a bring-down of representations and warranties) with respect to the initial borrowings under the Revolving Facility.

[3] All capitalized terms used but not defined herein have the meanings given to them in the Commitment Letter to which this ***Exhibit C*** is attached, including ***Exhibits A*** and ***B*** thereto. In the case of any such capitalized term that is subject to multiple and differing definitions, the appropriate meaning thereof in this ***Exhibit C*** shall be determined by reference to the context in which it is used.

4. **Senior Unsecured Bridge Facility Documentation**. Subject to the Certain Funds Provision and solely as a condition to the availability of the Senior Unsecured Bridge Facility, the execution and delivery of (i) the Senior Unsecured Bridge Facility Documentation by each Loan Party thereto, (ii) customary legal opinions with respect to the Senior Unsecured Bridge Facility, certified organizational documents of each Loan Party, customary evidence of authorization with respect to each Loan Party, customary officer's certificates of each Loan Party (provided that such certificate shall not include any representations or statement as to the absence (or existence) of any default or event of default under the Senior Unsecured Bridge Facility Documentation or a bring-down of representations and warranties) and good standing certificates with respect to each Loan Party (to the extent such concept exists in the applicable jurisdiction) in the jurisdiction of organization of such Loan Party, (iii) a solvency certificate substantially in the form of ***Exhibit D*** to the Commitment Letter, and (iv) a customary borrowing notice (provided that such notice shall not include any representations or statement as to the absence (or existence) of any default or event of default under the Senior Unsecured Bridge Facility Documentation or a bring-down of representations and warranties) with respect to the initial borrowings under each such Facility.

5. **Financial Statements**. The Commitment Party shall have received (a) generally accepted accounting principles and practices in the United States ("***US GAAP***") (*provided* that, in the case of the Borrower, such financial statements for any period prior to 2015 may be prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("***IFRS***")) audited consolidated balance sheets and related statements of income/loss, stockholders'/changes in equity and cash flows of each of the Borrower and the Target for the three most recently completed fiscal years ended at least 90 days prior to the Closing Date (and the related audit reports), (b) US GAAP unaudited consolidated balance sheets and related statements of income/loss, stockholders' equity/changes in equity and cash flows of each of the Borrower and the Target for each subsequent fiscal quarter (other than the fourth quarter of any fiscal year) subsequent to the last fiscal year for which financial statements were prepared pursuant to the preceding clause (a) and ended at least 45 days prior to the Closing Date (and the corresponding period of the preceding fiscal year), (c) Associated Auction Services, LLC's ("***AAS***") audited balance sheet as of December 31, 2014 and March 31, 2015 and audited statements of operations, members' equity and cash flows for the three months ended March 31, 2015 and the year ended December 31, 2014, including the notes thereto, and (d) Kruse Energy & Equipment Auctioneers, LLC's ("***Kruse***") audited balance sheet as of October 31, 2014 and the audited statements of income, changes in members' capital and cash flows for the ten month period ended October 31, 2014, including the notes thereto; *provided* that, for the avoidance of doubt, the Commitment Party acknowledges that it has received the information and documents required by clauses (c) and (d) of this Section 5.

6. **Pro Forma Financial Statements**. The Commitment Party shall have received a *pro forma* consolidated balance sheet as of the end of the most recently ended income statement of the Borrower for which financial statements have been provided pursuant to the preceding Section 5 and related *pro forma* consolidated statements of income of the Borrower (i) for the most recently ended fiscal year for which audited financial statements have been provided pursuant to the preceding Section 5, (ii) to the extent not provided pursuant to clause (i), a *pro forma* statement of income of the Borrower for the trailing 12-month period ended the date of the latest interim unaudited quarterly financial statements, if any, provided pursuant to the preceding Section 5 and, (iii) for the subsequent interim periods for which unaudited financial statements have been provided pursuant to the preceding Section 5, prepared after giving effect to the Transactions (and any other acquisitions of businesses for which financials statements are being provided) as if they had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other financial statements).

7. **KYC Information**. The applicable Agent shall have received, at least three business days prior to the Closing Date, all documentation and other information about the Loan Parties required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act, that has been reasonably requested in writing by the Commitment Parties at least 10 business days prior to the Closing Date.

8. **Senior Unsecured Notes Offering Document**. With respect to the Senior Unsecured Bridge Facility, the Borrower shall have engaged one or more investment banks reasonably satisfactory to the Lead Arranger and the Bookrunner (collectively, the "***Investment Bank***") to sell to or place the Senior Unsecured Notes or debt securities substantially similar to the Senior Unsecured Notes that may be used to refinance the Senior Unsecured Bridge Loans and shall ensure that (a) the Investment Bank shall have received a customary preliminary offering memorandum or preliminary private placement memorandum suitable containing all customary information (other than the "description of the notes" and any information customarily provided by the Investment Bank or its counsel) for use in a customary high-yield road show relating to the issuance of the Senior Unsecured Notes, including unaudited interim financial statements of the Target and the Borrower and all appropriate pro forma financial statements of the Target with respect thereto prepared in accordance with, or reconciled to, US GAAP (provided that, in the case of the Borrower, such financial statements for any period prior to 2015 may be prepared in accordance with IFRS) and prepared in accordance with the principles of Regulation S-X under the Securities Act of 1933, as amended, but, in each case, no more than the financial statements referred to under the preceding Sections 5 or 6 above or derived therefrom, and all other data that would be necessary for the Investment Bank to receive customary "comfort" (including "negative assurance" comfort) from independent accountants to the Borrower, the Target, AAS and Kruse in connection with such offering (subject in each case to exceptions customary for Rule 144A offerings involving high-yield unsecured "private-for-life" debt securities, including exceptions for consolidating financial statements, separate subsidiary financial statements and other financial statements required by Rule 3-09, Rule 3-10 or Rule 3-16 of Regulation S-X (provided that customary data as to the total assets, revenue, EBITDA and adjusted EBITDA or comparable metrics (including on a pro forma basis giving effect to the Transactions) shall be included) or "segment reporting", Item 302 of Regulation S-K and Compensation Discussion and Analysis or other information required by Item 402 of Regulation S-K under the Securities Act and the executive compensation and related person disclosure rules related to SEC Release No. 33-8732A, 34-54302A and IC-2744A and other information not customarily provided in an offering memorandum for a Rule 144A offering) (the "***Required Bond Information***"), and (b) the Investment Bank shall be afforded a marketing period following the receipt of the Required Bond Information to seek to offer and sell or privately place the Senior Unsecured Notes of 15 consecutive business days (the "***Senior Unsecured Notes Marketing Period***"); *provided* that (i) the Senior Unsecured Notes Marketing Period shall commence no earlier than September 6, 2016, (ii) November 24, 2016 and November 25, 2016 shall not be considered business days for the purposes of the Senior Unsecured Notes Marketing Period and (iii) if the Senior Unsecured Notes Marketing Period has not ended prior to December 17, 2016, then such period shall not commence until on or after January 2, 2017.

If Borrower shall in good faith reasonably believe that the Borrower has delivered the Required Bond Information, the Borrower may (but shall not be obligated to) deliver to the Investment Bank written notice to that effect (stating when the Borrower believes that the Borrower completed such delivery), in which case the Borrower shall be deemed to have delivered the Required Bond Information on the date of such notice and the Senior Unsecured Notes Marketing Period shall be deemed to have commenced on the date of such notice, in each case, unless the Investment Bank in good faith reasonably believes that the Borrower has not completed delivery of the Required Bond Information and, within two business days after its receipt of such notice from the Borrower, the Investment Bank delivers a written notice to the Borrower to that effect (stating with specificity which information has not delivered).

9. **Payment of Fees and Expenses**. All fees required to be paid by the Borrower on the Closing Date pursuant to the Fee Letters and the Commitment Letter (including the Term Sheets) and reasonable out-of-pocket expenses (including legal fees and expenses) required to be paid by the Borrower on the Closing Date pursuant to the Commitment Letter, to the extent invoiced at least two business days prior to the Closing Date, shall, upon the initial borrowing of the applicable Facilities, have been paid, or will be substantially simultaneously, paid (which amounts may be offset against the proceeds of the Facilities).

10. **Accuracy of Representations**. (i) The Specified Representations shall be true and correct in all material respects (without duplication of any materiality qualifier set forth therein) to the extent required by the Certain Funds Provision; and (ii) the Purchase Agreement Representations shall be true and correct in all material respects to the extent required by the Certain Funds Provision; *provided* that, for the avoidance of doubt, this clause (ii) shall only be a condition to the extent that you have (or an affiliate of yours has) the right (taking into account any applicable cure provisions) to terminate your (or its) obligations under the Purchase Agreement or the right to decline to consummate the Acquisition (in each case, in accordance with the terms of the Purchase Agreement) as a result of the failure of such representations and warranties to be accurate.

11. **Material Adverse Change**. There has not occurred a Material Adverse Change (as defined in the Purchase Agreement) since the date of the Purchase Agreement.

EXHIBIT D

FORM OF SOLVENCY CERTIFICATE

[____][__], 20[__]

This Solvency Certificate is being executed and delivered pursuant to Section **[__]** of that certain **[•]**[4] (the "***Credit Agreement***"; the terms defined therein being used herein as therein defined).

I, **[_____]**, a [_____] of the Borrower (after giving effect to the Transactions), in such capacity only and not in an individual capacity (and without personal liability), hereby certify on behalf of the Borrower as follows, in each case as of the date hereof:

1. The sum of the debt and liabilities (subordinated, contingent or otherwise) of the Borrower and its Subsidiaries, on a consolidated basis, does not exceed the fair value of the present assets of the Borrower and its Subsidiaries, on a consolidated basis.

2. The capital of the Borrower and its Subsidiaries, on a consolidated basis, is not unreasonably small in relation to their business as conducted or contemplated to be conducted on the date hereof.

3. The present fair saleable value of the assets of the Borrower and its Subsidiaries, on a consolidated basis, is greater than the total amount that will be required to pay the probable liabilities of the Borrower and its Subsidiaries, on a consolidated basis, as applicable, as they become absolute and matured.

4. The Borrower and its Subsidiaries, on a consolidated basis, have not, incurred and do not intend to incur, or believe that they will incur, debts or other liabilities, including current obligations, beyond their ability to pay such debts or other liabilities as they become due (whether at maturity or otherwise).

5. For purposes of this Solvency Certificate, the amount of any contingent liability has been computed as the amount that, in light of all of the facts and circumstances existing as of the date hereof, represents the amount that can reasonably be expected to become an actual or matured liability.

6. In reaching the conclusions set forth in this Solvency Certificate, the undersigned has made such investigations and inquiries as the undersigned has deemed appropriate to provide this Solvency Certificate. The undersigned is familiar with the finances and assets of the Borrower and its Subsidiaries.

7. The undersigned acknowledges that the Agent and the Lenders are relying on the truth and accuracy of this Solvency Certificate in connection with the Commitments and Loans under the Credit Agreement.

---

[4] Describe the credit agreement to govern the Revolving Facility.

IN WITNESS WHEREOF, the undersigned has executed this Solvency Certificate in such undersigned's capacity as an officer of the Borrower, on behalf of the Borrower, and not individually, on the date first written above.

RITCHIE BROS. AUCTIONEERS INCORPORATED

By: _____
Name:
Title: [Financial Officer]

Exhibit 10.3

Execution Version

GOLDMAN SACHS BANK USA
200 West Street
New York, New York 10282

ROYAL BANK OF CANADA
200 Vesey Street
New York, New York 10281

CONFIDENTIAL

September 16, 2016

Ritchie Bros. Auctioneers Incorporated
9500 Glenlyon Parkway
Burnaby, British Columbia
Canada V5J 0C6

$150.0 MILLION SENIOR SECURED REVOLVING CREDIT FACILITY
$850.0 MILLION SENIOR UNSECURED BRIDGE LOAN FACILITY
AMENDED AND RESTATED COMMITMENT LETTER

Ladies and Gentlemen:

You have advised Goldman Sachs Bank USA (acting through such of its affiliates or branches as it deems appropriate, "***Goldman Sachs***"), Royal Bank of Canada ("***RBC***") and RBC Capital Markets[1] ("***RBCCM***", and together with RBC, "***Royal Bank***", and Royal Bank together with Goldman Sachs, the "***Commitment Parties***" or, as the case may be, the "***Initial Lenders***", "***we***" or "***us***") that Ritchie Bros. Auctioneers Incorporated, a public company incorporated in Canada (the "***Borrower***" or "***you***"), through one of its direct or indirect subsidiaries Topaz Mergersub, Inc., a Delaware corporation ("***MergerSub***"), intends to acquire (the "***Acquisition***") all of the capital stock of IronPlanet Holdings, Inc. (the "***Target***"). You have further advised us that, in connection with the foregoing, you intend to consummate the Transactions (such term and each other capitalized term used but not defined herein having the meaning assigned to such term in the Summary of Principal Terms and Conditions attached hereto as ***Exhibit A*** (the "***RCF Term Sheet***") and in the Summary of Principal Terms and Conditions attached hereto as ***Exhibit B*** (together with the RCF Term Sheet, the "***Term Sheets***")).

You have further advised us that, in connection therewith, the Borrower (a) may enter into the Revolving Facility (as defined in ***Exhibit A***) in an initial aggregate principal amount of up to $150.0 million (as such amount may be reduced as set forth in Exhibit A) and (b)(i) will issue senior unsecured notes in an aggregate principal amount of up to $850.0 million (the "***Senior Unsecured Notes***") pursuant to a Rule 144A/Regulation S private placement or (ii) if all or any portion of the Senior Unsecured Notes are not issued on or prior to the Closing Date (as defined below), will incur the Senior Unsecured Bridge Facility (as defined in ***Exhibit B***) in an aggregate principal amount of up to $850.0 million *less* the sum of (x) the gross cash proceeds received from Senior Unsecured Notes or Takeout Indebtedness (as defined in the Joint Fee Letter referred to below) issued on or prior to the Closing Date and (y) the net cash proceeds from outstanding borrowings by the Borrower or any of its Subsidiaries on the Closing Date under commercial bank or other credit facilities (excluding any working capital financings of any foreign subsidiaries and after giving effect to the Refinancing and any other repayments of indebtedness occurring on the Closing Date) in excess of $30.0 million (such borrowings, the "***Replacement Loans***"). The Revolving Facility, together with the Senior Unsecured Bridge Facility, are defined as the "***Facilities***".

[1] RBC Capital Markets is a brand name for the capital markets businesses of Royal Bank of Canada and its affiliates.

This amended and restated commitment letter (together with the exhibits attached hereto, this "***Commitment Letter***") amends and supersedes that certain commitment letter dated as of August 29, 2016 and delivered by you on such date, by and between Goldman Sachs and you.

1. COMMITMENTS.

In connection with the foregoing, each of Goldman Sachs and RBC is pleased to advise you of its several and not joint commitment to provide 70% and 30%, respectively, of the principal amount of each of the Facilities, upon the terms set forth in this commitment letter (including the Term Sheets and other attachments hereto, this "***Commitment Letter***") and subject solely to the applicable conditions set forth in Section 6 hereof.

2. TITLES AND ROLES.

It is agreed that (a) each of Goldman Sachs and RBC will act as joint bookrunners and joint lead arrangers (in such capacities, as applicable, the "***Lead Arrangers***" or the "***Bookrunners***") for the Facilities, (b) Goldman Sachs will act as the sole administrative agent for both the Senior Unsecured Bridge Facility (in such capacity, the "***Senior Unsecured Bridge Agent***") and for the Revolving Facility (in such capacity, the "***RCF Agent***"; together with the Senior Unsecured Bridge Agent, the "***Administrative Agents***", and each an "***Administrative Agent***") and (c) Goldman Sachs will act as the sole collateral agent for the Revolving Facility (in such capacity, the "***Collateral Agent***"; together with the Administrative Agents, the "***Agents***" and each an "***Agent***"); in each case upon the terms set forth in this Commitment Letter and subject solely to the applicable conditions set forth in Section 6 hereof. We, in such capacities, will perform the duties and exercise the authority customarily performed and exercised by us in such roles.

You agree that (a) Goldman Sachs will have "left side" designation and shall appear on the top left of any Information Materials (as defined below) and all other offering or marketing materials in respect of the Senior Unsecured Bridge Facility and the Revolving Facility and (b) RBC will have placement immediately to the right of Goldman Sachs in any Information Materials and all other offering or marketing materials in respect of the Senior Unsecured Bridge Facility and the Revolving Facility.

You agree that no other titles will be awarded and no compensation (other than that expressly contemplated by this Commitment Letter and the Fee Letters referred to below) will be paid to any Lender (as defined below) in order to obtain its commitment to participate in the Senior Unsecured Bridge Facility or the Revolving Facility unless you and we shall so agree.

3. SYNDICATION.

The Lead Arrangers reserve the right, prior to and/or after the execution of definitive documentation for the Facilities (the "***Facilities Documentation***") to syndicate all or a portion of the Initial Lenders' commitments with respect to the Facilities to a group of banks, financial institutions and other institutional lenders (together with the Initial Lenders, the "***Lenders***") identified by us in consultation with you and reasonably acceptable to you with respect to both the identity of such Lender and the amount of such Lender's commitments (such consent not to be unreasonably withheld or delayed); *provided* that (a) we will not syndicate our commitments to (i) certain banks, financial institutions and other institutional lenders that have been specified to us by you in writing by name prior to the date hereof, (ii) those persons who are competitors of the Borrower and its subsidiaries or of the Target and its subsidiaries that are separately identified in writing by you to us by name (or, after the Closing Date, to the applicable Administrative Agent) from time to time, and (iii) in the case of each of clauses (i) and (ii), any of their affiliates (other than any bona fide debt funds) that are either (x) identified in writing by you from time to time or (y) clearly identifiable on the basis of such affiliates' names (the persons referred to in clauses (i), (ii) and (iii) above, collectively, "***Disqualified Lenders***"), and (b) notwithstanding the right of the Initial Lenders to syndicate the Facilities and receive commitments with respect thereto, except as expressly provided in Section 9 hereof in respect of assignments among Goldman Sachs and Goldman Sachs Lending Partners LLC, (i) the Initial Lenders shall not be relieved, released or novated from their obligations hereunder (including the obligation to fund the applicable Facility if all applicable conditions thereto have been satisfied on the date of the consummation of the Acquisition with the proceeds of the initial funding under the Facilities (the date of such funding, the "***Closing Date***")) in connection with any syndication, assignment or participation of the Facilities, including our commitments in respect thereof, until after the Closing Date has occurred, (ii) no assignment or novation by the Initial Lenders shall become effective as between you and the Initial Lenders with respect to all or any portion of the Initial Lenders' commitments in respect of the Facilities until the initial funding of the Facilities has occurred and (iii) unless you otherwise agree in writing, the Initial Lenders shall retain exclusive control over all rights and obligations with respect to their respective commitments in respect of each of the Facilities, including all rights with respect to satisfaction with closing conditions, consents, modifications, supplements, waivers and amendments, until the Closing Date has occurred.

Without limiting your obligations to assist with syndication efforts as set forth herein, it is understood that the Initial Lenders' commitments hereunder are not conditioned upon the syndication of, or receipt of commitments in respect of, the Facilities and in no event shall successful completion of syndication of the Facilities constitute a condition to the availability of the Facilities on the Closing Date. We intend to commence syndication efforts promptly upon the execution of this Commitment Letter, and you agree to actively assist us in completing a syndication reasonably satisfactory to you and us until the earlier of (x) 45 days after the Closing Date and (y) the date on which the Commitment Parties and their respective affiliates hold no more than $0 of the Senior Unsecured Bridge Facility and the Commitment Parties determine that the Revolving Facility has been successfully syndicated (such earlier date, the "***Syndication Date***"). Such assistance shall include (a) your using commercially reasonable efforts to ensure that any syndication efforts benefit from your existing lending and investment banking relationships, (b) direct contact between appropriate members of senior management, representatives and advisors of you (and using your commercially reasonable efforts to arrange direct contact between appropriate members of senior management, representatives and advisors of the Target) and the proposed Lenders, in all such cases at times and locations mutually agreed upon, (c) assistance by you (and using your commercially reasonable efforts to arrange direct contact between appropriate members of senior management, representatives and advisors of the Target) in the preparation of a customary confidential information memorandum and a customary lender presentation for each of the Facilities and other customary marketing materials and presentations reasonably requested by us in connection with the syndication (the "***Information Materials***"), (d) your providing or causing to be provided customary financial information and projections (the "***Projections***") for you and your subsidiaries and the Target and its subsidiaries and the transactions contemplated hereby, (e) your preparing and providing (and using commercially reasonable efforts to cause the Target to provide) to the Commitment Parties all other customary and reasonably available information reasonably requested and deemed necessary by the Lead Arrangers to complete such syndication with respect to you and the Target and each of your and its respective subsidiaries and the Transactions, (f) using your commercially reasonable efforts to procure at your expense, prior to the launch of syndication, a public corporate credit rating from Standard & Poor's Ratings Service ("***S&P***") and a public corporate family rating from Moody's Investors Service, Inc. ("***Moody's***"), in each case with respect to the Borrower after giving effect to the Transactions, and public ratings for the Senior Unsecured Notes from each of S&P and Moody's (it being understood that, in each case, no specific ratings need to be obtained), (g) the hosting, with the Lead Arrangers, of a reasonable number of general meetings of prospective Lenders at mutually agreed times and venues (and any additional meetings which may be held by one or more conference calls with prospective Lenders to the extent necessary) and (h) (i) until the Syndication Date, ensuring that you and your subsidiaries will not have (and using commercially reasonable efforts to ensure that the Target and its subsidiaries will not have) any issues of debt securities or commercial bank or other credit facilities (other than (1) the Senior Unsecured Notes or any Takeout Indebtedness issued or incurred in lieu of the Senior Unsecured Notes, (2) (a) the Facilities or (b) up to $1.0 billion in aggregate commitments under other revolving credit or term loan A facilities (with greater than nominal scheduled amortization payments) to be entered into in lieu of the entire Revolving Facility (which may also provide a portion of the financing for the Acquisition and the other Transactions); *provided* that the aggregate amount of borrowings under any such facilities under this clause (b) on the Closing Date shall not exceed $350 million (the facilities entered into under this paragraph (2)(b), the "***Alternate Facilities***"), (3) any other indebtedness of the Target or any of its subsidiaries permitted to be incurred pursuant to the Purchase Agreement and (4) indebtedness incurred in the ordinary course of business, including any extensions of credit under the Existing Debt (as defined in ***Exhibit A***) and any other existing revolving credit facilities of the Borrower, the Target or any of their respective subsidiaries, being announced, offered, placed or arranged without the consent of the Commitment Parties (not to be unreasonably withheld), if such issuance, offering, placement or arrangement could reasonably be expected to impair the primary syndication of the Facilities (it being understood that deferred purchase price obligations and ordinary course capital lease, purchase money and equipment financings shall be permitted). Notwithstanding anything to the contrary contained in this Commitment Letter or the Fee Letters or any other letter agreement or undertaking concerning the financing of the Transactions to the contrary, none of the receipt of ratings referred to in clause (f) above nor the commencement, conduct or completion of such syndication shall constitute a condition to the commitments hereunder or the availability or funding of the Facilities on the Closing Date. For the avoidance of doubt, you will not be required to provide any information to the extent that the provision thereof would violate any law, rule or regulation, or any obligation of confidentiality binding upon (so long as such obligations are not entered into in contemplation of this Commitment Letter), or waive any privilege that may be asserted by, you, the Target or any of your or their respective subsidiaries or affiliates (in which case you agree to use commercially reasonable efforts to have any such confidentiality obligation waived, and otherwise in all instances, to the extent practicable and not prohibited by applicable law, rule or regulation, promptly notify us that information is being withheld pursuant to this sentence). Notwithstanding anything herein to the contrary, the only financial statements that shall be required to be provided to the Commitment Parties in connection with the syndication of the Facilities shall be those required to be delivered pursuant to paragraphs 5 and 6 of ***Exhibit C***.

You agree, at the request of any of the Commitment Parties, to assist in the preparation of a version of the Information Materials to be used in connection with the syndication of the Facilities, consisting exclusively of information and documentation that is (i) of a type that would be publicly available if the Borrower (after giving effect to the Acquisition) and the Target were public reporting companies (as reasonably determined by you), (ii) publicly available or (iii) not material with respect to the Borrower, the Target or its respective subsidiaries or any of their respective securities for purposes of foreign, United States Federal and state securities laws (all such Information Materials being "***Public Lender Information***", and Lenders that do not wish to receive information other than Public Lender Information, each, a "***Public Lender***")). Any information and documentation that is not Public Lender Information is referred to herein as "***Private Lender Information***" and any Lender that is not a Public Lender is each referred to herein as a "***Private Lender***". The information (to the extent customarily included in a confidential information memorandum for a credit facility substantially similar to the Revolving Facility) to be included in the additional version of the Information Materials for Public Lenders will be substantially consistent with the information included in any offering memorandum for the offering for the Senior Unsecured Notes. Before distribution of any Information Materials to prospective Lenders (other than the Initial Lenders), you agree to execute and deliver to the Commitment Parties, (i) to the extent reasonably requested by the Commitment Parties, a customary letter in which you authorize distribution of the Information Materials to Lenders willing to receive Private Lender Information and (ii) a separate customary letter in which you authorize distribution of Information Materials containing solely Public Lender Information and represent that such Information Materials do not contain any Private Lender Information, which letter shall in each case include a customary "10b-5" representation substantially identical to the representations in Section 4 below (which representations shall not be qualified by knowledge). Each version of the Information Materials shall (i) exculpate you, the Target and your and its respective affiliates with respect to any liability related to the misuse of such Information Materials or any related marketing materials by the recipients thereof and (ii) exculpate us and our respective affiliates with respect to any liability related to the use or misuse of such Information Materials or any related marketing materials by the recipients thereof.

You further agree, (a) at the request of the Commitment Parties, to use your commercially reasonable efforts to identify Public Lender Information by clearly and conspicuously designating the same as "PUBLIC" and (b) the Commitment Parties shall be entitled to treat any Information Materials that are not specifically identified as "PUBLIC" as being Private Lender Information. You acknowledge that the following documents contain solely Public Lender Information (unless you notify us prior to their intended distribution that any such document contains Private Lender Information) (provided, that such documents have been provided to you and your counsel for review a reasonable period of time prior thereto): (i) drafts and final copies of the Facilities Documentation, including term sheets; (ii) administrative materials prepared by the Commitment Partis for prospective Lenders (such as a lender meeting invitation, bank allocation, if any, and funding and closing memoranda); and (iii) notification of changes in the terms of the Facilities. If you advise us in writing (including by e-mail) that any of the foregoing items should be distributed only to Private Lenders, then the Lead Arrangers will not distribute such materials to Public Lenders without your consent. We shall be entitled to treat any Information Materials that are not specifically identified as "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Lenders" to which Public Lenders do not have access.

The Lead Arrangers will manage all aspects of any syndication in consultation with you, including decisions as to the selection of institutions to be approached (excluding Disqualified Lenders) and when they will be approached, when their commitments will be accepted, which institutions will participate (excluding Disqualified Lenders), the allocation of the commitments among the Lenders, any naming rights and the amount and distribution of fees among the Lenders.

4. INFORMATION.

You hereby represent and warrant that (in the case of information regarding the Target and its subsidiaries prior to the Closing Date, to your knowledge), (a) all written information (other than the Projections and other than information of a general economic, forward-looking or industry-specific nature) (the "***Information***") that has been or will be made available to the Initial Lenders by or on behalf of you, the Target or any of your or its respective representatives, when taken as a whole, is or will be, when furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made (after giving effect to all supplements and updates thereto) and (b) the Projections that have been or will be prepared by or on behalf of you and made available to the Initial Lenders by or on behalf of you or any of your representatives have been or will be prepared in good faith based upon assumptions that are believed by you to be reasonable at the time made and at the time the related Projections are made available to the Initial Lenders (it being understood that the Projections are subject to significant uncertainties and contingencies, many of which are beyond your control, and that no assurance can be given that any particular Projections will be realized and variances from the Projections may be material). In arranging and syndicating the Facilities, we will be entitled to use and rely on the Information and the Projections without responsibility for independent verification thereof.

5. FEES.

As consideration for the Initial Lenders' commitments hereunder, and our agreements to perform the services described herein, you agree to pay to the Agents, the Lead Arrangers and the Initial Lenders the fees set forth in this Commitment Letter (including the Term Sheets), in that certain amended and restated Joint Fee Letter dated the date hereof and delivered herewith with respect to the Facilities (the "***Joint Fee Letter***"), and in that certain amended and restated Agency Fee Letter dated the date hereof and delivered herewith with respect to the Facilities (the "***Agency Fee Letter***", and together with the Joint Fee Letter, the "***Fee Letters***").

6. CONDITIONS PRECEDENT.

The Initial Lenders' commitments hereunder to fund the Facilities on the Closing Date, and the Commitment Parties' and each Agent's agreement to perform the services described herein, are subject solely to the applicable conditions set forth in ***Exhibit C*** hereto, and upon satisfaction (or waiver by the Commitment Parties) of such conditions, the initial funding of the Facilities shall occur (except to the extent the amount of the gross proceeds of Senior Unsecured Notes or Takeout Securities or Replacement Loans, to the extent Senior Unsecured Notes or Takeout Securities are issued or any Replacement Loans are incurred in lieu of the Senior Unsecured Bridge Facility or a portion thereof); it being understood that there are no conditions (implied or otherwise) to the commitments hereunder, including compliance with the terms of this Commitment Letter, the Fee Letters and the Facilities Documentation, other than those that are expressly stated in ***Exhibit C*** hereto.

Notwithstanding anything in this Commitment Letter (including each of the exhibits hereto), the Fee Letters or the Facilities Documentation or any other agreement or undertaking related to the Facilities to the contrary, (a) the only representations and warranties, the accuracy of which shall be a condition to the availability of the Facilities on the Closing Date, shall be (i) such of the representations and warranties made by the Target in the Purchase Agreement as are material to the interests of the Lenders, but only to the extent that you have (or an affiliate of yours has) the right (taking into account any applicable cure provisions) to terminate your (or its) obligations under the Purchase Agreement as a result of the failure of such representations and warranties to be accurate or the right to decline to consummate the Acquisition (in each case, in accordance with the terms thereof) due to the failure of such representations and warranties to be accurate (the "***Purchase Agreement Representations***") and (ii) the Specified Representations (as defined below) and (b) the terms of the Facilities Documentation shall be in a form such that they do not impair the availability of the Facilities on the Closing Date if the applicable conditions set forth in ***Exhibit C*** to this Commitment Letter are satisfied or waived by the Initial Lenders (it being understood that (A) other than with respect to any UCC Filing Collateral or Stock Certificates (each as defined below), to the extent any Collateral (as defined in ***Exhibit A***) is not or cannot be delivered, or a security interest in any Collateral cannot be perfected, on the Closing Date after your use of commercially reasonable efforts to do so, the delivery of, or perfection of a security interest in, such Collateral shall not constitute a condition precedent to the availability of the Revolving Facility on the Closing Date, but such Collateral shall instead be required to be delivered, or a security interest in such Collateral perfected, within 90 days after the Closing Date (or such later date as mutually agreed by you and the Commitment Parties) (subject to extensions reasonably agreed to by the RCF Agent) (other than, in the case of the Target and its applicable subsidiaries, with respect to any such certificate that has not been made available to you at least two (2) business days prior to the Closing Date, to the extent you have used commercially reasonable efforts to procure delivery thereof, in which case, such stock or equivalent certificate may instead be delivered within two (2) business days after the Closing Date), (B) with respect to perfection of security interests in UCC Filing Collateral, your sole obligation shall be to deliver, or cause to be delivered, necessary Uniform Commercial Code ("***UCC***") or Personal Property Security Act of the applicable provinces of Canada ("***PPSA***") financing statements to the RCF Agent in proper form for filing in the relevant US state or commonwealth UCC filing office(s) or other similar Canadian filing office and to authorize and to cause the applicable grantor to authorize the RCF Agent to file such UCC or PPSA financing statements and (C) with respect to perfection of security interests in Stock Certificates, your sole obligation shall be to deliver to the RCF Agent or its legal counsel Stock Certificates together with undated stock powers executed in blank). For purposes hereof, (1) "***UCC Filing Collateral***" means Collateral consisting of assets of the Borrower, the Target and its respective applicable subsidiaries for which a security interest can be perfected by filing a UCC or PPSA financing statement, (2) "***Stock Certificates***" means Collateral consisting of stock certificates representing capital stock or other equity interests of the Target and its material, wholly-owned subsidiaries and the other material, wholly-owned Restricted Subsidiaries of the Borrower organized under the laws of any state, province or other political subdivision of the United States of America or Canada that is required as Collateral pursuant to the RCF Term Sheet and delivery of which is sufficient to perfect a security interest therein and, in the case of Stock Certificates of the Target and its subsidiaries, which have been delivered to you under the Purchase Agreement, and (3) "***Specified Representations***" means the representations and warranties of the Target and the Borrower to be set forth in the applicable Facilities Documentation relating to corporate or other organizational existence, organizational power and authority, due authorization, execution and delivery, in each case only as they relate to the entering into and performance of the applicable Facilities Documentation; the enforceability of the applicable Facilities Documentation; Federal Reserve margin regulations; use of proceeds not in violation of the PATRIOT Act (as defined below), the U.S. Treasury's Office of Foreign Assets Control ("***OFAC***") regulations and the U.S. Foreign Corrupt Practices Act (the "***FCPA***"); use of proceeds not in violation of the United Nations Act (Canada) ("***UNA***"), the Corruption of Foreign Public Officials Act (Canada) ("***CFPOA***"), Part II.1 of the Criminal Code (Canada) ("***Criminal Code***") and the Special Economic Measures Act (Canada) ("***SEMA***") and other applicable anti-terrorism, anti-money laundering and anti-corruption laws; the Investment Company Act; no conflicts between the applicable Facilities Documentation and the organizational documents of the Target, the Borrower and each of their respective applicable subsidiaries (in each case, only as they relate to the entering into and performance of the applicable Facilities Documentation); solvency of Borrower and its subsidiaries on a consolidated basis as of the Closing Date (defined in a manner consistent with the form of solvency certificate attached hereto as ***Exhibit D***); and, solely in the case of the Revolving Facility and subject to permitted liens and the limitations set forth in the prior sentence, creation, validity and perfection of security interests. This paragraph, and the provisions herein, shall be referred to as the "***Certain Funds Provision***". Without limiting the conditions precedent provided herein to funding the consummation of the Acquisition with the proceeds of the Facilities, the Commitment Parties will cooperate with you as reasonably requested in coordinating the timing and procedures for the funding of the Facilities in a manner consistent with the Purchase Agreement.

7. INDEMNIFICATION; EXPENSES.

You agree:

(a) to indemnify and hold harmless each Commitment Party and its affiliates and its and its affiliates' respective officers, directors, employees, agents, advisors, representatives, controlling persons and members, partners and successors and permitted assigns (other than any Excluded Affiliate) (each a "***Representative***") of each of the foregoing (each, an "***Indemnified Person***"), from and against any and all losses, claims, damages, liabilities and expenses, joint or several, to which any such Indemnified Person may become subject arising out of or in connection with this Commitment Letter, the Fee Letters, the Purchase Agreement, the Transactions, the Facilities or any other transactions related to the foregoing or any claim, litigation, investigation or proceeding (each, an "***Action***") relating to any of the foregoing, regardless of whether any such Indemnified Person is a party to such Action (and regardless of whether such Action is initiated by a third party, the Borrower, the Target or any of its respective affiliates or equity holders), and to reimburse each such Indemnified Person, promptly upon receipt of a written request therefor together with customary backup documentation in reasonable detail, for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating or defending any such Action (limited to one counsel for all Indemnified Persons taken as a whole and, if reasonably necessary, a single local counsel for all Indemnified Persons taken as a whole in each relevant material jurisdiction (which may be a single local counsel acting in multiple material jurisdictions) and, solely in the case of an actual or perceived conflict of interest between Indemnified Persons where the Indemnified Persons affected by such conflict inform you of such conflict, one additional counsel in each relevant material jurisdiction to each group of affected Indemnified Persons similarly situated, taken as a whole); *provided* that the foregoing indemnity will not, as to any Indemnified Person, apply to losses, claims, damages, liabilities or related expenses to the extent they are found in a final, non-appealable judgment of a court of competent jurisdiction to have resulted from (i) the willful misconduct, bad faith or gross negligence of such Indemnified Person or any Representative of such Indemnified Person, (ii) a material breach of the obligations of such Indemnified Person or any such Indemnified Person's affiliates under this Commitment Letter, the Fee Letters or the Facilities Documentation or (iii) any Action that is brought by an Indemnified Person against any other Indemnified Person (other than any Action against an arranger, bookrunner or agent under the Facilities acting in its capacity as such or any claims arising out of an act or omission on the part of you or any of your respective affiliates) (*provided*, that each Indemnified Person agrees (by accepting the benefits hereof) to refund and return any and all amounts paid by you to such Indemnified Person to the extent such Indemnified Person is not entitled to payment of such amounts in accordance with any of the foregoing items described in clauses (i), (ii) or (iii) occurs).

(b) whether or not the Transactions are consummated or the Closing Date occurs, to reimburse each Commitment Party after receipt of a written request together with customary backup documentation in reasonable detail, for all reasonable out-of-pocket expenses (including, but not limited to, (i) expenses of each Commitment Party's due diligence investigation, (ii) syndication expenses, (iii) travel expenses and (iv) fees, disbursements and other charges of one counsel to the Commitment Parties identified in the Term Sheets, and, if necessary, of a single local counsel in each appropriate jurisdiction (which may include a single special counsel acting in multiple jurisdictions)) for all Indemnified Persons, taken as a whole, incurred solely in connection with the Facilities and the preparation and negotiation of this Commitment Letter, the Fee Letters, the Facilities Documentation and any related definitive documentation (collectively, the "***Expenses***"); *provided* that, without limiting clause (a) above, if the Closing Date (as defined in the Joint Fee Letter) does not occur, you shall not be obligated to reimburse the Commitment Parties in respect of legal fees and expenses pursuant to this clause (b) in excess of $500,000.

You shall not be liable for any settlement of any Action effected without your prior written consent (such consent not to be unreasonably withheld or delayed), but, if settled with your prior written consent or if there is a final judgment in any such Action, you agree to indemnify and hold harmless each Indemnified Person from and against any and all losses, claims, damages, liabilities and expenses by reason of such settlement or final judgment in accordance with this Section 7. You shall not, without the prior written consent of an Indemnified Person (which consent shall not be unreasonably withheld or delayed in the case of any third-party Action), effect any settlement of any Action in respect of which indemnity could have been sought hereunder by such Indemnified Person unless such settlement (x) includes an unconditional release of such Indemnified Person from all liability on claims that are the subject matter of such Actions and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of such Indemnified Person. Notwithstanding the foregoing, each Indemnified Person shall be obligated to refund or return any and all amounts paid by you under this Section 7 to such Indemnified Person for any losses, claims, damages, liabilities and expenses to the extent such Indemnified Person is not entitled to payment of such amounts in accordance with the terms hereof.

You agree that, notwithstanding any other provision of this Commitment Letter, none of we or you or any Indemnified Person, the Target, or any of its respective subsidiaries, shall have any liability for any special, indirect, consequential or punitive damages (including, without limitation any loss of profits, business or anticipated savings) in connection with this Commitment Letter, the Fee Letters, the Transactions (including the Facilities and the use of proceeds thereunder), or with respect to any activities related to the Facilities, including the preparation of this Commitment Letter, the Fee Letters and the Facilities Documentation; *provided* that nothing contained in this paragraph shall limit your indemnity and reimbursement obligations to the extent such indirect, special, punitive or consequential damages are included in any third-party claim with respect to which the applicable Indemnified Person is entitled to indemnification under the first paragraph of this Section 7.

You acknowledge that we may receive a future benefit on matters unrelated to this matter, including, without limitation, discount, credit or other accommodation, from any of such counsel based on the fees such counsel may receive on account of their relationship with us, including without limitation fees paid pursuant hereto (it being understood and agreed that, in no event, shall the Expenses include items in respect of any unrelated matter or otherwise be increased as a result of such counsel's representation of us on another matter or on account of our relationship with such counsel).

8. SHARING INFORMATION; ABSENCE OF FIDUCIARY RELATIONSHIP; AFFILIATE ACTIVITIES.

Consistent with the Commitment Parties' policies to hold in confidence the affairs of their customers, the Commitment Parties will not furnish confidential information obtained from you by virtue of the transactions contemplated by this Commitment Letter or their other relationships with you to other companies. You acknowledge that we do not have any obligation to use in connection with the transactions contemplated by this Commitment Letter, or to furnish to you, confidential information obtained by us or any of our respective affiliates from other companies. The Commitment Parties may have economic interests that conflict with yours or those of your equity holders or affiliates. You further acknowledge and agree that (a) no fiduciary, advisory or agency relationship between you and the Commitment Parties or their respective affiliates is intended to be or has been created in respect of any of the transactions contemplated by this Commitment Letter (or the Fee Letters, including the exercise of rights and remedies hereunder or thereunder), irrespective of whether the Commitment Parties or their respective affiliates have advised or are advising you on other matters, (b) the transactions contemplated by this Commitment Letter and the Fee Letters (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Commitment Parties and their respective affiliates, on the one hand, and you, on the other hand, that does not directly or indirectly give rise to, nor do you rely on, any fiduciary duty on the part of the Commitment Parties or their respective affiliates, (c) you are capable of evaluating and understanding, and you understand and accept, the terms, risks and conditions of the transactions contemplated by this Commitment Letter, (d) you have been advised that the Commitment Parties and their respective affiliates are engaged in a broad range of transactions that may involve interests that differ from your interests and that the Commitment Parties and their respective affiliates have no obligation to disclose such interests and transactions to you by virtue of any fiduciary, advisory or agency relationship and (e) you waive, to the fullest extent permitted by law, any claims you may have against the Commitment Parties or their respective affiliates for breach of fiduciary duty or alleged breach of fiduciary duty and agree that the Commitment Parties and their respective affiliates shall have no liability (whether direct or indirect) to you in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors, in each case in connection with the Transactions. Additionally, you acknowledge and agree that the Commitment Parties are not advising you as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction (including, without limitation, with respect to any consents needed in connection with the transactions contemplated hereby). You shall consult with your own advisors concerning such matters to the extent you deem appropriate and shall be responsible for making your own independent investigation and appraisal of the transactions contemplated hereby (including, without limitation, with respect to any consents needed in connection therewith), and the Commitment Parties and their respective affiliates shall have no responsibility or liability to you with respect thereto. Any review by the Commitment Parties or their respective affiliates of the Borrower or any of its subsidiaries, the Target, the Transactions, the other transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Commitment Parties and their respective affiliates and shall not be on behalf of you or any of your affiliates.

You further acknowledge that the Commitment Parties and their respective affiliates are full-service securities firms engaged in securities trading and brokerage activities as well as providing investment banking and other financial services, including to other companies in respect of which you may have conflicting interests. In the ordinary course of business, the Commitment Parties and their respective affiliates may provide investment banking and other financial services to, and/or acquire, hold or sell, for their own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of you, the Borrower, the Target and other companies with which you, the Borrower, or the Target may have commercial or other relationships. Although the Commitment Parties in the course of such other activities and relationships may acquire information about the transactions contemplated by this Commitment Letter or other entities and persons that may be the subject of the financing contemplated by this Commitment Letter, the Commitment Parties shall have no obligation to disclose such information, or the fact that such Commitment Parties is in possession of such information, to you or any of your affiliates or to use such information on your or your affiliates' behalf. With respect to any securities and/or financial instruments so held by the Commitment Parties and their respective affiliates or any of their customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

As you know, Goldman Sachs has been retained by the Borrower (or one of its affiliates) as financial advisor (in such capacity, the "***Financial Advisor***") in connection with the Acquisition and the Transactions. You have agreed to such retention, and further agree not to assert any claim you might allege based on any actual or potential conflicts of interest that might be asserted to arise or result from the engagement of the Financial Advisor, on the one hand, and our and our affiliates' relationships with you as described and referred to herein, on the other. Each other Commitment Parties hereto acknowledges (i) the retention of Goldman Sachs as the Financial Advisor and (ii) that such relationship does not create any fiduciary duties or fiduciary responsibilities to such Commitment Parties on the part of Goldman Sachs or its affiliates.

9. ASSIGNMENTS; AMENDMENTS; GOVERNING LAW, ETC.

This Commitment Letter and the commitments hereunder shall not be assignable by any party hereto (other than by any Initial Lender to any of its affiliates) without the prior written consent of the other parties hereto (and any attempted assignment without such consent shall be null and void), is intended to be solely for the benefit of the parties hereto (and Indemnified Persons), and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto (and Indemnified Persons). Any and all obligations of, and services to be provided by, us hereunder (including, without limitation, the Initial Lenders' commitments) may be performed and any and all of our rights hereunder may be exercised by or through any of our respective affiliates or branches and, in connection with such performance or exercise, we may exchange with such affiliates or branches information concerning you and your affiliates that may be the subject of the transactions contemplated hereby and, to the extent so employed, such affiliates and branches shall be entitled to the benefits afforded to us hereunder; *provided* that nothing in this Commitment Letter shall relieve us of any of our obligations hereunder except as expressly provided in Section 2 or 3 above and (y) notwithstanding anything to the contrary set forth herein, we may assign our commitment and agreements hereunder, in whole or in part, to Goldman Sachs Lending Partners LLC and our commitments and agreements hereunder may be performed by or through Goldman Sachs Lending Partners LLC. This Commitment Letter may not be amended or any provision hereof waived or modified except by an instrument in writing signed by us and you.

This Commitment Letter may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Commitment Letter by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof. Section headings used herein are for convenience of reference only, are not part of this Commitment Letter and are not to affect the construction of, or to be taken into consideration in interpreting, this Commitment Letter.

You acknowledge that information and documents relating to the Facilities may be transmitted through SyndTrak, Intralinks, the Internet, e-mail or similar electronic transmission systems, and that the Commitment Parties shall not be liable for any damages arising from the unauthorized use by others of information or documents transmitted in such manner except to the extent such damages are found in a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the willful misconduct, bad faith or gross negligence of the Commitment Parties. This Commitment Letter and the Fee Letters supersede all prior understandings, whether written or oral, between you and us with respect to the Facilities.

Each of the parties hereto agrees that (i) this Commitment Letter is a binding and enforceable agreement (subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law)) with respect to the subject matter contained herein, including an agreement to negotiate in good faith the Facilities Documentation by the parties hereto in a manner consistent with this Commitment Letter, it being acknowledged and agreed that the funding of the Facilities is subject only to the applicable conditions precedent set forth in ***Exhibit C*** hereto and (ii) each of the Fee Letters is a binding and enforceable agreement (subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law)) of the parties thereto with respect to the subject matter set forth therein.

THIS COMMITMENT LETTER AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS COMMITMENT LETTER OR THE FEE LETTERS (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER HEREOF) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; *provided, however*, that (a) the interpretation of the definition of Material Adverse Change (as defined in ***Exhibit C*** hereto) (and whether or not a Material Adverse Change has occurred), (b) the determination of the accuracy of any Purchase Agreement Representations and whether as a result of any inaccuracy of any Purchase Agreement Representations you have (or an affiliate of yours has) the right (taking into account any applicable cure provisions) to terminate your (or its) obligations under the Purchase Agreement as a result of the failure of such representations to be accurate or the right to decline to consummate the Acquisition due to the failure of such representations to be accurate and (c) the determination of whether the Acquisition has been consummated in accordance with the terms of the Purchase Agreement shall, in each case, be governed by, and construed and interpreted in accordance with, the internal laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware.

10. JURISDICTION.

Each of the parties hereto hereby irrevocably and unconditionally (a) submits, for itself and its property, to the exclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in the Borough of Manhattan in New York City, and any appellate court from any thereof, in any suit, action or proceeding arising out of or relating to this Commitment Letter, the Fee Letters or the transactions contemplated hereby or thereby, and agrees that all claims in respect of any such suit, action or proceeding may be heard and determined only in such New York State court or, to the extent permitted by law, in such Federal court, (b) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Commitment Letter, the Fee Letters or the transactions contemplated hereby or thereby in any such New York State court or in any such Federal court, (c) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such suit, action or proceeding in any such court and (d) agrees that a final judgment in any such suit, 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. The Borrower shall provide evidence that it has appointed Corporation Service Company at 80 State Street, Albany, NY, 12207-2543 as its agent for service of process for the purpose of the submission to jurisdiction as set forth above. Service of any process, summons, notice or document by registered mail addressed to you at the address above shall be effective service of process against you for any suit, action or proceeding brought in any such court. **To the extent that the Borrower has or hereafter may acquire any immunity (sovereign or otherwise) from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, the Borrower irrevocably waives (to the extent permitted by applicable law) such immunity in respect of its obligations hereunder.**

11. WAIVER OF JURY TRIAL.

EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY OR ON BEHALF OF ANY PARTY RELATED TO OR ARISING OUT OF THIS COMMITMENT LETTER, THE FEE LETTERS OR THE PERFORMANCE OF SERVICES HEREUNDER OR THEREUNDER.

12. CONFIDENTIALITY.

This Commitment Letter is delivered to you on the understanding that none of this Commitment Letter, the Fee Letters or any of their terms or substance, nor the activities of the Commitment Parties pursuant hereto, shall be disclosed, directly or indirectly, to any other person except (a) your affiliates and the officers, directors, employees, attorneys, accountants or advisors of you or any such affiliate on a confidential basis, (b) pursuant to the order of any court or administrative agency in any pending legal or administrative proceeding, or otherwise as required by applicable law or stock exchange requirement or compulsory legal process (in which case you agree to inform us promptly thereof to the extent lawfully permitted to do so), (c) if the Commitment Parties consent in writing to such proposed disclosure, (d) the Term Sheets and the existence of this Commitment Letter (but not this Commitment Letter or the Fee Letters) may be disclosed to any rating agency in connection with the Transactions, or (e) in connection with the enforcement of your rights hereunder; *provided* that you may disclose (i) this Commitment Letter and the contents hereof to the Target and each of its officers, directors, employees, attorneys, accountants, agents and advisors involved in the consideration of the Transactions on a confidential basis and to equity investors involved in the consideration of the Transactions on a confidential basis; (ii) the Fee Letters, to the extent the Fee Letters has been redacted with respect to the fee amounts and the pricing and other economic terms of the "Market Flex" provisions to the Target and its officers, directors, employees, attorneys, accountants, agents and advisors involved in the consideration of the Transactions, on a confidential basis; (iii) the aggregate fee amounts contained in the Fee Letters as part of Projections, *pro forma* information or a generic disclosure of aggregate sources and uses related to fee amounts related to the Transactions to the Target and its respective officers, directors, employees, attorneys, accountants and advisors involved in the consideration of the Transactions, on a confidential basis, or to the extent customary or required in offering and marketing materials for the Facilities or the Senior Unsecured Notes or Takeout Securities or in any public filing relating to the Transactions; (iv) the Term Sheets and the other exhibits and annexes to this Commitment Letter in any syndication of the Facilities or other marketing efforts for debt to be used to finance the Transactions; and (v) you may disclose this Commitment Letter (but not the Fee Letters) and its contents in any proxy statement or other public filing relating to the Acquisition. We agree that we will permit you to review and approve (such approval not to be unreasonably withheld or delayed) any reference to you or any of your respective affiliates in connection with the Facilities or the transactions contemplated hereby contained in any press release or similar written disclosure prior to public release. The obligations under this paragraph with respect to this Commitment Letter shall terminate automatically after the Facilities Documentation has been executed and delivered by the parties thereto to the extent superseded thereby. To the extent not earlier terminated, the provisions of this paragraph with respect to this Commitment Letter shall automatically terminate on the second anniversary of the date hereof. Notwithstanding the foregoing, the Agency Fee Letter may not be disclosed to any other party without the prior consent of Goldman Sachs.

We and our affiliates will use all confidential information provided to us or such affiliates by or on behalf of you hereunder (including any information obtained by us or our affiliates based on a review of the books and records relating to you or the Target or any of your or its respective subsidiaries or affiliates) or in connection with the Acquisition and the related Transactions solely for the purpose of providing the services which are the subject of this Commitment Letter and shall treat confidentially all such information and shall not publish, disclose or otherwise divulge, such information; *provided* that nothing herein shall prevent us and our affiliates from disclosing any such information (a) pursuant to the order of any court or administrative agency or in any pending legal, judicial or administrative proceeding, or otherwise as required by applicable law or compulsory legal process based on the advice of counsel (in which case we agree (except with respect to any audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, to inform you promptly thereof prior to disclosure), (b) upon the request or demand of any regulatory authority (including any self-regulatory authority) having jurisdiction over us or any of our affiliates (in which case we agree (except with respect to any audit or examination conducted by bank accountants or any governmental or bank regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, to inform you promptly thereof prior to disclosure), (c) to the extent that such information becomes publicly available other than by reason of improper disclosure by us or any of our affiliates or Representatives in violation of any confidentiality obligations owing to you, the Target or any of your or its respective affiliates (including those set forth in this paragraph), (d) to the extent that such information is received by us from a third party that is not, to our knowledge, subject to contractual or fiduciary confidentiality obligations owing to you or any of your or its respective affiliates or related parties, (e) to the extent that such information is independently developed by us, (f) to our affiliates and to our and its respective employees, legal counsel, independent auditors, professionals and other experts or agents who need to know such information in connection with the Transactions and who are informed of the confidential nature of such information and have been advised of their obligation to keep information of this type confidential, (g) in the case of the Term Sheets, or marketing term sheets based substantially on the Term Sheets, to ratings agencies in connection with obtaining ratings for the Borrower and the Senior Unsecured Bridge Facility or the Senior Unsecured Notes or to potential or prospective Lenders (other than any Disqualified Lenders), participants or assignees and to any direct or indirect contractual counterparty to any swap or derivative transaction relating to the Borrower or any of its subsidiaries or their respective obligations, in each case who agree to be bound by the terms of this paragraph (or language substantially similar to this paragraph); (h) to the extent you have consented to such disclosure, (i) for purposes of establishing a "due diligence" defense or in connection with any remedy or enforcement of any right hereunder or under the Fee Letters, or (j) to the extent necessary or customary for inclusion in league table measurement; *provided*, *further*, that the disclosure of any such information to any Lenders or prospective Lenders or participants or prospective participants referred to above shall be made subject to the acknowledgment and acceptance by such Lender or prospective Lender or participant or prospective participant that such information is being disseminated on a confidential basis (on substantially the terms set forth in this paragraph or as is otherwise reasonably acceptable to you and us, including, without limitation, as agreed in any Information Materials or other marketing materials) in accordance with customary syndication processes and customary market standards for dissemination of such type of information. In addition, each Commitment Party may disclose the existence of the Facilities and the information about the Facilities contained in the Term Sheets in customary fashion to market data collectors, similar services providers to the lending industry, and service providers to any other Commitment Party in connection with the administration and management of the Facilities. Our and our affiliates' obligations under this paragraph shall terminate automatically and be superseded by the confidentiality provisions in the Facilities Documentation upon the Closing Date; *provided*, *further*, that if the Closing Date does not occur, this paragraph shall automatically terminate on the second anniversary hereof. Neither the Commitment Parties nor any of their affiliates will use confidential information obtained from you by virtue of the transactions contemplated by this Commitment Letter or their other relationships with you in connection with the performance by it of services for other persons.

Notwithstanding anything herein to the contrary, you (and any of your employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Commitment Letter and the Fee Letters and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax treatment and tax structure, except that (i) tax treatment and tax structure shall not include the identity of any existing or future party (or any affiliate of such party) to this Commitment Letter or the Fee Letters and (ii) no party shall disclose any information relating to such tax treatment and tax structure to the extent nondisclosure is reasonably necessary in order to comply with applicable securities laws. For this purpose, the tax treatment of the transactions contemplated by this Commitment Letter and the Fee Letters is the purported or claimed U.S. Federal income tax treatment of such transactions and the tax structure of such transactions is any fact that may be relevant to understanding the purported or claimed U.S. Federal income tax treatment of such transactions.

13. SURVIVING PROVISIONS.

The reimbursement, indemnification, confidentiality (to the extent provided above), syndication, information, jurisdiction, governing law, venue and waiver of jury trial provisions contained herein, in the Fee Letters and the provisions of Section 8 of this Commitment Letter shall remain in full force and effect regardless of whether the Facilities Documentation shall be executed and delivered and (other than in the case of the syndication provisions) notwithstanding the termination of this Commitment Letter or the Initial Lenders' commitments hereunder and our agreements to perform the services described herein; *provided* that your obligations under this Commitment Letter, other than those relating to confidentiality and to the syndication of the Facilities, shall automatically terminate and be superseded by the corresponding provisions of the Facilities Documentation (with respect to indemnification, reimbursement and confidentiality, to the extent covered thereby) upon the initial funding under the Facilities and the payment of all amounts owing at such time hereunder and under the Fee Letters, and you shall be released from all liability in connection therewith at such time.

14. PATRIOT ACT NOTIFICATION.

We hereby notify you that, pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "***PATRIOT Act***"), each of us and each Lender is required to obtain, verify and record information that identifies the borrower and each guarantor of the Facilities, which information includes the name, address, tax identification number and other information regarding the borrower and each guarantor of the Facilities that will allow us or such Lender to identify each borrower and each guarantor of the Facilities in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective as to each of us and each Lender. You hereby acknowledge and agree that we shall be permitted to share any or all such information with the Lenders.

15. ACCEPTANCE AND TERMINATION.

If the foregoing correctly sets forth our agreement with you, please indicate your acceptance of the terms of this Commitment Letter and of the Fee Letters by returning to Goldman Sachs executed counterparts hereof and of the Fee Letter not later than 11:59 p.m., New York City time, on September 16, 2016. The Initial Lenders' commitments hereunder, and the Commitment Parties' agreements to perform the services described herein, will expire automatically and without further action or notice and without further obligation to you at such time in the event Goldman Sachs has not received such executed counterparts in accordance with the immediately preceding sentence. This Commitment Letter will become a binding commitment on the Commitment Parties only after it has been duly executed and delivered by you in accordance with the first sentence of this Section 15. In the event that the Closing Date does not occur on or prior to the earliest to occur of (x) the date that is five business days following the End Date (as defined in the Purchase Agreement dated as of August 29, 2016), (y) the termination of the Purchase Agreement in accordance with its terms in the event the Acquisition is not consummated and (z) the consummation of the Acquisition (with or without the funding of the Facilities), then this Commitment Letter and the commitments of the Initial Lenders hereunder, and the Commitment Parties' agreements to perform the services described herein, shall automatically terminate without further action or notice and without further obligation to you unless the Commitment Parties shall, in their discretion, agree to an extension in writing. Notwithstanding the foregoing, to the extent you obtain commitments under any Alternate Facility, you shall promptly notify us and the entire commitment under the Revolving Facility will be terminated. You shall have the right to terminate this Commitment Letter and the commitments of the Lenders hereunder (in whole or in part) at any time upon written notice to them from you, subject to your surviving obligations as set forth in Section 13 of this Commitment Letter and in the Fee Letters. Notwithstanding anything in this Section 15 to the contrary, the termination of any commitment pursuant to this Section 15 does not prejudice your or our rights and remedies in respect of any breach of this Commitment Letter that occurred prior to such termination.

[*Signature page follows.*]

We are pleased to have been given the opportunity to assist you in connection with the financing for the Acquisition.

Very truly yours,

GOLDMAN SACHS BANK USA

By: /s/ Thomas M. Manning
Name: Thomas M. Manning
Title: Authorized Signatory

[Signature page to Commitment Letter]

We are pleased to have been given the opportunity to assist you in connection with the financing for the Acquisition.

ROYAL BANK OF CANADA

By: /s/ James S. Wolfe
Name: James S. Wolfe
Title: Managing Director, Head of Global Leveraged Finance

[Signature page to Commitment Letter]

We are pleased to have been given the opportunity to assist you in connection with the financing for the Acquisition.

Accepted and agreed to as of
the date first above written:

RITCHIE BROS. AUCTIONEERS INCORPORATED

By: /s/ Sharon Driscoll
Name: Sharon Driscoll
Title: Chief Financial Officer

[Signature page to Commitment Letter]

EXHIBIT A

$150.0 MILLION REVOLVING CREDIT FACILITY
SUMMARY OF PRINCIPAL TERMS AND CONDITIONS[2]

BORROWER: Ritchie Bros. Auctioneers Incorporated, a public company incorporated in Canada (the "***Borrower***").

TRANSACTIONS: The Borrower, through one of its direct or indirect subsidiaries, intends to acquire (the "***Acquisition***") the Target pursuant to an Agreement and Plan of Merger (together with all exhibits, schedules and annexes thereto, the "***Purchase Agreement***") dated as of August 29, 2016 among the Borrower, MergerSub, the Target and Fortis Advisors LLC as representative for the Indemnifying Security-Holders referred to therein.

In connection with the Acquisition:

(a) on or before the Closing Date, (i) the Borrower's existing revolving credit facility governed by that certain (x) Amended and Restated Credit Agreement, dated as of May 31, 2013, as amended (the "***BofA Credit Agreement***"), among Bank of America, N.A. as the lender, the additional revolving borrowers party thereto, and the other lenders and parties thereto and (y) Credit Agreement, dated as of September 27, 2013, as amended, amended and restated and/or supplemented from time to time, among U.S. Bank National Association as the lender, the Borrower and the other parties thereto, will, in each case, be repaid in full, and all commitments thereunder will be terminated and all security interests (if any) relating thereto shall be released, (ii) the Borrower's existing notes governed by that certain Second Amended and Restated Private Shelf Agreement, dated as of November 14, 2014, as amended (the "***Shelf Agreement***"), the Borrower, the co-obligors party thereto and the purchasers from time to time party thereto, will be repaid in full, and the Shelf Agreement will be terminated and (iii) to the extent that any other committed or uncommitted revolving credit facility (including, for the avoidance of doubt, the uncommitted credit facility dated as of December 20, 2012, as amended, amended and restated and/or supplemented from time to time, by and among ING Bank N.V. as the lender, the Borrower and the other parties thereto) of the Borrower and its Restricted Subsidiaries (as defined below) (the "***Existing Cash Management Facilities***") would prohibit the Transactions on the Closing Date, such revolving credit facility will be repaid in full, and all commitments thereunder will be terminated and all security interests (if any) relating thereto shall be released (all indebtedness referred to in this clause (a), the "***Borrower's Existing Debt"***);

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[2] All capitalized terms used but not defined herein have the meanings given to them in the Commitment Letter to which this term sheet (the "***RCF Term Sheet***") is attached, ***Exhibit B***, the annexes to ***Exhibit A*** or ***Exhibit B*** or the other exhibits thereto. In the event any such capitalized term is subject to multiple and differing definitions, the appropriate meaning thereof for purposes of this ***Exhibit A*** shall be determined by reference to the context in which it is used.

(b) the Borrower may obtain the senior secured revolving credit facility described below under the caption "Revolving Facility";

(c) either (i) the Borrower will issue the Senior Unsecured Notes in a Rule 144A / Regulation S offering or other private placement or issue Takeout Securities or incur Replacement Loans in an aggregate principal amount of $850.0 million or (ii) if all or any portion of the Senior Unsecured Notes or Takeout Indebtedness are not issued or Replacement Loans are not incurred, the Borrower will obtain the senior unsecured bridge loan facility (the "***Senior Unsecured Bridge Facility***") described under the caption "Senior Unsecured Bridge Facility" in ***Exhibit B*** to the Commitment Letter to which this Term Sheet is attached;

(d) the Acquisition will be consummated on the Closing Date and the Target will become a subsidiary of the Borrower;

(e) the existing indebtedness for borrowed money of the Target and its subsidiaries under the Target's existing credit facility governed by that certain Credit Agreement, dated as of September 16, 2015, as amended ("***Target's Existing Debt***" and, together with the Borrower's Existing Debt, the "***Existing Debt***") will be repaid (and all liens with respect thereto shall have been terminated and released) (such transactions, together with the transactions referred to in paragraph (a) above, the "***Refinancing***"); and

(f) fees and expenses incurred in connection with the foregoing (the "***Transaction Costs***") will be paid. The Acquisition, the Refinancing, the Facilities, the offering of the Senior Unsecured Notes and the other transactions described in this paragraph are collectively referred to herein as the "***Transactions***".

ADMINISTRATIVE AGENT: Goldman Sachs, acting through one or more of its branches or affiliates, will act as sole administrative agent (in such capacity, the "***RCF Agent***") for a syndicate of banks, financial institutions and other institutional lenders reasonably acceptable to the Borrower (together with the Initial Lenders holding Revolving Commitments (as defined below), the "***Revolving Lenders***") and will perform the duties customarily associated with such role.

COLLATERAL AGENT: Goldman Sachs, acting through one or more of its branches or affiliates, will act as the collateral agent (in such capacity, the "***Collateral Agent***") for the Revolving Lenders and will perform the duties customarily associated with such role.

JOINT LEAD ARRANGERS AND JOINT BOOKRUNNERS	The Lead Arrangers and Bookrunners (each as defined in the Commitment Letter) will act as joint lead arrangers and joint bookrunners, respectively, for the Revolving Facility and will perform the duties customarily associated with such roles.
REVOLVING FACILITY:	A senior secured revolving credit facility (the "***Revolving Facility***"; the commitments to fund the loans thereunder, the "***Revolving Commitments***") made available to the Borrower in an aggregate principal amount of $150.0 million under which Borrower may borrow loans from time to time (the loans thereunder, together with Swingline Loans referred to below, the "***Revolving Loans***"), and an amount to be mutually agreed of which will be available through a sub-facility of the Revolving Facility (as further increased from time to time as provided under the section titled "Commitment Increase" below, the "***Letter of Credit Cap***") in the form of Letters of Credit (as defined below) for the account of Borrower or any of its Restricted Subsidiaries subject to availability as described under the heading "Availability and Amounts" below; *provided* that the Revolving Commitments under the Revolving Facility on the Closing Date shall be reduced by (i) any commitments made available under the Revolving Facility entered into upon an Escrow Securities Demand (as defined in the Joint Fee Letter) prior to the Closing Date and (ii) any commitments under any Existing Cash Management Facilities that remain outstanding on the Closing Date (unless the obligations in respect of such commitments are not secured by any security interest on any assets of the Borrower and its Restricted Subsidiaries); *provided further* that a portion of the Revolving Facility to be mutually agreed may be made available in Canadian Dollars, British Pounds Sterling, Euros and Australian Dollars, in each case, subject to sublimits to be mutually agreed (each a "***Permitted Foreign Currency***").
SWINGLINE LOANS:	In connection with the Revolving Facility, the RCF Agent (in such capacity, the "***Swingline Lender***") will make available to the Borrower, upon same-day notice, a swingline facility under which the Borrower may make short-term borrowings in U.S. dollars only of up to an aggregate amount to be mutually agreed upon. Except for purposes of calculating the commitment fee described in Annex I hereto, such swingline borrowings will reduce availability under the Revolving Facility on a dollar-for-dollar basis. Defaulting Lender provisions will be consistent with the RCF Credit Documentation (as defined below).

COMMITMENT INCREASE: The Borrower shall have the right to solicit existing Revolving Lenders or prospective lenders who are eligible assignees reasonably acceptable to the RCF Agent and the Issuing Banks (as defined below) to provide additional revolving loan commitments under the Revolving Facility (a "***Commitment Increase***") in an aggregate amount not to exceed an amount to be agreed and on such other terms and conditions to be mutually agreed.

PURPOSE: The proceeds of Revolving Loans will be used by the Borrower from time to time for general corporate purposes after the Closing Date; *provided* that the amount of Revolving Loans permitted to be incurred on the Closing Date shall be subject to the restrictions set forth in the "Availability and Amounts" section below.

AVAILABILITY AND AMOUNTS: From and after the Closing Date, Revolving Loans under the Revolving Facility (exclusive of Letter of Credit usage) will be available at any time prior to the final maturity of the Revolving Facility, in minimum principal amounts and upon notice to be mutually agreed upon; *provided* that Revolving Loans made on the Closing Date will be limited to an amount sufficient to, at the option of the Borrower, (i) pay consideration under the Purchase Agreement, (ii) pay Transaction Costs and/or (iii) backstop, replace or cash collateralize letters of credit outstanding on the Closing Date; *provided* that the aggregate amount of Revolving Loans drawn under the Revolving Facility on the Closing Date shall not exceed $30 million (the "***Closing Date Draw Amount***"); *provided further* that the Commitment Parties' commitments to provide Revolving Commitments under the Revolving Facility on the Closing Date shall be reduced by (i) any commitments made under the Revolving Facility entered into pursuant to an Escrow Securities Demand prior to the Closing Date and (ii) any commitments under any Existing Cash Management Facilities that remain outstanding on the Closing Date (unless the obligations in respect of such commitments are not secured by any security interest on any assets of the Borrower and its Restricted Subsidiaries).

Subject to customary terms and conditions to be mutually agreed, the Borrower and/or a Local Borrowing Subsidiary (to be defined in a manner mutually agreed) may borrow Revolving Loans (or, in the sole discretion of the relevant Local Lender (as defined below), bankers' acceptances) in U.S. dollars or a Permitted Foreign Currency from affiliates of the RCF Agent (or, if such affiliates of the RCF Agent decline to act as a Local Lender, such other financial institutions reasonably acceptable to the RCF Agent) (each, a "***Local Lender***"), with each Revolving Lender taking a U.S. dollar-denominated irrevocable and unconditional participating interest therein (amounts available under this facility, the "***Local Loan Subfacility***"; and the loans thereunder, the "***Local Loans***").

The Local Loan Subfacility shall include terms no less favorable to the Borrower than such corresponding terms under the Existing Revolving Facility and shall address the structure and operating requirements of the Borrower and its subsidiaries after giving effect to the Acquisition.

INTEREST RATES AND FEES: As set forth on ***Annex I*** hereto.

DEFAULT RATE: The applicable interest rate plus 2.0% per annum payable on overdue amounts only.

FINAL MATURITY: The Revolving Facility will mature and the Revolving Commitments thereunder will terminate on the date that is 5 years after the Closing Date; *provided* that the RCF Credit Documentation shall provide the right for individual Revolving Lenders to agree to extend the maturity date of all or a portion of the commitments and outstanding loans under the Revolving Facility upon the request of the Borrower and without the consent of any other Revolving Lender; it being understood that each Revolving Lender shall have the opportunity to participate in such extension on the same terms and conditions as each other Revolving Lender (it being understood that no existing Revolving Lender will have any obligation to commit to any such extension); *provided*, *further*, that any such extension, without limitation, may, subject to the Borrower's consent, contain an increase in the interest rate payable with respect to such extended loans and commitments, with such extensions not subject to any "default stoppers", financial tests or "most favored nation" pricing provisions.

LETTERS OF CREDIT: Letters of credit under the Revolving Facility ("***Letters of Credit***") will be issued by the RCF Agent and other Revolving Lenders acceptable to the Borrower and the RCF Agent that shall have consented to such role (each, an "***Issuing Bank***"); *provided* that, no Revolving Lender as of the Closing Date shall be required to issue Letters of Credit in excess of its ratable share of the Letters of Credit sublimit (determined based on its ratable share of the Revolving Commitments as of the Closing Date); *provided further*, that Goldman Sachs (or its affiliates) shall only be required to issue standby Letters of Credit denominated in U.S. dollars or a Permitted Foreign Currency and shall not be required to issue any documentary, commercial or trade Letters of Credit. Letters of Credit will be denominated in U.S. Dollars or a Permitted Foreign Currency. Each Letter of Credit shall expire not later than the earlier of (a) 12 months after its date of issuance and (b) unless arrangements reasonably satisfactory to the applicable Issuing Bank and the RCF Agent have been entered into, the fifth business day prior to the final maturity of the Revolving Facility; *provided*, *however*, that any Letter of Credit may provide for renewal thereof for additional periods of up to 12 months or such longer period as may be agreed by the applicable Issuing Bank pursuant to arrangements reasonably satisfactory to it (which in no event shall extend beyond the date referred to in clause (b) above, unless cash collateralized or backstopped in a manner reasonably satisfactory to such Issuing Bank).

Drawings under any Letter of Credit shall be reimbursed by the Borrower within one business day after notice of such drawing is received by the Borrower from the applicable Issuing Bank. To the extent that the Borrower does not reimburse such Issuing Bank on such day, the Revolving Lenders under the Revolving Facility shall be irrevocably obligated to reimburse such Issuing Bank *pro rata* based upon their respective Revolving Commitments in the currency in which the applicable Letter of Credit is denominated.

The issuance of all Letters of Credit shall be subject to the customary procedures of the applicable Issuing Bank.

GUARANTEES:

All obligations of the Borrower under the Revolving Facility (collectively, the "***Obligations***") (including, at the option of the Borrower, all obligations of any Loan Party (as defined below) under any currency, interest rate protection or other hedging arrangements (the "***Secured Hedging Obligations***") and any cash management arrangements (the "***Secured Cash Management Obligations***"), in each case entered into with the RCF Agent, the Lead Arrangers, a Revolving Lender or an affiliate of any of the foregoing at the time such transaction is entered into) (other than any obligation of any Loan Party to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act (a "***Swap***") will be unconditionally guaranteed (the "***Guarantees***") by (x) the Borrower (other than with respect to its own obligations) and (y) each of the Borrower's existing and subsequently acquired or organized direct or indirect wholly-owned Restricted Subsidiaries (as defined below), other than any Excluded Subsidiaries (the entities described in the foregoing clauses (x) and (y), the "***Guarantors***" and, together with the Borrower, the "***Loan Parties***"); *provided* that Guarantors shall not include (unless at the option of the Borrower, such subsidiary is designated as a Guarantor by the Borrower) (a) Unrestricted Subsidiaries, (b) immaterial subsidiaries (to be defined in a manner to be mutually agreed), (c) any subsidiary that is prohibited by applicable law, rule or regulation or by any contractual obligation existing on the Closing Date (or, if later, the date it becomes a Restricted Subsidiary), and not created in contemplation hereof or of such subsidiary becoming a Restricted Subsidiary, from guaranteeing the Revolving Facility or which would require governmental (including regulatory) consent, approval, license or authorization to provide a Guarantee unless such consent, approval, license or authorization has been received, (d) subsidiaries that are not wholly owned, (e) not-for-profit subsidiaries, (f) captive insurance subsidiaries, (g) special purpose entities in connection with permitted receivables securitizations or (h) any subsidiaries organized outside the United States or Canada (the "***Excluded Subsidiaries***").

The Borrower may, at its option, cause any subsidiary that is not otherwise required to become a Guarantor to become a Guarantor.

Notwithstanding the foregoing, (A) subsidiaries may be excluded from the guarantee requirements in circumstances where the Borrower and the RCF Agent reasonably agree that the cost or material tax consequences of providing such a guarantee is excessive in relation to the value afforded thereby and (B) the Guarantees shall be subject to general statutory and common law limitations, including, in the case of Guarantors organized under the laws of the United States or a jurisdiction thereof, fraudulent transfer restrictions (it being understood that such restrictions shall be addressed only by customary savings clauses).

For purposes of the RCF Credit Documentation, "***Restricted Subsidiary***" means any existing and future direct or indirect subsidiary of the Borrower other than any Unrestricted Subsidiary (as defined below).

SECURITY: Subject in all respects to the Certain Funds Provision, the Obligations (including, at the option of the Borrower, the Secured Hedging Obligations and Secured Cash Management Obligations) will be secured by perfected first-priority security interests in substantially (i) all personal property of the respective Loan Party to the extent consisting of accounts receivable, credit card receivables, loans receivable, other receivables, tax refunds, inventory, cash, cash equivalents, securities and deposit accounts (subject to exceptions for Excluded Accounts (as defined below)), and other assets in such accounts, commercial tort claims, general intangibles related to the foregoing (including rights under customer lease agreements and other customer contracts, but excluding capital stock and intellectual property), payment intangibles, rights to business interruption insurance, intellectual property to the extent attached to or necessary to sell the foregoing, insurance policies related to the foregoing, chattel paper, documents and supporting obligations, and books and records to the extent related to the foregoing, in each case, whether owned on the Closing Date or thereafter acquired (and any proceeds and products thereof in whatever form received), and (ii) all now owned or hereafter acquired personal property and real property of the respective Loan Party, including without limitation, with respect to obligations of the Loan Parties, a pledge of the capital stock of each Restricted Subsidiary directly held by each Loan Party (clauses (i) and (ii) together, the "***Collateral***"), in each case other than Excluded Assets (as defined below).

All the above-described pledges, security interests and mortgages shall be created on terms consistent with the RCF Credit Documentation Principles, and none of the Collateral shall be subject to any other liens (except for permitted liens).

Notwithstanding anything to the contrary, the Collateral shall exclude the following: (i) (x) any fee-owned real property located outside of the United States or Canada, (y) any fee-owned real property with a fair market value less than $15 million (with all required mortgages being permitted to be delivered after the Closing Date) and (z) all real property leasehold interests (and there will be no requirements to deliver landlord lien waivers, bailee letters, estoppels or collateral access letters), (ii) motor vehicles and other assets subject to certificates of title, (iii) letter of credit rights (other than to the extent such rights can be perfected by filing a UCC or a PPSA financing statement) and commercial tort claims below a threshold to be mutually agreed, (iv) "margin stock" (within the meaning of Regulation U) and pledges and security interests prohibited by applicable law, rule or regulation or agreements with any governmental authority or which would require governmental (including regulatory) consent, approval, license or authorization to provide such security interest unless such consent, approval, license or authorization has been received, in each case, after giving effect to the applicable anti-assignment provisions of the UCC or PPSA or other applicable law, (v) equity interests in any entities other than wholly-owned subsidiaries to the extent not permitted by the terms of such entity's organizational or joint venture documents, (vi) deposit accounts, securities accounts, commodities accounts, and other similar accounts (A) for the sole purpose of funding payroll obligations, employee benefit or health benefit obligations, tax obligations, escrow arrangements or holding funds owned by persons other than a Loan Party, (B) that are zero-balance accounts, (C) that are accounts in jurisdictions other than in the jurisdiction of organization of the applicable granting Loan Party, the United States or any state thereof or Canada or any province or territory thereof, (D) qualifying under exceptions consistent with the RCF Credit Documentation Principles, or (E) that are accounts other than those described in the preceding clauses (A) through (D) with respect to which the average daily balance of the funds maintained on deposit therein does not exceed an amount consistent with the RCF Credit Documentation Principles ("***Excluded Accounts***") (vii) any lease, license or other agreement or any property subject to a purchase money security interest, capital lease obligation, or other arrangement to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement, purchase money, capital lease obligation, or other arrangement or create a right of termination in favor of any other party thereto (other than a Loan Party) after giving effect to the applicable anti-assignment provisions of the UCC, PPSA or other applicable law, other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the UCC, the PPSA or other applicable law notwithstanding such prohibition, (viii) those assets as to which the RCF Agent and the Borrower reasonably agree that the cost or material tax consequences of providing or obtaining such a security interest or perfection thereof are excessive in relation to the benefit to the Revolving Lenders of the security to be afforded thereby, (ix) receivables and related assets sold to any receivables subsidiary or otherwise pledged in connection with any permitted receivables securitizations, (x) equity interests in immaterial subsidiaries (or any person that is not a subsidiary which, if a subsidiary would constitute an immaterial subsidiary), captive insurance subsidiaries, not-for-profit subsidiaries, special purpose entities in connection with permitted receivables securitizations and Unrestricted Subsidiaries, (xi) intellectual property requiring filing in a jurisdiction outside of the United States or Canada, (xii) any intent-to-use trademark application prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark application under applicable U.S. federal law, (xiii) equity interests in Cura Classis (US) Hold Co LLC, Cura Classis Canada (Hold Co) Inc., and Cura Classis UK (Hold Co) Limited and (xiv) other exceptions to be mutually agreed upon (the foregoing described in clauses (i) through (xiv) are, collectively, the "***Excluded Assets***").

Notwithstanding anything to the contrary, no Loan Party shall be required, nor shall the RCF Agent be authorized, to (i) perfect the above-described pledges, security interests and mortgages by any means other than by (A)(1) filings pursuant to the UCC or the PPSA in the office of the secretary of state (or similar central filing office) of the relevant State(s) or provinces or territories and (2) filings in the applicable real estate records with respect to real properties included in the Collateral or any fixtures relating to such properties, (B) filings in the USPTO and/or USCO and/or comparable Canadian filing office, as applicable, with respect to intellectual property as expressly required in the RCF Credit Documentation, and (C) delivery to the RCF Agent of all Stock Certificates, intercompany notes and other instruments and tangible chattel paper (in the case of instruments and tangible chattel paper, to the extent such intercompany note or other instrument or tangible chattel paper is in an amount in excess of an amount consistent with the RCF Credit Documentation Principles) to be held in its possession, in each case as expressly required in the RCF Credit Documentation, (ii) enter into any control agreement with respect to any Excluded Account or any other deposit account, securities account or commodities account, (iii) take any action (other than the actions listed in clause (A)(1), (B), and (C) above) with respect to any assets located outside of the United States or Canada, or (iv) to take any actions in any jurisdiction other than the United States or Canada (or any political subdivision thereof) or enter into any collateral documents governed by the laws of any jurisdiction (other than the United States or Canada or any political subdivision thereof) (the foregoing described in clauses (i) through (iv) are, collectively, the "***Excluded Perfection Requirements***").

Notwithstanding anything to the contrary contained herein, the above requirements under "Security" shall be, as of the Closing Date, subject to the Certain Funds Provision set forth in the Commitment Letter.

Notwithstanding the foregoing, the Collateral shall be subject to, in the case of Loan Parties organized under the laws of the United States or a jurisdiction thereof, fraudulent transfer restrictions (it being understood that such restrictions shall be addressed only by customary savings clauses).

MANDATORY PREPAYMENTS: Limited to the following: If the sum of (x) the aggregate principal amount of Revolving Loans outstanding at such time and (y) the aggregate Letter of Credit exposure of the Revolving Lender at such time shall exceed the aggregate Revolving Commitments at such time (after giving effect to any concurrent termination or reduction thereof), the Borrower will promptly after receiving written notice from the RCF Agent of such excess, at the Borrower's option: (i) prepay Revolving Loans (without premium or penalty) and/or (ii) cash collateralize the Letter of Credit exposure, in the aggregate amount of such excess.

VOLUNTARY COMMITMENT REDUCTIONS AND PREPAYMENTS: Voluntary reductions of the unutilized portion of the Revolving Commitments and prepayments of borrowings under the Revolving Facility will be permitted at any time, in minimum principal amounts to be mutually agreed, subject to customary notice requirements and without premium or penalty (subject to customary reimbursement of the Revolving Lender's redeployment costs (other than lost profits) in the case of a prepayment of Adjusted LIBOR borrowings other than on the last day of the relevant interest period).

UNRESTRICTED SUBSIDIARIES: The RCF Credit Documentation will contain provisions pursuant to which, subject to limitations on loans, advances, guarantees and other investments in Unrestricted Subsidiaries (but no other limitations), the Borrower will be permitted to designate any existing or subsequently acquired or organized subsidiary as an "Unrestricted Subsidiary" and subsequently re-designate any such Unrestricted Subsidiary as a Restricted Subsidiary so long as, after giving effect to any such designation or re-designation, (a) any such designation as a "Restricted Subsidiary" shall constitute the incurrence at the time of designation of any indebtedness or liens of such subsidiary existing at such time, (b) the fair market value of such subsidiary at the time it is designated as an "Unrestricted Subsidiary" shall be treated as an investment by the Borrower at such time, which is permitted under the RCF Credit Documentation, (c) no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it was previously designated as an Unrestricted Subsidiary, (d) giving effect to any such designation as an Unrestricted Subsidiary (but not in connection with any re-designation as a Restricted Subsidiary), the resultant investment is otherwise permitted by the investment covenant described under "Negative Covenants" below, and (e) each subsidiary that is a Restricted Subsidiary under the Senior Unsecured Notes or Senior Unsecured Bridge Facility (if applicable) shall not be designated as an "Unrestricted Subsidiary" under the Revolving Facility (if applicable) unless it is designated as an Unrestricted Subsidiary under the Senior Unsecured Notes or Senior Unsecured Bridge Facility substantially contemporaneously therewith. Unrestricted Subsidiaries will not be subject to the guarantee requirements, representations and warranties, affirmative or negative covenants, events of default or other provisions of the RCF Credit Documentation and the results of operations and indebtedness of Unrestricted Subsidiaries will not be taken into account for purposes of determining compliance with the financial ratio tests except to the extent of distributions received therefrom.

DOCUMENTATION: The definitive documentation for the Revolving Facility (the "***RCF Credit Documentation***") will be documented under a single credit agreement, will contain the terms set forth in this ***Exhibit A*** and ***Exhibit C***, and to the extent not covered by this ***Exhibit A*** and ***Exhibit C***, will be substantially consistent with a precedent to be mutually agreed, with changes and modifications that give due regard to (a) the operational and strategic requirements of the Borrower and its subsidiaries in light of their size, capital structure, industries, businesses, business practices, jurisdiction of incorporation and related currency and other provisions and (b) qualifications, thresholds, exceptions, "baskets" and grace and cure periods shall be as mutually agreed; provided that the RCF Credit Documentation shall contain only those conditions to borrowing, mandatory prepayments, representations and warranties, covenants (affirmative, negative and financial) and events of default expressly set forth in this RCF Term Sheet, in each case, applicable to the Borrower and its Restricted Subsidiaries (collectively, for purposes of this ***Exhibit A***, the "***RCF Credit Documentation Principles***"). The RCF Credit Documentation will be negotiated in good faith within a reasonable time period to be determined based on the expected Closing Date and shall be subject in all respects to the Certain Funds Provision.

For purposes of calculating Consolidated EBITDA (as defined below), the First Lien Net Leverage Ratio, and the Total Net Leverage Ratio (each of the foregoing to be defined in a manner to be mutually agreed, but in any event the First Lien Net Leverage Ratio and the Total Net Leverage Ratio (i) shall include netting of all cash and cash equivalents and (ii) will only include debt for borrowed money and capital lease obligations and all amounts drawn (and unreimbursed) under outstanding Letters of Credit in the numerator), *pro forma* effect will be given to acquisitions and other investments, material dispositions and certain other specified transactions.

"***Consolidated EBITDA***" to be defined in a manner to be mutually agreed, with adjustments to include, without limitation and without duplication, the following:

(i) expected cost savings, operating expense reductions, restructuring charges and expenses and synergies related to the Transactions projected by the Borrower in good faith to result from actions with respect to which substantial steps have been, will be, or are expected to be, realizable (in the good faith determination of the Borrower) within 18 months after the Closing Date, which are reasonably identifiable and factually supportable; *provided* that amounts added-back for any period pursuant to this clause (i), together with amounts added back pursuant to clause (ii), shall not exceed 20% of EBITDA for such period (calculated prior to giving effect to such adjustments);

(ii) expected cost savings, operating expense reductions, restructuring charges and expenses and synergies related to mergers and other business combinations, acquisitions, divestitures, restructuring, cost savings initiatives which are reasonably identifiable and factually supportable and other similar initiatives and projected by the Borrower in good faith to result from actions with respect to which substantial steps have been, will be, or are expected to be, realizable (in the good faith determination of the Borrower) within 18 months after such transaction or initiative is consummated; *provided* that amounts added-back for any period pursuant to this clause (ii), together with amounts added back pursuant to clause (i), shall not exceed 20% of EBITDA for such period (calculated prior to giving effect to such adjustments);

(iii) non-cash losses, charges and expenses (including non-cash compensation charges);

(iv) extraordinary, unusual or non-recurring losses, charges and expenses;

(v) cash restructuring and related charges and business optimization expenses;

(vi) unrealized gains and losses due to foreign exchange adjustments (including, without limitation, losses and expenses in connection with currency and exchange rate fluctuations);

(vii) costs and expenses in connection with the Transactions;

(viii) expenses or charges related to any equity offering, permitted investment, acquisition, disposition, recapitalization or incurrence of permitted indebtedness (whether or not consummated), including non-operating or non-recurring professional fees, costs and expenses related thereto;

(ix) interest, taxes, amortization, depreciation and other add-backs consistent with the RCF Credit Documentation Principles; and

(x) losses from discontinued operations and non-ordinary course asset sales.

The RCF Credit Documentation will contain language to address the European Union bail-in rules in customary form.

REPRESENTATIONS AND WARRANTIES: Applicable to the Borrower and its Restricted Subsidiaries and limited to the following with respect to the RCF Credit Documentation: corporate or other organizational status and power; authorization and non-contravention with respect to the execution, delivery and performance of the RCF Credit Documentation, legal, valid and binding documentation and no consents or governmental authorizations with respect to the execution, delivery and performance of the RCF Credit Documentation; accuracy of financial statements and disclosures, confidential information memorandum and other information and good faith financial forecasts; no Material Adverse Effect (as defined below); absence of material litigation; with respect to the execution, delivery and performance of the RCF Credit Documentation, no material violation of, or conflicts with, law or material agreements; compliance with laws (including ERISA and Canadian pension standards legislation, margin regulations, laws applicable to sanctioned persons, OFAC, SEMA, the FCPA, CFPOA, the Criminal Code and other anti-corruption, anti-terrorism and anti-money laundering laws); payment of taxes; ownership of properties; Intellectual Property; inapplicability of the Investment Company Act; solvency as of the Closing Date of the Borrower and its Subsidiaries on a consolidated basis defined in a manner consistent with ***Exhibit D*** to the Commitment Letter; labor matters (including pensions); environmental laws and other regulatory matters; validity and perfection of security interests in the Collateral; insurance; use of proceeds; it being understood that representations and warranties shall in no event be a condition to the availability of any Facility on the Closing Date in a manner that is inconsistent with the Certain Funds Provision.

"***Material Adverse Effect***" means (a) a material adverse effect on the business, assets, financial condition or results of operations of the Borrower and its Restricted Subsidiaries, taken as a whole, (b) a material and adverse effect on the rights and remedies of the RCF Agent and the Revolving Lenders, taken as a whole, under the RCF Credit Documentation or (c) a material and adverse effect on the ability of the Loan Parties, taken as a whole, to perform their payment obligations under the RCF Credit Documentation.

CONDITIONS PRECEDENT TO INITIAL BORROWING: The initial borrowing under the Revolving Facility on the Closing Date will be subject solely to the applicable conditions precedent set forth in ***Exhibit C*** to the Commitment Letter.

CONDITIONS PRECEDENT TO BORROWINGS AFTER THE CLOSING DATE: All of the representations and warranties in the RCF Credit Documentation shall be true and correct in all material respects (but in all respects if such representation or warranty is qualified by "material" or "Material Adverse Effect"); no default or event of default shall be continuing; and delivery of any relevant customary borrowing notices or Letter of Credit requests (other than with respect to any amendment, modification, renewal or extension of a Letter of Credit which does not increase the face amount of such Letter of Credit).

AFFIRMATIVE COVENANTS:	Limited to the following (to be applicable to the Borrower and its Restricted Subsidiaries): maintenance of corporate or other organizational existence and rights; payment of taxes; delivery of consolidated financial statements (together with accompanying management discussion and analysis and budgets in the case of annual financial statements) (with (x) 90 days for delivery of annual financial statements and (y) 45 days for delivery of quarterly financial statements for the first three fiscal quarters of a fiscal year), and with annual financial statements to be accompanied by an audit opinion from nationally recognized auditors that is not subject to qualification as to "going concern" or the scope of such audit (other than any exception, qualification or explanatory paragraph with respect to, or resulting from (i) an upcoming maturity date under any indebtedness or (ii) any potential inability to satisfy any financial maintenance covenant on a future date or in a future period), delivery of customary certificates and other information (other than information subject to attorney/client privilege or confidentiality provisions), including information required under the PATRIOT Act; delivery of notices of default, material litigation, material ERISA events and material events relating to Canadian pension matters and Material Adverse Effect; maintenance of properties in good working order; maintenance of insurance; maintenance of books and records; material compliance with laws and regulations (including FCPA, CFPOA, OFAC, SEMA, the PATRIOT Act, UNA, ERISA, Canadian pension standards legislation and environmental laws); use of proceeds; inspection of books and properties; annual lender calls; covenant to guarantee obligations and give security and further assurances, subject, in the case of each of the foregoing covenants, to exceptions and qualifications consistent with the RCF Credit Documentation Principles; *provided* that, compliance with affirmative covenants shall in no event be a condition to the availability of any Facility on the Closing Date in a manner that is inconsistent with the Certain Funds Provision.

NEGATIVE COVENANTS: Consistent with the RCF Credit Documentation Principles, subject to baskets and exceptions to be mutually agreed and limited solely to the following (to be applicable to the Borrower and its Restricted Subsidiaries) limitations on: liens; investments; indebtedness; fundamental changes; non-ordinary course dispositions of assets; restricted payments (including dividends, and voluntary prepayments of subordinated or junior lien indebtedness), provided that (in addition to other baskets and exceptions to be mutually agreed), so long as no default or event of default shall have occurred and be continuing or would result therefrom, restricted payments shall be permitted (i) in an unlimited amount, if the Total Net Leverage Ratio at the time of such restricted payment is no greater than 3.50:1.00 (or, if the Senior Unsecured Bridge Facility is funded, 0.50x inside the Total Net Leverage Ratio as of the Closing Date), and (ii) in an amount not to exceed $125 million (or, if the Senior Unsecured Bridge Facility is funded, $50.0 million) in any fiscal year if the Total Net Leverage Ratio at the time of such restricted payment is greater than or equal to 3.50:1.00 (or, if the Senior Unsecured Bridge Facility is funded, 0.50x inside the Total Net Leverage Ratio as of the Closing Date); material change in nature of business; transactions with affiliates; Canadian pension matters, restrictions on negative pledge clauses; changes in fiscal year without the RCF Agent's consent; and amendments to subordinated or junior lien and organizational documents, in each case, to the extent such amendments are materially adverse to the Revolving Lenders.

FINANCIAL COVENANT: Consistent with the RCF Credit Documentation Principles, the definitive documentation will contain only a maximum First Lien Net Leverage Ratio covenant (to be defined in a manner to be mutually agreed, but in any event the First Lien Net Leverage Ratio (i) shall include netting of all cash and cash equivalents and (ii) will only include debt for borrowed money and capital lease obligations and all amounts drawn (and unreimbursed) under outstanding Letters of Credit in the numerator) to be set at levels to be agreed (the "***Financial Covenant***") with cushion to be agreed to the financial model as of the Closing Date respect to the Borrower and its Restricted Subsidiaries on a consolidated basis.

The Financial Covenant will be tested as of the last day of every fiscal quarter (commencing with the first full fiscal quarter of the Borrower ending after the Closing Date).

EVENTS OF DEFAULT: Consistent with the RCF Credit Documentation Principles and limited to the following (to be applicable to the Borrower and its respective Restricted Subsidiaries and subject, to thresholds and grace periods consistent with the RCF Credit Documentation Principles): nonpayment of principal, interest or other amounts (with grace periods for interest and other amounts); violation of negative covenants and affirmative covenants to maintain legal existence (with respect to the Borrower only), to provide notice of default (*provided*, that the delivery of such notice at any time will cure any such event of default arising from the failure to timely deliver such notice of default) or with respect to use of proceeds provisions; violation of other covenants (subject to a 30-day cure period after the date on which notice of default from the RCF Agent is received by the Borrower); incorrectness of representations and warranties in any material respect; cross default to material indebtedness in excess of an amount to be agreed; bankruptcy; monetary judgments in excess of an amount to be mutually agreed (subject to customary qualifications for appeals and stays of such judgment); ERISA events and events relating to Canadian pension matters that would reasonably be expected to have a Material Adverse Effect; invalidity (actual or asserted (in writing) by any Loan Party) of guarantees or security documents representing a material portion of the Guarantees or Collateral; and Change of Control (to be defined in a manner to be mutually agreed).

VOTING:

Amendments and waivers of the RCF Credit Documentation will require the approval of Revolving Lenders (other than Defaulting Lenders (as defined below)) holding more than 50% of the aggregate amount of the loans and commitments under the Revolving Facility (the "***Required Revolving Lenders***"), except that (a) the consent of each Revolving Lender directly affected thereby (but not the Required Revolving Lenders, other than in the case of clause (a)(ii), which shall require the consent of each Revolving Lender increasing its commitments as well as the consent of the Required Revolving Lenders if such increase is effectuated other than pursuant to provisions in the RCF Credit Documentation specifically permitting increases of commitments without the further approval of Required Revolving Lenders, including as described under "Commitment Increases" in this ***Exhibit A***) shall be required with respect to: (i) modifications to any provision requiring *pro rata* treatment of the Revolving Lenders (other than for purposes of any amendment that would extend the final maturity date of any Revolving Loans under the Revolving Facility on terms consistent with the RCF Credit Documentation Principles), (ii) increases in the commitment of such Revolving Lender, (iii) reductions or forgiveness of principal, interest, fees or reimbursement obligations payable to such Revolving Lender and (iv) extensions of final maturity of the loans or commitments of such Revolving Lender or of the date for payment to such Revolving Lender of any interest, fees, or any reimbursement obligation and (b) the consent of each Revolving Lender shall be required with respect to, among other things: (i) modifications to voting requirements or percentages, (ii) releases of all or substantially all of the value of the Guarantees, or all or substantially all of the Collateral and (iii) changes that impose any additional restriction on a Revolving Lender's ability to assign any of its rights or obligations under the Revolving Facility.

The Borrower or (in the case of (b) or (c) only) the RCF Agent shall, subject to usual and customary conditions, have the right to replace a Revolving Lender or terminate the commitment of a Revolving Lender on a non-*pro rata* basis (a) in connection with amendments and waivers requiring the consent of all Revolving Lenders or of all Revolving Lenders directly affected thereby so long as the consent of the Required Revolving Lenders has been obtained, (b) if such Revolving Lender asserts a claim for any funding protection, whether for increased costs, taxes, required indemnity payments or otherwise or (c) if such Lender is a Defaulting Lender.

Participants shall have the same benefits as the Revolving Lenders with respect to yield protection and increased cost provisions, subject to customary limitations and restrictions. Voting rights of participants shall be limited solely to those matters set forth in clause (a)(ii) under the first paragraph under the heading "Voting" with respect to which the affirmative vote of the Revolving Lender from which it purchased its participation would be required. Pledges of loans in accordance with applicable law shall be permitted without restriction. The RCF Agent shall have no responsibility to ensure that the foregoing limitations as to participations are observed by the Revolving Lenders.

In addition, if the RCF Agent and the Borrower shall have jointly identified an obvious error or any error or omission of a technical nature in the RCF Credit Documentation, then the RCF Agent and the Borrower shall be permitted to amend such provision without further action or consent by any other party, provided that the Required Revolving Lenders shall not have objected to such amendment within 5 business days after receiving a copy thereof.

DEFAULTING LENDERS: The RCF Credit Documentation shall contain customary provisions relating to "defaulting" Lenders ("***Defaulting Lenders***") (including provisions relating to reallocation of participations in, or the Revolving Lenders providing reasonable cash collateral to support, Letters of Credit, to the suspension of voting rights and rights to receive certain fees, and to termination or assignment of the Revolving Commitments or Revolving Loans of such Defaulting Lenders).

COST AND YIELD PROTECTION: Usual and customary for facilities and transactions of this type, including (a) provisions protecting the Revolving Lenders against increased costs or loss of yield resulting from changes in reserve, capital adequacy, liquidity and other requirements of law, in each case, occurring after the Closing Date (including but not limited to provisions relating to Dodd-Frank and Basel III (regardless of the date arising), (b) provisions indemnifying the Revolving Lenders for "breakage costs" actually incurred in connection with, among other things, any prepayment of LIBOR Rate borrowings on a day prior to the last day of an interest period with respect thereto, and (c) customary tax gross-up provisions; *provided* there will be customary exceptions to the tax gross-up obligations, including for, but not limited to, withholding taxes imposed as a result of the failure of a Revolving Lender to comply with the requirements of current Sections 1471 through 1474 of the US Internal Code as in effect on the date the RCF Credit Documentation is entered into (or any amended or successor version that is substantively comparable and not materially more onerous to comply with).

ASSIGNMENTS AND PARTICIPATIONS: The Revolving Lenders will be permitted to assign Revolving Commitments and Revolving Loans under the Revolving Facility (other than to a Disqualified Lender) with the consent of the Borrower and RCF Agent, not to be unreasonably withheld or delayed (it being understood that the withholding of consent by the Borrower to any assignment to a Disqualified Lender shall be deemed reasonable); *provided* that such consent of the Borrower (x) shall not be required (i) if such assignment of any Revolving Loans or Revolving Commitment is made to another Revolving Lender or an affiliate or approved fund of any such Revolving Lender, (ii) during the primary syndication of Revolving Loans and Revolving Commitments to persons identified to the Borrower and approved by the Borrower prior to the Syndication Date or (iii) after the occurrence and during the continuance of a payment or bankruptcy event of default and (y) in each case, shall be deemed to have been given (other than with respect to a Disqualified Lender) if the Borrower has not responded within 10 business days of a written request for such consent. All assignments will also require the consent of the RCF Agent and each Issuing Bank, in each case not to be unreasonably withheld or delayed. Each assignment will be in an amount of an integral multiple of $5.0 million or, if less, all of such Revolving Lender's remaining loans and commitments of the applicable class; *provided* that such assignments made to Revolving Lenders and affiliates of Revolving Lenders will not be subject to the above described minimum assignment amounts. The Revolving Lenders will also have the right to sell participations in their loans and commitments under the Revolving Facility on customary terms, subject to limitations on voting rights set forth above and provided that no participation shall be sold to any Disqualified Lender.

The RCF Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce compliance with the provisions hereof relating to Disqualified Lenders.

Any assignment or participation by a Revolving Lender without the Borrower's consent (such consent not to be unreasonably withheld, delayed or conditioned) to a Disqualified Lender (or any affiliate thereof) or, to the extent the Borrower's consent is required under the terms of the RCF Credit Documentation, to any other person, shall be null and void, and the Borrower shall be entitled to (a) seek specific performance to unwind any such assignment or participation and/or (b) exercise any other remedy set forth in the RCF Credit Documentation available to the Borrower in addition to any other remedy available to the Borrower at law or at equity; *provided* that the list of Disqualified Lenders is made available to any Revolving Lender which specifically requests a copy thereof.

EXPENSES AND INDEMNIFICATION: The Borrower will indemnify the Lead Arrangers, the RCF Agent, the Collateral Agent, the Issuing Banks, the Revolving Lenders, their respective affiliates, successors and assigns and the officers, directors, employees, agents, advisors, controlling persons, members and representatives of each of the foregoing (each, an "***Indemnified Person***") and will hold them harmless from and against any and all reasonable and documented (in reasonable detail) out-of-pocket costs, expenses (limited to the reasonable and documented fees, disbursements and other charges one counsel for all Indemnified Persons taken as a whole and, if reasonably necessary, a single local counsel for all Indemnified Persons taken as a whole in each relevant material jurisdiction (which may be a single local counsel acting in multiple jurisdictions)), damages, losses and liabilities of such Indemnified Person arising out of or relating to any claim, any litigation, any investigation or other proceeding (regardless of whether such Indemnified Person is a party thereto and regardless of whether such matter is initiated by a third party or by the Borrower or any of its respective affiliates or equity holders) that relates to the Transactions, including the financing contemplated hereby, the Acquisition or any transactions in connection therewith; *provided* that no Indemnified Person will be indemnified for any cost, expense or liability from (i) its willful misconduct, bad faith or gross negligence (as determined by a court of competent jurisdiction in a final and non-appealable decision), (ii) a material breach of the obligations of such Indemnified Person under the RCF Credit Documentation (as determined by a court of competent jurisdiction in a final and non-appealable decision), or (iii) any proceeding that is brought by an Indemnified Person against any other Indemnified Person (other than an agent or arranger under the definitive documentation acting in its capacity as such or any claims arising out of an act or omission on the part of the Borrower or any of their affiliates, to all of which this indemnity shall be applicable). In addition, if the Closing Date occurs, the Borrower shall pay (a) all reasonable and documented out-of-pocket expenses (limited to the reasonable and documented fees, disbursements and other charges one counsel for all Indemnified Persons taken as a whole and, if reasonably necessary, a single local counsel for all Indemnified Persons taken as a whole in each relevant material jurisdiction (which may be a single special counsel acting in multiple material jurisdictions)) for all Indemnified Persons, taken as a whole (and, in the case of an actual or perceived conflict of interest where the Indemnified Person affected by such conflict informs the Borrower of such conflict and thereafter retains its own counsel, of another firm of counsel for such affected Indemnified Person) of the Lead Arrangers, the RCF Agent, the Collateral Agent and the Issuing Banks in connection with the syndication of the Revolving Facility, the preparation and administration of the Commitment Letter, the Fee Letters and the RCF Credit Documentation, and amendments, modifications and waivers thereto, and (b) all reasonable and documented out-of-pocket expenses (limited to the reasonable and documented fees, disbursements and other charges of a single special counsel to the Commitment Parties in each appropriate jurisdiction (which may include a single special counsel acting in multiple jurisdictions)) of the Lead Arrangers, the RCF Agent, the Collateral Agent, the Issuing Banks and the Revolving Lenders for enforcement costs and documentary taxes associated with the Revolving Facility.

CONFIDENTIALITY:	The RCF Credit Documentation will contain customary confidentiality provisions with respect to information regarding the Borrower, its subsidiaries, their business, operations, assets and related matters, which shall in any event prohibit disclosure of any confidential information to competitors.
GOVERNING LAW AND FORUM:	New York.
COUNSEL TO RCF AGENT:	Latham & Watkins LLP

EXHIBIT A-II

INTEREST RATES: The interest rates under the Revolving Facility will be, at the option of the Borrower, Adjusted LIBOR *plus* 2.00% or ABR *plus* 1.00% (with step-downs to be mutually agreed). The Borrower may elect interest periods of one, two, three or six months (or 12 months or any shorter period if available to all Revolving Lenders) for Adjusted LIBOR borrowings.

Calculation of interest shall be on the basis of the actual number of days elapsed over a 360-day year (or 365- or 366-day year, as the case may be, in the case of ABR loans based on the Prime Rate) and interest shall be payable at the end of each interest period and, in any event, at least every three months.

"***ABR***" is the Alternate Base Rate, which is the highest of (i) the rate of interest quoted in the print edition of *The Wall Street Journal*, Money Rates Section as the prime rate as in effect from time to time, (ii) the Federal Funds Effective Rate plus 1/2 of 1.00% and (iii) one-month Published US LIBOR (as defined below) plus 1.00%.

"***Adjusted LIBOR***" or "***LIBOR Rate***" is the London interbank offered rate for dollars appearing on Reuters Screen LIBOR01 Page (or otherwise on the Reuters Screen) adjusted for statutory reserve requirements; *provided* that Adjusted LIBOR will at all times include statutory reserves and shall, in each case, be deemed to be not less than 0% *per annum*.

LETTER OF CREDIT FEES: A *per annum* fee equal to the spread over LIBOR Rate under the Revolving Facility multiplied by the average daily maximum aggregate amount available to be drawn under all Letters of Credit, payable in US dollars in arrears at the end of each quarter and upon the termination of the Revolving Facility, in each case for the actual number of days elapsed over a 360-day year. Such fees shall be distributed with respect to Letters of Credit, to the Revolving Lenders participating in the Revolving Facility *pro rata* in accordance with the amount of each such Revolving Lender's Revolving Commitment (other than Defaulting Lenders). In addition, the Borrower shall pay to the applicable Issuing Bank, for its own account, (a) a fronting fee in US dollars in an amount to be agreed, payable in arrears at the end of each quarter and upon the termination of the Revolving Facility, calculated based upon the actual number of days elapsed over a 360-day year, and (b) customary issuance and administration fees.

COMMITMENT FEES:	Commitment fees equal to 0.25% *per annum* times the daily average undrawn portion of the Revolving Facility of each Revolving Lender (other than any Defaulting Lender) (reduced by the amount of Letters of Credit issued and outstanding) will accrue from the Closing Date and will be payable quarterly in arrears.

EXHIBIT B

$850.0 MILLION SENIOR UNSECURED BRIDGE LOAN FACILITY
SUMMARY OF PRINCIPAL TERMS AND CONDITIONS[3]

BORROWER:	The Borrower under the Revolving Facility (the "***Borrower***").
TRANSACTIONS:	As set forth in ***Exhibit A*** to the Commitment Letter.
AGENT:	Goldman Sachs Bank USA, acting through one or more of its branches or affiliates, will act as sole administrative agent (in such capacity, the "***Senior Unsecured Bridge Agent***") for a syndicate of banks, financial institutions and other institutional lenders (together with the Initial Lenders, the "***Senior Unsecured Bridge Lenders***"; the Senior Unsecured Bridge Lenders, together with the Revolving Lenders, collectively, the "***Lenders***"), and will perform the duties customarily associated with such roles.
JOINT LEAD ARRANGERS AND JOINT BOOKRUNNERS:	The Lead Arrangers and Bookrunners (each as defined in the Commitment Letter) will act as joint lead arrangers and joint bookrunners, respectively, for the Senior Unsecured Bridge Facility, and will perform the duties customarily associated with such roles.
SENIOR UNSECURED BRIDGE FACILITY:	The senior unsecured bridge loan facility will consist of an aggregate principal amount of $850.0 million of senior unsecured bridge loans and will be made available to the Borrower in US dollars (the "***Senior Unsecured Bridge Loans***"); *provided* that, the gross cash proceeds, net of any OID or other discount to market, from the issuance of any Senior Unsecured Notes or Takeout Indebtedness (as defined in the Joint Fee Letter) on or prior to the Closing Date (including into escrow) or the incurrence of any Replacement Loans that are outstanding on the Closing Date, shall reduce the Senior Unsecured Bridge Loans on a dollar for dollar basis (the "***Senior Unsecured Bridge Facility***").
PURPOSE:	The proceeds of the Senior Unsecured Bridge Facility will be used by the Borrower, on the Closing Date, together with any Closing Date Draw Amount, any Replacement Loans, any Senior Unsecured Notes and any Takeout Indebtedness issued on or prior to the Closing Date, (a) to finance the Acquisition and the Refinancing, and (b) to pay the Transaction Costs.

[3] All capitalized terms used but not defined herein have the meanings given to them in the Commitment Letter to which this term sheet is attached, including the RCF Term Sheet and ***Annex I*** thereto or the other exhibits thereto. In the event any such capitalized term is subject to multiple and differing definitions, the appropriate meaning thereof for purposes of this ***Exhibit B*** shall be determined by reference to the context in which it is used.

AVAILABILITY:	The full amount of the Senior Unsecured Bridge Facility must be drawn in a single drawing on the Closing Date. Amounts borrowed under the Senior Unsecured Bridge Facility that are repaid or prepaid may not be reborrowed. The Senior Unsecured Bridge Loans will be funded at par.
INTEREST RATES AND FEES:	As set forth on ***Annex I*** hereto.
DEFAULT RATE:	The applicable interest rate plus 2.00% per annum payable on overdue amounts only.
FINAL MATURITY AND AMORTIZATION OF SENIOR UNSECURED BRIDGE LOANS:	The Senior Unsecured Bridge Facility will mature on the date that is one year after the Closing Date (the "***Senior Unsecured Bridge Loans Maturity Date***"). The Senior Unsecured Bridge Facility will not be subject to interim amortization.
CONVERSION OF THE SENIOR UNSECURED BRIDGE LOANS; EXCHANGE OF SENIOR UNSECURED EXTENDED TERM LOANS:	If any Senior Unsecured Bridge Loan has not been previously repaid in full on or prior to the Senior Unsecured Bridge Loans Maturity Date, such Senior Unsecured Bridge Loan shall, automatically be converted into a senior unsecured term loan (the "***Senior Unsecured Extended Term Loans***") having an equal principal amount and due on the date that is 8 years following the Closing Date. Except as provided herein, the Senior Unsecured Extended Term Loans shall have the same terms and conditions as the Senior Unsecured Bridge Loans, and applicable references in the Commitment Letter to the Senior Unsecured Bridge Loans and the Senior Unsecured Bridge Facility shall include the Senior Unsecured Extended Term Loans. The date on which the Senior Unsecured Bridge Loans are converted into Senior Unsecured Extended Term Loans is referred to as the "***Conversion Date***". On the Conversion Date, and on the 15th calendar day of each month thereafter (or the immediately succeeding business day if such calendar day is not a business day), at the option of the applicable Senior Unsecured Bridge Lender, Senior Unsecured Extended Term Loans may be exchanged for senior unsecured exchange notes (the "***Senior Unsecured Exchange Securities***") having an equal principal amount. Notwithstanding the foregoing, the Borrower shall not be required to exchange Senior Unsecured Extended Term Loans for Senior Unsecured Exchange Securities unless at least $100 million in aggregate principal amount of Senior Unsecured Exchange Securities would be outstanding immediately after such exchange.

	The Senior Unsecured Bridge Loans and the Senior Unsecured Extended Term Loans will be governed by the provisions of the Senior Unsecured Bridge Facility Documentation. When issued, the Senior Unsecured Exchange Securities will be governed by an indenture to be entered into between the Borrower and a trustee reasonably acceptable to the Senior Unsecured Bridge Lenders and the Borrower, which indenture shall be, except as otherwise provided herein consistent with the Senior Unsecured Bridge Documentation Principles (as defined below). The Senior Unsecured Extended Term Loans and the Senior Unsecured Exchange Securities shall rank equal in right of payment for all purposes. The obligations in respect of the Senior Unsecured Bridge Loans, the Senior Unsecured Extended Term Loans, the Senior Unsecured Exchange Securities and the Senior Unsecured Notes are referred to herein as the "***Senior Unsecured Obligations***".
MATURITY OF SENIOR UNSECURED EXCHANGE SECURITIES:	8 years from the Closing Date.
AVAILABILITY OF THE SENIOR UNSECURED EXCHANGE SECURITIES:	The Senior Unsecured Exchange Securities will be available in exchange for the Senior Unsecured Extended Term Loans on the terms and conditions set forth herein. The principal amount of any Senior Unsecured Exchange Security will equal 100% of the aggregate principal amount of the Senior Unsecured Extended Term Loans for which it is exchanged.
GUARANTEES:	All obligations of the Borrower under the Senior Unsecured Bridge Facility will be unconditionally guaranteed by each Guarantor (as defined in ***Exhibit A***) of the Revolving Facility (such guarantees, the "***Senior Unsecured Bridge Guarantees***"). The Senior Unsecured Bridge Guarantees will rank *pari passu* in right of payment with the guarantees of the Revolving Facility.
SECURITY:	None.

MANDATORY PREPAYMENTS: Prior to the Senior Unsecured Bridge Loans Maturity Date and consistent with the Senior Unsecured Bridge Documentation Principles and subject to the last paragraph of this section titled "Mandatory Prepayments", the Borrower will be required to prepay the Senior Unsecured Bridge Loans at 100% of the outstanding principal amount thereof plus accrued and unpaid interest with (i) the net cash proceeds from the issuance of the Takeout Securities (as defined in the Joint Fee Letter); *provided* that in the event any Senior Unsecured Bridge Lender or affiliate of a Senior Unsecured Bridge Lender purchases Takeout Securities from the Borrower at a price above the level at which such Senior Unsecured Bridge Lender or affiliate has reasonably determined such Takeout Security can be resold by such Senior Unsecured Bridge Lender or affiliate to a bona fide third party at the time of such purchase (and notifies the Borrower thereof), without regard to such difference being required or applied by such Senior Unsecured Bridge Lender or affiliate as an additional fee, the net cash proceeds received by the Borrower in respect of such debt security may, at the option of such Senior Unsecured Bridge Lender or affiliate, be applied first to prepay the Senior Unsecured Bridge Loans of such Senior Unsecured Bridge Lender or affiliate (provided that if there is more than one such Senior Unsecured Bridge Lender or affiliate then such net cash proceeds will be applied pro rata to prepay the Senior Unsecured Bridge Loans of all such Senior Unsecured Bridge Lenders or affiliates in proportion to such Senior Unsecured Bridge Lenders' or affiliates' principal amount of Takeout Securities purchased from the Borrower) prior to being applied to prepay the Senior Unsecured Bridge Loans held by other Senior Unsecured Bridge Lenders; (ii) 100% of the net cash proceeds of all non-ordinary course asset sales or other dispositions of property by the Borrower and its Restricted Subsidiaries (with exceptions for sales of inventory, ordinary course dispositions, dispositions of obsolete or worn-out property and property no longer useful in the business, amounts required to be applied to any secured indebtedness of the Borrower and other exceptions to be set forth in the Senior Unsecured Bridge Facility Documentation) (subject to the right of the Borrower and its Restricted Subsidiaries to reinvest 100% of such net proceeds if such proceeds are reinvested (or committed to be reinvested) within 365 days and, if so committed to be reinvested, so long as such reinvestment is actually completed within six months thereafter, and other exceptions to be set forth in the Senior Unsecured Bridge Documentation); (iii) 100% of the net cash proceeds received from the sale of the Senior Unsecured Notes or any other debt financing other than the Revolving Facility and any Alternate Facilities subject to other exceptions to be mutually agreed (collectively, the "***Bridge Facility Permanent Debt***"); and (iv) the net cash proceeds received from public issuances of equity of the Borrower after the Closing Date (subject to exceptions to be mutually agreed, including pursuant to employee stock and compensation plans), in the case of any such prepayments pursuant to the foregoing clauses (i), (ii), (iii) and (iv) above, with exceptions and baskets as are consistent with the Senior Unsecured Bridge Documentation Principles.

Following the occurrence of a Change of Control (to be defined in a manner to be mutually agreed), the Borrower will also be required to offer to prepay (a) the Senior Unsecured Bridge Loans at 100% of the outstanding principal amount thereof and (b) the Senior Unsecured Extended Term Loans and Senior Unsecured Exchange Securities at 101% of the outstanding principal amount thereof, in each case plus accrued and unpaid interest to the date of prepayment. Any proceeds from the sale of any Bridge Facility Permanent Debt issued to a Senior Unsecured Bridge Lender or one of its affiliates (other than bona fide investment funds and entities that manage assets on behalf of unaffiliated third-parties (the "***Asset Management Affiliates***")) will be applied to refinance the Senior Unsecured Bridge Loans held by such Senior Unsecured Bridge Lender or its affiliates, without premium or penalty, notwithstanding the *pro rata* provisions otherwise applicable to redemptions and prepayments.

The Borrower will also be required to offer to prepay the Senior Unsecured Exchange Securities at 100% of the outstanding principal amount thereof plus accrued and unpaid interest with 100% of the net cash proceeds of all non-ordinary course asset sales or other dispositions of property by the Borrower and its Restricted Subsidiaries (subject to the right of the Borrower and its Restricted Subsidiaries to reinvest 100% of such net proceeds if such proceeds are reinvested (or committed to be reinvested) within 365 days and, if so committed to be reinvested, so long as such reinvestment is actually completed within twelve months thereafter, and other exceptions to be set forth in the applicable definitive documentation).

The Senior Unsecured Extended Term Loans will have the mandatory prepayment and repurchase offer provisions applicable to the Senior Unsecured Exchange Securities (rather than the mandatory prepayment provisions applicable to the Senior Unsecured Bridge Loans).

VOLUNTARY PREPAYMENTS: Voluntary prepayments of Senior Unsecured Bridge Loans and the Senior Unsecured Extended Term Loans will be permitted at any time, in minimum principal amounts to be mutually agreed upon, subject to customary notice requirements and without premium or penalty.

The Senior Unsecured Exchange Securities will be non-callable for 3 years from the Closing Date (subject to customary 35% clawback provisions with the proceeds of equity offerings at par plus accrued interest plus a premium equal to the coupon) and will be callable (i) during the fourth year after the Closing Date, at par plus accrued interest plus a premium equal to three-quarters of the coupon, (ii) during the fifth year after the Closing Date, at par plus accrued interest plus a premium equal to one-half the coupon, (iii) during the sixth year after the Closing Date, at par plus accrued interest plus a premium equal to one-quarter the coupon and (iv) from and after the seventh anniversary of the Closing Date, at par plus accrued interest (without premium); *provided*, *however*, that any Senior Unsecured Exchange Securities will be callable prior to the third anniversary of the Closing Date at a redemption price equal to par plus accrued interest plus a make whole premium calculated on the basis of a discount rate equal to the then applicable U.S. Treasury Rate plus one-half of one percent (0.50%). In addition, so long as any such Senior Unsecured Exchange Securities are held by the Commitment Parties or their affiliates (other than Asset Management Affiliates), such Senior Unsecured Exchange Securities will be callable at par plus accrued and unpaid interest on a non-*pro rata* basis.

UNRESTRICTED SUBSIDIARIES: Consistent with the Revolving Facility.

DOCUMENTATION: The definitive documentation for the Senior Unsecured Bridge Facility (the "***Senior Unsecured Bridge Facility Documentation***") (including the Senior Unsecured Exchange Securities) will contain the terms and conditions set forth in this Exhibit B and to the extent not covered by this Exhibit B, will be based on a specified precedent to be mutually agreed (the "***Senior Unsecured Bridge Documentation Precedent***") with changes and modifications that give due regard to (a) the operational and strategic requirements of the Borrower and its subsidiaries in light of their size, capital structure, industries, businesses, business practices, jurisdiction of incorporation and related currency and other provisions and (b) qualifications, thresholds, exceptions, "baskets" and grace and cure periods that shall be as mutually agreed (including a provision that permits restricted payments in an unlimited amount if the Total Net Leverage Ratio (to be defined in a manner to be mutually agreed) at the time of such restricted payment is no greater than 0.5x less than such ratio as of the Closing Date) (collectively for purposes of this Exhibit B, the "***Senior Unsecured Bridge Documentation Principles***" and together with the RCF Credit Documentation Principles, the "***Documentation Principles***"); provided that the Senior Unsecured Bridge Facility Documentation shall contain only those conditions to borrowing, mandatory prepayments, representations and warranties, covenants and events of default expressly set forth in this Term Sheet, in each case, applicable to the Borrower and its Restricted Subsidiaries. The Senior Unsecured Bridge Facility Documentation will be negotiated in good faith within a reasonable time period to be determined based on the expected Closing Date.

The Senior Unsecured Bridge Facility Documentation will contain language to address the European Union bail-in rules in customary form.

REPRESENTATIONS AND WARRANTIES: Substantially similar to those for the Revolving Facility, with modifications consistent with the Senior Unsecured Bridge Documentation Principles to the extent necessary to reflect differences in documentation, but in any event no less favorable to the Borrower than those in the RCF Credit Documentation; it being understood that representations and warranties shall be subject to the Certain Funds Provision.

CONDITIONS PRECEDENT TO SENIOR UNSECURED BRIDGE LOANS:

The borrowing under the Senior Unsecured Bridge Facility on the Closing Date will be subject solely to the applicable conditions precedent set forth in ***Exhibit C*** to the Commitment Letter.

COVENANTS:

The Senior Unsecured Bridge Facility Documentation will contain such affirmative and incurrence-based (but not financial maintenance) negative covenants with respect to the Borrower and its Restricted Subsidiaries applicable to the Senior Unsecured Bridge Loans and the Senior Unsecured Extended Term Loans as are consistent with the Senior Unsecured Bridge Documentation Principles, including an affirmative covenant with respect to marketing efforts and securities demand, and will not include any covenants not included in the Revolving Facility except an affirmative covenant with respect to marketing efforts and securities demand, a covenant to use commercially reasonable efforts to refinance the Senior Unsecured Bridge Loans as promptly as practicable following the Closing Date, to use commercially reasonable efforts to maintain corporate level and facility level ratings (but not any minimum rating) and to conduct calls with the Senior unsecured Bridge Lenders on no less than a quarterly basis. Prior to the Senior Unsecured Bridge Loans Maturity Date, the restricted payments, liens and debt incurrence covenants of the Senior Unsecured Bridge Facility may be more restrictive than those applicable to the Senior Unsecured Extended Term Loans and the Senior Unsecured Exchange Securities, as reasonably agreed by the Senior Unsecured Bridge Agent and the Borrower. It is understood that compliance with covenants shall in no event be a condition to the availability of the Senior Unsecured Bridge Facility on the Closing Date in a manner that is inconsistent with the Certain Funds Provision.

Upon and after the earlier of the Senior Unsecured Bridge Loans Maturity Date and the occurrence of a Takeout Demand Failure (as defined in the Joint Fee Letter), the covenants which would be applicable to the Senior Unsecured Exchange Securities, if issued, will also be applicable to the Senior Unsecured Extended Term Loans in lieu of the corresponding provisions of the documentation governing the Senior Unsecured Bridge Loans. The indenture governing the Senior Unsecured Exchange Securities will contain such covenants with respect to the Borrower and its Restricted Subsidiaries as are consistent with the Senior Unsecured Bridge Documentation Principles (but, in any event, no more restrictive than those for the Senior Unsecured Bridge Facility), including a provision that permits restricted payments in an unlimited amount if the Total Net Leverage Ratio at the time of such restricted payment is no greater than 0.5x less than such ratio as of the Closing Date.

FINANCIAL COVENANT: None.

EVENTS OF DEFAULT: The events of default applicable to the Senior Unsecured Bridge Loans will be consistent with the Senior Unsecured Bridge Documentation Principles; *provided* that, a default or event of default (other than a payment default) with respect to the Revolving Facility shall not give rise to a default or event of default under the Senior Unsecured Bridge Facility unless and until the Revolving Lenders accelerate the Revolving Loans and other obligations under the Revolving Facility as a result of such default.

The indenture governing the Senior Unsecured Exchange Securities will contain such events of default (including grace periods and threshold amounts) as are consistent with the Senior Unsecured Bridge Documentation Principles (but, in any event, no more restrictive than those for the Senior Unsecured Bridge Facility) but not including a cross default (and, in lieu thereof, a cross-acceleration and cross-payment default at maturity to material debt). Upon and after the Senior Unsecured Bridge Loans Maturity Date, the events of default which would be applicable to the Senior Unsecured Exchange Securities, if issued, will also be applicable to the Senior Unsecured Extended Term Loans in lieu of the corresponding provisions of the Senior Unsecured Bridge Facility Documentation.

REGISTRATION RIGHTS: No registration rights. The Senior Unsecured Exchange Securities will be "private for life".

TRUST INDENTURE ACT: The Indenture governing the Senior Unsecured Exchange Securities shall not be subject to the Trust Indenture Act, as amended (the "***TIA***"), including the provisions of Section 316 thereof and shall not contain any provision substantially similar to Section 316(b) of the TIA (other than similar provisions that relate solely to the amendment of payment terms).

DEFEASANCE AND DISCHARGE: The indenture governing the Senior Unsecured Exchange Securities will contain such defeasance and discharge provisions as are consistent with the Senior Unsecured Bridge Documentation Principles.

VOTING:	Amendments and waivers of the Senior Unsecured Bridge Facility Documentation applicable to the Senior Unsecured Bridge Loans and the Senior Unsecured Extended Term Loans will require the approval of Senior Unsecured Bridge Lenders holding more than 50% of the aggregate amount of the outstanding Senior Unsecured Bridge Loans or Senior Unsecured Extended Term Loans, as applicable (the "***Required Lenders***"), except that (a) the consent of each Senior Unsecured Bridge Lender directly affected thereby (rather than Required Lenders) shall be required with respect to: (i) modifications to any provision requiring *pro rata* treatment of the Lenders, (ii) increases in the commitment of such Senior Unsecured Bridge Lender, (iii) reductions or forgiveness of principal, interest, fees payable to such Senior Unsecured Bridge Lender, (iv) extensions of final maturity of the loans of such Senior Unsecured Bridge Lender or of the date for payment to such Senior Unsecured Bridge Lender of any interest or fees, and (v) additional restrictions on the right to exchange Senior Unsecured Extended Term Loans for Senior Unsecured Exchange Securities and (b) the consent of each Senior Unsecured Bridge Lender shall be required with respect to: (i) modifications to voting requirements or percentages and (ii) releases of all or substantially all of the value of the Guarantees. The indenture governing the Senior Unsecured Exchange Securities will contain such modification provisions as are consistent with the Senior Unsecured Bridge Documentation Principles.
COST AND YIELD PROTECTION:	Substantially similar to the tax gross up, cost and yield provisions contained in the Revolving Facility, with appropriate modifications for a bridge facility.
ASSIGNMENTS AND PARTICIPATIONS OF SENIOR UNSECURED BRIDGE LOANS AND SENIOR UNSECURED EXTENDED TERM LOANS:	The Senior Unsecured Bridge Lenders will be permitted to assign Senior Unsecured Bridge Loans without the consent of (but with notice to) the Borrower (except that no such assignments to Disqualified Lenders will be permitted); *provided* that, prior to the Senior Unsecured Bridge Loans Maturity Date, unless a Takeout Demand Failure (as defined in the Joint Fee Letter) or a payment or bankruptcy event of default has occurred and is at such time continuing, the consent of the Borrower shall be required with respect to any assignment if, subsequent thereto, the Initial Lenders would hold, in the aggregate, less than 50.1% of the outstanding Senior Unsecured Bridge Loans. The Senior Unsecured Bridge Lenders will be permitted to participate their Senior Unsecured Bridge Loans to other financial institutions without restrictions, other than customary voting limitations. Participants will have the same benefits as the selling Lenders would have (and will be limited to the amount of such benefits) with regard to yield protection and increased costs, subject to customary limitations and restrictions.
RIGHT TO TRANSFER SENIOR UNSECURED EXCHANGE SECURITIES:	The holders of the Senior Unsecured Exchange Securities shall have the absolute and unconditional right to transfer such Senior Unsecured Exchange Securities in compliance with applicable law to any third parties.

EXPENSES AND INDEMNIFICATION:	Substantially similar to the expenses and indemnification provisions contained in the Revolving Facility, with modifications consistent with the Senior Unsecured Bridge Documentation Principles to the extent necessary to reflect differences in documentation, but in any event not applicable to the Senior Unsecured Exchange Securities.
GOVERNING LAW AND FORUM:	New York.
COUNSEL TO SENIOR UNSECURED BRIDGE AGENT:	Latham & Watkins LLP.

ANNEX I to
EXHIBIT B

PRICING APPLICABLE TO SENIOR UNSECURED BRIDGE LOANS

INTEREST RATES:

The Senior Unsecured Bridge Loans shall accrue interest at a rate per annum equal to the LIBOR Rate (as defined in ***Exhibit A***), plus 450 basis points (the "***Senior Unsecured Bridge Initial Margin***"), with a LIBOR Rate floor of 1.00%. The Senior Unsecured Bridge Initial Margin will increase by an additional 50 basis points on the date that is three months after the Closing Date and an additional 50 basis points for each additional three-month period thereafter; *provided* that, at no time shall the interest rate in effect on the Senior Unsecured Bridge Loans exceed the Total Interest Cap (as defined in the Joint Fee Letter) (excluding interest at the default rate as described above).

The Borrower may elect interest periods of one, two, three, or six months (or 12 months or shorter period if available to all Senior Unsecured Bridge Lenders) for Adjusted LIBOR borrowings.

Any Senior Unsecured Bridge Loans converted into Senior Unsecured Extended Term Loans will accrue interest at the fixed rate equal to the Total Interest Cap (as defined in the Joint Fee Letter).

Calculation of interest shall be on the basis of the actual number of days elapsed over a 360-day year and interest shall be payable quarterly in arrears.

PRICING APPLICABLE TO SENIOR UNSECURED EXCHANGE SECURITIES

INTEREST RATES: The Senior Unsecured Exchange Securities will bear interest at a fixed rate equal to the Total Interest Cap and interest will be payable semiannually in arrears.

Calculation of interest shall be on the basis of a year of 12 months of 30 days each.

EXHIBIT C

$150.0 MILLION SENIOR SECURED REVOLVING CREDIT FACILITY
$850.0 MILLION SENIOR UNSECURED BRIDGE LOAN FACILITY
SUMMARY OF CONDITIONS PRECEDENT[4]

This Summary of Conditions Precedent outlines certain of the conditions precedent to the Facilities referred to in the Commitment Letter, of which this Exhibit C is a part. Certain capitalized terms used herein are defined in the Commitment Letter.

The initial borrowings under the Facilities shall be subject to the following applicable conditions (subject in all respects to the Certain Funds Provision):

1. **Purchase Agreement**. The Acquisition shall have been consummated or shall be consummated substantially simultaneously with the initial borrowings under the Facilities in accordance in all material respects with the terms of the Purchase Agreement (without any amendment, modification or waiver thereof or any consent thereunder that is materially adverse to the Initial Lenders for the applicable Facility (in their capacities as such) without the prior written consent of the Commitment Parties (such consent not to be unreasonably withheld, delayed or conditioned); *provided* that (i) a reduction in the consideration payable under the Purchase Agreement of less than 10% shall not be deemed to be materially adverse to the interests of the Initial Lenders; *provided further* that such reduction is applied 100% to reduce the Senior Unsecured Bridge Facility, and (ii) an increase in such purchase price amount shall not be deemed to be materially adverse to the Initial Lenders if such increase is not funded with indebtedness for borrowed money; *provided* that no purchase price or similar adjustment provisions set forth in the Purchase Agreement shall constitute a reduction or increase in the purchase price).

2. **Refinancing**. The Refinancing shall have occurred, or shall occur substantially concurrently with the initial borrowings under the Facilities. The applicable Agent shall have received evidence that in connection with the Refinancing, all guarantees of, and security granted with respect to the Existing Debt have been discharged and released or shall be discharged and released substantially concurrently with the initial borrowings under the applicable Facility (or customary arrangements for such discharge and release shall have been agreed upon with the applicable Agent).

3. **Revolving Facility Documentation**. Subject to the Certain Funds Provision and solely as a condition to the availability of the Revolving Facility, the execution and delivery of (i) the RCF Credit Documentation by each Loan Party thereto, (ii) customary legal opinions with respect to the Revolving Facility, certified organizational documents of each Loan Party, customary evidence of authorization with respect to each Loan Party, customary officer's certificates of each Loan Party (provided that such certificate shall not include any representations or statement as to the absence (or existence) of any default or event of default under the RCF Credit Documentation or a bring-down of representations and warranties) and good standing certificates with respect to each Loan Party (to the extent such concept exists in the applicable jurisdiction) in the jurisdiction of organization of such Loan Party; (iii) a solvency certificate substantially in the form of ***Exhibit D*** to the Commitment Letter, (iv) all documents and instruments required to create and perfect the Collateral Agent's security interests in the Collateral under the Revolving Facility, which shall be, if applicable, in proper form for filing, in each case, subject to the Certain Funds Provision and consistent with the provisions of the RCF Term Sheet, and (v) a customary borrowing notice (provided that such notice shall not include any representations or statement as to the absence (or existence) of any default or event of default under the RCF Credit Documentation or a bring-down of representations and warranties) with respect to the initial borrowings under the Revolving Facility.

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[4] All capitalized terms used but not defined herein have the meanings given to them in the Commitment Letter to which this ***Exhibit C*** is attached, including ***Exhibits A*** and ***B*** thereto. In the case of any such capitalized term that is subject to multiple and differing definitions, the appropriate meaning thereof in this ***Exhibit C*** shall be determined by reference to the context in which it is used.

4. **Senior Unsecured Bridge Facility Documentation**. Subject to the Certain Funds Provision and solely as a condition to the availability of the Senior Unsecured Bridge Facility, the execution and delivery of (i) the Senior Unsecured Bridge Facility Documentation by each Loan Party thereto, (ii) customary legal opinions with respect to the Senior Unsecured Bridge Facility, certified organizational documents of each Loan Party, customary evidence of authorization with respect to each Loan Party, customary officer's certificates of each Loan Party (provided that such certificate shall not include any representations or statement as to the absence (or existence) of any default or event of default under the Senior Unsecured Bridge Facility Documentation or a bring-down of representations and warranties) and good standing certificates with respect to each Loan Party (to the extent such concept exists in the applicable jurisdiction) in the jurisdiction of organization of such Loan Party, (iii) a solvency certificate substantially in the form of ***Exhibit D*** to the Commitment Letter, and (iv) a customary borrowing notice (provided that such notice shall not include any representations or statement as to the absence (or existence) of any default or event of default under the Senior Unsecured Bridge Facility Documentation or a bring-down of representations and warranties) with respect to the initial borrowings under the Senior Unsecured Bridge Facility.

5. **Financial Statements**. The Commitment Parties shall have received (a) generally accepted accounting principles and practices in the United States ("***US GAAP***") (*provided* that, in the case of the Borrower, such financial statements for any period prior to 2015 may be prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("***IFRS***")) audited consolidated balance sheets and related statements of income/loss, stockholders'/changes in equity and cash flows of each of the Borrower and the Target for the three most recently completed fiscal years ended at least 90 days prior to the Closing Date (and the related audit reports), (b) US GAAP unaudited consolidated balance sheets and related statements of income/loss, stockholders' equity/changes in equity and cash flows of each of the Borrower and the Target for each subsequent fiscal quarter (other than the fourth quarter of any fiscal year) subsequent to the last fiscal year for which financial statements were prepared pursuant to the preceding clause (a) and ended at least 45 days prior to the Closing Date (and the corresponding period of the preceding fiscal year), (c) Associated Auction Services, LLC's ("***AAS***") audited balance sheet as of December 31, 2014 and March 31, 2015 and audited statements of operations, members' equity and cash flows for the three months ended March 31, 2015 and the year ended December 31, 2014, including the notes thereto, and (d) Kruse Energy & Equipment Auctioneers, LLC's ("***Kruse***") audited balance sheet as of October 31, 2014 and the audited statements of income, changes in members' capital and cash flows for the ten month period ended October 31, 2014, including the notes thereto; *provided* that, for the avoidance of doubt, each Commitment Party acknowledges that it has received the information and documents required by clauses (c) and (d) of this Section 5.

6. **Pro Forma Financial Statements**. The Commitment Parties shall have received a *pro forma* consolidated balance sheet as of the end of the most recently ended income statement of the Borrower for which financial statements have been provided pursuant to the preceding Section 5 and related *pro forma* consolidated statements of income of the Borrower (i) for the most recently ended fiscal year for which audited financial statements have been provided pursuant to the preceding Section 5, (ii) to the extent not provided pursuant to clause (i), a *pro forma* statement of income of the Borrower for the trailing 12-month period ended the date of the latest interim unaudited quarterly financial statements, if any, provided pursuant to the preceding Section 5 and, (iii) for the subsequent interim periods for which unaudited financial statements have been provided pursuant to the preceding Section 5, prepared after giving effect to the Transactions (and any other acquisitions of businesses for which financials statements are being provided) as if they had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other financial statements).

7. **KYC Information**. The applicable Agent shall have received, at least three business days prior to the Closing Date, all documentation and other information about the Loan Parties required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act, that has been reasonably requested in writing by the Commitment Parties at least 10 business days prior to the Closing Date.

8. **Senior Unsecured Notes Offering Document**. With respect to the Senior Unsecured Bridge Facility, the Borrower shall have engaged one or more investment banks reasonably satisfactory to the Lead Arrangers and the Bookrunners (collectively, the "***Investment Bank***") to sell to or place the Senior Unsecured Notes or debt securities substantially similar to the Senior Unsecured Notes that may be used to refinance the Senior Unsecured Bridge Loans and shall ensure that (a) the Investment Bank shall have received a customary preliminary offering memorandum or preliminary private placement memorandum suitable containing all customary information (other than the "description of the notes" and any information customarily provided by the Investment Bank or its counsel) for use in a customary high-yield road show relating to the issuance of the Senior Unsecured Notes, including unaudited interim financial statements of the Target and the Borrower and all appropriate pro forma financial statements of the Target with respect thereto prepared in accordance with, or reconciled to, US GAAP (provided that, in the case of the Borrower, such financial statements for any period prior to 2015 may be prepared in accordance with IFRS) and prepared in accordance with the principles of Regulation S-X under the Securities Act of 1933, as amended, but, in each case, no more than the financial statements referred to under the preceding Sections 5 or 6 above or derived therefrom, and all other data that would be necessary for the Investment Bank to receive customary "comfort" (including "negative assurance" comfort) from independent accountants to the Borrower, the Target, AAS and Kruse in connection with such offering (subject in each case to exceptions customary for Rule 144A offerings involving high-yield unsecured "private-for-life" debt securities, including exceptions for consolidating financial statements, separate subsidiary financial statements and other financial statements required by Rule 3-09, Rule 3-10 or Rule 3-16 of Regulation S-X (provided that customary data as to the total assets, revenue, EBITDA and adjusted EBITDA or comparable metrics (including on a pro forma basis giving effect to the Transactions) shall be included) or "segment reporting", Item 302 of Regulation S-K and Compensation Discussion and Analysis or other information required by Item 402 of Regulation S-K under the Securities Act and the executive compensation and related person disclosure rules related to SEC Release No. 33-8732A, 34-54302A and IC-2744A and other information not customarily provided in an offering memorandum for a Rule 144A offering) (the "***Required Bond Information***"), and (b) the Investment Bank shall be afforded a marketing period following the receipt of the Required Bond Information to seek to offer and sell or privately place the Senior Unsecured Notes of 15 consecutive business days (the "***Senior Unsecured Notes Marketing Period***"); *provided* that (i) the Senior Unsecured Notes Marketing Period shall commence no earlier than September 6, 2016, (ii) November 24, 2016 and November 25, 2016 shall not be considered business days for the purposes of the Senior Unsecured Notes Marketing Period and (iii) if the Senior Unsecured Notes Marketing Period has not ended prior to December 17, 2016, then such period shall not commence until on or after January 2, 2017.

If Borrower shall in good faith reasonably believe that the Borrower has delivered the Required Bond Information, the Borrower may (but shall not be obligated to) deliver to the Investment Bank written notice to that effect (stating when the Borrower believes that the Borrower completed such delivery), in which case the Borrower shall be deemed to have delivered the Required Bond Information on the date of such notice and the Senior Unsecured Notes Marketing Period shall be deemed to have commenced on the date of such notice, in each case, unless the Investment Bank in good faith reasonably believes that the Borrower has not completed delivery of the Required Bond Information and, within two business days after its receipt of such notice from the Borrower, the Investment Bank delivers a written notice to the Borrower to that effect (stating with specificity which information has not delivered).

9. **Payment of Fees and Expenses**. All fees required to be paid by the Borrower on the Closing Date pursuant to the Fee Letters and the Commitment Letter (including the Term Sheets) and reasonable out-of-pocket expenses (including legal fees and expenses) required to be paid by the Borrower on the Closing Date pursuant to the Commitment Letter, to the extent invoiced at least two business days prior to the Closing Date, shall, upon the initial borrowing of the applicable Facilities, have been paid, or will be substantially simultaneously, paid (which amounts may be offset against the proceeds of the Facilities).

10. **Accuracy of Representations**. (i) The Specified Representations shall be true and correct in all material respects (without duplication of any materiality qualifier set forth therein) to the extent required by the Certain Funds Provision; and (ii) the Purchase Agreement Representations shall be true and correct in all material respects to the extent required by the Certain Funds Provision; *provided* that, for the avoidance of doubt, this clause (ii) shall only be a condition to the extent that you have (or an affiliate of yours has) the right (taking into account any applicable cure provisions) to terminate your (or its) obligations under the Purchase Agreement or the right to decline to consummate the Acquisition (in each case, in accordance with the terms of the Purchase Agreement) as a result of the failure of such representations and warranties to be accurate.

11. **Material Adverse Change**. There has not occurred a Material Adverse Change (as defined in the Purchase Agreement) since the date of the Purchase Agreement.

EXHIBIT D

FORM OF SOLVENCY CERTIFICATE

[____][__], 20[__]

This Solvency Certificate is being executed and delivered pursuant to Section **[__]** of that certain **[•]**[5] (the "***Credit Agreement***"; the terms defined therein being used herein as therein defined).

I, [_____], a [_____] of the Borrower (after giving effect to the Transactions), in such capacity only and not in an individual capacity (and without personal liability), hereby certify on behalf of the Borrower as follows, in each case as of the date hereof:

1. The sum of the debt and liabilities (subordinated, contingent or otherwise) of the Borrower and its Subsidiaries, on a consolidated basis, does not exceed the fair value of the present assets of the Borrower and its Subsidiaries, on a consolidated basis.

2. The capital of the Borrower and its Subsidiaries, on a consolidated basis, is not unreasonably small in relation to their business as conducted or contemplated to be conducted on the date hereof.

3. The present fair saleable value of the assets of the Borrower and its Subsidiaries, on a consolidated basis, is greater than the total amount that will be required to pay the probable liabilities of the Borrower and its Subsidiaries, on a consolidated basis, as applicable, as they become absolute and matured.

4. The Borrower and its Subsidiaries, on a consolidated basis, have not, incurred and do not intend to incur, or believe that they will incur, debts or other liabilities, including current obligations, beyond their ability to pay such debts or other liabilities as they become due (whether at maturity or otherwise).

5. For purposes of this Solvency Certificate, the amount of any contingent liability has been computed as the amount that, in light of all of the facts and circumstances existing as of the date hereof, represents the amount that can reasonably be expected to become an actual or matured liability.

6. In reaching the conclusions set forth in this Solvency Certificate, the undersigned has made such investigations and inquiries as the undersigned has deemed appropriate to provide this Solvency Certificate. The undersigned is familiar with the finances and assets of the Borrower and its Subsidiaries.

7. The undersigned acknowledges that the Agent and the Lenders are relying on the truth and accuracy of this Solvency Certificate in connection with the Commitments and Loans under the Credit Agreement.

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[5] Describe the credit agreement to govern the Revolving Facility.

IN WITNESS WHEREOF, the undersigned has executed this Solvency Certificate in such undersigned's capacity as an officer of the Borrower, on behalf of the Borrower, and not individually, on the date first written above.

RITCHIE BROS. AUCTIONEERS INCORPORATED

By: _____
Name:
Title: [Financial Officer]

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

I, Ravichandra K. Saligram, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ritchie Bros. Auctioneers Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2016

/s/ Ravichandra K. Saligram
Ravichandra K. Saligram
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

I, Sharon R. Driscoll, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ritchie Bros. Auctioneers Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2016

/s/ Sharon R. Driscoll
Sharon R. Driscoll
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. §1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Ritchie Bros. Auctioneers Incorporated (the "Company") on Form 10-Q for the period ended September 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ravichandra K. Saligram, Chief Executive Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 9, 2016

/s/ Ravichandra K. Saligram
Ravichandra K. Saligram
Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. §1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Ritchie Bros. Auctioneers Incorporated (the "Company") on Form 10-Q for the period ended September 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sharon R. Driscoll, Chief Financial Officer, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 9, 2016

/s/ Sharon R. Driscoll
Sharon R. Driscoll
Chief Financial Officer