FOURTH AMENDMENT TO CREDIT AGREEMENT

EXECUTED by the parties hereto as of the 23rd day of April, 2019.

AMONG: **ROOTS CORPORATION**, as Borrower

(the **Borrower**)

AND: **ROOTS USA CORPORATION**, **ROOTS LEASING CORPORATION** and **ROOTS INTERNATIONAL ULC**, each as Guarantors

(collectively, the **Guarantors** and together with the Borrower, the **Credit Parties**)

AND: **THE TORONTO-DOMINION BANK**, as administrative agent and collateral agent for the Lenders

(the **Administrative Agent**)

AND: **THE SEVERAL LENDERS PARTY HERETO**

(collectively, the **Lenders**)

WHEREAS, the Credit Parties, the Administrative Agent and the Lenders entered into a Credit Agreement dated as of December 1, 2015 (including all annexes, exhibits and schedules thereto, as the same as been amended by a First Amendment, Waiver and Consent to Credit Agreement dated as of April 19, 2017, a Second Amendment to Credit Agreement dated as of September 6, 2017, a Third Amendment to Credit Agreement dated as of October 12, 2018 and as the same may be further amended, modified, restated, supplemented or replaced from time to time, collectively the **Credit Agreement**); capitalized terms used herein and otherwise not defined shall have the meanings ascribed thereto in the Credit Agreement;

AND WHEREAS the Borrower has, by written notice to the Administrative Agent, requested the establishment of an increase in Revolving Credit Commitments in the aggregate amount of $15,000,000 (the **New Revolving Credit Commitment**) in accordance with Section 2.14 of the Credit Agreement;

AND WHEREAS, the Administrative Agent and the Lenders have agreed to amend certain provisions of the Credit Agreement, but only to the extent and subject to the limitations set forth in this Fourth Amendment to Credit Agreement (hereinafter the **Fourth Amendment**);

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

Article 1 – AMENDMENTS

1.1 As of the Amendment Effective Date (as hereinafter defined) the following defined term is added in alphabetical order to Section 1.1 of the Credit Agreement:

"“**Fourth Amendment Effective Date**” means April 23, 2019.”

1.2 As of the Amendment Effective Date, Section 1.1 of the Credit Agreement is amended by deleting the definition of “Maximum Incremental Facilities Amount” and substituting the following therefor:

“**Maximum Incremental Facilities Amount**” shall mean, at any date of determination (i) $50,000,000 minus (ii) the aggregate principal amount of all New Loan Commitments incurred pursuant to Section 2.14 during the term of this Agreement. For the avoidance of doubt, the parties acknowledge and agree that $25,000,000 of the Maximum Incremental Facilities Amount was exercised by the Borrower on the First Amendment Effective Date, $10,000,000 of the Maximum Incremental Facilities Amount was exercised by the Borrower on the Third Amendment Effective Date, $15,000,000 of the Maximum Incremental Facilities Amount was exercised by the Borrower on the Fourth Amendment Effective Date and that, after the Fourth Amendment Effective Date, there remains no balance ($0) of the Maximum Incremental Facilities Amount available for exercise by the Borrower under Section 2.14.

1.3 As of the Amendment Effective Date, Section 1.1 of the Credit Agreement is amended by deleting the last sentence of the definition of "Revolving Credit Commitments" and substituting the following therefor:

"The aggregate Revolving Credit Commitments of all Revolving Credit Lenders shall be C$75,000,000 on the Fourth Amendment Effective Date, as such amount may be adjusted from time to time in accordance with the terms of this Agreement."

1.4 As of the Amendment Effective Date, Section 1.1 of the Credit Agreement is amended by deleting the definition of "Growth Capital Expenditures" and substituting the following therefor:

"**Growth Capital Expenditures**" shall mean Capital Expenditures incurred in connection with (i) any new store openings occurring after the Closing Date, (ii) a new distribution centre to be occupied after the Fourth Amendment Effective Date, and (iii) the implementation of new equipment which will result in an expansion in the manufacturing capacity (but for greater certainty, excluding replacement of existing capacity) of the Borrower's existing leather factory located in Toronto or such other location in Ontario, to the extent such leather factory is relocated.

1.5 As of the Amendment Effective Date, Section 10.7 of the Credit Agreement is deleted in its entirety and substituted with the following therefor:

"10.7 Consolidated Senior Secured Debt to Consolidated EBITDA Ratio. The Borrower will not permit the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio as of the last day of any Test Period set forth below to be greater than the ratio set forth opposite such Test Period, provided that, solely for the purpose of determining the Consolidated Senior Secured Debt to Consolidated EBITDA Ratio under this Section 10.7, and not for any other purpose under this Agreement, up to $10,000,000 of Qualified Cash may be deducted from Consolidated Senior Secured Debt:

Test Period End Date	**Consolidated Senior Secured Debt to Consolidated EBITDA Ratio**
From Closing through and including Fiscal Quarter Ending May 4, 2019	4.00:1.00
Fiscal Quarter Ending August 3, 2019 through and including Fiscal Quarter Ending November 2, 2019	4.50:1.00
Fiscal Quarter Ending February 1, 2020 through to maturity	3.50:1.00

1.6 As of the Second Amendment Effective Date, Section 10.8 of the Credit Agreement is deleted in its entirety and substituted with the following therefor:

"10.8 Consolidated Total Debt to Consolidated EBITDA Ratio. The Borrower will not permit the Consolidated Total Debt to Consolidated EBITDA Ratio as of the last day of any Test Period set forth below to be greater than the ratio set forth opposite such Test Period, provided that, solely for the purpose of determining the Consolidated Total Debt to Consolidated EBITDA Ratio under this Section 10.8, and not for any other purpose under this Agreement, up to $10,000,000 of Qualified Cash may be deducted from Consolidated Total Debt:

Test Period End Date	**Consolidated Total Debt to Consolidated EBITDA Ratio**
From Closing through and including Fiscal Quarter Ending November 2, 2019	4.50:1.00
Fiscal Quarter Ending February 1, 2020 through to maturity	4.00:1.00

1.7 As of the Amendment Effective Date, Schedule 1.1(b) (Commitments of Lenders) of the Credit Agreement is hereby deleted and replaced with Schedule 1.1(b) (Commitments of Lenders), attached hereto as Exhibit I.

Article 2 – CONDITIONS TO EFFECTIVENESS

2.1 This Fourth Amendment shall become effective upon satisfaction of the following conditions precedent (the date upon which such conditions are satisfied, the **Amendment Effective Date**):

(a) the Credit Parties and the Lenders delivering to the Administrative Agent executed counterparts of this Fourth Amendment;

(b) a certificate of an officer of the Borrower, certifying the matters set forth in Section 2.14(a) of the Credit Agreement;

(c) the Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of the Borrower and the other Guarantors (or a duly authorized committee thereof, or of the applicable managing general partner thereof) authorizing (x) the execution, delivery, and performance of this Fourth Amendment (and any agreements relating thereto) to which it is a party and (y) in the case of the Borrower the extensions of credit contemplated hereunder, (ii) to the extent not delivered on the Closing Date, Certificate of Incorporation and By-Laws, Certificate of Formation and Operating Agreement, Certificate of Limited Partnership and limited partnership agreement or other comparable organizational documents, including, without limitation, the USA, as applicable, of the Borrower and the other Guarantors, and (iii) to the extent not delivered on the Closing Date, signature and incumbency certificates (or other comparable documents evidencing the same) of the Authorized Officers of the Borrower (or of the applicable managing general partner thereof) and the other Guarantors executing the Credit Documents to which it is a party;

(d) delivery of a status, compliance or good standing (or equivalent status) of each Credit Party in its jurisdiction of organization, as evidenced by certificate(s) of status, compliance or good standing, as applicable, (or the equivalent thereof issued by any applicable jurisdiction) dated not more than two days prior to the Amendment Effective Date, issued by the appropriate official of each such jurisdiction; and

(e) the Agent shall have received all of the fees set forth in that certain fee letter dated as of the date hereof.

Article 3 - REPRESENTATIONS AND WARRANTIES

3.1 Each Credit Party warrants and represents to the Agent and the Lenders that the following statements are true, correct and complete:

(a) Organizational Status. Each Credit Party (a) is a duly organized and validly existing corporation, limited liability company, limited partnership or other entity in good standing (if applicable) under the laws of the jurisdiction of its organization and has the corporate, limited liability company, limited partnership or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required to be so qualified, except where the failure to be so qualified would not reasonably be expected to result in a Material Adverse Effect.

(b) Organizational Power and Authority. Each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of this Fourth Amendment and the other the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of this Fourth Amendment and the other Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and each such Fourth Amendment and the other the Credit Documents constitutes the legal, valid, and binding obligation of such Credit Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

(c) No Violation. Neither the execution, delivery or performance by any Credit Party this Fourth Amendment and the other Credit Documents to which it is a party nor compliance with the terms and provisions thereof will (a) contravene any applicable provision of any material law, statute, rule, regulation, order, writ, injunction or decree of any court or governmental instrumentality, (b) result in any breach of any Contractual Requirement, except where the failure to so comply would not reasonably be expected to result in a Material Adverse Effect or (c) violate any provision of the Organization Documents of such Credit Party or any of its Subsidiaries.

(d) Governmental Approvals. The execution, delivery and performance by any Credit Party of this Fourth Amendment and the other Credit Documents does not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority, except for (i) such as have been obtained or made and are in full force and effect, and (ii) filings, consents, approvals, registrations and recordings in respect of the Liens created pursuant to the Security Documents (and to release existing Liens).

(e) Incorporation of Representations and Warranties From Credit Agreement. The representations and warranties contained in the Credit Agreement and the other Credit Documents are and will be true, correct and complete in all material respects on and as of the Amendment Effective Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true, correct and complete in all material respects on and as of such earlier date.

(f) Absence of Default. Since the Closing Date, no event has occurred and is continuing or will result from the consummation of the transactions contemplated by this Fourth Amendment that would constitute a Default or an Event of Default.

Article 4 – ACKNOWLEDGMENTS

4.1 It is acknowledged and agreed that:

(a) subject to Section 4.1(b) of this Fourth Amendment, no adjustments will be made to advances under the Credit Agreement by way of LIBOR Loans or Bankers' Acceptances that are outstanding as of the date of this Fourth Amendment to reflect the revised Commitments of the Lenders that result from this Fourth Amendment; and

(b) if and to the extent that any advance under the Credit Agreement by way of a LIBOR Loan or Bankers' Acceptance that is outstanding as of the date of this Fourth Amendment is subsequently rolled over as a new advance by way of a LIBOR Loan or Bankers' Acceptance or converted to another form of advance, each applicable Lender shall fund such new LIBOR Loan or Bankers' Acceptances or other form of advance, as applicable, based on such Lender’s revised Commitment percentage that results from this Fourth Amendment.

Article 5 - MISCELLANEOUS

5.1 Each Credit Party (i) reaffirm its Obligations under the Credit Agreement and the other Credit Documents to which it is a party, and (ii) agrees that the Credit Agreement and the other Credit Documents to which it is a party remain in full force and effect, except as amended hereby, and are hereby ratified and confirmed.

5.2 Except as provided in Article 1, nothing contained in this Fourth Amendment or any other communication between the Agent and/or the Lenders and any other Credit Party shall be a waiver of any other present or future violation, Default or Event of Default under the Credit Agreement or any other Credit Document (collectively, **Violations**). Similarly, nothing contained in this Fourth Amendment shall directly or indirectly in any way whatsoever either: (i) impair, prejudice or otherwise adversely affect the Agent’s or the Lenders’ right at any time to exercise any right, privilege or remedy in connection with the Credit Agreement or any other Credit Document with respect to any Violations (including, without limiting the generality of the foregoing, in respect of the non-conformity to any representation, warranty or covenant contained in any other Credit Document), (ii) except as specifically provided in Article 1 hereof, amend or alter any provision of the Credit Agreement or any other Credit Document or any other contract or instrument, or (iii) constitute any course of dealing or other basis for altering any obligation of any of the Credit Parties under the Credit Documents or any right, privilege or remedy of the Administrative Agent or the Lenders under the Credit Agreement or any other Credit Document or any other contract or instrument with respect to Violations. Nothing in this Fourth Amendment shall be construed to be a consent by the Agent or the Lenders to any Violations.

5.3 Save as expressly set forth in this Fourth Amendment, all other terms and conditions of the Credit Agreement remain in full force and effect. All Credit Documents remain in full force and effect.

5.4 Except to the limited extent set forth herein, no additional amendment in respect of any other term, condition, covenant, agreement or any other aspect of the Credit Agreement is intended or implied.

5.5 This Fourth Amendment shall be interpreted and the rights and liabilities of the parties hereto shall be determined in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

5.6 This Fourth Amendment may be executed in original, facsimile and/or other electronic means counterparts and all such counterparts taken together shall be deemed to constitute one and the same instrument.

[signature pages follow]

The parties have executed this Fourth Amendment as of the date first above written.

BORROWER:

ROOTS CORPORATION

Per: *"Jim Rudyk"*

Name: Jim Rudyk

Title: Chief Financial Officer

THE TORONTO-DOMINION BANK
as Administrative Agent and Collateral Agent

Per: *“Andi Zeneli”*

Name: Andi Zeneli

Title: Vice President, Loan Syndications-Agency

THE TORONTO-DOMINION BANK, as a Lender

Per: *"Tim Thomas"*
Name: Tim Thomas
Title: Managing Director

Per: *"Andrew C. Rytel"*
Name: Andrew C. Rytel
Title: Vice President

CANADIAN WESTERN BANK, as a Lender

Per: *“John Cherian”*

Name: John Cherian

Title: AVP, Corporate Lending

Per: *“Mykhaylo Hotsaliuk”*

Name: Mykhaylo Hotsaliuk

Title: AVP, Corporate Lending

ICICI BANK CANADA, as a Lender

Per: *"Sandeep Goel"*

Name: Sandeep Goel

Title: Senior Vice President & Chief Risk Officer, ICICI Bank Canada

Per: *"Leslie Mathew"*

Name: Leslie Mathew

Title: Assistant Vice President, Corporate & Commercial Banking, ICICI Bank Canada

THE BANK OF NOVA SCOTIA, as a Lender

Per: *"Nick Dinkha"*
Name: Nick Dinkha
Title: Director

HSBC BANK CANADA, as a Lender

Per: *"Jesse Macmasters"*

Name: Jesse Macmasters

Title: Head of Large Corporate - Ontario

Per: *"Andrew Sclater"*

Name: Andrew Sclater

Title: Director, Large Corporate Banking

BANK OF AMERICA, N.A. (acting through its Canada branch), as a Lender

Per: *"Julie Griffin"*

Name: Julie Griffin

Title: Senior Vice President

GUARANTOR CONSENT

The undersigned Guarantors, effective as of the date of this Agreement:

(a) consents and agrees to the amendments contained in this Fourth Amendment; and

(b) agrees that the Guarantee dated December 1, 2015, executed by each Guarantor to and in favour of Administrative Agent, remains in full force and effect and continues to be the legal, valid and binding obligation of such Guarantor, enforceable against such Guarantor in accordance with its terms.

GUARANTORS:

ROOTS USA CORPORATION

Per: *"Jim Rudyk"*
Name: Jim Rudyk
Title: Chief Financial Officer

ROOTS LEASING CORPORATION

Per: *"Jim Rudyk"*
Name: Jim Rudyk
Title: Chief Financial Officer

ROOTS INTERNATIONAL ULC

Per: *"Jim Rudyk"*
Name: Jim Rudyk
Title: Chief Financial Officer

EXHIBIT I

SCHEDULE 1.1(b)

[Commercially Sensitive Syndicate Information Redacted]