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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 9, 2015

BIOSCRIP, INC.

(Exact name of Registrant as specified in its charter)

Delaware	000-28740	05-0489664
(State of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

100 Clearbrook Road, Elmsford, New York	10523
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (914) 460-1600

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01– Entry Into a Material Definitive Agreement

Securities Purchase Agreement

On March 9, 2015, Bioscrip, Inc. (the "Company") entered into a securities purchase agreement (the "Purchase Agreement") with Coliseum Capital Partners, L.P., a Delaware limited partnership, Coliseum Capital Partners II, L.P., a Delaware limited partnership, and Blackwell Partners, LLC, Series A, a Georgia limited liability company (collectively, the "PIPE Investors"), affiliates of Coliseum Capital Management, LLC, a Delaware limited liability company ("Coliseum"). Pursuant to the terms of the Purchase Agreement, the Company issued and sold to the PIPE Investors in a private placement (the "Private Placement") an aggregate of (a) 625,000 shares of Series A Convertible Preferred Stock, par value $0.0001 per share (the "Preferred Stock"), at a purchase price per share of $100.00, (b) 1,800,000 Class A warrants to purchase the Company's common stock at a price of $5.295 per share (the "Class A Warrants"), and (c) 1,800,000 Class B warrants to purchase the Company's common stock at a price of $6.595 per share (the "Class B Warrants" and, together with the Class A Warrants, the "Warrants"), for gross proceeds of $62.5 million.

The Purchase Agreement contains customary representations, warranties and covenants, including covenants relating to, among other things, information rights, the Company's financial reporting, tax matters, listing compliance under the NASDAQ Global Market, Stockholder Approval (defined below), use of proceeds, and potential requirements under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("HSR") to make a notice filing with respect to the exercise of the Warrants.

Rights and Preferences of the Series A Preferred Stock

The description below provides a summary of certain material terms of the Preferred Stock issued pursuant to the Purchase Agreement.

- *Dividends*. Dividends of the Preferred Stock are noncumulative and accrue from the date of original issuance at a rate of 8.5% per annum on the liquidation preference (defined below) then in effect (a "Cash Dividend"). If the Company does not declare and pay a Cash Dividend, the liquidation preference on the Preferred Stock will be increased to an amount equal to the liquidation preference in effect at the start of the applicable dividend period, plus an amount equal to such then applicable liquidation preference multiplied by 11.5% per annum (an "Accrued Dividend"). Cash Dividends, if declared, are payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year, and, if declared, will begin to accrue on the first day of the applicable dividend period. If applicable, the Accrued Dividend will begin to accrue and be cumulative on the same schedule as set forth above for Cash Dividends and will also be compounded on each applicable subsequent dividend date.

- *Dividend Adjustment*. The Company is required to obtain stockholder approval in connection to the transactions set forth in the Purchase Agreement ("Stockholder Approval") on or before September 30, 2015. If the Company does not do so, the dividend rate with respect to the Cash Dividends and Accrued Dividends will be increased to a rate of 13.5% and 16.5%, respectively.

- *Liquidation Preference*. Upon any voluntary or involuntary liquidation, dissolution or winding up of the Company (each, a "Liquidation Event"), after satisfaction of all liabilities and obligations to creditors of the Company and distribution of any assets of the Company to the holders of any stock or debt that is senior to the Preferred Stock, and before any distribution or payment is made to holders of any junior stock, each holder of Preferred Stock will be entitled to either convert the Preferred Stock into common stock and share in any distribution made to the holders of common stock or receive, out of the assets of the Company or proceeds thereof (whether capital or surplus) legally available therefor, an amount per share of Preferred Stock equal to the liquidation preference. The liquidation preference is equal to $100.00, which may be adjusted from time to time by the accrual of Accrued Dividends. The holders of the Preferred Stock are also entitled, at their election, to either convert their shares of Preferred Stock into common stock and on a pro rata basis share in any distribution made to the common stock holders or be paid the liquidation preference upon the occurrence of events that are "Deemed Liquidation Events", such as certain merger transactions where the Company is not the survivor or a sale of all or substantially all of the Company's assets.

- *Rank*. The Preferred Stock will, with respect to dividend rights and rights upon liquidation, winding up or dissolution, rank senior to the Company's common stock and each other class or series of shares that the Company may issue in the future that do not expressly provide that such class or series ranks equally with, or senior to, the Preferred Stock, with respect to dividend rights and/or rights upon liquidation, winding up or dissolution. The Preferred Stock will also rank junior to the Company's existing and future indebtedness.

- *Conversion Rate and Conversion Price*. The conversion rate in effect at any applicable time for conversion of each share of Preferred Stock into common stock will be the quotient obtained by dividing the liquidation preference then in effect (which will include any cash dividends that the Company has notified holders that it intends to pay but has not yet declared and any cash dividends that have been declared but remain unpaid, calculated at the Accrued Dividend rate) by the conversion price then in effect, plus cash in lieu of fractional shares. The conversion price for the Preferred Stock will initially be $5.17 and is subject to adjustment from time to time upon the occurrence of certain events, including a stock split, a reverse stock split, or a dividend of common stock to the Company's common stockholders.

- *Optional Conversion*. The Preferred Stock may, at the option of the holder, be converted into Company common stock. Until the Stockholder Approval is obtained or, in the event Stockholder Approval is not obtained by the Company, the Preferred Stock beneficially owned by the holder of Preferred Stock and their respective affiliates may not be converted to the extent that, after giving effect to such conversion, each holder of Preferred Stock and its affiliates would beneficially own, in the aggregate, in excess of 19.99% of the shares of common stock outstanding immediately after the conversion (the "Conversion Cap"). The Conversion Cap will not apply to the Preferred Stock once the Company obtains Stockholder Approval. No shares of Preferred Stock may be converted until after the first occurrence of a vote seeking Stockholder Approval by the Company's common stockholders.

- *Mandatory Conversion*. If, at any time following the third anniversary date of the issuance of the Preferred Stock, the volume weighted average price of the Company's common stock equals or exceeds three (3) times the conversion price of the Preferred Stock for a period of 30 consecutive trading days, the Company may, at its option, require that any or all of the then outstanding shares of Preferred Stock be automatically converted into Company common stock at the conversion rate. The Company may not elect to exercise the foregoing option if at any time during the period commencing on the date that the Company has made a public announcement that it has entered into a definitive agreement with respect to a transaction constituting a "Deemed Liquidation Event" (as defined in the Certificate of Designations) and ending on the date that is the first to occur of (i) the consummation of the transaction and (ii) the date that the Company has made a public announcement that any such definitive agreement has been terminated.

- *Optional Special Dividend and Conversion on Certain Change of Control*. Upon the occurrence of a change of control effected by a third party tender offer and that results in any person (other than the holders of Preferred Stock or any of their respective affiliates, acting either individually or through a group) beneficially owning, directly or indirectly shares of the Company's capital stock entitling such person to exercise 50% or more of the total voting power of all classes of voting stock of the Company, at the written request of a majority of the voting power of the outstanding shares of Preferred Stock: (i) the Board will, subject to applicable law, declare and the Company will pay a special cash dividend on each share of Preferred Stock, out of any legally available funds in the amount of the liquidation preference per share then in effect with respect to the Preferred Stock to the extent the legally available funds are sufficient to pay the special dividend in full; and (ii) as of the payment date of the special dividend, all outstanding shares of Preferred Stock automatically will be converted (without further action) into a number of shares of common stock at the conversion rate then in effect.

- *Voting*. Holders of shares of Preferred Stock will be entitled to vote with the holders of shares of common stock (and any other class or series similarly entitled to vote with the holders of common stock) and not as a separate class, at any annual or special meeting of stockholders of the Company, and may act by written consent in the same manner as the holders of common stock, on an as-converted basis. Prior to the receipt of Stockholder Approval, the Preferred Stock beneficially owned by each holder of Preferred Stock, or any of its respective affiliates may only be voted to an extent s not to exceed 19.99% of the aggregate voting power of all of the Company's voting stock outstanding who may vote with respect to any proposal (the "Voting Cap"). In addition, a majority of the voting power of the Preferred Stock must approve certain actions that adversely affect their rights, such as the creation or issuance of a series of stock with equal or greater rights than the Preferred Stock and issuance of equity securities, or securities convertible into equity, at a price that is 25% below fair market value at the time of issuance, voluntary liquidation, dissolution or winding-up of the Company if the Preferred Stock would not have the option to receive the then liquidation preference on the liquidation, dissolution, or winding-up of the Company, or subject to certain exceptions, a merger transaction that will effectively represent the sale of the Company to a successor, a sale of substantially all Company assets, and any recapitalization transaction, but only if the results of any such transaction is that holders of the Preferred Stock would not have the option to receive the full liquidation preference as a result of that transaction.

- *Redemption at the Option of the Holder*. From and after the tenth anniversary of the original issuance of the Preferred Stock, each holder of shares of Preferred Stock will have the right to request that the Company redeem, in full, out of funds legally available, by irrevocable written notice to the Company, all of such holder's shares of Preferred Stock at a redemption price per share equal to the liquidation preference then in effect per share of Preferred Stock. If the Company elects not to redeem a holder's shares of Preferred Stock pursuant to such notice, the conversion price then in effect with respect to the shares of Preferred Stock will be decreased to the lesser of (A) the conversion price then in effect and (B) 80% of the volume weighted average price of the Company's common stock for the 10 consecutive trading days prior to the date of the redemption request. In addition, upon a change of control event that is neither a liquidation event nor the result of a person (other than the holders of Preferred Stock and their affiliates) acquiring 50% or more of the total voting power of all classes of voting stock of the Company as a result of a tender offer, subject to the Company's prior satisfaction of certain debt obligations, each holder of Preferred Stock that remains outstanding may require the Company to redeem shares of Preferred Stock at a price equal to the liquidation preference then in effect.

- *Redemption at the Option of the Company*. From and after the tenth anniversary of the original issuance of the Preferred Stock, the Company may redeem the outstanding Preferred Stock, in whole or in part, at a price per share equal to the liquidation preference then in effect per share of Preferred Stock.

- *Board Representation*. So long as shares of the Preferred Stock represent at least five percent (5%) of the outstanding voting stock of the Company, a majority of the voting power of the Preferred Stock shall have the right to designate one (1) member to the Company's board of directors who shall be appointed to a minimum of two (2) committees of the board.

- *Anti-dilution*. The conversion price of the Preferred Stock is subject to anti-dilution protections if the Company effects a stock split, stock dividend, subdivision, reclassification or combination of its common stock.

- *Maturity Date*. The Preferred Stock is perpetual, and therefore does not have a maturity date.

Warrants

The rights and terms of the Class A Warrants and the Class B Warrants are identical except that the exercise price for the Class A Warrants is $5.295 per share and the exercise price for the Class B Warrants is $6.595 per share. As noted above, the Class A Warrants and the Class B Warrants are collectively referred to as the "Warrants".

The Warrants are exercisable for a ten year term and may only be exercised for cash. The number of shares that may be acquired upon exercise of the Warrants is subject to adjustments in certain situations, including price based anti-dilution protection whereby, subject to certain exceptions, if the Company later issues common stock at a price less than 85% of the thencurrent market value or rights or securities exercisable to acquire common stock at a price less than 85% of the then current market price then the number of warrant shares will be proportionately increased. Additionally, the Warrants have standard anti-dilution protections if the Company effects a stock split, subdivision, reclassification or combination of its common stock. Upon the occurrence of certain business combinations the Warrants will be converted into the right to acquire shares of stock or other securities or property (including cash) of the successor entity. The Warrants are not immediately exercisable, but will become exercisable upon the (1) earlier of (i) September 9, 2015, or (ii) the date Stockholder approval is obtained if we seek Stockholder Approval on or before September 9, 2015; or (2) the date we seek Stockholder approval, if we seek Stockholder Approval after September 9, 2015.

Registration Rights Agreement

The Company entered into a registration rights agreement (the "Registration Rights Agreement") with the PIPE Investors that will, among other things and subject to certain exceptions, require the Company, upon the request of the holders of the Preferred Stock to register the common stock of the Company issuable upon conversion of the Preferred Stock or exercise of the Warrants. Pursuant to the terms of the Registration Rights Agreement, these registration rights will not become effective until one year after the closing date of the Private Placement and the costs incurred in connection with such registrations will be borne by the Company.

Item 3.02. Unregistered Sales of Equity Securities

The information disclosed under Item 1.01 is incorporated into this Item 3.02 in its entirety.

The Preferred Stock and Warrants issued in the Private Placement were issued in reliance upon an exemptions from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), as set forth in Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated thereunder.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

The Company has appointed Christopher Shackelton to the Company's board of directors. Such appointment filled a vacancy created by the Board's increase by one in the size of the Board from nine to ten directors. Mr. Shackelton is expected to be appointed to one or more committees of the board, however as of the date of this report any such appointments have not been effected or confirmed. Mr. Shackelton's initial term as director will run until the next annual meeting of the Company's stockholders at which directors are elected.

Mr. Shackelton has not served in any capacity for the Company prior to this appointment, and except as set forth in Item 1.01 above, there are no other arrangements or understandings pursuant to which he was selected to serve as a director. Mr. Shackelton is a managing director of Coliseum and is an affiliate of the PIPE Investors and therefore has an indirect interest in the shares of Preferred Stock and the Warrants acquired by the PIPE Investors. Coliseum is a stockholder in LHC Group, Inc. ("LHC"). LHC purchased the Company's home health segment in February 2014. Otherwise Mr. Shackelton does not have a direct or indirect material interest in any transaction with the Company required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Mr. Shackleton will be entitled to receive any standard fees and other equity awards that the Company pays, or awards its independent directors.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

In connection with the Private Placement, the Company filed with the Secretary of State of the State of Delaware the Certificate of Designations as an amendment to its Certificate of Incorporation. The Certificate of Designations sets forth the rights and preferences of the Preferred Stock, certain material terms of which are discussed in Item 1.01 above. Pursuant to the Certificate of Designations, the Company is authorized to issue an aggregate of 825,000 shares of Preferred Stock. The Certificate of Designations was effective on March 9, 2015.

This summary of the Certificate of Designations and the summary of the terms of the Preferred Stock in Item 1.01 are qualified in their entirety by reference to the Certificate of Designations, which is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

Item 8.01 Other Events.

Rights Offering

On March 9, 2015, and consistent with the terms of the Purchase Agreement, the Company filed a registration statement on Form S-3 filed with the SEC with respect to a potential rights offering to the Company's stockholders as of a record date to be set by the Company. Pursuant to the Purchase Agreement, the PIPE Investors and their affiliates will not participate in this rights offering.

Press Release

On March 9, 2015, the Company issued a press release announcing the entry into the Purchase Agreement and the Rights Offering. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

The Exhibit Index attached to this Form 8-K is incorporated herein by reference.

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 hereunto duly authorized.

BIOSCRIP, INC.

Date: March 9, 2015

/s/ Kimberlee C. Seah

By: Kimberlee C. Seah
Senior Vice President and General Counsel

EXHIBIT INDEX

Exhibit No.	Description
3.1*	Certificate of Designations for Series A Convertible Preferred Stock.
4.1*	Registration Rights Agreement dated March 9, 2015, by and among Bioscrip, Inc., Coliseum Capital Partners, L.P., Coliseum Capital Partners II, L.P., and Blackwell Partners, LLC, Series A.
10.1*	Securities Purchase Agreement dated March 9, 2015, by and among Bioscrip, Inc., Coliseum Capital Partners, L.P., Coliseum Capital Partners II, L.P., and Blackwell Partners, LLC, Series A.
10.2*	Warrant Agreement dated March 9, 2015, by and among Bioscrip, Inc., Coliseum Capital Partners, L.P., Coliseum Capital Partners II, L.P., and Blackwell Partners, LLC, Series A.
99.1*	News Release

* Filed herewith.

Exhibit 3.1

CERTIFICATE OF DESIGNATIONS OF
SERIES A CONVERTIBLE PREFERRED STOCK,
PAR VALUE $0.0001 PER SHARE,
OF
BIOSCRIP, INC.

Pursuant to Section 151 of the
General Corporation Law of the State of Delaware

The undersigned DOES HEREBY CERTIFY that the following resolution was duly adopted by the Board of Directors (the "Board") of BioScrip, Inc., a Delaware corporation (hereinafter called the "Corporation"), with the voting powers, designations, preferences and relative, participating, optional or other special rights, qualifications, limitations or restrictions thereof, having been fixed by the Board pursuant to authority granted to it under Article FIFTH of the Corporation's Second Amended and Restated Certificate of Incorporation (as amended through the date hereof, the "Certificate of Incorporation") and in accordance with the provisions of Section 151 of the General Corporation Law of the State of Delaware:

RESOLVED: That, pursuant to authority conferred upon the Board by the Certificate of Incorporation, the Board hereby authorizes 825,000 shares of Series A Convertible Preferred Stock, par value $0.0001 per share, of the Corporation and hereby fixes the voting powers, designations, preferences and relative, participating, optional or other special rights, qualifications, limitations or restrictions thereof, of such shares, in addition to those set forth in the Certificate of Incorporation, as follows:

Defined terms used, but not separately defined herein, shall have the respective meanings ascribed thereto in Section 10 of this Certificate of Designations.

Section 1. **Number and Designation**. The shares of such series shall be designated "Series A Convertible Preferred Stock," and the number of shares so designated shall be 825,000 (the "Series A Preferred Stock"). The number of shares of Series A Preferred Stock may be increased or decreased by resolution of the Board and the approval by the holders of the Series A Preferred Stock as provided in Section 5(b)(iii) hereof; provided, however, that no decrease shall reduce the number of shares of Series A Preferred Stock to a number less than the number of shares of such series then outstanding. Each share of Series A Preferred Stock shall have a par value of $0.0001 per share.

Section 2. **Ranking**. The Series A Preferred Stock shall, with respect to dividend rights and rights upon liquidation, winding up or dissolution, rank senior to the common stock of the Corporation, par value $0.0001 per share (the "Common Stock") and each other class or series of shares of the Corporation that the Corporation may issue in the future the terms of which do not expressly provide that such class or series ranks equally with, or senior to, the Series A Preferred Stock, with respect to dividend rights and/or rights upon liquidation, winding up or dissolution (such junior stock being referred to hereinafter collectively as "Junior Stock").

The Series A Preferred Stock shall, with respect to dividend rights and rights upon liquidation, winding up or dissolution, rank equally with each other class or series of shares of the Corporation that the Corporation may issue in the future the terms of which expressly provide that such class or series shall rank equally with the Series A Preferred Stock with respect to dividend rights and rights upon liquidation, winding up or dissolution ("Parity Stock").

The Series A Preferred Stock shall, with respect to dividend rights and rights upon liquidation, winding up or dissolution, rank junior to each class or series of shares of the Corporation that the Corporation may issue in the future the terms of which expressly provide that such class or series shall rank senior to the Series A Preferred Stock with respect to dividend rights and rights upon liquidation, winding up or dissolution ("Senior Stock"). The Series A Preferred Stock shall also rank junior to the Corporation's existing and future Indebtedness.

Section 3. DIVIDENDS.

(a) **Regular Dividends.**

(i) The Corporation may pay a noncumulative cash dividend on each share of Series A Preferred Stock, when, as and if declared by the Board and permitted by the DGCL, out of any funds that are legally available therefor, at the rate of eight and one-half percent (8.5%) per annum on the Liquidation Preference then in effect (as defined in Section 4(a) below) (a "Cash Dividend") before any dividends shall be declared, set apart for or paid upon the Junior Stock. Following the Issue Date, on or before the third (3rd) Business Day immediately preceding each fiscal quarter of the Corporation, the Corporation shall determine its intention whether or not to pay a Cash Dividend with respect to such ensuing fiscal quarter and shall give notice of such intention to each holder of Series A Preferred Stock as soon as practicable thereafter; provided, however, that with respect to the period commencing on the Issue Date and ending on March 31, 2015, the Corporation does not intend to pay a Cash Dividend.

(ii) In the event the Corporation does not declare and pay a Cash Dividend pursuant to Section 3(a)(i), the Liquidation Preference shall be increased to an amount equal to the Liquidation Preference in effect at the start of the applicable Regular Dividend Period, plus an amount equal to such then applicable Liquidation Preference multiplied by eleven and one-half percent (11.5%) per annum, computed on the basis of a 365-day year and the actual number of days elapsed from the start of the applicable Regular Dividend Period to the applicable date of determination (the "Accrued Dividend" and together with the Cash Dividend, the "Regular Dividends").

(b) **Participating Dividends.** In the event that the Corporation shall, at any time, pay a dividend or make a distribution, whether in cash, in kind or other property, on the outstanding shares of Common Stock (other than any dividend in the form of stock, warrants, options or other rights where the dividended stock or the stock issuable upon exercise of such warrants, options or other rights is Common Stock or stock that ranks equally with or junior to the Common Stock; in which case an adjustment shall be made to the Conversion Price in accordance with Section 8(a) or Section 8(b), as applicable), the Corporation shall, at the same time, pay to each holder of Series A Preferred Stock a dividend equal to the dividend that would have been payable to such holder if all (*i.e.*, without regard to any restrictions on conversion (including the Conversion Cap) at such time) of the shares of Series A Preferred Stock Beneficially Owned by such holder had been converted into Common Stock pursuant to Section 6 immediately prior to the applicable record date for determining the stockholders eligible to receive such dividend or distribution (the "Participating Dividends" and, together with the Cash Dividends, the "Dividends").

(c) **Dividend Payment Dates.** If and to the extent declared by the Board, Cash Dividends shall be payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year (unless any such day is not a Business Day, in which event such dividends shall be payable on the next succeeding Business Day, without accrual to the actual payment date), commencing on March 9, 2015 (each such payment date being a "Regular Dividend Payment Date," and the period from the Issue Date to March 31, 2015 and each full quarterly period thereafter being a "Regular Dividend Period"). Participating Dividends shall be payable if, as and when paid to the holders of shares of Common Stock (each such date being a "Participating Dividend Payment Date," and, together with each Regular Dividend Payment Date, a "Dividend Payment Date"). For the avoidance of doubt, nothing herein shall require declaration or payment of any cash Dividends on the shares of Series A Preferred Stock.

(d) **Accrual of Dividends.** If declared, the Cash Dividend shall begin to accrue on the first day of the applicable Regular Dividend Period. Cash Dividends are noncumulative. If applicable, the Accrued Dividend (i) shall begin to accrue and be cumulative on the first day of each applicable Regular Dividend Period and shall remain accumulated dividends with respect to such Series A Preferred Stock until paid and (ii) shall compound at the applicable annual rate on each applicable subsequent Regular Dividend Payment Date. Accrued Dividends shall accrue whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends. Any Cash Dividends payable on the Series A Preferred Stock pursuant to Section 3(a)(i) for any period shall be computed on the basis of a 365-day year and the actual number of days elapsed.

(e) **Partial Payments of Dividends.** When Cash Dividends are not paid in full upon the shares of Series A Preferred Stock, all dividends declared on Series A Preferred Stock and any other Parity Stock shall be paid pro rata so that the amount of dividends so declared on the shares of Series A Preferred Stock and each such other class or series of Parity Stock shall in all cases bear to each other the same ratio as accumulated dividends on the shares of Series A Preferred Stock and such other class or series of Parity Stock bear to each other.

(f) **Priority of Series A Preferred Stock Dividends.** The Corporation shall not declare or pay any dividends on shares of Common Stock unless the holders of the Series A Preferred Stock then outstanding shall simultaneously receive Participating Dividends. From and after the time, if any, that the Corporation shall have failed to pay on the date set for payment any Cash Dividend declared by the Board for any applicable Regular Dividend Period, no dividends shall be declared or paid or set apart for payment, or other distribution declared or made, upon any Junior Stock, nor shall any Junior Stock be redeemed, purchased or otherwise acquired for any consideration (nor shall any moneys be paid to or made available for a sinking fund for the redemption of any shares of any such Junior Stock) by the Corporation, directly or indirectly until all such Cash Dividends have been paid in full, without the approval of holders of the Series A Preferred Stock, as provided in Section 5(b)(iv) hereof; provided, however, that the foregoing limitation shall not apply to: (i) purchases, redemptions or other acquisitions of shares of Junior Stock that are approved by the Board and made in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of any one or more employees, officers, directors, managers or consultants of or to the Corporation or any of its Subsidiaries; (ii) an exchange, redemption, reclassification or conversion of any class or series of Junior Stock solely for any class or series of Junior Stock; or (iii) any dividend in the form of stock, warrants, options or other rights where the dividended stock or the stock issuable upon exercise of such warrants, options or other rights is the same stock as that on which the dividend is being paid or ranks equal or junior to that stock.

(g) **Dividend Rate Adjustment**. In the event that Stockholder Approval has not been obtained on or before September 30, 2015 (the "Stockholder Approval Deadline"), then: (i) the dividend rate with respect to Cash Dividends on each such share of Series A Preferred Stock automatically (without any further action) shall increase to the rate of thirteen and one-half percent (13.5%) per annum, and (ii) the dividend rate with respect to Accrued Dividends on each such share of Series A Preferred Stock automatically (without any further action) shall increase to the rate of sixteen and one-half percent (16.5%) per annum, in each case, commencing on the day after the Stockholder Approval Deadline.

(h) **Forfeiture of Certain Cash Dividends**. Shares of Series A Preferred Stock shall not be entitled to any Cash Dividends or any other cash dividend to the extent provided in Section 4(a).

Section 4. LIQUIDATION, DISSOLUTION OR WINDING UP.

(a) Upon any voluntary or involuntary liquidation, dissolution or winding up of the Corporation (each, a "Liquidation Event"), after satisfaction of all liabilities and obligations to creditors of the Corporation and distribution of any assets of the Corporation to the holders of Senior Stock, and before any distribution or payment shall be made to holders of any Junior Stock, each holder of Series A Preferred Stock, at their election, shall be entitled to receive, out of the assets of the Corporation or proceeds thereof (whether capital, surplus or earnings) legally available therefor, (xx) an amount in cash per share of Series A Preferred Stock equal to the Liquidation Preference or (yy) assuming notice of conversion has been given by the holder of the Series A Preferred Stock, such amount payable (in the same form of consideration payable upon shares of Common Stock) per share of Common Stock issuable upon conversion of the Series A Preferred Stock pursuant to Section 6 hereof immediately prior to such Liquidation Event (in either case, the "Liquidation Amount"). As used in this Certificate of Designations, the term "Liquidation Preference" shall mean $100.00 (the "Issue Price"), as such amount may be adjusted from time to time pursuant to Section 3(a)(ii); provided, however, that if, at any applicable date of determination of the Liquidation Preference hereunder, (i) any Cash Dividend has been declared by the Board but is unpaid or (ii) the Corporation has given notice (or failed to give such notice) of its intention to pay a Cash Dividend pursuant to Section 3(a)(i) but such Cash Dividend has not yet been declared by the Board, then Cash Dividends described in the foregoing clause (i) and Cash Dividends described in the foregoing clause (ii) shall be deemed, for purposes of calculating the applicable Liquidation Preference, to be Accrued Dividends, determined and calculated as of the first day of any Regular Dividend Period in which the foregoing clauses (i) or (ii) shall apply. Upon (1) payment of the Liquidation Amount pursuant to this Section 4 or (2) the determination of the Liquidation Preference for purposes of a conversion or redemption of shares of Series A Preferred Stock pursuant to Section 6 or Section 7 hereof, as applicable, shares of Series A Preferred Stock that have received such payment of the Liquidation Amount or the Liquidation Preference, as the case may be, or that are being so converted or redeemed shall not be entitled to any Cash Dividends described in the foregoing clause (i), even if outstanding on the record date set for payment of such Cash Dividends, or Cash Dividends described in the foregoing clause (ii). If, in connection with any distribution described in the first sentence of this Section 4(a), the assets of the Corporation or proceeds thereof are not sufficient to pay in full the Liquidation Preference then in effect and the corresponding amounts payable on the Parity Stock, then such assets, or the proceeds thereof, shall be distributed to the holders of Series A Preferred Stock and the holders of the Parity Stock in proportion to the full amounts to which the holders of the Series A Preferred Stock and the holders of the Parity Stock would otherwise be entitled pursuant to this Section 4(a) and the certificate of designations (or other governing instrument) of the Parity Stock, respectively.

(b) After the payment of the full Liquidation Preference of the Series A Preferred Stock as set forth in Section 4(a), the assets of the Corporation legally available for distribution, if any, shall be distributed ratably to the holders of the Common Stock. For the avoidance of doubt, the Series A Preferred Stock shall not be convertible into Common Stock after the payment of the Liquidation Preference pursuant to Section 4(a) above, and the holders of Series A Preferred Stock shall not participate in any distribution made to the holders of Common Stock pursuant to this Section 4(b).

(c) The occurrence of a Change of Control (but solely to the extent contemplated by clause (ii) of the definition thereof) shall be deemed a Liquidation Event hereunder (a "Deemed Liquidation Event"), unless such treatment is waived in writing by holders of a majority in voting power of the outstanding shares of the Series A Preferred Stock, and the holders of Series A Preferred Stock, in accordance with their election pursuant to Section 4(a) above, shall receive payment of the Liquidation Preference in cash upon such Deemed Liquidation Event.

Section 5. **VOTING RIGHTS.**

(a) **General Rights**. Except as otherwise provided herein or as required by law, holders of shares of Series A Preferred Stock shall be entitled to vote with the holders of shares of Common Stock (and any other class or series that may similarly be entitled to vote with the holders of Common Stock) and not as a separate class, at any annual or special meeting of stockholders of the Corporation, and may act by written consent in the same manner as the holders of Common Stock. In the event of any such vote or action by written consent, each holder of shares of Series A Preferred Stock shall be entitled to that number of votes equal to the whole number of shares of Common Stock into which such holder's aggregate number of shares of Series A Preferred Stock are convertible (pursuant to Section 6 hereof) as of the Close of Business on the record date fixed for such vote or such written consent; provided, however, that, prior to the receipt of the Stockholder Approval, the Series A Preferred Stock Beneficially Owned by a holder of Series A Preferred Stock or any of their respective Affiliates may only be voted to the extent that the aggregate voting power of all of the Corporation's Voting Stock that is Beneficially Owned by a holder and their respective Affiliates does not exceed 19.99% of the aggregate voting power of all of the Corporation's Voting Stock outstanding on the applicable record date for determining stockholders who may vote with respect to any proposal (the "Voting Cap"). The Series A Preferred Stock shall immediately and permanently cease to be subject to the Voting Cap upon any Termination Event, other than a Liquidation Event or Deemed Liquidation Event. In connection with any vote or action by written consent with respect to the Stockholder Approval, the shares of Series A Preferred Stock shall not be considered for purposes of any such affirmative vote or action by written consent. Subject to the foregoing, each holder of shares of the Series A Preferred Stock shall be entitled to the number of votes equal to the largest number of full shares of Common Stock into which all shares of Series A Preferred Stock held of record by such holder could then be converted (taking into account, for the avoidance of doubt, the Liquidation Preference then in effect for purposes of the Conversion Rate, any Conversion Price adjustments made pursuant to Section 8, and, if applicable, the Voting Cap) at the record date for the determination of the stockholders entitled to vote on or consent to such matters. The holders of Series A Preferred Stock shall be entitled to notice of any meeting of stockholders in accordance with the bylaws of the Corporation (the "Bylaws").

(b) **Separate Vote of Preferred Stock**. In addition to any other vote or consent required herein or by applicable law, unless waived in writing by holders of a majority in voting power of the outstanding shares of the Series A Preferred Stock, the vote or written consent of the holders of a majority in voting power of the outstanding shares of the Series A Preferred Stock shall be necessary for effecting or validating the following actions (whether taken by amendment, merger, consolidation or otherwise):

(i) Any change, amendment, alteration or repeal (including as a result of a merger, consolidation, or other similar or extraordinary transaction) of any provisions of the Certificate of Incorporation or Bylaws that amends or modifies, in a manner adverse to, in any material respect, the rights, preferences, privileges or voting powers of the Series A Preferred Stock;

(ii) Any authorization, designation, recapitalization, whether by reclassification, by merger or otherwise, or issuance of any new class or series of stock or any other securities convertible into equity securities of the Corporation having rights, preferences or privileges senior to or on a parity with the Series A Preferred Stock (including additional shares of Series A Preferred Stock); provided that no such vote shall be required for the Company to issue and sell up to 200,000 shares of Series A Preferred Stock in a rights offering made to all holders of Common Stock of the Company, if consummated within 180 days of the Issue Date;

(iii) Any increase or decrease in the authorized number of shares of Series A Preferred Stock;

(iv) Any redemption, repurchase or other acquisition, or payment of dividends or other distributions, by the Corporation with respect to any securities of the Corporation that constitute Junior Stock, except as permitted by Section 3(f);

(v) The entry by the Corporation into any contract, agreement, arrangement, or understanding that would prohibit or otherwise restrict the Corporation from performing its obligations to the holders of Series A Preferred Stock under this Certificate of Designations, the Certificate of Incorporation or otherwise;

(vi) The entry by any Subsidiary into any contract, agreement, arrangement, or understanding that would prohibit or otherwise restrict the payment of dividends or the making of distributions to the Corporation, other than the Credit Facility or the Indenture;

(vii) The issuance by the Corporation of equity or securities convertible into equity of the Corporation at a price that is more than 25% below fair market value of such equity or securities at the time of issuance thereof;

(viii) Any voluntary initiation of any liquidation, dissolution or winding up of the Corporation but only if such liquidation, dissolution or winding up of the Corporation would result in each holder of the Series A Stock not having the option to receive a distribution equal to the full Liquidation Preference in accordance with Section 4(a) above; or

(ix) Any Deemed Liquidation Event, but only if as a result of the Deemed Liquidation Event each holder of the Series A Stock would not have the option to receive a distribution equal to the full Liquidation Preference in accordance with Section 4(a) above. Notwithstanding the forgoing, the voting rights of the Series A Stock shall not apply with respect to any Deemed Liquidation Event that is effected by the holders (or any administrative or collateral agent acting on their behalf) of the Indebtedness under either the Credit Facility or the Indenture in the exercise of their rights and remedies with respect to, or in connection with the satisfaction of all or a portion of the obligations under, the Credit Facility or the Indenture, including, without limitation, any consensual or non-consensual debt restructuring, recapitalization, reclassification, exchange, merger, consolidation, sale of assets, liquidation or similar transaction (a "Creditor Deemed Liquidation Event"), unless the Creditor Deemed Liquidation Event is required by applicable law to be approved by the holders of Common Stock in order to be effective.

(c) **Board of Directors.** So long as shares of Series A Preferred Stock representing at least five percent (5%) of the outstanding Voting Stock of the Corporation (on an as converted basis) are outstanding, holders of shares of Series A Preferred Stock, by the vote or written consent of the holders of a majority in voting power of the outstanding shares of the Series A Preferred Stock shall have the right to designate one (1) member to the Board of Directors of the Corporation, in addition to such members as are elected by holders of Common Stock of the Corporation. Subject to applicable law (including the listing standards of The Nasdaq Stock Market), the director designated to the Board of Directors of the Corporation pursuant to this Section 5(c) shall also be appointed to a minimum of two committees of the Board of Directors of the Corporation at such director's request.

Section 6. **CONVERSION.**

(a) **Optional Conversion by Holders**. Subject to and in compliance with the provisions of this Section 6, any shares of Series A Preferred Stock may, at the option of the holder thereof, be converted at any time into fully paid and nonassessable shares of Common Stock. Upon conversion, a holder of Series A Preferred Stock shall be entitled to a number of shares of Common Stock equal to the product obtained by multiplying the Conversion Rate (as defined in and determined as provided for in Section 6(d)) then in effect, by the number of shares of Series A Preferred Stock being converted, plus cash in lieu of fractional shares, as set out in Section 8(i); provided, however, that prior to the receipt of the Stockholder Approval, the Series A Preferred Stock Beneficially Owned by any such holder of Series A Preferred Stock or its Affiliates may not be converted pursuant to this Section 6(a) to the extent that after giving effect to such conversion, such holders and its Affiliates would Beneficially Own, in the aggregate, in excess of 19.99% of the shares of Common Stock outstanding immediately after giving effect to such conversion (the "Conversion Cap"); provided, further, that for purposes of determining the Conversion Cap pursuant to any provision of this Certificate of Designations, the aggregate number of shares of Common Stock Beneficially Owned by a holder of Series A Preferred Stock or any of its respective Affiliates shall include (i) the number of shares of Common Stock Beneficially Owned by such holder or any of its respective Affiliates as a result of prior conversion of Series A Preferred Stock or Warrants (excluding shares of Common Stock that could be acquired upon conversion of the Series A Preferred Stock) plus (ii) the number of shares of Common Stock issuable upon the conversion of the Series A Preferred Stock with respect to which the determination of the immediately preceding proviso is being made. Notwithstanding anything herein to the contrary, prior to the occurrence of the first vote of the stockholders of the Corporation with respect to the Stockholder Approval, no Series A Preferred Stock may be converted into Common Stock.

(b) **Optional Conversion by the Corporation**. If, at any time following the third anniversary date of the Issue Date, the VWAP of the Common Stock equals or exceeds three (3) times the Conversion Price for a period of 30 consecutive Trading Days (the Business Day immediately following such 30th Trading Day, the "Corporation Conversion Date"), and if the Corporation shall so elect, any or all shares of Series A Preferred Stock may be converted automatically (and without further action following any such election) into a number of shares of Common Stock equal to the product obtained by multiplying the Conversion Rate then in effect, by the number of shares of Series A Preferred Stock being converted, plus cash in lieu of fractional shares, as set out in Section 8(i) (the "Corporation Conversion"); provided, however, that prior to the receipt of the Stockholder Approval, the Series A Preferred Stock Beneficially Owned by the Investors or any of their respective Affiliates may not be converted into Common Stock pursuant to this Section 6(b) to the extent that after giving effect to such conversion, the number of shares of Common Stock, in the aggregate, issuable upon such conversion would be in excess of the Conversion Cap. The Series A Preferred Stock shall immediately and permanently cease to be subject to the Conversion Cap upon any Termination Event, other than a Liquidation Event or Deemed Liquidation Event. Notwithstanding the foregoing, the Corporation may not elect a Corporation Conversion at any time during the period (the "Standstill Period") commencing on the earlier of (1) the date that the Corporation shall have made a public announcement and (2) the date that such information is otherwise made public, that the Corporation is in negotiations relating to, or has entered into, a definitive agreement with respect to a transaction constituting a Deemed Liquidation Event and ending on the date of the first to occur of (i) the consummation of such transaction and (ii) the date that the Corporation shall have made a public announcement that any such definitive agreement or the negotiations relating thereto has been terminated. For purposes of calculating the next available Corporation Conversion Date, the VWAP shall not be deemed to equal or exceed three (3) times the Conversion Price at any time during the Standstill Period.

(c) **Optional Special Dividend and Conversion on Certain Change of Control**. At the written election (including written notice to the Corporation) by holders of a majority in voting power of the outstanding shares of the Series A Preferred Stock, upon the occurrence of a Change of Control pursuant to clause (i) of the definition thereof (but solely in connection with a transaction that is a third party tender offer that is publicly disclosed and approved (or recommended to stockholders of the Corporation) by the Board and does not otherwise contemplate any other transaction that would constitute a Change of Control apart from clause (i) of the definition of thereof):

(i) the Board shall, subject to applicable law, declare and the Corporation shall pay a special cash dividend (as such may be adjusted pursuant to this Section 6(c), the "Special Dividend") on each share of Series A Preferred Stock, out of any funds that are legally available therefor (the "Legally Available Funds"), in the amount of the Liquidation Preference per share then in effect with respect to the Series A Preferred Stock; provided, however, that to the extent the Legally Available Funds are not sufficient to pay the Special Dividend in full (the amount of such shortfall being referred to as a "Funds Shortfall"), the aggregate Special Dividend in respect of all shares of Series A Preferred Stock and any special dividend applicable to Parity Stock shall be reduced to an aggregate amount equal to the Legally Available Funds and the Special Dividend (as so reduced) and any applicable special dividend with respect to Parity Stock shall be paid to the holders of Series A Preferred Stock and the holders of the Parity Stock in proportion to the full amounts to which the holders of the Series A Preferred Stock and the holders of the Parity Stock would otherwise be entitled pursuant to Section 3(e) and the certificate of designations (or other governing instrument) of the Parity Stock, respectively; and

(ii) as of the payment date of the Special Dividend, all outstanding shares of Series A Preferred Stock automatically shall be converted (without further action) into a number of shares of Common Stock equal to the product obtained by multiplying the Conversion Rate then in effect, by the number of shares of Series A Preferred Stock being converted, plus cash in lieu of fractional shares, as set out in Section 8(i); provided; however, that for purposes of determining the Conversion Rate as applicable to this Section 6(c)(ii), the aggregate Liquidation Preference on each share of Series A Preferred Stock and the liquidation preference on each share of any applicable Parity Stock as provided in the certificate of designations (or other governing instrument) of such Parity Stock shall be increased by the Funds Shortfall applicable to each such share.

(d) **Conversion Rate and Conversion Price**. The conversion rate in effect at any applicable time for conversion of each share of Series A Preferred Stock into Common Stock (the "Conversion Rate") shall be the quotient obtained by dividing the Liquidation Preference then in effect by the Conversion Price (as defined below). The conversion price for the Series A Preferred Stock shall initially be $5.17 (the "Conversion Price"). Such initial Conversion Price shall be adjusted from time to time in accordance with Section 8. All references to the Conversion Price herein shall mean the Conversion Price as so adjusted.

(e) **Conversion Procedures**. In order to exercise the conversion privilege set forth in Section 6(a) with respect to any shares of Series A Preferred Stock held in book-entry form with the Depositary Trust Company or its successor ("DTC"), a holder must comply with DTC's procedures for converting any shares of Series A Preferred Stock. In order to exercise the conversion privilege set forth in Section 6(a) with respect to any certificated shares of Series A Preferred Stock, a holder must do each of the following in order to convert its shares of Series A Preferred Stock:

(i) complete and manually sign the conversion notice provided by the conversion agent, and deliver such notice to the conversion agent;

(ii) deliver to the conversion agent the certificate or certificates representing the shares of Series A Preferred Stock to be converted (or, if such certificate or certificates have been lost, stolen or destroyed, a lost certificate affidavit and indemnity in form and substance reasonably acceptable to the Corporation);

(iii) if required, furnish appropriate endorsements and transfer documents in form and substance reasonably acceptable to the Corporation; and

(iv) if required, pay any stock transfer, documentary, stamp or similar taxes not payable by the Corporation pursuant to Section 6(i).

(f) **Effect of Conversion**. Effective immediately prior to the Close of Business on the Conversion Date applicable to any shares of Series A Preferred Stock, dividends shall no longer accrue or be declared on any such shares of Series A Preferred Stock and such shares of Series A Preferred Stock shall cease to be outstanding.

(g) **Record Holder of Underlying Securities as of Conversion Date**. The Person or Persons entitled to receive the Common Stock and, to the extent applicable, cash, payable in lieu of fractional shares, upon conversion of Series A Preferred Stock on any applicable Conversion Date shall be treated for all purposes as the record holder(s) of such shares of Common Stock and/or cash as of the Close of Business on such Conversion Date. As promptly as practicable on or after the applicable Conversion Date and, in the case of a conversion pursuant to Section 6(a), compliance by the applicable holder with the relevant conversion procedures contained in Section 6(e) (and in any event no later than three Trading Days thereafter), the Corporation shall issue the number of whole shares of Common Stock issuable upon conversion (and deliver payment of cash in lieu of fractional shares). Such delivery of shares of Common Stock shall be made, at the option of the applicable holder, in certificated form or by book-entry. Any such certificate or certificates shall be delivered by the Corporation to the appropriate holder on a book-entry basis or by mailing certificates evidencing the shares to the holders at their respective addresses as set forth in the conversion notice. If fewer than all of the shares of Series A Preferred Stock Beneficially Owned by any holder hereto are converted pursuant to this Section 6, then book-entry shares (or, if elected by the holder, a new certificate) representing the unconverted shares of Series A Preferred Stock shall be issued to such holder concurrently with the issuance of the certificates (or book-entry shares) representing the applicable shares of Common Stock. Any cash payable in lieu of fractional shares shall be delivered to the applicable holder at the address for such holder as set forth in the conversion notice. In the event that a holder shall not by written notice designate the name in which shares of Common Stock and, to the extent applicable, cash to be delivered upon conversion of shares of Series A Preferred Stock should be registered or paid, or the manner in which such shares and, if applicable, cash should be delivered, the Corporation shall be entitled to register and deliver such shares and, if applicable, cash in the name of the holder and in the manner shown on the records of the Corporation.

(h) **Status of Converted or Acquired Shares**. Shares of Series A Preferred Stock duly converted in accordance with this Certificate of Designations, or otherwise acquired by the Corporation in any manner whatsoever, shall be retired promptly after the conversion or acquisition thereof. All such shares shall upon their retirement and any filing required by the DGCL become authorized but unissued shares of preferred stock of the Corporation, without designation as to series until such shares are once more designated as part of a particular series by the Board pursuant to the provisions of the Certificate of Incorporation.

(i) **Taxes**.

(i) The Corporation and its paying agent shall be entitled to withhold taxes on all payments on the Series A Preferred Stock, Common Stock, or other securities issued upon conversion of the Series A Preferred Stock to the extent required by law. Prior to the date of any such payment, each holder of Series A Preferred Stock shall deliver to the Corporation or its paying agent a duly executed, valid, accurate and properly completed Internal Revenue Service Form W-9 or an appropriate Internal Revenue Service Form W-8, as applicable.

(ii) The Corporation shall pay any and all documentary, stamp and similar issue or transfer tax due on (A) the issue of the Series A Preferred Stock and (B) the issue of shares of Common Stock upon conversion of the Series A Preferred Stock. However, in the case of conversion of Series A Preferred Stock, the Corporation shall not be required to pay any tax or duty that may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock or Series A Preferred Stock in a name other than that of the holder of the shares to be converted, and no such issue or delivery shall be made unless and until the person requesting such issue has paid to the Corporation the amount of any such tax or duty, or has established to the satisfaction of the Corporation that such tax or duty has been paid.

Section 7. **Redemption.**

(a) **Redemption at the Option of the Holder Upon a Change of Control**.

(i) Upon the occurrence of a Change of Control (other than (A) a Change of Control constituting a Deemed Liquidation Event (unless such Deemed Liquidation Event is waived as provided in Section 4(c)) and (B) a Change of Control resulting in a conversion under Section 6(c)) and subject to applicable law and the prior indefeasible payment in full in cash of all outstanding Indebtedness and other obligations under the Credit Facility (and the termination of all commitments thereunder) and the Indenture (and the termination of all commitments thereunder), each holder of shares of Series A Preferred Stock that remain outstanding thereafter, if any, shall have the right to require the Corporation to redeem, in full, out of funds legally available therefor, by irrevocable written notice to the Corporation, all of such holder's shares of Series A Preferred Stock at a redemption price per share equal to the Liquidation Preference then in effect per share of the Series A Preferred Stock.

(ii) Within 30 days of the occurrence of a Change of Control, the Corporation shall send notice by first class mail, postage prepaid, addressed to the holders of record of the shares of Series A Preferred Stock at their respective last addresses appearing on the books of the Corporation stating (A) that a Change of Control has occurred, (B) subject to (x) the prior indefeasible payment in full of all outstanding Indebtedness and other obligations under the Credit Facility (and the termination of all commitments thereunder), if required by the terms thereof and (y) the consummation of a Change of Control Offer under the Indenture (as defined in the Indenture), if required by the terms thereof, that all shares of Series A Preferred Stock tendered prior to a Business Day no earlier than 30 days nor later than 60 days from the date such notice is mailed shall be accepted for redemption and (C) the procedures that holders of the Series A Preferred Stock must follow in order for their shares of Series A Preferred Stock to be redeemed, including the place or places where certificates for such shares are to be surrendered (or an indemnification undertaking as reasonably determined by the Corporation with respect to such certificates in the event of their loss, theft or destruction) for payment of the redemption price. Any notice mailed as provided in this subsection shall be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Series A Preferred Stock designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Series A Preferred Stock.

(b) **Redemption at the Option of the Holder Other Than Upon a Change of Control.**

(i) Subject to applicable law, each holder of shares of Series A Preferred Stock, at any time from and after the tenth (10th) anniversary date of the Issue Date, shall have the right to request that the Corporation redeem, in full, out of funds legally available therefor, by irrevocable written notice to the Corporation, all of such holder's shares of Series A Preferred Stock at a redemption price per share equal to the Liquidation Preference then in effect per share of the Series A Preferred Stock. Such notice shall be given by first class mail, postage prepaid, addressed to the Corporation, and shall be conclusively presumed to have been duly given on the day the notice is mailed to the Corporation, whether or not the Corporation receives such notice. Each notice of redemption given to the Corporation shall state: (A) the redemption date and (B) the number of shares of the Series A Preferred Stock to be redeemed. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption in the notice.

(ii) If the Corporation elects to exercise its option to redeem a holder's shares of Series A Preferred Stock pursuant to the notice provided by such holder pursuant to Section 7(b)(i), then, upon receipt of such notice, the Corporation shall within three (3) Business Days notify such holder, by irrevocable written notice to such holder, of (A) its election to redeem such shares of Series A Preferred Stock pursuant to the notice and (B) the place or places where certificates for such shares are to be surrendered (or an indemnification undertaking as reasonably determined by the Corporation with respect to such certificates in the event of their loss, theft or destruction) for payment of the redemption price.

(iii) If the Corporation elects not to exercise its option to redeem a holder's shares of Series A Preferred Stock pursuant to the notice provided by such holder pursuant to Section 7(b)(i), then, upon receipt of such notice, the Corporation shall within three (3) Business Days notify such holder, by irrevocable written notice to such holder, of its election not to so redeem such shares of Series A Preferred Stock. In such an event, the Conversion Price then in effect with respect to the shares of Series A Preferred Stock subject to the notice provided by such holder pursuant to Section 7(b)(i) shall, as of the date the Corporation provides notice to such holder pursuant to this Section 7(b)(iii), be decreased to the lesser of (A) the Conversion Price then in effect and (B) 80% of the VWAP of the Common Stock for the 10 consecutive Trading Days prior to the date such holder duly gives notice to the Corporation pursuant to Section 7(b)(i).

(iv) If the Corporation does not provide notice to such holder pursuant to Section 7(b)(ii) or 7(b)(iii), then the Corporation will be deemed to have not elected to exercise its option to redeem a holder's shares of Series A Preferred Stock pursuant to the notice provided by such holder pursuant to Section 7(b)(i), and the Conversion Price then in effect with respect to the shares of Series A Preferred Stock subject to the notice provided by such holder pursuant to Section 7(b)(i) shall, as of the date the holder provided notice to the Corporation pursuant to Section 7(b)(i), be decreased to the lesser of (A) the Conversion Price then in effect and (B) 80% of the VWAP of the Common Stock for the 10 consecutive Trading Days prior to the date such holder duly gives notice to the Corporation pursuant to Section 7(b)(i).

(v) Any adjustment to the Conversion Price pursuant to Section 7(b)(iii) or 7(b)(iv) shall be in addition to any adjustments to the Conversion Price pursuant to Section 8 herein.

(c) **Redemption at the Option of the Corporation**. Subject to applicable law, the Series A Preferred Stock may be redeemed, in whole or in part, out of funds legally available therefor, at any time from and after the tenth (10th) anniversary date of the Issue Date, at the option of the Corporation, upon giving notice of redemption pursuant to Section 7(d), at a redemption price per share equal to the Liquidation Preference then in effect per share of the Series A Preferred Stock.

(d) **Notice of Redemption at the Option of the Corporation**. Notice of every redemption of shares of Series A Preferred Stock pursuant to Section 7(c) shall be given by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses appearing on the books of the Corporation. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this Section 7(d) shall be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Series A Preferred Stock designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Series A Preferred Stock. Each notice of redemption given to a holder shall state: (i) the redemption date; (ii) the number of shares of the Series A Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder; (iii) the redemption price; and (iv) the place or places where certificates for such shares are to be surrendered (or an indemnification undertaking as reasonably determined by the Corporation with respect to such certificates in the event of their loss, theft or destruction) for payment of the redemption price.

(e) **Partial Redemption**. In case of any redemption of part of the shares of Series A Preferred Stock at the time outstanding pursuant to this Section 7, the shares to be redeemed shall be selected pro rata. Subject to the provisions hereof, the Corporation shall have the power and authority to prescribe reasonable and customary terms and conditions upon which shares of Series A Preferred Stock shall be redeemed from time to time. If fewer than all the shares represented by any certificate are redeemed, then book-entry shares (or, if elected by the holder, a new certificate) shall be issued representing the unredeemed shares without charge to the holder thereof.

(f) **Effectiveness of Redemption**. Notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation, on and after the redemption date dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall be retired as provided for in Section 6(h) and such shares will no longer be issued and outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the amount payable on such redemption, without interest.

Section 8. **ANTI-DILUTION PROVISIONS**.

(a) **Adjustment Upon Common Stock Event**. Upon the (i) the issuance by the Corporation of additional shares of Common Stock as a dividend or other similar distribution on outstanding shares of Common Stock, (ii) a subdivision of the outstanding shares of Common Stock into a greater number of shares of Common Stock, or (iii) a combination of the outstanding shares of Common Stock into a smaller number of shares of Common Stock (other than such events wherein the holders of the Series A Preferred Stock participate therein pursuant to Section 3(b)) (each, a "Common Stock Event") after the Issue Date, the Conversion Price shall, simultaneously with the happening of such Common Stock Event, be adjusted by multiplying the Conversion Price in effect immediately prior to such Common Stock Event by a fraction, (A) the numerator of which shall be the number of shares of Common Stock issued and outstanding immediately prior to such Common Stock Event, and (B) the denominator of which shall be the number of shares of Common Stock issued and outstanding immediately after such Common Stock Event, and the product so obtained shall thereafter be the Conversion Price. The Conversion Price shall be readjusted in the same manner upon the happening of each subsequent Common Stock Event.

(b) **Adjustments for Other Dividends and Distributions**. If at any time or from time to time after the Issue Date, the Corporation pays a dividend or makes another distribution to the holders of the Common Stock payable in securities of the Corporation, other than an event constituting a Common Stock Event and other than such events wherein the holders of the Series A Preferred Stock participate therein pursuant to Section 3(b), then in each such event provision shall be made so that the holders of Series A Preferred Stock shall receive upon conversion thereof, in addition to the number of shares of Common Stock receivable upon conversion thereof, the amount of securities of the Corporation which they would have received had their Series A Preferred Stock been converted into Common Stock on the date of such event (or such record date, as applicable) and had they thereafter, during the period from the date of such event (or such record date, as applicable) to and including the applicable Conversion Date, retained such securities receivable by them as aforesaid during such period, subject to all other adjustments called for during such period under this Section 8 with respect to the rights of the holders of Series A Preferred Stock or with respect to such other securities by their terms.

(c) **Adjustment for Reclassification, Exchange and Substitution**. If at any time or from time to time after the Issue Date, the Common Stock issuable upon the conversion of Series A Preferred Stock is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification or otherwise (other than by a Common Stock Event described in Section 8(a) or as described in Section 8(b)), then in any such event each holder of such Series A Preferred Stock shall have the right thereafter to convert such stock into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the number of shares of Common Stock into which such shares of Series A Preferred Stock could have been converted immediately prior to such recapitalization, reclassification or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof.

(d) **Reorganizations, Mergers and Consolidations**. If at any time or from time to time after the Issue Date, there is a reorganization of the Corporation (other than as described in Section 8(a), (b) or (c)) or a merger or consolidation of the Corporation with or into another corporation (except, for all purposes of this Section 8(d), a Deemed Liquidation Event that is not waived as provided in Section 4(c)), then, as a part of such reorganization, merger or consolidation, provision shall be made so that the holders of such Series A Preferred Stock shall then have the right to convert such stock into the kind and amount of stock and other securities and property receivable upon such reorganization, merger or consolidation by holders of the number of shares of Common Stock into which such shares of Series A Preferred Stock could have been converted immediately prior to such reorganization, merger or consolidation, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 8 with respect to the rights of the holders of such Series A Preferred Stock after the reorganization, merger or consolidation to the end that the provisions of this Section 8 (including adjustment of the Conversion Price then in effect and number of shares issuable upon conversion of the Series A Preferred Stock) shall be applicable after that event and be as nearly equivalent to the provisions hereof as may be practicable. This Section 8(d) shall similarly apply to successive reorganizations, mergers and consolidations. The Corporation shall not effect any such reorganization, merger or consolidation unless prior to the consummation thereof the successor entity (if other than the Corporation) resulting from such consolidation or merger shall assume by written instrument the obligations of the Corporation under this Certificate of Designations.

(e) **Successive Adjustments**. After an adjustment to the Conversion Price under this Section 8, any subsequent event requiring an adjustment under this Section 8 shall cause an adjustment to each such Conversion Price as so adjusted.

(f) **Multiple Adjustments**. For the avoidance of doubt, if an event occurs that would trigger an adjustment to the Conversion Price pursuant to this Section 8 under more than one subsection hereof, such event, to the extent fully taken into account in a single adjustment, shall not result in multiple adjustments hereunder; provided, however, that if more than one subsection of this Section 8 is applicable to a single event, the subsection shall be applied that produces the largest adjustment.

(g) **Notice of Adjustments**. Whenever the Conversion Price is adjusted as provided under this Section 8, the Corporation shall as soon as reasonably practicable following the occurrence of an event that requires such adjustment (or if the Corporation is not aware of such occurrence, as soon as reasonably practicable after becoming so aware):

(i) compute the adjusted applicable Conversion Rate in accordance with this Section 8 and prepare and transmit to the conversion agent an officer's certificate setting forth the applicable Conversion Rate, the method of calculation thereof in reasonable detail, and the facts requiring such adjustment and upon which such adjustment is based; and

(ii) provide a written notice to the holders of the Series A Preferred Stock of the occurrence of such event and a statement in reasonable detail setting forth the method by which the adjustment to the applicable Conversion Rate was determined and setting forth the adjusted applicable Conversion Rate.

(h) **Conversion Agent**. The conversion agent, if other than the Corporation, shall not at any time be under any duty or responsibility to any holder of Series A Preferred Stock to determine whether any facts exist that may require any adjustment of the applicable Conversion Price or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed in making the same. The conversion agent, if other than the Corporation, shall be fully authorized and protected in relying on any officer's certificate delivered pursuant to Section 8(g) and any adjustment contained therein and the conversion agent shall not be deemed to have knowledge of any adjustment unless and until it has received such certificate. The conversion agent, if other than the Corporation, shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, that may at the time be issued or delivered with respect to any Series A Preferred Stock; and the conversion agent makes no representation with respect thereto. The conversion agent, if other than the Corporation, shall not be responsible for any failure of the Corporation to issue, transfer or deliver any shares of Common Stock pursuant to the conversion of Series A Preferred Stock or to comply with any of the duties, responsibilities or covenants of the Corporation contained in this Section 8.

(i) **Fractional Shares**. No fractional shares of Common Stock will be delivered to the holders of Series A Preferred Stock upon conversion of shares of Series A Preferred Stock into Common Stock as provided herein. In lieu of fractional shares otherwise issuable, holders of Series A Preferred Stock will be entitled to receive an amount in cash equal to the fraction of a share of Common Stock, multiplied by the Closing Price of the Common Stock on the Trading Day immediately preceding the applicable Conversion Date. In order to determine whether the number of shares of Common Stock to be delivered to a holder of Series A Preferred Stock upon the conversion of such holder's shares of Series A Preferred Stock will include a fractional share (in lieu of which cash would be paid hereunder), such determination shall be based on the aggregate number of shares of Series A Preferred Stock of such holder that are being converted on any single Conversion Date.

Section 9. **Reservation of Shares Issuable Upon Conversion.** The Corporation shall at all times reserve and keep available out of its authorized and unissued shares of Common Stock for the sole purpose of issuance upon conversion of the Series A Preferred Stock and payment of dividends on the Series A Preferred Stock, each as herein provided, free from preemptive rights, not less than such aggregate number of shares of the Common Stock as shall be issuable (taking into account the adjustments and restrictions of Section 8) upon the conversion of all outstanding shares of Series A Preferred Stock and payment of dividends hereunder (and all dividends payable in the next twelve (12) months, assuming all such dividends will be Accrued Dividends), assuming for the purposes of this calculation that at all times the Stockholder Approval has been obtained and that the Conversion Cap does not apply. The Corporation shall comply with all securities laws regulating the offer and delivery of shares of Common Stock upon conversion of the Series A Preferred Stock. If at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all the then-outstanding shares of the Series A Preferred Stock and payment of dividends hereunder (and all dividends payable in the next twelve (12) months, assuming all such dividends will be Accrued Dividends), the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose. All shares of Common Stock which may be issued in connection with the conversion provisions set forth herein will, upon issuance by the Corporation, be validly issued, fully paid and nonassessable.

Section 10. **Certain Definitions.**

As used in this Certificate of Designations, the following terms shall have the following meanings, unless the context otherwise requires:

"Accrued Dividend" shall have the meaning ascribed to it in Section 3(a)(ii).

"Affiliate" with respect to any Person, any Person directly or indirectly controlling, controlled by or under common control with, such other Person; provided, however, that the Corporation, any of its Subsidiaries, or any of the Corporation's other controlled Affiliates, in each case, will not be deemed to be Affiliates of the Investors for purposes of this Certificate of Designations. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") when used with respect to any Person, means the possession, directly or indirectly, of the power to cause the direction of management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Beneficially Own" shall mean "beneficially own" as defined in Rule 13d-3 of the Exchange Act or any successor provision thereto.

"Board" shall have the meaning ascribed to it in the recitals.

"Business Day" shall mean a day that is a Monday, Tuesday, Wednesday, Thursday or Friday and is not a day on which banking institutions in New York, New York generally are authorized or obligated by law, regulation or executive order to close.

"Bylaws" shall have the meaning ascribed to it in Section 5(a).

"Capital Stock" shall mean any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by the Corporation.

"Cash Dividend" shall have the meaning ascribed to it in Section 3(a)(i).

"Certificate of Designations" shall mean this Certificate of Designations relating to the Series A Preferred Stock, as it may be amended from time to time.

"Certificate of Incorporation" shall have the meaning ascribed to it in the recitals.

"Change of Control" shall mean the occurrence of any of the following:

(i) any Person (other than the Investors or any of their respective Affiliates or a Person acting as a group with the Investors or any of their respective Affiliates) shall Beneficially Own, directly or indirectly, through a purchase, merger or other acquisition transaction or series of transactions, shares of the Corporation's Capital Stock entitling such Person to exercise 50% or more of the total voting power of all classes of Voting Stock of the Corporation, other than an acquisition by the Corporation, any of the Corporation's Subsidiaries or any of the Corporation's employee benefit plans (for purposes of this clause (i), "Person" shall include any group as such term is used in Rule 13d-5(b) promulgated under the Exchange Act); or

(ii) the Corporation (A) merges or consolidates with or into any other Person, another Person merges with or into the Corporation, or the Corporation sells, leases, licenses, transfers, or otherwise disposes of all or substantially all of the assets of the Corporation to another Person or (B) engages in any recapitalization, reclassification or other transaction in which all or substantially all of the Common Stock is exchanged for or converted into cash, securities or other property, in each case other than a merger or consolidation:

(1) that does not result in a reclassification, conversion, exchange or cancellation of outstanding Common Stock; or

(2) which is effected solely to change the Corporation's jurisdiction of incorporation and results in a reclassification, conversion or exchange of outstanding shares of the Common Stock solely into shares of common stock of the surviving entity; or

(3) where the Voting Stock outstanding immediately prior to such transaction is converted into or exchanged for Voting Stock of the surviving or transferee Person constituting a majority of the outstanding shares of such Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance).

"Close of Business" shall mean 5:00 p.m., New York City time, on any applicable Business Day.

"Closing Price" shall mean, on any particular date, (a) the last reported trade price per share of Common Stock on such date on the Trading Market (as reported by Bloomberg L.P. at 4:15 p.m. (New York City time)), or (b) if there is no such price on such date, the closing bid price on the Trading Market on the date nearest preceding such date (as reported by Bloomberg L.P. at 4:15 p.m. (New York City time)), or (c) if the Common Stock is not then listed or quoted for the Trading Market and if prices for the Common Stock are then reported in the "pink sheets" published by Pink Sheets LLC (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) if the shares of Common Stock are not publicly traded, the fair market value of a share of Common Stock as determined by the Board in good faith.

"Common Stock" shall have the meaning ascribed to it in Section 2.

"Common Stock Event" shall have the meaning ascribed to it in Section 8(a).

"Conversion Cap" shall have the meaning ascribed to it in Section 6(a).

"Conversion Date" shall mean, with respect to a conversion of Series A Preferred Stock pursuant to:

(a) Section 6(a), the date on which a holder complies in all respects with the procedures set forth in Section 6(e);

(b) Section 6(b), the Corporation Conversion Date; and

(c) Section 6(c), the date of the applicable conversion event specified therein.

"Conversion Price" shall have the meaning ascribed to it in Section 6(d).

"Conversion Rate" shall have the meaning ascribed to it in Section 6(d).

"Corporation" shall have the meaning ascribed to it in the recitals.

"Corporation Conversion" shall have the meaning ascribed to it in Section 6(b).

"Corporation Conversion Date" shall have the meaning ascribed to it in Section 6(b).

"Credit Facility" means that certain senior secured credit agreement, dated July 31, 2013, by and among the Corporation, the several banks and financial institutions and lenders from time to time party thereto, and SunTrust Bank, in its capacity as administrative agent (as amended, modified, supplemented, restated, replaced or refinanced from time to time.

"Creditor Deemed Liquidation Event" shall have the meaning ascribed to it in Section 5(b)(ix).

"Deemed Liquidation Event" shall have the meaning ascribed to it in Section 4(c).

"DGCL" shall mean the Delaware General Corporation law, as amended from time to time.

"Dividends" shall have the meaning ascribed to it in Section 3(b).

"Dividend Payment Date" shall have the meaning ascribed to it in Section 3(c).

"DTC" shall have the meaning ascribed to it in Section 6(e).

"Funds Shortfall" shall have the meaning ascribed to it in Section 6(c)(i).

"Indebtedness" shall mean any indebtedness (including principal and premium) in respect of borrowed money.

"Indenture" means that certain Indenture, dated as of February 11, 2014, by and among the Company, the Guarantors party thereto and U.S. Bank National Association, as Trustee.

"Issue Date" shall mean March 9, 2015.

"Issue Price" shall have the meaning ascribed to it in Section 4(a).

"Junior Stock" shall have the meaning ascribed to it in Section 2.

"Legally Available Funds" shall have the meaning ascribed to it in Section 6(c)(i).

"Liquidation Amount" shall have the meaning ascribed to it in Section 4(a).

"Liquidation Event" shall have the meaning ascribed to it in Section 4(a).

"Liquidation Preference" shall have the meaning ascribed to it in Section 4(a).

"Parity Stock" shall have the meaning ascribed to it in Section 2.

"Participating Dividends" shall have the meaning ascribed to it in Section 3(b).

"Participating Dividend Payment Date" shall have the meaning ascribed to it in Section 3(c).

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

"Purchase Agreement" shall mean the Securities Purchase Agreement by and among the Corporation and the purchasers of the Series A Preferred Stock dated as of March 9, 2015.

"Regular Dividends" shall have the meaning ascribed to it in Section 3(a)(ii).

"Regular Dividend Payment Date" shall have the meaning ascribed to it in Section 3(c).

"Regular Dividend Period" shall have the meaning ascribed to it in Section 3(c).

"Senior Stock" shall have the meaning ascribed to it in Section 2.

"Series A Preferred Stock" shall have the meaning ascribed to it in Section 1.

"Special Dividend" shall have the meaning ascribed to it in Section 6(c)(i).

"Standstill Period" shall have the meaning ascribed to it in Section 6(b).

"Stockholder Approval" means the approvals by the holders of Common Stock that are required under the listing standards of The Nasdaq Stock Market (or any successor thereto or other trading market on which the Common Stock is listed) to remove the Voting Cap and the Conversion Cap, including Nasdaq Stock Market Rule 5635(b), and all other approvals of the stockholders of the Corporation necessary to approve the transactions contemplated under the Purchase Agreement and the issuance of the Series A Preferred Stock with the rights and privileges described in this Certificate of Designation.

"Stockholder Approval Deadline" shall have the meaning ascribed to it in Section 3(g).

"Subsidiary" means any entity for which the Corporation owns, directly or indirectly, an amount of the voting securities, other voting rights or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, more than 50% of the equity interests of such entity).

"Termination Event" shall mean the occurrence of any of the following: (a) the date on which Stockholder Approval has been obtained, (b) a Liquidation Event or a Deemed Liquidation Event, or (c) a Change of Control, other than a Deemed Liquidation Event.

"Trading Day" shall mean any Business Day on which the Common Stock is traded, or able to be traded, on the principal national securities exchange on which the Common Stock is listed or admitted to trading, or if the Common Stock is not trading on a national securities exchange, a Business Day on which the Common Stock is trading in its principal market.

"Trading Market" means the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange.

"Voting Cap" shall have the meaning ascribed to it in Section 5(a).

"Voting Stock" shall mean Capital Stock of the class or classes pursuant to which the holders thereof have the general voting power under ordinary circumstances (determined without regard to any classification of directors) to elect one or more members of the Board of Directors of the Corporation (without regard to whether or not, at the relevant time, Capital Stock of any other class or classes (other than Common Stock) shall have or might have voting power by reason of the happening of any contingency).

"VWAP" shall mean, as of any applicable date of determination, the volume weighted average per share price of the Common Stock on the applicable Trading Day on the principal national securities exchange on which the Common Stock is listed or admitted to trading, of not so admitted or listed, as otherwise reasonably determined by the Board.

"Warrants" means those warrants to purchase shares of Common Stock issued pursuant to the Warrant Agreement dated March 9, 2015.

Section 11. **Headings**. The headings of the paragraphs of this Certificate of Designations are for convenience of reference only and shall not define, limit or affect any of the provisions hereof.

Section 12. **Record Holders**. To the fullest extent permitted by applicable law, the Corporation and the transfer agent, if any, may deem and treat the record holder of any share of the Series A Preferred Stock as the true and lawful owner thereof for all purposes, and, to the fullest extent permitted by law, neither the Corporation nor such transfer agent shall be affected by any notice to the contrary.

Section 13. **Notices**. All notices or communications in respect of the Series A Preferred Stock shall be sufficiently given if given in writing and delivered in person or by first class mail, postage prepaid, or if given in such other manner as may be permitted in this Certificate of Designations, in the Certificate of Incorporation or Bylaws or by applicable law or regulation. Notwithstanding the foregoing, if the Series A Preferred Stock is issued in book-entry form through The Depository Trust Corporation or any similar facility, such notices may be given to the holders of the Series A Preferred Stock in any manner permitted by such facility.

In the event :

(a) that the Corporation shall authorize the issuance of rights, options or warrants to subscribe for or purchase shares of Common Stock or of any other subscription rights or warrants;

(b) that the Corporation shall authorize a dividend or distribution to all holders of shares of Common Stock; or

(c) of any Change of Control, Liquidation Event and/or Deemed Liquidation Event;

then the Corporation shall cause to be given to each holder of Series A Preferred Stock notice, pursuant to this Section 13, at least twenty (20) Business Days prior to the applicable record date (or in the case of events for which there is no record date, at least twenty (20) Business Days prior to such event), of: (x) the date as of which the holders of record of shares of Common Stock to be entitled to receive any such dividend or distribution are to be determined, (y) the initial expiration date set forth in any tender offer or exchange offer for shares of Common Stock or (z) the date on which any such Change of Control, Liquidation Event and/or Deemed Liquidation Event is expected to become effective or be consummated, and the date as of which it is expected that holders of record of shares of Common Stock shall be entitled to exchange such shares for securities or other property, if any, deliverable upon such Change of Control, Liquidation Event and/or Deemed Liquidation Event or other transactions.

Section 14. **Replacement Certificates**. The Corporation shall replace any mutilated certificate at the holder’s expense upon surrender of that certificate to the Corporation. The Corporation shall replace certificates that become destroyed, stolen or lost at the holder’s expense upon delivery to the Corporation of reasonably satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be required by the Corporation.

Section 15. **Transfer Agent, Conversion Agent, Registrar and Paying Agent**. The duly appointed transfer agent, conversion agent, registrar and paying agent for the Series A Preferred Stock shall be the Corporation. The Corporation may, in its sole discretion, appoint a successor transfer agent and remove such transfer agent in accordance with the agreement between the Corporation and the transfer agent; provided, however, that the Corporation shall appoint a successor transfer agent who shall accept such appointment prior to the effectiveness of such removal. Upon any such removal or appointment, the Corporation shall send notice thereof by first-class mail, postage prepaid, to the holders of the Series A Preferred Stock.

Section 16. **Severability**. If any term of the Series A Preferred Stock (or part thereof) set forth herein is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other terms (or parts thereof) set forth herein which can be given effect without the invalid, unlawful or unenforceable term will, nevertheless, remain in full force and effect, and no term herein (or parts thereof) set forth will be deemed dependent upon any other such term unless so expressed herein.

Section 17. **Other Rights**. The shares of Series A Preferred Stock shall not have any rights, preferences, privileges or voting powers or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Certificate of Incorporation or as provided by applicable law and regulation.

IN WITNESS WHEREOF, Bioscrip, Inc. has caused this Certificate of Designations to be duly executed by its authorized corporate officer this 9th day of March, 2015.

BioScrip, Inc.

By: /s/ Richard M. Smith
Name: Richard M. Smith
Title: President and Chief Executive Officer

Exhibit 4.1

EXECUTION VERSION

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "**Agreement**") is made and entered into as of March 9, 2015, by and among BioScrip, Inc., a Delaware corporation (the "**Company**"), Coliseum Capital Partners, L.P., a Delaware limited partnership, Coliseum Capital Partners II, L.P., a Delaware limited partnership and Blackwell Partners, LLC, Series A, a Georgia limited liability company (each a "**Stockholder**" and collectively, the "**Stockholders**"). Each of the Company and the Stockholders may be referred to in this Agreement as a "**Party**," and, collectively, as the "**Parties**." Capitalized terms used but not otherwise defined herein have the meanings assigned such terms in Section 9 of this Agreement.

A. The Company and the Stockholders are parties to that certain Securities Purchase Agreement, dated as of March 9, 2015 (the "**Purchase Agreement**"), pursuant to which the Stockholders are purchasing an aggregate of 625,000 shares of Series A Convertible Preferred Stock of the Company, $0.0001 par value per share (the "**Purchased Shares**") and warrants to purchase shares of the Company's common stock equaling 5.0% of the fully diluted common stock of the Company ("**Warrants**").

B. In connection with the transactions contemplated by the Purchase Agreement, and pursuant to the terms of the Purchase Agreement, the Parties desire to enter into this Agreement in order to grant to the Stockholders and certain of its permitted transferees certain demand and piggyback registration rights covering the Purchased Shares, all in accordance with the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Stockholders hereby agree as follows:

1. Demand Registrations.

(a) Short-Form Registrations. At any time after twelve (12) months following the date hereof, each Holder may request registration under the Securities Act of all or any portion of its Registrable Securities on Form S-3 or any successor form (each, a "**Short-Form Registration**"), which may, if so requested, be a "shelf" registration under Rule 415 under the Securities Act. A registration shall not count as one of the permitted Short-Form Registrations unless and until a registration statement relating thereto has become effective under the Securities Act. Each request for a Short-Form Registration shall specify the number of Registrable Securities requested to be registered.

(b) Long-Form Registrations. At any time that a Holder is then eligible to request registration under the Securities Act of all or any portion of its Registrable Securities but where Short-Form Registration pursuant to Section 1(a) of this Agreement is not available to be used by the Company in respect of such proposed registration, but in no event earlier than twelve (12) months following the date hereof, each Holder shall be entitled to request a registration on Form S-1 or any similar form (each, a "**Long-Form Registration**"). A registration shall not count as one of the permitted Long-Form Registrations unless and until a registration statement relating thereto has become effective under the Securities Act and each requesting Holder is able to register and sell at least thirty percent (30%) of its Registrable Securities thereunder.

(c) Priority on Demand Registration. Holders shall have the right to request that a Demand Registration be effected as an underwritten offering at any time, subject to this Section 1 by delivering to the Company a notice setting forth such request and the number of Registrable Securities sought to be disposed of by such Holder in such underwritten offering. All Holders proposing to participate in such underwriting shall (i) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting by a Majority-in-Interest of the Registrable Securities included in such offering, which underwriter(s) shall be reasonably acceptable to the Company, provided that, with respect to such underwriting agreement or any other documents reasonably required under such agreement, (A) no Holder shall be required to make any representation or warranty with respect to or on behalf of the Company or any other stockholder of the Company and (B) the liability of any Holder shall be limited as provided in Section 6(b) hereof, and (ii) complete and execute all questionnaires, powers-of-attorney, indemnities, opinions and other documents required under the terms of such underwriting agreement. If the managing underwriter(s) for an underwritten offering advise(s) the Company and the Holders in writing that the dollar amount or number of Registrable Securities which the Holders desire to sell, taken together with all other Common Stock or other securities which the Company desires to sell and the Common Stock or other securities, if any, as to which registration has been requested pursuant to written contractual piggyback registration rights held by other stockholders of the Company, if any, who desire to sell or otherwise, exceeds the maximum dollar amount or maximum number of securities that can be sold in such offering without adversely affecting the proposed offering price, the timing, the distribution method, or the probability of success of such offering (such maximum dollar amount or maximum number of securities, as applicable, the "**Maximum Threshold**"), then the Company shall include in such registration: (1) first, the Registrable Securities (pro rata in accordance with the number of Registrable Securities which such Holders have requested be included in such underwritten offering, regardless of the number of Registrable Securities or other securities held by each such Person) that can be sold without exceeding the Maximum Threshold; (2) second, to the extent that the Maximum Threshold has not been reached under the foregoing clause (1), the Common Stock or other securities that the Company desires to sell that can be sold without exceeding the Maximum Threshold; (3) third, to the extent that the Maximum Threshold has not been reached under the foregoing clauses (1) and (2), the Common Stock or other securities for the account of other Persons that the Company is obligated to register pursuant to written contractual arrangements, if any, with such Persons and that can be sold without exceeding the Maximum Threshold; and (4) fourth, to the extent that the Maximum Threshold has not been reached under the foregoing clauses (1), (2) and (3), the Common Stock that other stockholders desire to sell that can be sold without exceeding the Maximum Threshold to the extent that the Company, in its sole discretion, wishes to permit such sales pursuant to this clause (4).

A request for an underwritten offering may be withdrawn by Holders of a majority of the Registrable Securities proposed to be included in such offering prior to the consummation thereof, and, in such event, such withdrawal shall not be treated as a request for an underwritten offering which shall have been effected pursuant to the immediately preceding paragraph. In no event will a Demand Registration count as a Demand Registration unless at least fifty percent (50%) of all Registrable Securities requested to be registered in such Demand Registration by the Holders initiating such Demand Registration are, in fact, registered in such registration.

(d) The Company shall not be obligated to effect (i) more than 4 Short-Form Registrations or 1 Long-Form Registrations pursuant to this Agreement, (ii) more than one Demand Registration (including any underwritten offering) during any nine-month period or (iii) any Demand Registration unless the number of Registrable Securities sought to be registered on such Registration Statement is at least 30% of the Registrable Securities in the case of a Short-Form Registration and 50% of the Registrable Securities in the case of a Long-Form Registration (subject to adjustment for any stock dividend or stock split or in connection with an exchange or combination of shares, recapitalization, merger, consolidation or other reorganization).

(e) If the filings contemplated herein are not permitted under the rules and regulations promulgated by the Securities and Exchange Commission or by any Commission Guidance, then within ninety (90) days after a written request by one or more Holders to register for resale any additional Registrable Securities owned by such Holders that have not been registered for resale on a "shelf" Registration Statement, the Company shall file a Registration Statement similar to the Registration Statement then effective (each, a "**Follow-On Registration Statement**"), to register for resale 100%, or such portion as permitted by Commission Guidance (provided that the Company shall use commercially reasonable efforts to advocate with the Securities and Exchange Commission for the registration of all or the maximum number of the Registrable Securities as permitted by Commission Guidance), of such additional Registrable Securities. The Company shall give written notice of the filing of the Follow-On Registration Statement at least twenty-five (25) days prior to filing the Follow-On Registration Statement to all Holders (the "**Follow-On Registration Notice**") and shall include in such Follow-On Registration Statement all such additional Registrable Securities with respect to which the Company has received written requests for inclusion therein within twenty (20) days after sending the Follow-On Registration Notice. Notwithstanding the foregoing, the Company shall not be required to file a Follow-On Registration Statement (i) if it has filed a Follow-On Registration Statement within the prior 12-month period, or (ii) if the aggregate amount of additional Registrable Securities requested to be registered on such Follow-On Registration Statement is less than 50% of the Registrable Securities (subject to adjustment for any stock dividend or stock split or in connection with an exchange or combination of shares, recapitalization, merger, consolidation or other reorganization). The Company shall use commercially reasonable efforts to cause such Follow-On Registration Statement to be declared effective as promptly as practicable after filing such Follow-On Registration Statement.

(f) Notwithstanding any other provision of this Agreement, if any Commission Guidance sets forth a limitation of the number of Registrable Securities to be registered on a particular Registration Statement (notwithstanding the Company's commercially reasonable efforts to advocate with the Securities and Exchange Commission for the registration of all or a greater number of Registrable Securities), then, unless otherwise directed in writing by a Holder as to its Registrable Securities, the amount of Registrable Securities to be registered on such Registration Statement will be reduced pro rata among the Holders based on the total number of unregistered Registrable Securities held by such Holders.

2. Piggyback Registrations.

(a) Right to Piggyback. Whenever the Company proposes to register any of its securities under the Securities Act, and the registration form proposed to be used may be used to register the resale of Registrable Securities (each, a "**Piggyback Registration**"), the Company shall give prompt written notice (in any event at least ten (10) Business Days prior to the anticipated filing date of the Registration Statement relating to such registration) to each Holder of its intention to effect such a registration and shall use its commercially reasonable efforts to include in such registration all Registrable Securities with respect to which the Company has received a written request from each Holder for inclusion therein within five (5) Business Days following such Holder's receipt of the Company's notice. All Holders proposing to distribute their securities through a Piggyback Registration that involves an underwriter(s) shall enter into an underwriting agreement in reasonable and customary form with the underwriter(s) selected for such Piggyback Registration, provided that with respect to such underwriting agreement or any other documents reasonably required under such agreement, (i) no Holder shall be required to make any representation or warranty with respect to or on behalf of the Company or any other stockholder of the Company and (ii) the liability of any Holder shall be limited as provided in Section 6(b) hereof and (iii) each Holder shall complete and execute all questionnaires, powers-of-attorney, indemnities, opinions and other documents reasonably required under the terms of such underwriting agreement. No registration effected under this Section 2 shall relieve the Company of its obligations to effect a Demand Registration required by Section 1. If at any time after giving notice of its intention to register any Company securities pursuant to this Section 3(a) and prior to the effective date of the registration statement filed in connection with such registration, the Company shall determine for any reason not to register such securities, the Company shall give notice to all of the Holders participating in such Piggyback Registration and, thereupon, shall be relieved of its obligation to register any Registrable Securities in connection with such registration.

(b) Reduction of Offering. If the managing underwriter(s) for a Piggyback Registration that is to be an underwritten offering advises the Company and the Holders that in their opinion the dollar amount or number of Common Stock or other securities which the Company desires to sell, taken together with Common Stock or other securities, if any, as to which registration has been demanded pursuant to written contractual arrangements with third parties, if any, the Registrable Securities as to which registration has been requested under this Section 2, and the Common Stock or other securities as to which registration has been requested pursuant to the written contractual piggyback registration rights of other stockholders of the Company, exceeds the Maximum Threshold, then the Company shall include in any such registration:

(i) If the registration is undertaken for the Company's account: (A) first, the Common Stock or other securities that the Company desires to sell that can be sold without exceeding the Maximum Threshold, and (ii) second, to the extent that the Maximum Threshold has not been reached under the foregoing clause (A), the Registrable Securities and the Common Stock or other securities proposed to be sold for the account of other Persons that the Company is obligated to register pursuant to any written contractual piggyback registration rights with such Persons and that can be sold without exceeding the Maximum Threshold (pro rata in accordance with the number of Registrable Securities and Common Stock or other securities which such Holders and other Persons have requested be included in such underwritten offering, regardless of the number of Registrable Securities and Common Stock or other securities held by each such Holder or other Person), and

(ii) If the registration is a "demand" registration undertaken at the demand of one or more Persons other than the Company and any Holder, (A) first, the Common Stock or other securities for the account of such demanding Persons that can be sold without exceeding the Maximum Threshold; (B) second, to the extent that the Maximum Threshold has not been reached under the foregoing clause (A), the Common Stock or other securities that the Company desires to sell that can be sold without exceeding the Maximum Threshold; and (C) third, to the extent that the Maximum Threshold has not been reached under the foregoing clauses (A) and (B), the Registrable Securities and the Common Stock or other securities proposed to be sold for the account of other Persons that the Company is obligated to register pursuant to any written contractual piggyback registration rights with such Persons and that can be sold without exceeding the Maximum Threshold (pro rata in accordance with the number of Registrable Securities and Common Stock or other securities which such Holders and other Persons have requested be included in such underwritten offering, regardless of the number of Registrable Securities and Common Stock or other securities held by each such Holder or other Person).

(c) Selection of Underwriters. If any Piggyback Registration is an underwritten primary offering, the investment banker(s) and manager(s) for the offering shall be selected by the Company.

3. Market Standoff Agreement.

(a) The Company (i) shall not effect any public sale or distribution of its equity securities, or any securities convertible into or exchangeable or exercisable for such securities, during the period beginning on the date the Company receives a request for an underwritten offering from any Holder and continuing until sixty (60) days after the commencement of an underwritten offering, unless the underwriters managing the registered public offering otherwise agree after consultation with a Majority-in-Interest, and (ii) shall cause each executive officer and director of the Company and each holder of its Common Stock, or any securities convertible into or exchangeable or exercisable for such Common Stock, purchased from the Company at any time after the date of this Agreement (other than in a registered public offering) to agree not to effect any public sale or distribution (including sales pursuant to Rule 144 under the Securities Act) of any such securities during such period (except as part of such underwritten registration, if otherwise permitted), unless the underwriters managing the registered public offering otherwise agree.

(b) Each Holder of Registrable Securities agrees that in connection with any public offering of the Company's equity securities, or any securities convertible into or exchangeable or exercisable for such securities, and upon the request of the managing underwriter(s) in such offering, such Holder shall not, without the prior written consent of such managing underwriter(s), during the period commencing on the date that is ten (10) days prior to the consummation of such offering and continuing until sixty (60) days after the commencement of an underwritten offering, (i) offer, pledge, sell, contract to sell, grant any option or contract to purchase, purchase any option or contract to sell, hedge the beneficial ownership of or otherwise dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into, exercisable for or exchangeable for shares of Common Stock (whether such shares or any such securities are then owned by the Holder or are thereafter acquired), or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing provisions of this Section 3(b) shall not apply to sales of Registrable Securities to be included in such offering pursuant to Sections 1 and 2, and shall be applicable to the holders of Registrable Securities only if all executive officers and directors of the Company and each holder of its Common Stock, or any securities convertible into or exchangeable or exercisable for such Common Stock, purchased from the Company at any time after the date of this Agreement are subject to the same restrictions. Each holder of Registrable Securities agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the managing underwriter which are consistent with the foregoing or which are necessary to give further effect thereto. Notwithstanding anything to the contrary contained in this Section 3(b), each holder of Registrable Securities shall be released, pro rata, from any lock-up agreement entered into pursuant to this Section 3(b) in the event and to the extent that the managing underwriter or the Company permit any discretionary waiver or termination of the restrictions of any lock-up agreement pertaining to any executive officer, director or other holder of Common Stock.

4. Registration Procedures.

(a) Whenever the Holder has requested that any Registrable Securities be registered pursuant to this Agreement, the Company shall use commercially reasonable efforts to effect the registration and the sale of such Registrable Securities in accordance with the Holder's intended method of disposition thereof, and pursuant thereto the Company shall:

(i) (A) prepare and file with the Securities and Exchange Commission a Registration Statement with respect to such Registrable Securities as soon as reasonably practicable, but in any event within twenty (20) days, if a Short-Form Registration, and thirty (30) days, if a Long-Form Registration, following the date of a demand for registration pursuant to Section 1(a) or Section 1(b) of this Agreement, as applicable, and (B) use commercially reasonable efforts to cause such Registration Statement (1) to become effective as soon as practicable, and in any event within fifteen (15) days, if the Securities and Exchange Commission indicates it will not review the Registration Statement, and ninety (90) days, if the Securities and Exchange Commission indicates it will review the Registration Statement, following the date of filing such Registration Statement (provided that before filing a Registration Statement or prospectus or any amendments or supplements thereto, the Company shall furnish to one counsel selected by Holders of a majority of the Registrable Securities proposed to be included therein copies of all such documents proposed to be filed, which documents shall be subject to the review and comment of such counsel) and (2) to remain effective and in compliance with the provisions of the Securities Act until all Registrable Securities (and any other securities, if applicable) covered by such Registration Statement have been disposed of in accordance with the intended method(s) of distribution set forth in such Registration Statement or such securities have been withdrawn;

(ii) respond to written comments received from the Securities and Exchange Commission upon a review of any Registration Statement in a timely manner;

(iii) promptly notify each Holder of the effectiveness of each Registration Statement filed hereunder; by 9:30 a.m. (New York time) on the second Business Day following such effectiveness, file with the Securities and Exchange Commission in accordance with Rule 424 under the Securities Act the final prospectus to be used in connection with sales pursuant to such Registration Statement; and prepare and file with the Securities and Exchange Commission such amendments and supplements to such Registration Statement and the prospectus used in connection therewith, and otherwise take such actions, as may be necessary to keep such Registration Statement effective until the earlier of (A) the date as of which each Holder may sell all of the Registrable Securities covered by such Registration Statement pursuant to Rule 144 under the Securities Act without limitation, restriction or condition thereunder, and (B) the date on which all of such Registrable Securities have been disposed of by each Holder, and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such Registration Statement;

(iv) promptly furnish to each Holder such number of copies of such Registration Statement, each amendment and supplement thereto, the prospectus included in such Registration Statement (including each preliminary prospectus) and such other documents as the Holders may reasonably request in order to facilitate the disposition of the Registrable Securities owned by each Holder;

(v) if applicable, use commercially reasonable efforts to register or qualify the shares covered by such Registration Statement under such other securities or blue sky laws of such jurisdictions as each Holder shall reasonably request and do any and all other acts and things which may be reasonably necessary or advisable to enable each Holder to consummate the disposition in such jurisdictions of the Registrable Securities owned by such Holder (provided that the Company shall not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction);

(vi) notify each Holder at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such Registration Statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading, and, as expeditiously as possible following the happening of such event, prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading;

(vii) without limiting any obligations of the Company under the Purchase Agreement, use its commercially reasonable efforts to (x) cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed, if any, if the listing of such Registrable Securities is then permitted under the rules of such exchange or (y) if such listing is not then permitted, or no similar securities issued by the Company are then so listed, secure a designation and quotation of all of the Registrable Securities covered by each Registration Statement on the OTC Bulletin Board;

(viii) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such Registration Statement;

(ix) enter into such customary agreements (including underwriting agreements in customary form) and take all such other actions as the Holders or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including effecting a stock split or a combination of shares);

(x) make available for inspection by any underwriter participating in any disposition pursuant to such Registration Statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such Registration Statement;

(xi) otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the Securities and Exchange Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve (12) months beginning with the first day of the Company's first full calendar quarter after the effective date of the Registration Statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder, and which requirement will be deemed satisfied if the Company timely files complete and accurate information on Forms 10-Q and 10-K and Current Reports on Form 8-K under the Exchange Act and otherwise complies with Rule 158 under the Securities Act;

(xii) in the event of the issuance of any stop order suspending the effectiveness of a Registration Statement, or of any order suspending or preventing the use of any related prospectus or suspending the qualification of any Common Stock included in such Registration Statement for sale in any jurisdiction, the Company shall promptly notify each Holder and use commercially reasonable efforts promptly to obtain the withdrawal of such order;

(xiii) use commercially reasonable efforts to cause such Registrable Securities covered by such Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the Holders thereof to consummate the disposition of such Registrable Securities;

(xiv) permit any Holder who, in the reasonable judgment of the Company upon the advice of counsel, might be deemed to be an underwriter or controlling person of the Company, and, if applicable, any underwriter, a cold comfort letter from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters as the Holders of a majority of the Registrable Securities being sold reasonably request (provided that such Registrable Securities constitute at least ten percent (10%) of the securities covered by such Registration Statement); and

(xv) cooperate with each Holder and any broker or dealer through which any such Holder proposes to sell its Registrable Securities in effecting a filing with FINRA pursuant to FINRA Rule 5110 as requested by such Holder.

(b) Each Holder that requested that any Registrable Securities be registered pursuant to this Agreement shall deliver to the Company such requisite information with respect to itself and its Registrable Securities as the Company may reasonably request for inclusion in the Registration Statement (and the prospectus included therein) as is necessary to comply with all applicable rules and regulations of the Securities and Exchange Commission, and that it will promptly notify the Company of any material changes in the information set forth in the Registration Statement furnished by or regarding the Holder or its plan of distribution.

(c) The Holders shall not effect sales of the shares covered by the Registration Statement (i) prior to the withdrawal of any stop order suspending the effectiveness of the Registration Statement, or of any order suspending or preventing the use of any related prospectus or suspending the registration or qualification of any Registrable Securities included in the Registration Statement for sale in any jurisdiction where such shares had previously been registered or qualified or (ii) after receipt of facsimile or other written notice from the Company instructing such Holders to suspend sales to permit the Company to correct or update the Registration Statement or prospectus until such Holder receives copies of a supplemented or amended prospectus that corrects the misstatement(s) or omission(s) referred to above and receives notice that any required post-effective amendment has become effective. Such Holder agrees that it will immediately discontinue offers and sales of Registrable Securities under the Registration Statement until such Holder receives copies of a supplemented or amended prospectus that corrects the misstatement(s) or omission(s) referred to above and receives notice that any post-effective amendment has become effective.

(d) Notwithstanding anything herein to the contrary, the Company shall have the right to suspend the use of a Registration Statement for a period of not greater than forty-five (45) consecutive days and for not more than ninety (90) days in any twelve (12) month period ("Blackout Period"), if, in the good faith opinion of the Board of Directors of the Company, after consultation with counsel, material, nonpublic information exists, including without limitation the proposed acquisition or divestiture of assets by the Company, a strategic alliance or a financing transaction involving the Company or the existence of pending material corporate developments, the public disclosure of which would be necessary to cause the Registration Statement to be materially true and to contain no material misstatements or omissions, and in each such case, where, in the good faith opinion of the Board of Directors, such disclosure would be reasonably likely to have a Material Adverse Effect (as defined in the Securities Purchase Agreement) on the Company or on the proposed transaction. The Company must give the Holders notice promptly upon knowledge that a Blackout Period (without indicating the nature of such Blackout Period) may occur and prompt written notice if a Blackout Period will occur and such notices must be acknowledged in writing by the Investors. Upon the conclusion of a Blackout Period the Company shall provide the Holder written notice that the Registration Statement is again available for use.

5. Registration Expenses. All expenses (other than Selling Expenses) incident to the Company's performance of or compliance with this Agreement, including without limitation all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, printing expenses, messenger and delivery expenses, fees and disbursements of custodians, and fees and disbursements of counsel for the Company and independent certified public accountants, underwriters (excluding fees, discounts and commissions) and other persons retained by the Company, and reasonable fees and expenses of one counsel for the Holders in connection with any Demand Registration or Piggyback Registration (all such expenses being herein called "**Registration Expenses**"), shall be borne by the Company. The Company shall not be liable for any Selling Expenses. As used herein, the term "Selling Expenses" shall mean, collectively, any selling commissions, discounts or brokerage fees. Selling Expenses shall be borne by the respective seller thereof, in proportion to the respective number of shares of Registrable Securities sold by each of them.

6. Holder's Obligations. Each Holder covenants and agrees that, in the event the Company informs such Holder in writing that it does not satisfy the conditions specified in Rule 172 and, as a result thereof, such seller is required to deliver a prospectus in connection with any disposition of Registrable Securities, it will comply with the prospectus delivery requirements of the Securities Act as applicable to it (unless an exemption therefrom is available) in connection with sales of Registrable Securities pursuant to the Registration Statement, and shall sell the Registrable Securities only in accordance with a method of distribution described in the Registration Statement.

7. Indemnification.

(a) The Company shall indemnify, to the extent permitted by applicable law, each Holder, its officers, directors, partners, managers, members, investment managers, employees, agents and representatives, and each Person who controls each Holder (within the meaning of Section 15 the Securities Act and Section 20 of the Exchange Act) against all losses, claims, damages, liabilities and expenses (including reasonable legal expenses) arising out of or based upon (i) any untrue or alleged untrue statement of material fact contained in (or incorporated by reference therein) any Registration Statement, free writing prospectus, prospectus or preliminary prospectus, filing under any state securities (or blue sky) law or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any other law, including any state securities law, or any rule or regulation thereunder relating to the offer or sale of the Registrable Securities pursuant to a Registration Statement, or (iii) any breach or violation of this Agreement; provided, however, that the Company shall not be liable to any such indemnified party in any such case to the extent that (A) such claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained in (or incorporated by reference therein) any Registration Statement, free writing prospectus, prospectus or preliminary prospectus, filing under any state securities (or blue sky) law or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact in reliance upon and in conformity with information furnished to the Company by or on behalf of such Holder or its representatives by or on behalf of such Holder expressly for use therein, or (B) such claim is related to the use by a Holder or underwriter, if any, of an outdated or defective prospectus after such party has received written notice from the Company that such prospectus is outdated or defective. In connection with an underwritten offering, the Company shall indemnify such underwriters, their officers and directors and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the holders of Registrable Securities.

(b) Each Holder shall, severally and not jointly, to the extent permitted by applicable law, indemnify the Company, its directors and officers and each Person who controls the Company (within the meaning of Section 15 the Securities Act and Section 20 of the Exchange Act), to the fullest extent permitted by applicable law, against any losses, claims, damages, liabilities and expenses (including reasonable legal expenses) arising out of or based upon any untrue or alleged untrue statement of material fact contained in (or incorporated by reference therein) the Registration Statement, free writing prospectus, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements herein not misleading, but only to the extent that such untrue statement or omission was made in reliance upon and in conformity with any information furnished in writing to the Company by such Holder or its representatives by or on behalf of such Holder expressly for use therein; provided that each Holder shall be liable under this Section 6(b) of this Agreement (and otherwise) for only up to the amount of net amount of proceeds actually received by each Holder as a result of the sale of Registrable Securities pursuant to the Registration Statement giving rise to such indemnification obligation.

(c) Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any Person's right to indemnification hereunder to the extent such failure has not prejudiced the indemnifying party) and (ii) unless, in the Company's reasonable judgment, a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. After written notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim, the indemnifying party shall not be subject to any liability for any settlement subsequently made by the indemnified party without its consent (but such consent shall not be unreasonably withheld, conditioned or delayed). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of the Company, a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim, in which case the indemnifying party shall be liable for the fees and expenses of one additional firm of attorneys with respect to the indemnified parties. The indemnifying party shall keep the indemnified party reasonably apprised at all times as to the status of the defense or any settlement negotiations with respect to such claim. No indemnifying party shall, without the prior written consent of the indemnified party, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a full release from all liability with respect to such claim.

(d) The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, partner, manager, member, investment manager, employee, agent, representative or controlling Person of such indemnified party and shall survive the transfer of Registrable Securities. The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the indemnified party against the indemnifying party or others, and (ii) any liabilities to which the indemnifying party may be subject pursuant to the law.

(e) If the indemnification provided for in this Section 7 of this Agreement is unavailable to or is insufficient to hold harmless an indemnified party under the provisions above in respect to any losses, claims, damages or liabilities referred to therein, then the indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities to the fullest extent permitted by law; provided, however, that: (i) no Person involved in the sale of Registrable Securities which Person is guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) in connection with such sale shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation, and (ii) contribution by each Holder shall be limited in amount to the net amount of proceeds actually received by such Holder from the sale of such Registrable Securities pursuant to the applicable Registration Statement, less the amount of any damages that such Holder has otherwise been required to pay in connection with such sale.

8. Reports under the Exchange Act. With a view to making available to the each Holder the benefits of Rule 144 under the Securities Act or any other similar rule or regulation of the Securities and Exchange Commission that may at any time permit a Holder to sell securities of the Company to the public without registration ("**Rule 144**"), at all times during which there are Registrable Securities outstanding that have not been previously (i) sold to or through a broker or dealer or underwriter in a public distribution or (ii) sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act under Section 4(1) thereof, in the case of either clause (i) or clause (ii) in such a manner that, upon the consummation of such sale, all transfer restrictions and restrictive legends with respect to such shares are removed upon the consummation of such sale, the Company agrees to use its commercially reasonable efforts to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144;

(b) file with the Securities and Exchange Commission in a timely manner all reports and other documents required of the Company under the Exchange Act, so long as the Company remains subject to such requirements and the filing of such reports and other documents is required for the applicable provisions of Rule 144; and

(c) furnish to each Holder so long as such Holder owns Registrable Securities, promptly upon request, (i) a written statement by the Company, if true, that it has complied with the reporting requirements of Rule 144 and the Exchange Act, (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested to permit each Holder to sell such securities pursuant to Rule 144 without registration.

9. Preservation of Rights. Without the prior written consent of a Majority-in-Interest, the Company shall not, on or after the date of this Agreement, (i) grant any registration rights to third parties which are more favorable than or inconsistent with the rights granted hereunder, or (ii) enter into any agreement, take any action, or permit any change to occur, with respect to its securities that is inconsistent with or violates or subordinates the rights expressly granted to each Holder in this Agreement, such as (A) affecting the ability of each Holder to include the Registrable Securities in a registration undertaken pursuant to this Agreement or (B) affecting the marketability of such Registrable Securities in any such registration (including effecting a stock split or a combination of shares).

10. Definitions.

"**Affiliate**" means (i) any Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such other Person, (ii) any executive officer or general partner of such other Person and (iii) any legal entity for which such Person acts as executive officer or general partner, and "**control**" for these purposes means the direct or indirect power to direct or cause the direction of the management and policies of another Person, whether by operation of law or regulation, through ownership of securities, as trustee or executor or in any other manner.

"**Business Day"** means any day on which the principal offices of the Securities and Exchange Commission in Washington, DC are open to accept filings.

"**Commission Guidance**" means (i) any publicly available written guidance or rule of general applicability of the Securities and Exchange Commission staff or (ii) written comments, requirements or requests of the Securities and Exchange Commission staff to the Company in connection with the review of a Registration Statement.

"**Common Stock**" means the common stock, par value $0.01 per share, of the Company, and includes all securities of the Company issued or issuable with respect to such securities by way of a stock split, stock dividend, or in exchange for or upon conversion of such shares or otherwise in connection with a combination of shares, distribution, recapitalization, merger, consolidation, or other corporate reorganization.

"**Demand Registration**" means a Short-Form Registration or a Long-Form Registration.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and the rules and regulations promulgated thereunder.

"**FINRA**" means the Financial Industry Regulatory Authority, and any agency or authority succeeding to the functions thereof.

"**Holder**" means (i) each Stockholder in its capacity as a holder of record of Registrable Securities, (ii) any Affiliate of a Stockholder that is a direct or indirect transferee of Registrable Securities from a Stockholder or any subsequent Holder and (iii) any direct or indirect transferee of Registrable Securities from a Stockholder or any subsequent Holder.

"**Majority-in-Interest**" means Holders of more than fifty percent (50%) of the Registrable Securities.

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity (or any department, agency or political subdivision thereof).

"**Registrable Securities**" means the Common Stock that has been or will be issued upon conversion of the Preferred Stock or the exercise of the Warrant, together with any securities issued or issuable upon any stock split, dividend or other distribution, recapitalization or similar event with respect to the foregoing. For purposes of this Agreement, a Person shall be deemed to be a holder of Registrable Securities whenever such Person has the right to acquire such Registrable Securities (upon conversion or exercise, in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (A) a Registration Statement covering such securities has been declared effective by the Securities and Exchange Commission and such securities have been disposed of pursuant to such effective Registration Statement, (B) such securities are sold under circumstances in which all of the applicable conditions of Rule 144 (or any similar provisions then in force) under the Securities Act are met, (C) such securities are eligible for sale by the Holder without registration pursuant to Rule 144 (or any similar provisions then in force) under the Securities Act without limitation thereunder on volume or manner of sale, (D) such securities are otherwise transferred and such securities may be resold without limitation or subsequent registration under the Securities Act, (E) such securities shall have ceased to be outstanding, or (F) the stock certificates or evidences of book-entry registration relating to such securities have had all restrictive legends removed.

"**Registration Statement**" means any registration statement of the Company which covers any of the Registrable Securities pursuant to the provisions of this Agreement, including the prospectus, amendments, and supplements to such Registration Statement, including post-effective amendments, all exhibits and all materials incorporated by reference in such Registration Statement.

"**Securities Act**" means the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder.

"**Securities and Exchange Commission**" means the United States Securities and Exchange Commission, and any governmental body or agency succeeding to the functions thereof.

11. Miscellaneous.

(a) Remedies. Each Party shall be entitled to enforce its rights under any provision of this Agreement specifically to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by applicable law. The Parties agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any Party may, in its sole discretion, apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

(b) Termination. All rights and obligations of the Company hereunder other than pursuant to Sections 5 and 7 hereof shall terminate on the date on which no Registrable Securities are outstanding.

(c) Amendments and Waivers. Except as otherwise provided herein, the provisions of this Agreement may be amended, modified or waived only upon the prior written consent of the Company, a Majority-in-Interest and any Holder that would be materially and disproportionately affected by such an amendment or waiver. The failure of any party to enforce any of the provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

(d) Assignment; No Third Party Beneficiaries. This Agreement and the rights, duties and obligations of the Company hereunder may not be assigned or delegated by the Company in whole or in part. This Agreement and the rights, duties and obligations of the Holders hereunder may be freely assigned or delegated by such Holder in conjunction with and to the extent of any transfer of Registrable Securities. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the Parties and their respective permitted successors and assigns; provided, however, that no such transfer or assignment shall be binding upon or obligate the Company to any such assignee, and no such assignee shall be deemed a Holder hereunder, unless and until the Company shall have received written notice of such transfer or assignment as herein provided and a written agreement of the assignee to be bound by the provisions of this Agreement. This Agreement is not intended to confer any rights or benefits on any Persons that are not party hereto other than as expressly set forth in Section 7 and this Section 11(d).

(e) Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

(f) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each Party to this Agreement and delivered to the other Party, it being understood that all Parties need not sign the same counterpart. Signatures delivered by electronic methods shall have the same effect as signatures delivered in person.

(g) Descriptive Headings. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

(h) Governing Law; Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the internal laws of New York applicable to parties residing in New York, without regard applicable principles of conflicts of law. Each Party irrevocably consents to the exclusive jurisdiction of any court located within New York County, New York, in connection with any matter based upon or arising out of this Agreement or the matters contemplated hereby and it agrees that process may be served upon it in any manner authorized by the laws of the State of New York for such Persons and waives and covenants not to assert or plead any objection which it might otherwise have to such jurisdiction and such process. EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE, IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE EITHER OF SUCH WAIVERS, (II) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS, (III) IT MAKES SUCH WAIVERS VOLUNTARILY, AND (IV) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 12(h).

(i) Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly delivered: (i) upon receipt if delivered personally; (ii) three (3) Business Days after being mailed by registered or certified mail, postage prepaid, return receipt requested; (iii) one (1) Business Day after it is sent by commercial overnight courier service; or (iv) upon transmission if sent via facsimile or electronic mail with confirmation of receipt to the Parties to this Agreement at the addresses set forth in the Purchase Agreement (or at such other address for a Party as shall be specified upon like notice).

(j) Rules of Construction. The Parties agree that they have each been represented by counsel during the negotiation, preparation and execution of this Agreement (or, if executed following the date hereof by counterpart, have been provided with an opportunity to review the Agreement with counsel) and, therefore, waive the application of any law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the Party drafting such agreement or document.

(k) Interpretation. This Agreement shall be construed in accordance with the following rules: (i) the terms defined in this Agreement include the plural as well as the singular; (ii) all references in the Agreement to designated "Sections" and other subdivisions are to the designated sections and other subdivisions of the body of this Agreement; (iii) pronouns of either gender or neuter shall include, as appropriate, the other pronoun forms; (iv) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision; and (v) the words "includes" and "including" are not limiting.

[*Remainder of page intentionally left blank. Signature Pages Follow.*]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written.

COMPANY:

BioScrip, Inc.

By: _____
Name: _____
Title: _____

STOCKHOLDERS:

Coliseum Capital Partners, L.P.

By: _____
Name: _____
Title: _____

Coliseum Capital Partners II, L.P.

By: _____
Name: _____
Title: _____

Blackwell Partners, LLC, Series A
By: Coliseum Capital Management, LLC
Attorney-in-fact

By: _____
Name: _____
Title: _____

Exhibit 10.1

EXECUTION VERSION

SECURITIES PURCHASE AGREEMENT

between

BIOSCRIP, INC.

and

THE INVESTORS NAMED HEREIN

Dated March 9, 2015

TABLE OF CONTENTS

TABLE OF CONTENTS
(continued)

TABLE OF CONTENTS
(continued)

INDEX OF SCHEDULES & EXHIBITS

THIS SECURITIES PURCHASE AGREEMENT dated as of March 9, 2015 (this "Agreement"), by and among BioScrip, Inc., a Delaware corporation (the "Company"), Coliseum Capital Partners, L.P., a Delaware limited partnership, Coliseum Capital Partners II, L.P., a Delaware limited partnership, and Blackwell Partners, LLC, Series A, a Georgia limited liability company (each, an "Investor") and collectively the "Investors").

RECITALS

WHEREAS, the Company desires to sell to the Investors, and the Investors desire to purchase from the Company (i) 625,000 shares (the "Preferred Shares") of Series A Convertible Preferred Stock of the Company, $0.0001 par value per share (the "Series A Preferred Stock"), with the designations, preferences, and rights set forth in the Certificate of Designations of Preferences and Rights of Series A Preferred Stock, dated the date hereof, in the form of Exhibit A hereto (the "Series A Certificate") and (ii) warrants (the "Warrants"), in substantially the form attached the warrant agreement attached hereto as Exhibit B (the "Warrant Agreement") and together with this Agreement, the Series A Certificate, the Registration Rights Agreement (as defined herein) and the Warrants, the "Transaction Documents")), to acquire up to that number of shares of common stock of the Company, par value $0.0001 per share (the, "Common Stock"), equal to five percent (5%) of the fully diluted outstanding Common Stock on the date hereof but immediately prior to the issuance of the Preferred Shares (rounded up to the nearest whole share) (the shares of Common Stock issuable upon exercise of or otherwise pursuant to the Warrants collectively are referred to herein as the "Warrant Shares").

WHEREAS, the Company intends to use at least seventy-five percent (75%) of the net proceeds from the offering of the Purchased Securities Shares pursuant to the terms of this Agreement (the "Offering") for the repayment of outstanding indebtedness, and intends to use the remaining net proceeds for general corporate purposes (the "Use of Proceeds");

NOW THEREFORE, in consideration of the foregoing and of the agreements set forth below, the parties agree as follows:

ARTICLE 1

SALE AND PURCHASE; CLOSING

1.1 Authorization of Issuance and Sale. Subject to the terms and conditions hereof, the Company has authorized the issuance and sale of the Preferred Shares and the Warrants (together, the "Purchased Securities"). The Conversion Price (as defined in the Series A Certificate) of the Series A Preferred Stock shall be equal to the consolidated closing bid price of the Company's Common Stock on the NASDAQ Global Market ("NASDAQ") the trading day on the Closing Date (as defined below), as determined in consultation with NASDAQ.

1.2 Commitment to Purchase the Purchased Securities. Subject to the terms and conditions of this Agreement:

(a) The Investors shall purchase from the Company the Preferred Shares, and the Company shall issue and deliver to the Investors stock certificates representing the Preferred Shares. Schedule 1.2 sets forth the number of Preferred Shares to be purchased by each Investor (each such number of Preferred Shares, an "Investor's Allocation").

(b) The Company shall have issued the Warrants to purchase Warrant Shares to the Investors.

1.3 Payment of the Subscription Price and Purchase Price for the Purchased Securities. All payments pursuant to this Section 1.3 shall be made by each Investor by wire transfer of immediately available funds to the Company. The account for payment shall be designated by the Company to the Investors at least one business day prior to the Closing Date. On the Closing Date each Investor shall pay such dollar amount equal to the product of (a) $100.00 (one hundred dollars) (the "Per Share Purchase Price") and (b) the Investor's Allocation (collectively, for all Investors, the "Preferred Shares Purchase Price").

1.4 Closing of the Purchased Securities. The closing of the purchase and sale of the Purchased Securities (the "Closing") shall take place upon the execution of this Agreement via e-mail by means of PDF copies of signed documents (with the original signed documents to be delivered promptly after Closing), or at such other time and by such other means as shall be agreed to by the Company and the Investors (such date, the "Closing Date").

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to the Investors as of the date hereof as follows:

2.1 Reporting Compliance. The Company is subject to, and is in full compliance in all material respects with, the reporting requirements of Section 13 and Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All reports (including all current, quarterly and annual reports) filed under the Exchange Act (including filings incorporated by reference therein) are herein referred to collectively as the "Company Disclosure Package."

2.2 Common Stock; Preferred Stock. The authorized capital stock of the Company consists of 125,000,000 shares of Common Stock, of which 68,636,965 shares are issued and outstanding, and 5,000,000 shares preferred stock, par value $0.0001 ("Preferred Stock"), none of which are issued and outstanding. Upon consummation of the transactions contemplated by the Transaction Documents (the "Transactions"), (a) 625,000 shares of Preferred Stock shall be designated as Series A Preferred Stock pursuant to the terms of the Series A Certificate, all of which will be duly authorized, are validly issued, fully paid and non-assessable and (b) the shares of Common Stock issuable upon conversion of the Series A Preferred Stock will have been duly authorized for issuance, and, when so issued, will be validly issued, fully paid and non-assessable. As of Closing, the Investors shall own all of the outstanding Preferred Stock, free and clear of all liens, security interests, mortgages, pledges, charges, equities, claims or restrictions on transferability or encumbrances of any kind (collectively, "Liens") and none of the shares of Series A Preferred Stock, or shares of Common Stock issuable upon conversion of the Series A Preferred Stock, will have been, or will be, issued in violation of the preemptive rights of any security holders of the Company arising as a matter of law or under or pursuant to the Company's certificate of incorporation, as amended, the Company's bylaws, as amended, or any material agreement or instrument to which the Company is a party or by which it is bound, and the holders thereof shall be entitled to all rights accorded to a holder of Series A Preferred Stock or Common Stock, as applicable.

2.3 Capitalization and Other Capital Stock Matters. All of the issued and outstanding shares of capital stock of the Company and each of the Subsidiaries (as defined herein) have been duly authorized and validly issued, are fully paid and nonassessable and were not issued in violation of, and are not subject to, any preemptive or similar rights. The table attached hereto as Schedule 2.3 sets forth, as of the date hereof, the capitalization of the Company. All of the outstanding shares of capital stock or other equity interests of each of the Subsidiaries are owned, directly or indirectly, by the Company, free and clear of all Liens, other than those Liens (i) for taxes or governmental assessments, charges or claims, in each case the payment of which is not yet due and for which the Company has established adequate reserves, (ii) imposed by applicable law such as mechanics', materialmen's, landlords', warehousemen's and carriers' liens and other similar liens securing obligations incurred in the ordinary course of business, (iii) under workers' compensation, unemployment insurance, social security or similar legislation, in each case for which the Company has established adequate reserves, or (iv) created, suffered, incurred, assumed, existing, or permitted under the Existing Indebtedness Agreements (as defined below) (collectively, "Permitted Liens"), and those imposed by the Securities Act of 1933, as amended (the "Securities Act"), and the securities or "Blue Sky" laws of certain U.S. state or non-U.S. jurisdictions. Except as disclosed in the Company Disclosure Package, there are no outstanding (A) options, warrants or other rights to purchase from the Company or any of the Subsidiaries, (B) agreements, contracts, arrangements or other obligations of the Company or any of the Subsidiaries to issue or (C) other rights to convert any obligation into or exchange any securities for, in the case of each of clauses (A) through (C), shares of capital stock of or other ownership or equity interests in the Company or any of the Subsidiaries. For purposes of this Agreement, the term "Existing Indebtedness Agreements" shall mean (x) that certain credit agreement, dated July 31, 2013 (as amended, modified or supplemented to date), by and among the Company, the several banks and other financial institutions and lenders from time to time party thereto, and SunTrust Bank, in its capacity as administrative agent (the "Credit Facility") and (y) the Company's 8.875% Senior Notes due 2021 issued pursuant to that indenture, dated as of February 11, 2014, by and among the Company, the guarantors party thereto and U.S. Bank National Association, as trustee (the "Senior Notes Indenture").

2.4 No Material Misstatement or Omission. (i) The Company Disclosure Package, as of the date hereof did not, and as of the Closing Date will not, include any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. No injunction or order has been issued that either (i) asserts that any of the Transactions is subject to the registration requirements of the Securities Act or (ii) would prevent or suspend the issuance or sale of any of the Shares or the use of the Company Disclosure Package in any jurisdiction, and no proceeding for either such purpose has commenced or is pending or, to the Knowledge (defined below) of the Company and the Subsidiaries, is contemplated. For purposes of this Agreement, "Knowledge" means in the case of the Company and the Subsidiaries, the actual knowledge, as of the date of this Agreement, of the individuals listed on Schedule 2.4.

2.5 Preparation of the Financial Statements. Each of the consolidated financial statements (audited and unaudited) and related notes and supporting schedules of the Company and the Subsidiaries contained in the Company Disclosure Package present fairly in all material respects the financial position, results of operations and cash flows of the Company and its consolidated Subsidiaries as of the respective dates and for the respective periods to which they apply and have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved and the requirements of Regulation S-X. All other financial, statistical and market and industry data and forward-looking statements (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Company Disclosure Package are fairly and accurately presented, are based on or derived from sources that the Company believes to be reliable and accurate and are presented on a reasonable basis. The interactive data in extensible Business Reporting Language in the Company Disclosure Package fairly presents the information called for in all material respects and has been prepared in accordance with the U.S. Securities and Exchange Commission's (the "SEC") rules and guidelines applicable thereto.

2.6 Disclosure Controls and Procedures. Except as set forth on Schedule 2.6(a), the Company and the Subsidiaries maintain an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that is designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure. The Company and the Subsidiaries have carried out evaluations of the effectiveness of their disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act. The statements relating to disclosure controls and procedures made by the principal executive officers (or their equivalents) and principal financial officers (or their equivalents) of the Company in the certifications required by the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith are complete and correct. The Company Disclosure Package describes all outstanding and identified material weaknesses, and Schedule 2.6(b) sets forth the Company's plans to remediate all outstanding and identified material weaknesses, including the material weakness related to establishment of accounts receivable related reserves disclosure in the Company's Annual Report on Form 10-K for the period ended December 31, 2014 and the material weaknesses related to deferred financing costs and separation of I.T. in the Company's Annual Report on Form 10-K for the period ended December 31, 2014.

2.7 Independent Accountants.

(a) Ernst & Young LLP, who have certified and expressed their opinion with respect to the audited financial statements of the Company and the Subsidiaries including the related notes thereto and supporting schedules contained in the Company Disclosure Package through the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2014, were, to the Company's Knowledge after due inquiry, at all times prior to their resignation as disclosed in the Company's Current Report on Form 8-K, filed with the SEC on September 8, 2014 (the "Auditor 8-K"): (i) an independent registered public accounting firm with respect to the Company and the Subsidiaries within the applicable rules and regulations adopted by the SEC and as required by the Securities Act, (ii) in compliance with the applicable requirements relating to the qualification of accountants under Regulation S-X and (iii) a registered public accounting firm as defined by the Public Company Accounting Oversight Board (United States) whose registration has not been suspended or revoked and who has not requested such registration to be withdrawn.

(b) KPMG LLP, who were engaged as auditors as of September 8, 2014, are, to the Company's Knowledge after due inquiry, (i) an independent registered public accounting firm with respect to the Company and the Subsidiaries within the applicable rules and regulations adopted by the SEC and as required by the Securities Act, (ii) in compliance with the applicable requirements relating to the qualification of accountants under Regulation S-X and (iii) a registered public accounting firm as defined by the Public Company Accounting Oversight Board (United States) whose registration has not been suspended or revoked and who has not requested such registration to be withdrawn.

(c) The Company's disclosure in the Auditor 8-K, including with respect to the resignation of Ernst & Young LLP and the appointment of KPMG LLP, is true and accurate in all material respects.

2.8 No Material Adverse Change. Subsequent to the respective dates as of which information is contained in the Company Disclosure Package, except as disclosed in the Company Disclosure Package, (i) except as incurred in the ordinary course of business, neither the Company nor any of the Subsidiaries has incurred any liabilities, direct or contingent, including without limitation any losses or interference with its business from fire, explosion, flood, earthquakes, accident or other calamity, whether or not covered by insurance, or from any strike, labor dispute or court or governmental action, order or decree, that are material, individually or in the aggregate, to the Company and the Subsidiaries, taken as a whole, or has entered into any transactions not in the ordinary course of business, (ii) there has not been any material decrease in the capital stock or, other than in the ordinary course of business, any material increase in any short-term or long-term indebtedness of the Company or the Subsidiaries, or any payment of or declaration to pay any dividends or any other distribution with respect to the Company, and (iii) there has not been any material adverse change, or any development that could reasonably be expected to result in a material adverse change, in the properties, business, prospects, operations, earnings, assets, liabilities or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole (each of clauses (i), (ii) and (iii) , a "Material Adverse Change").

2.9 Rating Agencies. No "nationally recognized statistical rating organization" (as that term is used in Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act) (i) has imposed (or has informed the Company that it is considering imposing) any condition (financial or otherwise) to retain any rating assigned to the Company or any of the Subsidiaries or to any securities of the Company or any of the Subsidiaries or (ii) has indicated to the Company that it is considering (A) the downgrading, suspension, or withdrawal of, or any review (or of any potential or intended review) for a possible change in, any rating so assigned (including, without limitation, the placing of any of the foregoing ratings on credit watch with negative or developing implications or under review with an uncertain direction) or (B) any change in the outlook for any rating of the Company or any of the Subsidiaries or any securities of the Company or any of the Subsidiaries.

2.10 Subsidiaries. Each corporation, partnership or other entity in which the Company, directly or indirectly through any of its subsidiaries, owns more than fifty percent (50%) of any class of equity securities or interests is listed on Schedule 2.10 (the "Subsidiaries").

2.11 Incorporation and Good Standing of the Company and its Subsidiaries. The Company and each of the Subsidiaries (i) has been duly organized or formed, as the case may be, is validly existing and is in good standing under the laws of its jurisdiction of organization, (ii) has all requisite power and authority to carry on its business and to own, lease and operate its properties and assets as described in the Company Disclosure Package and (iii) is duly qualified or licensed to do business and is in good standing as a foreign corporation, partnership or other entity as the case may be, authorized to do business in each jurisdiction in which the nature of such businesses or the ownership or leasing of such properties requires such qualification, except where the failure to be so qualified or, solely with respect to the Subsidiaries, in good standing would not, individually or in the aggregate, have a material adverse effect on (A) the properties, business, prospects, operations, earnings, assets, liabilities or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, (B) the ability of the Company or any Subsidiary to perform its obligations in all material respects under any Transaction Document, (C) the validity or enforceability of any of the Transaction Documents, or (D) the consummation of any of the Transactions (each, a "Material Adverse Effect").

2.12 Legal Power and Authority. The Company has all necessary power and authority to execute, deliver and perform its obligations under the Transaction Documents and to consummate the Transactions, and no stockholder actions are necessary for the Company's execution, delivery and performance of its obligations under the Transaction Documents and to consummate the Transactions.

2.13 This Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company a, enforceable against the Company in accordance with its terms, except that the enforcement thereof may be subject to (i) bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance, fraudulent transfer or other similar laws now or hereafter in effect relating to creditors' rights generally, (ii) general principles of equity (whether applied by a court of law or equity) and the discretion of the court before which any proceeding therefor may be brought and (iii) with respect to the rights to indemnity or contribution hereunder, federal and state securities laws and public policy considerations.

2.14 Compliance with Existing Instruments. Neither the Company nor any of the Subsidiaries is (i) in violation of its certificate of incorporation, by-laws or other organizational documents (the "Charter Documents"); (ii) in violation of any U.S. or non-U.S. federal, state or local statute, law (including, without limitation, common law) or ordinance, or any judgment, decree, rule, regulation, order or injunction (collectively, "Applicable Law") of any U.S. or non-U.S. federal, state, local or other governmental or regulatory authority, governmental or regulatory agency or body, court, arbitrator or self-regulatory organization (each, a "Governmental Authority"), applicable to any of them or any of their respective properties, except as would not result in a Material Adverse Effect; or (iii) in breach of or default under any Applicable Agreement (defined below) , except as set forth in Schedule 2.14. To the Company's Knowledge, all Applicable Agreements are in full force and effect and are legal, valid and binding obligations, other than as disclosed in the Company Disclosure Package. For purposes of this Agreement, "Applicable Agreement" means any agreement or instrument entered into by the Company, including the Existing Indebtedness Agreements, a breach or default of which could reasonably be expected to have a Material Adverse Effect.

2.15 No Conflicts. Neither the execution, delivery or performance of the Transaction Documents nor the consummation of any of the Transactions (including the Use of Proceeds from the sale of the Shares as described above) will conflict with, violate, constitute a breach of or a default (with the passage of time or otherwise) or a "Debt Repayment Triggering Event" under, or result in the imposition of a Lien on any assets of the Company or any of its Subsidiaries, or the imposition of any penalty under or pursuant to (i) the Charter Documents, (ii) any Applicable Agreement, (iii) any Applicable Law or (iv) any order, writ, judgment, injunction, decree, determination or award binding upon the Company and the Subsidiaries. As used herein, a "Debt Repayment Triggering Event" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of the Subsidiaries or any of their respective properties.

2.16 No Consents. No consent, approval, authorization, order, filing or registration of or with any Governmental Authority or third party is required for execution, delivery or performance of the Transaction Documents or the consummation of the Transactions, except (i) those that have been official or made, as the case may be, that are in full force and effect and (ii) as may be required under the securities or "Blue Sky" laws of U.S. state or non-U.S. jurisdictions.

2.17 No Material Applicable Laws or Proceedings. (i) No Applicable Law shall have been enacted, adopted or issued, (ii) no stop order suspending the qualification or exemption from qualification of any of the Shares in any jurisdiction shall have been issued and no proceeding for that purpose shall have been commenced or, to the Company's Knowledge, be pending or contemplated as of the Closing Date, and (iii) there is no legal, administrative, arbitral or other proceeding, action, claim, suit, demand, hearing, arbitration, mediation, governmental or regulatory investigation or audit, notice of violation or deficiency, or proceeding pending, or, to the Knowledge of the Company or any of the Subsidiaries threatened or contemplated by Governmental Authorities or threatened by others (collectively, "Proceedings") that, with respect to clauses (i), (ii), and (iii) of this Section 2.17 would at the date hereof restrain, enjoin, prevent or interfere with the consummation of the Offering or any of the Transactions or would, individually or in the aggregate, have a Material Adverse Effect.

2.18 All Necessary Permits. Other than the permits and accreditation contemplated in Section 2.42(d), each of the Company and the Subsidiaries possess all material licenses, permits, certificates, consents, orders, approvals and other authorizations from, and has made all declarations and filings with, all Governmental Authorities, presently required or necessary to own or lease, as the case may be, and to operate its properties and to carry on its businesses as now, or proposed to be, conducted as described in the Company Disclosure Package ("Permits"); each of the Company and the Subsidiaries has fulfilled and performed in all material respects all of its obligations with respect to such Permits; to the Knowledge of the Company or any Subsidiary, no event has occurred which allows, or after notice or lapse of time would allow, revocation or termination of any such Permit or has resulted, or after notice or lapse of time would result, in any other material impairment of the rights of the holder of any such Permit the result of which would have a Material Adverse Effect; and none of the Company or the Subsidiaries has received or has any reason to believe it will receive any notice of any proceeding relating to revocation or modification of any such Permit, except as described in the Company Disclosure Package.

2.19 Title to Properties. Each of the Company and the Subsidiaries has good, marketable and valid title to all real property owned by it and good title to all personal property owned by it and, to the Knowledge of the Company, good and valid title to all leasehold estates in real and personal property being leased by it (except where the failure to hold good title or good and valid title, as applicable, would not materially impair the operations of the Company or its Subsidiaries) and, as of the date hereof, are free and clear of all Liens other than Permitted Liens.

2.20 Tax Law Compliance. All material Tax (as hereinafter defined) returns required to be filed by the Company and each of the Subsidiaries have been filed and all such returns are true, complete and correct in all material respects. All material Taxes that are due from the Company and the Subsidiaries have been paid other than those (i) currently payable without penalty or interest or (ii) being contested in good faith and by appropriate proceedings and for which adequate accruals have been established in accordance with GAAP, applied on a consistent basis throughout the periods involved. To the Knowledge of the Company, there are no actual or proposed Tax assessments against the Company or any of the Subsidiaries that would, individually or in the aggregate, have a Material Adverse Effect. The accruals on the books and records of the Company and the Subsidiaries in respect of any material Tax liability for any period not finally determined are adequate to meet any assessments of Tax for any such period. For purposes of this Agreement, the term "Tax" and "Taxes" shall mean all U.S. and non-U.S. federal, state, local and taxes, and other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax or penalties applicable thereto.

2.21 Intellectual Property Rights. Each of the Company and the Subsidiaries owns, or has the right to use, all patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, domain names and trade names (collectively, "Intellectual Property") necessary for the conduct of its businesses and, as of the date hereof, the Intellectual Property is free and clear of all Liens, other than Permitted Liens. The Company is not a party to, or bound by, any options, licenses or agreements with respect to the intellectual property rights of any other person or entity that are necessary to be described in the Company Disclosure Package to avoid a material misstatement or omission and are not described therein. The Company has not received notice of any claims or notices of any potential claim by any person challenging the use of any such Intellectual Property by the Company or any of the Subsidiaries or questioning the validity or effectiveness of any Intellectual Property or any license or agreement related thereto, other than any claims that, if successful, would not, individually or in the aggregate, have a Material Adverse Effect. None of the intellectual property used by the Company or any of the Subsidiaries has been obtained or is being used by the Company or any of the Subsidiaries in violation of any contractual obligation binding on the Company or any of the Subsidiaries or, to the Company or any of the Subsidiaries' Knowledge, its officers, directors or employees or otherwise in violation of the rights of any person.

2.22 ERISA Matters. Each of the Company, the Subsidiaries and each ERISA Affiliate (as hereinafter defined) has fulfilled, in all material respects, its obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA") with respect to each "pension plan" (as defined in Section 3(2) of ERISA), subject to Section 302 of ERISA, which the Company, the Subsidiaries or any ERISA Affiliate sponsors or maintains, or with respect to which it has (or within the last three years had) any obligation to make contributions, and each such plan is in compliance in all material respects with the presently applicable provisions of ERISA and the Internal Revenue Code of 1986, as amended (the "Code"). None of the Company, the Subsidiaries or any ERISA Affiliate has incurred any material unpaid liability to the Pension Benefit Guaranty Corporation (other than for the payment of premiums in the ordinary course) or to any such plan under Title IV of ERISA. "ERISA Affiliate" means a corporation, trade or business that is, along with the Company or any Subsidiary, a member of a controlled group of corporations or a controlled group of trades or businesses, as described in Section 414 of the Code or Section 4001 of ERISA.

2.23 Labor Matters. (i) Neither the Company nor any of the Subsidiaries is party to or bound by any collective bargaining agreement with any labor organization; (ii) there is no union representation question existing with respect to the employees of the Company or the Subsidiaries, and, to the Knowledge of the Company, no union organizing activities are taking place that, could, individually or in the aggregate, have a Material Adverse Effect; (iii) to the Knowledge of the Company, no union organizing or decertification efforts are underway or threatened against the Company or the Subsidiaries; (iv) no labor strike, work stoppage, slowdown or other material labor dispute is pending against the Company or the Subsidiaries, or, to the Company's Knowledge, threatened against the Company or the Subsidiaries; (v) to the Knowledge of the Company and the Subsidiaries, there is no worker's compensation liability, experience or matter that could be reasonably expected to have a Material Adverse Effect; (vi) to the Knowledge of the Company, there is no threatened or pending liability against the Company or the Subsidiaries pursuant to the Worker Adjustment Retraining and Notification Act of 1988, as amended, or any similar state or local law; (vii) there is no employment-related charge, complaint, grievance, investigation, unfair labor practice claim or inquiry of any kind, pending against the Company or the Subsidiaries that could, individually or in the aggregate, have a Material Adverse Effect; (viii) to the Knowledge of the Company and the Subsidiaries, no employee or agent of the Company or the Subsidiaries has committed any act or omission giving rise to liability for any violation identified in subsection (vi) and (vii) above, other than such acts or omissions that would not, individually or in the aggregate, have a Material Adverse Effect; and (viii) no term or condition of employment exists through arbitration awards, settlement agreements or side agreement that is contrary to the express terms of any applicable collective bargaining agreement.

2.24 Compliance with Environmental Laws. Each of the Company and the Subsidiaries (i) is in material compliance with any and all applicable U.S. or non-U.S. federal, state and local laws and regulations relating to health and safety, or the pollution or the protection of the environment or hazardous or toxic substances of wastes, pollutants or contaminants ("Environmental Laws"), (ii) has received and is in material compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct its respective businesses and (iii) has not received notice of, and is not aware of, any actual or potential liability for damages to natural resources or the investigation or remediation of any disposal, release or existence of hazardous or toxic substances or wastes, pollutants or contaminants, in each case except where such non-compliance with Environmental Laws, failure to receive and comply with required permits, licenses or other approvals, or liability would not, individually or in the aggregate, have a Material Adverse Effect. Neither the Company nor any of the Subsidiaries has been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, or any similar U.S. or non-U.S. state or local Environmental Laws or regulation requiring the Company or any of the Subsidiaries to investigate or remediate any pollutants or contaminants, except where such requirements would not, individually or in the aggregate, have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business. In the ordinary course of its business, the Company periodically reviews the effects of Environmental Laws on the business, operations and properties of the Company and the Subsidiaries, in the course of which it identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws, or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties). On the basis of such review, the Company has reasonably concluded that such associated costs would not have a Material Adverse Effect.

2.25 Insurance. Each of the Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged. All policies of insurance insuring the Company or any of the Subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect. The Company and the Subsidiaries are in compliance with the terms of such policies and instruments in all material respects, and there are no claims by the Company or any of the Subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause, except claims that if finally denied or successfully defended by any insurance company, would not have a Material Adverse Effect on the Company and its Subsidiaries. Except as to claims not meeting coverage requirements, neither the Company nor any such Subsidiary has been refused any insurance coverage sought or applied for, and neither the Company nor any such Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage or obtain such coverage as may be necessary and appropriate for the continuation of the Company's business at a cost that would not, individually or in the aggregate, have a Material Adverse Effect.

2.26 Accounting System. The Company and each of the Subsidiaries make and keep accurate books and, except as set forth on Schedule 2.6, records and maintain a system of internal accounting controls and procedures sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP, and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any material differences. The Company's independent auditors and board of directors have been advised of: (i) all "material weaknesses" and "significant deficiencies" (each, as defined in Rule 12b-2 of the Exchange Act), if any, in the design or operation of the Company's internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data and (ii) all fraud, if any, whether or not material, that involves management or other employees who have a role in the Company's internal controls (whether or not remediated); all such material weaknesses and significant deficiencies, if any, have been disclosed in the Company Disclosure Package in all material respects; and, except as set forth on Schedule 2.6, since the date of the most recent evaluation of such disclosure controls and procedures and internal controls, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses.

2.27 Use of Proceeds; Solvency; Going Concern. As of the date hereof, after giving pro forma effect to the Offering and the Use of Proceeds, the Company and the Subsidiaries, on a consolidated basis, will be Solvent (as hereinafter defined). As used in this paragraph, the term "Solvent" means, with respect to any particular date, that on such date (a) the fair value of the property of the Company is greater than the total amount of liabilities, including subordinated and contingent liabilities, of the Company; (b) the present fair saleable value of the assets of the Company is not less than the amount that will be required to pay the probable liability of the Company on its debts and liabilities, including subordinated and contingent liabilities as they become absolute and matured; (c) the Company does not intend to, and does not believe that it will, incur debts or liabilities beyond the Company's ability to pay as such debts and liabilities mature; and (d) the Company is not engaged in a business or transaction, and is not about to engage in a business or transaction, for which the Company's property would constitute an unreasonably small capital. The amount of contingent liabilities (such as litigation, guaranties and pension plan liabilities) at any time shall be computed as the amount that, in light of all the facts and circumstances existing at the time, represents the amount that would reasonably be expected to become an actual or matured liability.

2.28 No Price Stabilization or Manipulation. Other than actions taken in the ordinary course with respect the Company's most recent earnings release (which actions do not include the disclosure of the existence or pendency of the Transactions contemplated hereby), neither the Company nor any of its Affiliates has and, to the Company's Knowledge, no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of any security of the Company, whether to facilitate the sale or resale of any of the Purchased Securities or otherwise, (ii) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, any of the Purchased Securities, (iii) except as disclosed in the Schedule 2.28, paid or agreed to pay to any person any compensation for soliciting another to purchase any other securities of the Company, or (iv) taken, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to constitute an impact on the price that will be used to set the Conversion Price (as defined in the Series A Certificate). "Affiliates" has the meaning set forth in Rule 405 of the Securities Act.

2.29 No Registration Required Under the Securities Act. Without limiting any provision herein, no registration under the Securities Act is required for the offer or sale of the Purchased Securities to the Investors as contemplated hereby.

2.30 No Integration. No securities of the Company of the same class as the Purchased Securities have been offered, issued or sold by the Company or any of its Affiliates within the six-month period immediately prior to the date hereof; and the Company does not have any intention of making, and will not make, an offer or sale of such securities of the Company of the same class as the Purchased Securities, for a period of six months after the date of this Agreement, except for the offering of the Purchased Securities as contemplated by this Agreement and the rights offering contemplated in Section 5.8 of this Agreement. As used in this paragraph, the terms "offer" and "sale" have the meanings specified in Section 2(a)(3) of the Securities Act.

2.31 No Applicable Registration or Other Similar Rights. Except as disclosed in the Company Disclosure Package, there are no persons with registration or other similar rights to have any equity or debt securities of the Company or any "Affiliate" registered for sale under a registration statement, except for rights as have been duly waived.

2.32 Investment Company Act. The Company has been advised of the Investment Company Act of 1940, as amended, and the rules and regulations of the SEC thereunder (collectively, the "Investment Company Act"); as of the date hereof and, after giving effect to the Offering and the Use of Proceeds of the Offering, each of the Company and its Subsidiaries is not and will not be, individually or on a consolidated basis, an "investment company" that is required to be registered under the Investment Company Act; and following the Closing, the Company and its Subsidiaries will conduct their businesses in a manner so as not to be required to register under the Investment Company Act.

2.33 No Brokers. Other than as set forth in Schedule 2.33, neither the Company nor any of its Affiliates has engaged any broker, finder, commission agent or other person in connection with the Offering or any of the Transactions, and neither the Company nor any of its Affiliates is under any obligation to pay any broker's fee or commission in connection with such Transactions.

2.34 No Restrictions on Payments of Dividends. Except as prohibited or restricted by applicable law or as disclosed in the Schedule 2.34 or as otherwise disclosed in the Company Disclosure Package, there is no encumbrance or restriction on the ability of any Subsidiary of the Company (x) to pay dividends or make other distributions on such Subsidiary's capital stock or to pay any indebtedness to the Company or any other Subsidiary of the Company, (y) to make loans or advances or pay any indebtedness to, or investments in, the Company or any other Subsidiary or (z) to transfer any of its property or assets to the Company or any other Subsidiary of the Company.

2.35 Sarbanes-Oxley. There is and has been no failure on the part of the Company and the Subsidiaries or any of the officers and directors of the Company or any of the Subsidiaries, in their capacities as such, to comply in all material respects with the applicable provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith.

2.36 No Unlawful Contributions or Other Payments. Neither the Company nor any of the Subsidiaries nor, to the best of the Company's Knowledge, any employee or agent of the Company or any Subsidiary, has made any contribution or other payment to any official of, or candidate for, any federal, state or foreign office in violation of any law or of the character required to be disclosed in the Company Disclosure Package.

2.37 Foreign Corrupt Practices Act. None of the Company or any Subsidiary or, to the Knowledge of the Company, any director, officer, employee or any agent or other person acting on behalf of the Company or any Subsidiary has, in the course of its actions for, or on behalf of, the Company or any Subsidiary (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any domestic government official, "foreign official" (as defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (collectively, the "FCPA") or employee from corporate funds; (iii) violated or is in violation of any provision of the FCPA or any applicable non-U.S. anti-bribery statute or regulation; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any domestic government official, such foreign official or employee; and the Company and the Subsidiaries, and, to the Knowledge of the Company and the Subsidiaries, its and their other affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to ensure, continued compliance therewith.

2.38 Money Laundering. The operations of the Company and the Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or the Subsidiaries with respect to the Money Laundering Laws is pending or, to the Company's Knowledge, threatened.

2.39 OFAC. Neither the Company nor the Subsidiaries, any director, officer, nor, to the Knowledge of the Company or the Subsidiaries, any agent, employee or Affiliate of the Company or any of the Subsidiaries or other person acting on their behalf is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Company will not directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of or business with any person, or in any country or territory, that currently is the subject to any U.S. sanctions administered by OFAC or in any other manner that will result in a violation by any person (including any person participating in the transaction whether as advisor, investor or otherwise) of U.S. sanctions administered by OFAC.

2.40 Related Party Transactions. No relationship, direct or indirect, exists between or among any of the Company or any affiliate of the Company, on the one hand, and any director, officer, member, stockholder, customer or supplier of the Company or any affiliate of the Company, on the other hand, which is required by the Securities Act to be disclosed in a registration statement on Form S-1 which is not so disclosed in the Company Disclosure Package. There are no outstanding loans, advances (except advances for business expenses in the ordinary course of business) or guarantees of indebtedness by the Company or any affiliate of the Company to or for the benefit of any of the officers or directors of the Company or any affiliate of the Company or any of their respective family members.

2.41 Stamp Taxes. There are no stamp or other issuance or transfer taxes or duties or other similar fees or charges required to be paid in connection with the execution and delivery of this Agreement or the issuance or sale of the Purchased Securities pursuant to this Agreement.

2.42 Compliance with Health Care Laws.

(a) "Health Care Programs" means all third-party private payor programs and health benefit programs that are sponsored by a Governmental Authority in which the Company or any of its Subsidiaries participate, whether pursuant to one or more contracts with the applicable Governmental Authority or otherwise, including state Medicaid programs, Medicare, the TRICARE program and Medicare Advantage.

(b) "Health Care Laws" means Applicable Laws relating to: (i) the licensure, certification, qualification or authority to transact business in connection with the payment for, or arrangement of durable medical equipment, respiratory care services, pharmacy-related services, pharmacy management services, and the administration and coordination of health benefits; (ii) health care or insurance fraud or abuse, including the following statutes: the Federal anti-kickback law (42 U.S.C. § 1320a-7b), the Stark laws (42 U.S.C. § 1395nn), the Federal False Claims Act (31 U.S.C. §§ 3729, et seq.), the Federal Civil Monetary Penalties Law (42 U.S.C. § 1320a-7a), the Federal Program Fraud Civil Remedies Act (31 U.S.C. § 3801 et seq.) and the Federal Health Care Fraud Law (18 U.S.C. § 1347); (iii) the provision of administrative, management or other services related to any Health Care Programs, (iv) the Consolidated Omnibus Budget Reconciliation Act of 1985; (v) the Medicare Prescription Drug, Improvement, and Modernization Act of 2003; (vi) the Medicare Improvements for Patients and Providers Act of 2008; (vii) the Health Insurance Portability and Accountability Act of 1996 (Pub. L. No. 104-191), as amended by the Health Information Technology for Economic and Clinical Health Act (Pub. L. No. 111-5) and their implementing regulations (collectively, "HIPAA"); and (viii) the Patient Protection and Affordable Care Act (Pub. L. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. 111-152) (collectively, "ACA").

(c) Other than as set forth on Schedule 2.42(c), the Company and each of its Subsidiaries are and at all times since January 1, 2012 have been in compliance with all Health Care Laws, other than noncompliance which would not result in a Material Adverse Effect. Other than as set forth on Schedule 2.42(c), there is no claim or Proceeding, pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries alleging any failure to comply with Health Care Laws. Sections 2.42(d) through 2.42(m) shall not limit the generality of this Section 2.42(c).

(d) The Company and its Subsidiaries hold all material permits and accreditations that are required under applicable Health Care Laws in connection with the conduct, ownership, use, occupancy or operation of their respective businesses or assets (the "Health Care Permits") as currently conducted. The Company and each of its Subsidiaries are in compliance with all the terms of the Health Care Permits, except as would not result in a Material Adverse Effect. No consent, approval, order or authorization of, or registration, declaration or filing with, or notice to, any Governmental Authority or other Person is required to be obtained or made by or with respect to the Health Care Permits in connection with the consummation of the transactions contemplated hereby.

(e) With respect to participation in Health Care Programs, the Company and each of the Subsidiaries of the Company currently meet all the requirements for participation in, and receipt of payment from, the Government Sponsored Health Care Programs in which the Company or such Subsidiary currently participates, other than as would not result in a Material Adverse Effect.

(f) Neither the Company nor any of its Subsidiaries, nor any director, executive officer or other employee of the Company or any of its Subsidiaries, (i) has been assessed a civil monetary penalty under Section 1128A of the Social Security Act, (ii) has been excluded from participation in any Health Care Programs, (iii) has been convicted of any criminal offense relating to the delivery of any item or service under any Health Care Program or (iv) has been or is a party to or subject to any claim or Proceeding concerning any of the matters described in the foregoing clauses (i) through (iii).

(g) All individuals who are employed by Company or any its Subsidiaries and currently provide, and, to the Knowledge of the Company, all individuals who have been employed by the Company since January 1, 2012 have provided, on behalf of or, to the Company or any of its Subsidiaries, any professional services that require any certification or license pursuant to applicable Health Care Laws (each, a "Licensed Professional") have been duly licensed or certified, as applicable, to practice his or her profession in each applicable jurisdiction during the applicable time period such individuals were providing such services to or on behalf of the Company or any of its Subsidiaries, except as would not result in a Material Adverse Effect. To the Knowledge of the Company, no event has occurred and no fact, circumstance, or condition exists that has or would reasonably be expected to result in the denial, loss, revocation, or rescission of or to any professional license or specialist certification except as would not result in a Material Adverse Effect.

(h) To the Knowledge of the Company, no Licensed Professional has been sanctioned, excluded, or disciplined by any Governmental Authority, professional society, hospital, or third-party payor except as would not result in a Material Adverse Effect.

(i) There is no pending or, to the Knowledge of the Company, threatened Proceeding alleging that the businesses of the Company or its Subsidiaries has violated any Applicable Laws regarding (i) the organization or ownership of persons that employ Licensed Professionals, (ii) the manner in which the Licensed Professionals may split or share with non-Licensed Professionals fees generated from the provision of professional services, or (iii) the unlicensed practice of pharmacy.

(j) The Company and its Subsidiaries are and have at all times since January 1, 2012 been in compliance with all HIPAA and state laws governing the privacy and security of health-related medical information or personal information and any "business associate" agreement entered into by the Company and/or any of its Subsidiaries**,** except as would not have a Material Adverse Effect. The Company and its Subsidiaries have in place plans, policies, and procedures (collectively, "HIPAA Policies and Procedures") designed to comply with HIPAA. The Company and its Subsidiaries have provided Investors with complete copies of all HIPAA Policies and Procedures currently in place. Neither the Company nor any of its Subsidiaries has received notice of, and there is no pending or, to the Knowledge of the Company, threatened, Proceeding with respect to any alleged "breach" as defined in 45 C.F.R. § 164.402 or any other violation of HIPAA by the Company or any of its Subsidiaries.

(k) Except as set forth on Schedule 2.42(j), neither the Company nor any of its Subsidiaries is a party to any agreement or settlement with any Governmental Authority with respect to any actual or alleged violation of any Health Care Law. The Company and its Subsidiaries are not a party to, or otherwise bound by, a corporate integrity agreement with the Office of Inspector General of the U.S. Department of Health and Human Services or any similar agreement with any Governmental Authority with respect to any applicable Health Care Laws. The Company and its Subsidiaries have not been requested to enter into, and the Company and its Subsidiaries are not in the process of negotiating, any such agreement.

(l) The Company and its Subsidiaries have not made and are not in the process of making a voluntary self-disclosure under the Medicare self-referral disclosure protocol established by the Secretary of the U.S. Department of Health and Human Services pursuant to Section 6409 of ACA, or under the self-disclosure protocol established and maintained by the Office of Inspector General of the U.S. Department of Health and Human Services, or any United States Attorney or other Governmental Authority with respect to any applicable Health Care Laws. The Company and its Subsidiaries are not currently considering any such self-disclosure, and to the Knowledge of the Company, the Company and its Subsidiaries do not have an obligation to make any such self-disclosure in lieu of repayment under section 6402(a) of ACA.

(m) The Company and its Subsidiaries have in place plans, policies and procedures designed to comply with applicable Health Care Laws.

2.43 No Contract Terminations. Neither the Company nor any of the Subsidiaries has sent or received any communication regarding termination of, or intent not to renew, any of the material contracts or agreements referred to or described in the Company Disclosure Package, and no such termination or non-renewal has been threatened by the Company or any of the Subsidiaries or, to the Company's Knowledge, any other party to any such contract or agreement, which threat of termination or non-renewal has not been rescinded as of the date hereof.

2.44 Certificates. Each certificate signed by any officer of the Company or any of the Subsidiaries, delivered to the Investors shall be deemed a representation and warranty by the Company or any such Subsidiary (and not individually by such officer) to the Investors with respect to the matters covered thereby.

ARTICLE 3

REPRESENTATIONS OF THE INVESTORS

Each Investor, severally and not jointly, represents to the Company as follows:

3.1 Existence and Good Standing; Authority. Such Investor is validly existing and in good standing under the laws of the state of its formation and has all requisite power and authority to carry on its business as now conducted.

3.2 Authorization of Agreement; Enforceability. This Agreement has been duly and validly authorized, executed and delivered by such Investor. This Agreement is valid, binding and enforceable against such Investor in accordance with its terms, subject to (i) bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance, fraudulent transfer or other similar laws now or hereafter in effect relating to creditors' rights generally, (ii) general principles of equity (whether applied by a court of law or equity) and the discretion of the court before which any proceeding therefor may be brought and (iii) with respect to the rights to indemnity or contribution hereunder, federal and state securities laws and public policy considerations.

3.3 Accredited Investor. Such Investor is an "accredited investor" as that term is defined in Regulation D promulgated under the Securities Act.

3.4 No Disqualification Event. Such Investor is not, or to the extent it has them, any of its shareholders, members, managers, general partners, directors, or executive officers are not, subject to any Disqualification Event set forth in Rule 506(d) under the Securities Act. Such Investor confirms that it has exercised reasonable care to determine whether it or any of the aforementioned persons are subject to a Disqualification Event. The purchase of the Purchased Securities by such Investor will not subject the Company to any Disqualification Event. Such Investor shall notify the Company immediately in writing of the occurrence of any Disqualification Event that has not previously been disclosure to the Company.

3.5 Information; Knowledge of Business. Such Investor is familiar with the business in which the Company is engaged. Such Investor has knowledge and experience in financial and business matters; is familiar with the investments of the type that it is undertaking to purchase; is fully aware of the problems and risks involved in making an investment of this type; and is capable of evaluating the merits and risks of this investment. Such Investor acknowledges that, prior to executing this Agreement, it (and each of its representatives) has had the opportunity to ask questions of and receive answers or obtain additional information from a representative of the Company concerning the financial and other affairs of the Company.

3.6 Investment Intent. Such Investor is acquiring the Purchased Securities in the ordinary course of its business and for its own account, with the intention of holding such shares for investment purposes and with no present intention of participating, directly or indirectly, in a distribution of such shares in violation of applicable securities laws.

3.7 No Manipulation or Stabilization of Price. Such Investor has not taken and will not take, directly or indirectly, any action designed to, or that would constitute or that might reasonably be expected to, cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company in order to facilitate the sale or resale of any securities of the Company, and such Investor is not aware of any such action taken or to be taken by any person.

3.8 Compliance with Securities Laws. Such Investor will not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) any of the Purchased Securities except in compliance with the Securities Act, and the rules and regulations promulgated thereunder, and such Investor acknowledges that certificates representing such the Purchased Securities shall bear the following legend:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE OFFERED, SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE ACT, AN OPINION OF COUNSEL SATISFACTORY TO THE CORPORATION THAT REGISTRATION IS NOT REQUIRED UNDER THE ACT OR UNLESS SUCH OFFER, SALE, TRANSFER OR HYPOTHECATION IS IN COMPLIANCE WITH THE REQUIREMENTS OF RULE 144 PROMULGATED UNDER THE ACT.

3.9 Reliance on Own Investigation. Such Investor has conducted its own independent review and analysis of the business, assets, condition, operations and prospects of the Company. In entering into this Agreement, such Investor has relied solely upon its own investigation and analysis, and the Investor acknowledges that, except for the representations and warranties of the Company expressly set forth in Article 2, none of the Company or its subsidiaries nor any of their respective representatives makes any representation or warranty, either express or implied, as to the accuracy or completeness of any of the information provided or made available to the Investor or any of its representatives. Without limiting the generality of the foregoing, none of the Company or its subsidiaries nor any of their respective representatives or any other person has made a representation or warranty to such Investor with respect to (a) projections, estimates or budgets for the Company or its subsidiaries or (b) except as expressly and specifically covered by a representation or warranty set forth in Article 2, any material, documents or information relating to the Company or its subsidiaries made available to such Investor or its representative in any "data room" (electronic or otherwise), confidential memorandum or otherwise.

3.10 Placement Agent. Such Investor understands that the placement agent ("Placement Agent") engaged by the Company has acted solely as the agent of the Company in this placement of the Securities and such Investor has not relied on the business or legal advice of the Placement Agent or any of its agents, counsel or affiliates in making its investment decision hereunder, and confirms that none of such persons has made any representations or warranties to such Investor in connection with the transactions contemplated by the Transaction Documents.

3.11 Share Ownership. As of the date of this Agreement, neither such Investor nor any of its "Affiliates" (as defined in Rule 405 of the Securities Act) owns, directly or indirectly, beneficially (as such term is used in Rule 13d-3 promulgated under the Exchange Act) or of record, any capital stock or other securities of the Company or any options, warrants or other rights to acquire capital stock or other securities of, or any other economic interest (through derivative securities or otherwise) in, the Company except pursuant to this Agreement.

ARTICLE 4

CONDITIONS TO CLOSING

4.1 Conditions to Obligations of the Investors for Closing. The Investors acknowledge that the following conditions have been satisfied, or have been waived on or before Closing:

(a) Series A Certificate. The Series A Certificate shall have been filed with and accepted by the Secretary of State of the State of Delaware and shall have become effective.

(b) Registration Rights Agreement. The Company shall have executed and delivered to the Investors the Registration Rights Agreement, in the form attached hereto as Exhibit D.

(c) Warrant Agreement. The Company shall have executed and delivered to the Investors the Warrant Agreement and related Warrant Certificates, in the form attached hereto as Exhibit B.

(d) Required Consents. All consents, approvals and other actions of, and notices and filings with, all Governmental Authorities and other third parties, as may be necessary or required under law or any contract to which the Company is a party with respect to the execution and delivery by the parties of the Transaction Documents and the consummation by the parties of the transactions contemplated thereby, shall have been obtained or made, except for any filings, consents and approvals required under any federal or state securities laws required to be made following Closing.

(e) Authorizing Actions of the Company. The Investors shall have received certified copies of all requisite corporate actions taken by the Company to authorize the Company's execution and delivery of the Transaction Documents to which it is a party and its consummation of the transactions contemplated thereby, and such other documents and other instruments as the Investors or their counsel may reasonably request.

(f) Opinion of Counsel. The Investors shall have received from Polsinelli PC, counsel to the Company, a legal opinion, dated as of the Closing Date and in the form attached hereto as Exhibit C.

4.2 Conditions to Obligations of the Company for Closing. The Company acknowledges that the following conditions have been satisfied, or have been waived on or before Closing:

(a) Compliance with Covenants. The Investors shall have performed and complied in all material respects with all agreements and covenants contained in the Transaction Documents as of the Closing Date.

(b) Required Consents. All consents, approvals and other actions of, and notices and filings with, all Governmental Authorities as may be necessary or required with respect to the execution and delivery by the parties of the Transaction Documents and the consummation by the parties of the transactions contemplated thereby, shall have been obtained or made, including all filings, consents and approvals required under any state securities laws.

ARTICLE 5

COVENANTS

5.1 Access to Records. From the date hereof until the Purchased Securities are converted, redeemed, exercised or repurchased in full in accordance with the Series A Certificate, the Warrant, or this Agreement, upon the prior written request of any Investor, subject to the execution by such Investor of a confidentiality agreement in form and substance reasonably acceptable to the Company (it being understood that if the Investor has already signed a confidentiality agreement with the Company, an agreement on substantially identical terms shall be acceptable), and during reasonable hours and in a manner so as not to interfere with normal business operations of the Company and its subsidiaries, the Company and its subsidiaries shall afford to such Investor and its authorized employees, counsel, accountants and other representatives (it being understood that such information shall not be provided to any Investor other than the Investor requesting such information), (i) full access at the Company's and its subsidiaries' offices and to true and correct copies of all documents, reports financial data and other information, and (ii) an opportunity to interview, consult with and advise any officer or director, representative, accountant, and other advisor of the Company or any of its subsidiaries regarding the Company's or such subsidiary's affairs.

5.2 Financial Reporting. The Company agrees and covenants to remain in full compliance in all material respects with, the reporting requirements of Section 13 and Section 15(d), as applicable, of the Exchange Act. From the date hereof until the Purchased Securities are converted, redeemed, exercised or repurchased in accordance with the Series A Certificate, the Warrant or this Agreement, if at any time the Company is no longer subject to the reporting requirements of Section 13 and Section 15(d), as applicable, of the Exchange Act, the Company shall deliver to the Investors the following: (a) all quarterly and annual reports that would be required to be filed with the SEC on Forms 10-Q and 10-K if the Company were required to file such reports; and (b) all current reports that would be required to be filed with the SEC on Form 8-K if the Company were required to file such reports. All such reports will be prepared in all material respects in accordance with all of the rules and regulations applicable to such reports. Each annual report on Form 10-K will include a report on the Company's consolidated financial statements by the Company's independent registered public accounting firm.

5.3 Tax Matters. For so long as any Preferred Shares remain outstanding, the Company will not (i) treat dividends in arrears with respect to Preferred Shares as constructively paid or received for U.S. federal income purposes if such dividends were not declared or paid or issue a Form 1099 with respect to such dividends in arrears, or (ii) treat the Preferred Shares as other than capital stock for U.S. federal income tax purposes; provided that (A) there shall not have been a change in the Applicable Law that otherwise requires the treatment contemplated in Section 5.3(i) or 5.3(ii), or (B) the Company shall not be subject to any action by the Internal Revenue Service ("IRS") challenging the treatment of the Preferred Shares contemplated in Section 5.3(i) or 5.3(ii). Prior to any change to the treatment of dividends by the Company in response to an action contemplated in Section 5.3(B), the Company shall make commercially reasonable efforts to challenge or shall make commercially reasonably efforts to assist with a challenge by a holder of Preferred Shares or its affiliates. The IRS action so long as the Investors assume responsibility for any and all Company cost, fees (including attorney's fees) and expenses associated with any such challenge.

5.4 NASDAQ Listing. After Closing, the Company shall use its commercially reasonable efforts to list all of the Common Stock into which the Series A Preferred Stock is convertible on NASDAQ.

5.5 Use of Proceeds. The Company agrees and covenants that it will use at least seventy-five percent (75%) of the net proceeds from the offering of the Preferred Shares pursuant to the terms of this Agreement for the repayment of outstanding indebtedness under the Existing Indebtedness Agreements, and intends to use the remaining net proceeds for general corporate purposes.

5.6 Asset Sales. Unless otherwise agreed to by the Investors in writing and subject in all respects to the terms of the Existing Indebtedness Agreements, the Company agrees and covenants that it will use the "Net Proceeds" from any "Asset Sale" identified on Schedule 5.6 and/or the "Net Cash Proceeds" from a "Prepayment Event" (each as defined in the Credit Facility) for the repayment of the Company's then-outstanding indebtedness.

5.7 Stockholder Approvals. The Company shall use its commercially reasonable efforts to obtain Stockholder Approvals as required by the listing standards of NASDAQ.

5.8 Rights Offering. Within 180 days of the date hereof, the Company shall have the right to commence and consummate a rights offering to holders of Common Stock of the Company (without over-allotment options or backstop purchasers) to purchase up to 200,000 shares of Series A Preferred Stock and related Warrants as a unit in the same proportions as offered hereby to the Investors. The Investors shall not have a right to participate in any rights offering contemplated in this Section 5.8.

5.9 HSR Filing.

(a) If approval of the Transactions under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act") is required to allow the Investors to exercise any Warrants, then, upon written notice of the Investors to the Company of any Investor's intent to exercise such Warrants, the parties hereto shall (i) prepare and file any notification and report form and related material required or may be required under the HSR Act as promptly as practicable following the date the Company receives such written notice from the Investors (provided that such filing shall be made within fifteen (15) business days of receipt of such notice) and thereafter to respond as promptly as practicable to any request for additional information or documentary material that may be made under the HSR Act and (ii) use their reasonable best efforts to take such actions as are necessary or advisable to obtain prompt approval of the consummation of the Transactions or expiration of applicable waiting periods under the HSR Act.

(b) Any filing fees associated with the filings pursuant to the HSR Act that are contemplated in this Section 5.9 shall be borne by both the Company and the Investors, with each of the Company and the Investors responsible for fifty percent (50%) of such expenses.

5.10 Survival. Irrespective of any investigation, inquiry or examination made by, for or on behalf of the Investors, or the acceptance by the Investors of any certificate or opinion, the representations and warranties contained herein shall survive Closing for a period not to exceed 24 months and the covenants set forth herein shall survive until the earlier of the (1) full satisfaction of the obligations under the covenant or (2) the date in which all the Purchased Securities have been converted, redeemed, exercised or repurchased in full in accordance with the Series A Certificate, the Warrant, or this Agreement. This Section 5.10 shall not limit any covenant or agreement of the Parties to this Agreement which, by its terms, expressly contemplates performance after such 24-month period.

ARTICLE 6

INDEMNIFICATION

6.1 The Company shall indemnify, defend and hold the Investors and their Affiliates and each officer, director, member, partner, Affiliate, employee, agent and representative of the Investors (collectively, "Investor Indemnitees") harmless against all liability, loss, and damage (including taxes thereon) together with all reasonable and properly documented costs and expenses related thereto (including reasonable and properly documented legal fees and expenses), relating to or arising from: (i) any breach of any of the representations, warranties, covenants or agreements of the Company contained in the Transaction Documents, and (ii) the execution or delivery of any Transaction Document or any other agreement or instrument contemplated hereby or thereby, the performance by the parties to the Transaction Documents of their respective obligations thereunder or the consummation of the transactions contemplated hereby or thereby, except to the extent that any such losses, claims, damages, expenses and liabilities are attributable to the gross negligence, willful misconduct or fraud of such Investor Indemnitee and Affiliates and each officer, director, member, partner, Affiliate, employee, agent and representative of the Investor Indemnitee. In the event that any Investor Indemnitee claims any such right of indemnification, such Investor Indemnitee shall provide to the Company written notice thereof, together with reasonable detail regarding such claims and in the event that such claim involves third party claims, allow the Company at its expense to defend such claim(s) on the Investor Indemnitee's behalf. The Company shall promptly reimburse each Investor Indemnitee for any reasonable and properly documented legal and any other necessary expenses incurred by such Investor Indemnitee in connection with investigating and defending any such expense, loss, judgment, claim, damage, liability or action, but only to the extent incurred prior to the assumption by the Company of the defense thereof. Any reimbursement by the Company under this Section 6.1 shall be within sixty (60) days, provided that any individual expense in excess of $10,000 shall require the Company's prior approval. Notwithstanding the foregoing, the Company reserves the right to withhold approval where in the good faith judgment of the Company, the expenses are not reasonable or properly documented. The Company agrees that it will not, without the Investor Indemnitee's prior written consent, settle or compromise any claim or consent to entry of any judgment in respect thereof in any pending or threatened action, suit, claim or proceeding in respect of which indemnification has been sought hereunder unless such settlement or compromise includes an unconditional release of such Investor Indemnitee from all liability arising out of such action, suit, claim or proceeding. The obligations of the Company under this Article 6 shall survive Closing and the transfer, conversion, exchange or redemption of any Series A Preferred Stock. Notwithstanding anything contained in the Transaction Documents to the contrary, the Company shall not be liable to any Investor Indemnitee for any consequential, incidental, indirect, special, exemplary or punitive damages of such Investor Indemnitee relating to any matters for which indemnification is provided for under this Article 6, other than any such damages arising from a claim of a third party. Except for fraud, the provisions of this Article 6 are intended to and shall provide for the exclusive monetary remedy for any and all Investor Indemnitees for the matters for which an Investor Indemnitee may be indemnified under this Article 6 following Closing.

6.2 Each Investor shall, severally, not jointly, indemnify, defend and hold the Company and their Affiliates and each officer, director, member, partner, Affiliate, employee, agent and representative of the Company (collectively, "Company Indemnitees") harmless against all liability, loss, and damage (including taxes thereon) together with all reasonable and properly documented costs and expenses related thereto (including reasonable and properly documented legal fees and expenses), relating to or arising from any breach of any of the representations, warranties, covenants or agreements of the Investors contained in the Transaction Documents. In the event that any Company Indemnitee claims any such right of indemnification, such Company Indemnitee shall provide to such Investor written notice thereof, together with reasonable detail regarding such claims and in the event that such claim involves third party claims, allow such Investor at its expense to defend such claim(s) on the Company Indemnitee's behalf. Such Investor shall promptly reimburse the Company Indemnitee for any reasonable and properly documented legal and any other necessary expenses incurred by the Company Indemnitee in connection with investigating and defending any such expense, loss, judgment, claim, damage, liability or action, but only to the extent incurred prior to the assumption by such Investor of the defense thereof. Any reimbursement by the Investor under this Section 6.2 shall be within sixty (60) days, provided that any individual expense in excess of $10,000 shall require such Investor's prior approval. Notwithstanding the foregoing, such Investor reserves the right to withhold approval where in the good faith judgment of such Investor, the expenses are not reasonable or properly documented. The Company agrees that it will not, without the Company Indemnitee's prior written consent, settle or compromise any claim or consent to entry of any judgment in respect thereof in any pending or threatened action, suit, claim or proceeding in respect of which indemnification has been sought hereunder unless such settlement or compromise includes an unconditional release of such Company Indemnitee from all liability arising out of such action, suit, claim or proceeding. The obligations of such Investor under this Article 6 shall survive Closing and the transfer, conversion, exchange or redemption of any Series A Preferred Stock. Notwithstanding anything contained in the Transaction Documents to the contrary, such Investor shall not be liable to any Company Indemnitee for any consequential, incidental, indirect, special, exemplary or punitive damages of such Company Indemnitee relating to any matters for which indemnification is provided for under this Article 6, other than any such damages arising from a claim of a third party. Except for fraud, the provisions of this Article 6 are intended to and shall provide for the exclusive monetary remedy for any and all Company Indemnitees for the matters for which a Company Indemnitee may be indemnified under this Article 6 following Closing.

ARTICLE 7

MISCELLANEOUS

7.1 Construction. Unless the context of this Agreement otherwise requires, (a) words of any gender are deemed to include the other gender; (b) words using the singular or plural number also include the plural or singular number, respectively; (c) the terms "hereof," "herein," "hereby," "hereto" and derivative or similar words refer to this Agreement as a whole and not to any particular provision; (d) the terms "Article," "Section," "Schedule" and "Exhibit" refer to the specified Article or Section of or Schedule or Exhibit to this Agreement; (f) the term "including" and other forms of such term, with respect to any matter or thing, mean "including but not limited to" such matter or thing; (g) the term "control" shall include, without limitation, the possession, directly or indirectly, of the power to direct the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise; (h) all references to "dollars" or "$" refer to currency of the United States of America; and (i) when calculating the period of time within or following which any act is to be done, any notice is to be given or any other action is to be taken, the date which is the reference date in such period shall be excluded and if the last day of such period is not a business day, then such period shall end on the next succeeding day that is a business day.

7.2 Fees and Expenses. Each of the Company, on the one hand, and the Investors, on the other hand, shall pay all of their respective expenses incurred in connection with the preparation, execution and delivery of the Transaction Documents and the consummation of the transactions contemplated thereby; provided, however, that the Company shall pay, and hold the Investors, their Affiliates and each of their representatives harmless against all liability for the payment of (i) the reasonable and properly documented fees and charges of Paul Hastings LLP, counsel to the Investors, up to a maximum amount of $125,000 that are incurred in connection with the consummation of the transactions contemplated thereby, including the preparation, execution and delivery of the Transaction Documents and (ii) any stamp or similar taxes which may be determined to be payable in connection with the execution and delivery and performance of any Transaction Document or any modification, amendment or alteration of any Transaction Document, and all issue taxes in respect of the issuance of any Purchased Securities. At Closing, the Company shall pay or reimburse the Investors pursuant to this Section 7.2 for the reasonable and properly documented fees and charges of Paul Hastings LLP, which shall be fulfilled at Closing by permitting the Investors to deduct such fees and charges from the proceeds payable by the Investors to the Company and to wire such amounts directly to Paul Hastings LLP at Closing.

7.3 Assignment; Parties in Interest. This Agreement shall bind and inure to the benefit of the parties and each of their respective successors and permitted assigns. The Company may not assign either this Agreement or any of its rights, interests, or obligations hereunder. Each Investor may assign any of its rights, interests or obligations hereunder, either prior to or following the Closing; provided, however, that the transferee agrees to be bound by, and entitled to the benefits of, this Agreement as an original party hereto. In the event that such Investor shall assign only a portion of its rights pursuant to this Agreement, or assign its rights pursuant to this Agreement in connection with the transfer of less than all of its shares of Series A Preferred Stock, such Investor shall also retain its rights with respect to its remaining shares of Series A Preferred Stock.

7.4 Entire Agreement; Severability. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings among the parties with respect to such subject matter. It is the desire and intent of the parties that the provisions of this Agreement be enforced to the fullest extent permissible under the law and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, in the event that any provision of this Agreement would be held in any jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

7.5 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except the Placement Agent is an intended third party beneficiary of Article 3 hereof and the Investor Indemnitees and Company Indemnitees are intended third party beneficiaries of Article 6 hereof.

7.6 Notices. All notices, claims, certificates, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or if sent by nationally-recognized overnight courier, or by registered or certified mail, return receipt requested and postage prepaid, addressed as follows:

if to the Company:

BioScrip, Inc.

100 Clearbrook Road
Elmsford, New York 10523
Attention: Richard M. Smith, President and CEO

with a copy to:

Polsinelli PC
100 S. Fourth Street, Suite 1000
St. Louis, MO 63102
Attention: Mark H. Goran

if to the Investors

Coliseum Capital Management, LLC
One Station Place, 7th Floor South
Stamford, CT 06902
Attention: Christopher Shackelton;

with a copy to:

Paul Hastings LLP
75 East 55th Street
New York, NY 10022
Attention: Barry A. Brooks

or to such other address as the party to whom notice is to be given may have furnished to the other parties in writing in accordance herewith. Any such notice or communication shall be deemed to have been received (a) in the case of personal delivery, on the date of such delivery if a business day or, if not a business day, the next succeeding business day, (b) in the case of nationally-recognized overnight courier, on the next business day after the date when sent, and (c) in the case of registered or certified mail, return receipt requested and postage prepaid, on the third business day after the date when sent.

7.7 Amendments; Waivers. The terms and provisions of this Agreement may only be modified or amended pursuant to an instrument signed by the Company and the Investors. Any waiver of any term or provision of this Agreement requested by any party hereto must be granted in advance, in writing, by the Company (if an Investor is requesting such waiver) or by the holders of at least a majority of the Preferred Shares outstanding at the time of such waiver (if the Company is requesting such waiver), as the case may be.

7.8 Counterparts. This Agreement may be executed in any number of original or facsimile counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Any such counterpart may be delivered by facsimile, “pdf” or other form of electronic transmission and such delivery shall be deemed to be the physical delivery of a manually executed counterpart.

7.9 Headings. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

7.10 Governing Law; Consent to Jurisdiction and Venue; Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to any law or rule that would cause the laws of any jurisdiction other than the State of New York to be applied. ANY PROCEEDING AGAINST THE PARTIES RELATING IN ANY WAY TO THIS AGREEMENT SHALL BE BROUGHT AND ENFORCED IN THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN IN THE CITY OF NEW YORK OR THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, TO THE EXTENT SUBJECT MATTER JURISDICTION EXISTS THEREFOR, AND THE PARTIES IRREVOCABLY SUBMIT TO THE JURISDICTION OF BOTH SUCH COURTS IN RESPECT OF ANY SUCH PROCEEDING. EACH OF THE PARTIES IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH PROCEEDING IN THE COURTS OF THE STATE OF NEW YORK LOCATED IN NEW YORK COUNTY OR THE SOUTHERN DISTRICT OF NEW YORK AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN ANY INCONVENIENT FORUM. ANY JUDGMENT MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.

7.11 No Investor Joint and Several Liability. No Investor shall have any Liability or obligation of any nature whatsoever in connection with or under this Agreement or the Transaction Documents or the transactions contemplated thereby with respect to Liabilities or obligations of other Investors hereunder, and there shall be no joint and several liability among the Investors. Without limiting the generality of the foregoing, the Company's agreement with each Investor is a separate agreement, the sale of Purchased Securities to each Investor is a separate sale, and no Investor shall have any obligation to purchase any Purchased Securities not purchased by another Investor.

[Remainder of page intentionally left blank; signatures on next succeeding page.]

IN WITNESS WHEREOF, the parties have executed and delivered this Securities Purchase Agreement on the date first above written.

BIOSCRIP, INC.

By: _____
Name:
Title:

COLISEUM CAPITAL PARTNERS, L.P.

By: _____
Name:
Title:

COLISEUM CAPITAL PARTNERS II, L.P.

By: _____
Name:
Title:

BLACKWELL PARTNERS, LLC, SERIES A
By: Coliseum Capital Management, LLC,
Attorney-in-fact
By: _____
Name:
Title: Manager

INDEX OF DEFINED TERMS

Exhibit 10.2

EXECUTION VERSION

BIOSCRIP, INC.

WARRANT AGREEMENT

DATED AS OF MARCH 9, 2015

WARRANTS TO PURCHASE 3,600,000 SHARES OF COMMON STOCK

BIOSCRIP, INC.

WARRANT AGREEMENT

WARRANTS FOR COMMON STOCK

WARRANT AGREEMENT, dated as of March 9, 2015, among BioScrip, Inc., a Delaware corporation (together with its successors and assigns, the "Company"), Coliseum Capital Partners, L.P., a Delaware limited partnership, Coliseum Capital Partners II, L.P., a Delaware limited partnership, and Blackwell Partners, LLC, Series A, a Georgia limited liability company (collectively and together with each of their respective successors and assigns, the "Purchasers"). Capitalized terms shall have the meaning specified in Section 5.1 hereof.

RECITALS

WHEREAS, the Purchasers have agreed to acquire from the Company, and the Company has agreed to issue to the Purchasers, Warrants to purchase the number of shares of Common Stock set forth opposite such Person's name on Annex 1 attached hereto, which Warrants represent the right to purchase, in the aggregate, 3,600,000 shares of Common Stock, subject to adjustment as set forth herein;

WHEREAS, each Purchaser shall be issued two separate Warrant Certificates, each representing one half of the total Warrants to be issued to that Purchaser, and each having the same terms and conditions except for the Initial Exercise Price, with one Warrant Certificate being exercisable at $5.295 per share of Common Stock on the Issue Date (the "Warrant No. 1 Initial Exercise Price") and the second Warrant Certificate being exercisable at $6.595 per share of Common Stock on the Issue Date (the "Warrant No. 2 Initial Exercise Price"); and

WHEREAS, the Company and the Purchasers wish to enter into this Agreement to govern the terms of the Warrants.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual agreements set forth herein, the parties to this Agreement hereby agree as follows:

1. FORM, EXECUTION AND TRANSFER OF WARRANT CERTIFICATES.

1.1 Form of Warrant Certificates.

The Warrant Certificates shall be in the form set forth in Attachment A hereto. The Warrant Certificates may have such letters, numbers or other marks of identification or designation as may be required to comply with any law or with any rule or regulation of any governmental authority, stock exchange or self-regulatory organization made pursuant thereto ("Law"). Each Warrant Certificate shall be dated the date of issuance thereof by the Company, either upon initial issuance or upon transfer or exchange. Each Warrant Certificate shall represent the right to purchase the number of shares of Common Stock set forth in such Warrant Certificate at a price per share of Common Stock equal to the Exercise Price applicable to that Warrant Certificate; *provided*, that the number of shares of Common Stock issuable upon exercise of the Warrants and the Exercise Price thereof shall be subject to adjustment as provided herein.

1.2 Execution of Warrant Certificates; Registration Books.

(a) **Execution of Warrant Certificates**. The Warrant Certificates shall be executed on behalf of the Company by an officer of the Company authorized by the Board of Directors. In case the officer of the Company who shall have signed any Warrant Certificate shall cease to be such an officer of the Company before issuance and delivery by the Company of such Warrant Certificate, such Warrant Certificate nevertheless may be issued and delivered with the same force and effect as though the individual who signed such Warrant Certificate had not ceased to be such an officer of the Company, and any Warrant Certificate may be signed on behalf of the Company by any individual who, at the actual date of the execution of such Warrant Certificate, shall be a proper officer of the Company to sign such Warrant Certificate, although at the date of the execution of this Agreement any such individual was not such an officer.

(b) **Registration Books.** The Company will keep or cause to be kept at its office, maintained at the address of the Company referenced in Section 6.5, at the Company's transfer agent, or at such other office of the Company of which the Company shall have given notice to each holder of Warrant Certificates, books for registration and transfer of the Warrant Certificates issued hereunder. Such books shall show the names and addresses of the respective holders of the Warrant Certificates, the registration number and date of each of the Warrant Certificates and the Denomination thereof.

1.3 Transfer, Split Up, Combination and Exchange of Warrant Certificates; Lost or Stolen Warrant Certificates.

(a) **Transfer, Split Up, etc.**

(i) **Transfer**. Subject to compliance with the Securities Act and any applicable state securities laws, any Warrant Certificate (or portion thereof), with or without other Warrant Certificates, may be transferred to any Person for a Warrant Certificate or Warrant Certificates in an aggregate like Denomination as the Warrant Certificate or Warrant Certificates (or portions thereof) surrendered then entitled such registered holder to purchase. Any registered holder desiring to transfer any Warrant Certificate shall make such request in writing delivered to the Company, which request shall include the identity of the Transferee and the aggregate number of Warrants to be transferred, and shall surrender the Warrant Certificate or Warrant Certificates (or portions thereof) to be transferred at the office of the Company referenced in Section 6.5, whereupon the Company shall deliver promptly to such Transferee a Warrant Certificate or Warrant Certificates, as the case may be, as so requested, which Warrant Certificate or Warrant Certificates shall evidence, collectively, the same aggregate number of Warrants as the Warrant Certificate or Warrant Certificates (or portions thereof) so surrendered for transfer and shall issue a new Warrant Certificate to the transferor representing the Warrants retained by the Transferor if such transfer involved less than the entire number of Warrants held by such Transferor.

(ii) Split Up, Combination, Exchange, etc. Any Warrant Certificate, with or without other Warrant Certificates, may be split up, combined or exchanged for another Warrant Certificate or Warrant Certificates, in an aggregate like Denomination as the Warrant Certificate or Warrant Certificates surrendered then entitle such registered holder to purchase. Any registered holder desiring to split up, combine or exchange any Warrant Certificate shall make such request in writing delivered to the Company, and shall surrender the Warrant Certificate or Warrant Certificates to be split up, combined or exchanged at the office of the Company referenced in Section 6.5, whereupon the Company shall deliver promptly to such registered holder a Warrant Certificate or Warrant Certificates, as the case may be, as so requested, which Warrant Certificate or Warrant Certificates shall evidence, collectively, the same aggregate Denomination as the Warrant Certificate or Warrant Certificates so surrendered for split-up, combination or exchange.

(b) **Loss, Theft, etc.** Upon receipt by the Company of evidence reasonably satisfactory to it of the ownership of, and the loss, theft, destruction or mutilation of, any Warrant Certificate, and:

(i) in the case of loss, theft or destruction, an affidavit of loss, together with a customary and reasonable indemnity; or

(ii) in the case of mutilation, upon surrender and cancellation thereof;

the Company at its own expense will execute and deliver, in lieu thereof, a new Warrant Certificate, dated the date of such lost, stolen, destroyed or mutilated Warrant Certificate and of like tenor, in lieu of the lost, stolen, destroyed or mutilated Warrant Certificate and evidencing the same Denomination as the Warrant Certificate so lost, stolen, destroyed or mutilated.

1.4 Subsequent Issuance of Warrant Certificates.

Subsequent to the original issuance, no Warrant Certificates shall be issued except:

(a) Warrant Certificates issued upon any transfer, combination, split up or exchange of Warrants pursuant to Section 1.3(a);

(b) Warrant Certificates issued in replacement of mutilated, destroyed, lost or stolen Warrant Certificates pursuant to Section 1.3(b);

(c) Warrant Certificates issued pursuant to Section 2.3 upon the partial exercise of any Warrant Certificate to evidence the unexercised portion of such Warrant Certificate; and

(d) Warrant Certificates to reflect any adjustments pursuant to Section 4.

1.5 Effect of Issuance in Registered Form.

Every holder of a Warrant Certificate by accepting the same consents and agrees with the Company and with every other holder of a Warrant Certificate that:

(a) the Warrant Certificates, to the extent then currently transferable, are transferable only on the registry books of the Company if and when surrendered at the office of the Company referenced in Section 6.5, duly endorsed or accompanied by an instrument of transfer (in the form attached thereto) and payment of any applicable transfer, stamp or issue tax (a "Tax"); and

(b) the Company may deem and treat the Person in whose name each Warrant Certificate is registered as the absolute owner thereof and of the Warrants evidenced thereby (notwithstanding any notations of ownership or writing on the Warrant Certificates made by anyone other than the Company) for all purposes whatsoever, and the Company shall not be affected by any notice to the contrary.

2. EXERCISE OF WARRANTS; PAYMENT OF EXERCISE PRICE.

2.1 Exercise of Warrants.

(a) **Manner of Exercise**. At any time and from time to time prior to the Expiration Time, the holder of any Warrant Certificate may exercise the Warrants evidenced thereby, in whole or in any part, by surrender to the Company, at its office referenced in Section 6.5, of such Warrant Certificate, together with a duly executed election to purchase (a form of which is attached to each Warrant Certificate) and payment of the applicable Exercise Price for each share of Common Stock with respect to which the Warrants are then being exercised and an amount equal to any applicable Tax (if not payable by the Company as provided in Section 3.3). Such Exercise Price shall be payable in cash pursuant to Section 2.1(b).

(b) **Payment in Cash**. Upon exercise of any Warrants, the holder of a Warrant Certificate may pay the Exercise Price by certified or official bank check payable to the order of the Company or by wire transfer of immediately available funds to the account of the Company.

(c) **Fractional shares of Common Stock**. The Company may, in accordance with Section 2.6, pay the exercising holder cash in lieu of issuing a fractional share in connection with an exercise of Warrants; provided that, if it does not issue a fractional share in such circumstances, it will make such cash payment.

2.2 Issuance of Common Stock.

Upon timely receipt of a Warrant Certificate, accompanied by the form of election to purchase duly executed, and payment of the Exercise Price for each of the shares of the Common Stock to be purchased and by an amount equal to any applicable Tax (if not payable by the Company as provided in Section 3.3), the Company shall thereupon promptly cause certificates representing the number of whole shares of Common Stock then being purchased to be delivered to or upon the order of the registered holder of such Warrant Certificate, registered in such name or names as may be designated by such holder, and, promptly after such receipt deliver the cash, if any, to be paid in lieu of fractional shares pursuant to Section 2.6 to or upon the order of the registered holder of such Warrant Certificate.

2.3 Unexercised Warrants.

In the event that the registered holder of any Warrant Certificate shall exercise less than all the Warrants evidenced thereby, a new Warrant Certificate evidencing Warrants equal in number to the number of Warrants remaining unexercised shall be issued by the Company to the registered holder of such Warrant Certificate or to its duly authorized assigns.

2.4 Cancellation and Destruction of Warrant Certificates.

All Warrant Certificates surrendered to the Company for the purpose of exercise, exchange, substitution or transfer shall be cancelled by it, and no Warrant Certificates shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Agreement. The Company shall cancel and retire any other Warrant Certificates purchased or acquired by the Company otherwise than upon the exercise thereof.

2.5 Expiration.

All Warrants that have not been exercised or purchased in accordance with the provisions of this Agreement shall expire and all rights of holders of such Warrants shall terminate and cease at the Expiration Time.

2.6 Fractional shares of Common Stock.

The Company shall not be required to issue fractional shares of Common Stock upon the exercise of any Warrant. If fractional shares are not issued upon the exercise of any Warrant, there shall be paid to the holder thereof, in lieu of any fractional share of Common Stock resulting therefrom, an amount of cash equal to the product of:

(a) the fractional amount of such share of Common Stock; and

(b) the Market Price, as determined on the trading day immediately prior to the date of exercise of such Warrant.

2.7 Limitation on Conversion

Notwithstanding anything herein to the contrary, prior to the receipt of the Stockholder Approval, the Warrants Beneficially Owned by any such holder of Warrants or its Affiliates may not be converted pursuant to this Section 2 to the extent that after giving effect to such conversion, such holder and its Affiliates would Beneficially Own, in the aggregate, in excess of 19.99% of the shares of Common Stock outstanding immediately after giving effect to such conversion (the "Conversion Cap"); *provided*, further, that for purposes of determining the Conversion Cap pursuant to any provision of this Agreement, the aggregate number of shares of Common Stock Beneficially Owned by a holder of Warrants or any of its respective Affiliates shall include (i) the number of shares of Common Stock Beneficially Owned by such holder or any of its respective Affiliates as a result of prior conversion of Convertible Preferred Stock or Warrants (excluding shares of Common Stock that could be acquired upon conversion of the such Convertible Preferred Stock or Warrants) plus (ii) the number of shares of Common Stock issuable upon the conversion of the Warrants with respect to which the determination of the immediately preceding proviso is being made. Notwithstanding anything herein to the contrary, (x) if the first vote of the stockholders of the Company with respect to the Stockholder Approval occurs within six months of the date hereof, then no Warrants may be converted into Common Stock until the earlier of (1) the receipt of the Stockholder Approval and (2) the date that is six months after the date hereof and (y) if the first vote of the stockholders of the Company with respect to the Stockholder Approval occurs after the date that is six months after of the date hereof, then prior to the occurrence of the first vote of the stockholders of the Company with respect to the Stockholder Approval, no Warrants may be converted into Common Stock.

3. AGREEMENTS OF THE COMPANY.

3.1 Reservation of Common Stock.

The Company covenants and agrees that it will at all times cause to be reserved and kept available out of its authorized and unissued shares of treasury shares of Common Stock such number of shares of Common Stock as will be sufficient to permit the exercise in full of all Warrants issued hereunder into Common Stock.

3.2 Common Stock To Be Duly Authorized and Issued, Fully Paid and Nonassessable etc; Compliance with Law

The Company covenants and agrees that it will take all such action as may be necessary to ensure that all shares of Common Stock delivered upon the exercise of any Warrant and the payment of the Exercise Price pursuant to Section 2.1 (in each case, at the time of delivery of the certificates representing such shares of Common Stock) shall (a) be duly and validly authorized and issued and fully paid and nonassessable, free of any preemptive rights in favor of any Person in respect of such issuance and free of any security interest, pledge, mortgage, lien, charge or other encumbrance created by, or arising out of actions of, the Company and (b) be issued without violation of any applicable Law.

3.3 Taxes.

The Company covenants and agrees that it will pay when due and payable any and all Taxes and charges that may be payable in respect of the initial issuance or delivery of:

(a) each Warrant Certificate;

(b) each Warrant Certificate issued in exchange for any other Warrant Certificate pursuant to Section 1.3, Section 2.3 or Section 4; and

(c) each share of Common Stock issued upon the exercise of any Warrant.

The Company shall not, however, be required to:

(i) pay any Tax that may be payable in respect of the transfer or delivery of Warrant Certificates in a name other than that of the registered holder of the Warrant Certificate surrendered for exercise, conversion, transfer or exchange (any such Tax being payable by the holder of such certificate at the time of surrender); or

(ii) issue or deliver any such certificates referred to in the foregoing clause (i) until any such Tax referred to in the foregoing clause (i) shall have been paid.

3.4 Common Stock Record Date.

Each Person in whose name any certificate for shares of Common Stock is issued upon the exercise of Warrants shall for all purposes be deemed to have become the holder of record of the Common Stock represented thereby on, and such certificates (if any) shall be dated, the date upon which the Warrant Certificate evidencing such Warrants was duly surrendered with an election to purchase attached thereto duly executed and payment of the aggregate Exercise Price (and any applicable Taxes, if payable by such Person) was made.

3.5 Rights in Respect of Common Stock.

Prior to the exercise of the Warrants evidenced thereby, the holder of a Warrant Certificate shall not be entitled to any rights of a stockholder of the Company with respect to the Common Stock into which the Warrants shall be exercisable, including, without limitation, the right to vote in respect of any matter upon which the holders of Common Stock may vote, the right to receive any distributions of cash or property and, except as expressly set forth herein, the right to receive any notice of any proceedings of the Company. Prior to the exercise of the Warrants evidenced thereby, the holders of the Warrant Certificates shall not have as such any obligation in respect of any assessment or any other obligation or liability as a stockholder of the Company, whether such obligations or liabilities are asserted by the Company or by creditors of the Company.

3.6 Noncircumvention.

The Company hereby covenants and agrees that the Company will not, by amendment of its charter, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant Agreement, and will at all times in good faith carry out all the provisions of this Warrant Agreement.

4. ANTI-DILUTION ADJUSTMENTS.

4.1 Adjustments.

The number of shares of Common Stock purchasable upon the exercise of each Warrant, and the Exercise Price, shall be subject to adjustment as set forth in this Section 4.

4.2 Stock Splits, Subdivisions, Reclassifications or Combinations.

If the Company shall (i) declare and pay a dividend or make a distribution on its Common Stock in shares of Common Stock, (ii) subdivide or reclassify the outstanding shares of Common Stock into a greater number of shares, or (iii) combine or reclassify the outstanding shares of Common Stock into a smaller number of shares, the number of shares of Common Stock issuable upon exercise of any Warrants at the time of the record date for such dividend or effective date of such split, reverse split, subdivision, combination or reclassification shall be proportionately adjusted so that the holder of such Warrants after such date shall be entitled to purchase the number of shares of Common Stock which such holder would have owned or been entitled to receive in respect of the shares of Common Stock subject to such Warrants after such date had such Warrants been exercised immediately prior to such date. In such event, the Exercise Price in effect at the time of the effective date of such split, reverse split, subdivision, combination or reclassification shall be adjusted to the number obtained by dividing (x) the product of (1) the number of shares of Common Stock issuable upon the exercise of such Warrants before such adjustment and (2) the Exercise Price in effect immediately prior to the record or effective date, as the case may be, for the dividend, distribution, split, reverse split, subdivision, combination or reclassification giving rise to this adjustment by (y) the new number of shares of Common Stock issuable upon exercise of such Warrants determined pursuant to the immediately preceding sentence; provided that the Exercise Price shall not be adjusted to be less than the par value of the Common Stock.

4.3 Price Based Anti-Dilution

(a) Without duplication of the adjustments set forth in Sections 4.2 or 4.4, if the Company shall issue or sell any shares of Common Stock (as actually issued or, pursuant to Section 4.3(b), deemed to be issued) for a consideration per share less than 85% of the Market Price per share immediately prior to such issuance or sale, or if earlier, upon the execution of the definitive documentation with respect to such issuance or sale (the "Effective Time"), then immediately upon the Effective Time the number of shares of Common Stock issuable upon exercise of any Warrants at the time of the effective date shall be increased by multiplying such number of shares of Common Stock by a fraction, (i) the numerator of which shall be the Fully Diluted Number of shares of Common Stock outstanding immediately prior to the Effective Time plus the number of shares of Common Stock so issued or sold, and (ii) the denominator of which shall be the Fully Diluted Number of shares of Common Stock outstanding immediately prior to the Effective Time plus the number of shares of Common Stock which the aggregate consideration received by the Company for the total number of shares of Common Stock so issued or sold would purchase if such shares were sold at Market Price. For the purposes of this Section 4.3(a), none of the following issuances shall be considered the issuance or sale of Common Stock:

(i) the issuance of the Convertible Preferred Stock;

(ii) the issuance of Common Stock upon the conversion of any then-outstanding Common Stock Equivalents (including the Convertible Preferred Stock);

(iii) the issuance of any Common Stock or Common Stock Equivalents for which the adjustment provided in Section 4.2 applies; or

(iv) the issuance of shares of Common Stock or Common Stock Equivalents to Employees of the Company or any Company Subsidiary that is approved by the Board of Directors.

(b) For the purposes of Section 4.3(a), the following subparagraphs (i) to (iii), inclusive, shall also be applicable:

(i) If the Company shall grant any rights to subscribe for, or any rights or options to purchase, Common Stock Equivalents, whether or not such rights or options or the right to convert or exchange any such Common Stock Equivalents are immediately exercisable, and the price per share for which Common Stock is issuable upon the exercise of such rights or options or upon conversion or exchange of such Common Stock Equivalents (determined by dividing (A) the total amount, if any, received or receivable by the Company as consideration for the granting of such rights or options, plus the minimum aggregate amount of additional consideration payable to the Company upon the exercise of such rights or options, plus, in the case of any such rights or options which relate to such Common Stock Equivalents, the minimum aggregate amount of additional consideration, if any, payable upon the issue or sale of such Common Stock Equivalents and upon the conversion or exchange thereof, by (B) the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon the conversion or exchange of all such Common Stock Equivalents issuable upon the exercise of such rights or options) shall be less than the Market Price per share of Common Stock immediately prior to the time of the granting of such rights or options, or, if earlier, the execution of definitive documentation with respect to such grant, then the total maximum number of shares of Common Stock issuable upon the exercise of such rights or options or upon conversion or exchange of the total maximum amount of such Common Stock Equivalents issuable upon the exercise of such rights or options shall (as of the date of granting of such rights or options) be deemed to be outstanding and to have been issued for such price per share; provided that no further adjustment of the conversion price pursuant to this Section 4.3(b)(i) shall be made (i) upon the actual issuance or sale of such Common Stock Equivalents upon the exercise of any rights to subscribe for, or any rights or options to purchase, such Common Stock Equivalents or (ii) upon the actual issuance or sale of such Common Stock upon the exercise of any such Common Stock Equivalents, including without limitation, in each case of clauses (i) and (ii) with respect to shares of Common Stock Equivalents or Common Stock issued or issuable as a result of the effect of antidilution adjustments under any such security.

(ii) If the Company shall issue or sell any Common Stock Equivalents, whether or not the rights to exchange or convert thereunder are immediately exercisable, and the price per share for which Common Stock is issuable upon such conversion or exchange (determined by dividing (A) the total amount received or receivable by the Company as consideration for the issue or sale of such Common Stock Equivalents, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange thereof, by (B) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Common Stock Equivalents) shall be less than the Market Price per share of Common Stock immediately prior to the Effective Time, then the total maximum number of shares of Common Stock issuable upon conversion or exchange of such Common Stock Equivalents shall (as of the date of the issue or sale of such Common Stock Equivalents) be deemed to be outstanding and to have been issued for such price per share, provided that no further adjustment of the conversion price pursuant to this Section 4.3(b)(ii) shall be made upon the actual issuance or sale of such Common Stock upon the exercise of any such Common Stock Equivalents, including without limitation, in each case with respect to shares of Common Stock issued or issuable as a result of the effect of antidilution adjustments under any such security.

(iii) In case at any time any shares of Common Stock or Common Stock Equivalents or any rights or options to purchase any such Common Stock, or Common Stock Equivalents shall be issued or sold for cash, the consideration received therefor shall be deemed to be the amount received by the Company therefor. In case any shares of Common Stock or Common Stock Equivalents or any rights or options to purchase any such Common Stock or Common Stock Equivalents shall be issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company shall be deemed to be the Fair Market Value of such consideration.

4.4 Other Distributions.

In case the Company shall fix a record date for the making of a dividend or distribution to all holders of shares of its Common Stock of securities, evidences of indebtedness, assets, cash, rights or warrants (excluding dividends of its Common Stock and other dividends or distributions referred to in Section 4.2), in each such case, the Exercise Price in effect prior to such record date shall be reduced immediately thereafter to the price determined by multiplying the Exercise Price in effect immediately prior to the reduction by the quotient of (x) the Market Price of the Common Stock on the last trading day preceding the first date on which the Common Stock trades on the Exchange on which the Common Stock is listed or admitted to trading without the right to receive such distribution, minus the amount of cash and/or the Fair Market Value of the securities, evidences of indebtedness, assets, rights or warrants to be so distributed in respect of one share of Common Stock (such amount and/or Fair Market Value, the "Per Share Fair Market Value") divided by (y) such Market Price on such date specified in clause (x); such adjustment shall be made successively whenever such a record date is fixed. In such event, the number of shares of Common Stock issuable upon the exercise of any Warrants shall be increased to the number obtained by dividing (x) the product of (1) the number of shares of Common Stock issuable upon the exercise of such Warrants before such adjustment, and (2) the Exercise Price in effect immediately prior to the distribution giving rise to this adjustment by (y) the new Exercise Price determined in accordance with the immediately preceding sentence. In the event that such distribution is not so made, the Exercise Price and the number of shares of Common Stock issuable upon exercise of such Warrants then in effect shall be readjusted, effective as of the date when the Board of Directors determines not to distribute such shares, evidences of indebtedness, assets, rights, cash or warrants, as the case may be, to the Exercise Price that would then be in effect and the number of shares of Common Stock that would then be issuable upon exercise of such Warrants if such record date had not been fixed.

4.5 Business Combinations.

In case of any Business Combination or reclassification of Common Stock (other than a reclassification of Common Stock referred to in Section 4.2), a holder's right to receive shares of Common Stock upon exercise of any Warrants shall be converted into the right to exercise such Warrant to acquire the number of shares of stock or other securities or property (including cash) which the Common Stock issuable (at the time of such Business Combination or reclassification) upon exercise of such Warrants immediately prior to such Business Combination or reclassification would have been entitled to receive upon consummation of such Business Combination or reclassification; and in any such case, if necessary, the provisions set forth herein with respect to the rights and interests thereafter of such holder shall be appropriately adjusted so as to be applicable, as nearly as may reasonably be, to such holder's right to exercise such Warrants in exchange for any shares of stock or other securities or property pursuant to this Section 4.5; provided that a holder's right to receive cash consideration under this Section 4.5 shall be subject to the prior indefeasible payment in full in cash of all outstanding Indebtedness and other obligations under the Credit Facility (and the termination of all commitments thereunder) and the Indenture (after the termination of all commitments thereunder), each as defined in the Certificate of Designations, to the extent the outstanding Common Stock's right to receive cash in such transaction is subject to such payment. In determining the kind and amount of stock, securities or the property receivable upon exercise of any Warrants following the consummation of such Business Combination, if the holders of Common Stock have the right to elect the kind or amount of consideration receivable upon consummation of such Business Combination, then the holder of such Warrants shall be entitled to elect the kind or amount of consideration receivable upon consummation of such Business Combination. The Company shall not enter into or be party to any Business Combination unless the successor of the Company (if any), assumes in writing all of the obligations of the Company under this Warrant Agreement pursuant to written agreements, including agreements to deliver to each holder of Warrants hereunder in exchange for such Warrants a security of such successor evidenced by a written instrument substantially similar in form and substance to this Warrant Agreement.

4.6 Expiration of Rights or Options.

Upon the expiration of any rights or options to subscribe for, purchase or convert or exchange Common Stock or Common Stock Equivalents in respect of the issuance, sale or grant of which adjustment was made pursuant to Section 4.3, without the exercise thereof, the Exercise Price and the number of shares of Common Stock purchasable upon the exercise of each Warrant shall, upon such expiration, be readjusted and shall thereafter be such Exercise Price and such number of shares of Common Stock as would have been had such Exercise Price and such number of shares of Common Stock not been originally adjusted (or had the original adjustment not been required, as the case may be), as if:

(a) the only shares of Common Stock so issued were the shares of Common Stock, if any, actually issued or sold upon the exercise of such rights or options; and

(b) such shares of Common Stock, if any, were issued or sold for the consideration actually received by the Company upon such exercise plus the aggregate consideration, if any, actually received by the Company for the issuance, sale or grant of all of such rights or options, whether or not exercised; provided that no such readjustment shall have the effect of increasing the Exercise Price by an amount in excess of the amount of the reduction initially made in respect of the issuance, sale, or grant of such rights or options.

4.7 Rounding of Calculations; Minimum Adjustments.

All calculations under this Section 4 shall be made to the nearest one-tenth (1/10th) of a cent or to the nearest one-hundredth (1/100th) of a share, as the case may be. Any provision of this Section 4 to the contrary notwithstanding, no adjustment in the Exercise Price or the number of shares of Common Stock into which any Warrants are exercisable shall be made if the amount of such adjustment would be less than $0.01 or one-tenth (1/10th) of a share of Common Stock, but any such amount shall be carried forward and an adjustment with respect thereto shall be made at the time of and together with any subsequent adjustment which, together with such amount and any other amount or amounts so carried forward, shall aggregate $0.01 or 1/10th of a share of Common Stock, or more.

4.8 Timing of Issuance of Additional Common Stock Upon Certain Adjustments.

In any case in which the provisions of this Section 4 shall require that an adjustment shall become effective immediately after a record date for an event, the Company may defer until the occurrence of such event (i) issuing to the holder of any Warrants exercised after such record date and before the occurrence of such event the additional shares of Common Stock issuable upon such exercise by reason of the adjustment required by such event over and above the shares of Common Stock issuable upon such exercise before giving effect to such adjustment and (ii) paying to such holder any amount of cash in lieu of a fractional share of Common Stock; *provided*, however, that the Company upon request shall deliver to such holder a due bill or other appropriate instrument evidencing such holder's right to receive such additional shares, and such cash, upon the occurrence of the event requiring such adjustment.

4.9 Miscellaneous.

(a) **Statement Regarding Adjustments**. Whenever the Exercise Price or the number of shares of Common Stock into which any Warrants are exercisable shall be adjusted as provided in Section 4, the Company shall forthwith file at the principal office of the Company referenced in Section 6.5 a statement showing in reasonable detail the facts requiring such adjustment and the Exercise Price that shall be in effect and the number of shares of Common Stock into which such Warrants shall be exercisable after such adjustment, and the Company shall also cause a copy of such statement to be sent by mail, first class postage prepaid, to each holder of Warrants at the address appearing in the Company's records.

(b) **Notice of Adjustment Event**. In the event that the Company shall propose to take any action of the type described in this Section 4 (but only if the action of the type described in this Section 4 would result in an adjustment in the Exercise Price or the number of shares of Common Stock into which Warrants are exercisable or a change in the type of securities or property to be delivered upon exercise of Warrants), the Company shall give notice to the holders of Warrants, in the manner set forth in Section 4.8(a), which notice shall specify the record date, if any, with respect to any such action and the approximate date on which such action is to take place. Such notice shall also set forth the facts with respect thereto as shall be reasonably necessary to indicate the effect on the Exercise Price and the number, kind or class of shares or other securities or property which shall be deliverable upon exercise of any Warrants. In the case of any action which would require the fixing of a record date, such notice shall be given at least 10 days prior to the date so fixed, and in case of all other action, such notice shall be given at least 15 days prior to the taking of such proposed action. Without limiting the foregoing, to the extent notice of any of the foregoing actions or events is given to the holders of the Common Stock, such notice shall be provided to the holders of the Warrants on or before such notice to the holders of Common Stock.

(c) **Proceedings Prior to Any Action Requiring Adjustment**. As a condition precedent to the taking of any action which would require an adjustment pursuant to this Section 4, the Company shall take any action which may be necessary, including obtaining regulatory, New York Stock Exchange, NASDAQ Stock Market or other applicable national securities exchange (an "Exchange") or stockholder approvals or exemptions, in order that the Company may thereafter validly and legally issue as fully paid and nonassessable all shares of Common Stock that the holders are entitled to receive upon exercise of this any Warrants pursuant to this Section 4.

(d) **Adjustment Rules**. Any adjustments pursuant to this Section 4 shall be made successively whenever an event referred to herein shall occur. If more than one subsection of this Section 4 is applicable to a single event, the subsection shall be applied that produces the largest adjustment and no single event shall cause an adjustment under more than one subsection of this Section 4 so as to result in duplication. If an adjustment in Exercise Price made hereunder would reduce the Exercise Price to an amount below par value of the Common Stock, then such adjustment in Exercise Price made hereunder shall reduce the Exercise Price to the par value of the Common Stock.

5. INTERPRETATION OF THIS AGREEMENT.

5.1 Certain Defined Terms.

For the purpose of this Agreement, the following terms shall have the meanings set forth below or set forth in the Section hereof following such term:

"Affiliate" means, with respect to any Person, (a) a director, officer or shareholder of such Person, (b) a spouse, parent, sibling or descendant of such Person (or spouse, parent, sibling or descendant of any director or executive officer of such Person) and (c) any other Person that, directly or indirectly through one or more intermediaries, Controls, or is Controlled by, or is under common Control with, such Person, at such time; provided, however, that none of the Purchasers shall be deemed to be an "Affiliate" of the Company and no Person holding any one or more of the Warrants shall be deemed to be an "Affiliate" of the Company solely by virtue of the ownership thereof.

"Agreement" means this Warrant Agreement as it may from time to time be amended, restated, modified or supplemented.

"Board of Directors" means the board of directors of the Company, including any duly authorized committee thereof.

"Beneficially Own" has the meaning set forth in the Certificate of Designations.

"Business Combination" means any consolidation of the Company with, or merger of the Company with or into, another Person (other than a merger in which (a) the Company is the surviving corporation, (b) that does not result in any reclassification or change of shares of Common Stock outstanding immediately prior to such merger and (c) the holders of Common Stock are not entitled to receive any consideration therefrom), or any sale or conveyance to another Person of the assets of the Company substantially as an entirety.

"business day" means any day that is not a Saturday, Sunday or other day on which banking institutions in New York, New York are authorized or required by Law or executive order to close.

"Capital Stock" means (A) with respect to any Person that is a corporation or company, any and all shares, interests, participations or other equivalents (however designated) of capital or capital stock of such Person and (B) with respect to any Person that is not a corporation or company, any and all partnership or other equity interests of such Person.

"Certificate of Designations" shall mean this Certificate of Designations relating to the Convertible Preferred Stock, as it may be amended from time to time.

"Charter" means, with respect to any Person, its certificate or articles of incorporation, articles of association, or similar organizational document.

"Common Stock" means the Company's common stock, par value $.0001 per share.

"Common Stock Equivalents" means outstanding Warrants or other securities convertible or exchangeable into Common Stock, including the Preferred Convertible Stock.

"Company" has the meaning set forth in the introductory paragraph hereof.

"Convertible Preferred Stock" means the Series A convertible preferred stock issued to the Purchasers pursuant to that certain securities purchase agreement, entered into on the date hereof, by and between the Company and the Purchasers.

"Control" means, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting Securities, by contract or otherwise.

"Denomination" means, in the case of any Warrant Certificate, the number of shares of Common Stock issuable upon exercise of such Warrant Certificate represented thereby.

"Effective Time" has the meaning set forth in Section 4.3(a).

"Exchange" has the set forth in Section 4.9(c).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Exercise Price" means, prior to any adjustment pursuant to Section 4 of this Agreement, the Initial Exercise Price; and thereafter, the Initial Exercise Price as successively adjusted and readjusted from time to time in accordance with the provisions of Section 4.

"Expiration Time" means 5:00 p.m., Eastern time, on the tenth (10th) year anniversary of the date hereof.

"Fair Market Value" means, with respect to any security or other property, the fair market value of such security or other property as determined by the Board of Directors, acting in good faith. The Required Warrantholders may object in writing to the Board of Director's calculation of Fair Market Value within 10 days of receipt of written notice thereof. If the Required Warrantholders and the Board of Directors are unable to agree on Fair Market Value during the 10-day period following the delivery of the Required Warrantholders' objection, then the Board of Directors shall select and approve an appraiser experienced in the business of evaluating or appraising the market value of securities (which appraiser shall be subject to approval by the Required Warrantholders, which approval shall not be unreasonably withheld). The Fair Market Value established by such appraiser shall be conclusive and binding on the parties. In the event the Fair Market Value established by such appraiser is greater than the Fair Market Value previously determined by the Board of Directors, the fees and expenses for such appraiser shall be borne by the Company. In the event the Fair Market Value established by such appraiser is less than or equal to the Fair Market Value previously determined by the Board of Directors, the fees and expenses for such appraiser shall be borne by the holders of Warrants.

"Fully Diluted Number of Common Shares" means the sum of (i) all shares of Common Stock actually outstanding (which shall in no event include the Common Stock to be so issued and sold and for which Section 4.3 is being applied) and (ii) all shares of Common Stock issuable upon conversion or exchange of the Common Stock Equivalents.

"Initial Exercise Price" means, with respect to each Warrant Certificate issued to a Purchaser, the Warrant No. 1 Initial Exercise Price or the Warrant No. 2 Initial Exercise Price, as assigned to that Warrant Certificate.

"Issue Date" means March 9, 2015.

"Law" has the set forth in Section 1.1.

"Market Price" means, with respect to a particular security, on any given day, the last reported sale price or, in case no such reported sale takes place on such day, the average of the last closing bid and ask prices, in either case on the Exchange on which the applicable securities are listed or admitted to trading. "Market Price" shall be determined without reference to after hours or extended hours trading. If such security is not listed and traded in a manner that the quotations referred to above are available for the period required hereunder, the Market Price per share of Common Stock shall be deemed to be the fair market value per share of such security as determined in good faith by the Board of Directors in reliance on an opinion of a nationally recognized independent investment banking corporation retained by the Company for this purpose (which opinion shall be made available to the holders of Warrants); provided that the Required Warrantholders may object in writing to the Board of Director's calculation of fair market value within 10 days of receipt of written notice thereof. If the Required Warrantholders and the Board of Directors are unable to agree on fair market value during the 10-day period following the delivery of the Required Warrantholders' objection, then the Board of Directors shall select and approve an appraiser experienced in the business of evaluating or appraising the market value of securities (which appraiser shall be subject to approval by the Required Warrantholders, which approval shall not be unreasonably withheld). The Market Price established by such appraiser shall be conclusive and binding on the parties. In the event the Market Price established by such appraiser is greater than the Market Price previously determined by the Board of Directors, the fees and expenses for such appraiser shall be borne by the Company. In the event the Market Price established by such appraiser is less than or equal to the Market Price previously determined by the Board of Directors, the fees and expenses for such appraiser shall be borne by the holders of Warrants. For the purposes of determining the Market Price of the Common Stock on the "trading day" preceding, on or following the occurrence of an event, (i) that trading day shall be deemed to commence immediately after the regular scheduled closing time of trading on the Nasdaq Stock Market or, if trading is closed at an earlier time, such earlier time and (ii) that trading day shall end at the next regular scheduled closing time, or if trading is closed at an earlier time, such earlier time (for the avoidance of doubt, and as an example, if the Market Price is to be determined as of the last trading day preceding a specified event and the closing time of trading on a particular day is 4:00 p.m. and the specified event occurs at 5:00 p.m. on that day, the Market Price would be determined by reference to such 4:00 p.m. closing price).

"Per Share Fair Market Value" has the meaning set forth in Section 4.4.

"Person" has the meaning given to it in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

"Purchasers" has the meaning set forth in the introductory paragraph hereof.

"Required Warrantholders" means, at any time, the holders of Warrants representing at least a majority of the Common Stock issuable upon exercise of the Warrants issued hereunder and outstanding (exclusive of any Warrants directly or indirectly held by the Company or any Affiliate of the Company).

"Securities Act" means the Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Stockholder Approval" has the meaning set forth in the Certificate of Designations.

"Tax" or "Taxes" has the meaning set forth in Section 1.5(a).

"trading day" means (A) if the shares of Common Stock are not traded on any national or regional securities exchange or association or over-the-counter market, a business day or (B) if the shares of Common Stock are traded on any national or regional securities exchange or association or over-the-counter market, a business day on which such relevant exchange or quotation system is scheduled to be open for business and on which the shares of Common Stock (i) are not suspended from trading on any national or regional securities exchange or association or over-the-counter market for any period or periods aggregating one half hour or longer; and (ii) have traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the shares of Common Stock.

"Transferee" means any registered transferee of all or any part of any one or more Warrant Certificates initially acquired by the Purchasers under this Agreement.

"U.S. GAAP" means United States generally accepted accounting principles.

"Warrant" means a warrant to initially purchase one share of Common Stock issued pursuant to this Agreement.

"Warrant Certificate" means a certificate evidencing the Warrants in the form of Attachment A.

"Warrant No. 1 Initial Exercise Price" has the meaning set forth in the recitals.

"Warrant No. 2 Initial Exercise Price" has the meaning set forth in the recitals.

5.2 Section Heading and Table of Contents and Construction.

(a) **Section Headings and Table of Contents, etc**. The titles of the Sections of this Agreement and the Table of Contents of this Agreement appear as a matter of convenience only, do not constitute a part hereof and shall not affect the construction hereof. The words "herein," "hereof," "hereunder" and "hereto" refer to this Agreement as a whole and not to any particular Section or other subdivision. References to Sections are, unless otherwise specified, references to Sections of this Agreement. References to Annexes and Attachments are, unless otherwise specified, references to Annexes and Attachments attached to this Agreement.

(b) **Independent Construction**. Each covenant contained herein shall be construed (absent an express contrary provision herein) as being independent of each other covenant contained herein, and compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with one or more other covenants.

5.3 Directly or Indirectly.

Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person, including actions taken by or on behalf of any partnership in which such Person is a general partner.

5.4 Governing Law.

THIS AGREEMENT AND THE WARRANT CERTIFICATES SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF TO THE EXTENT THAT ANY SUCH RULES WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION, EXCEPT TO THE EXTENT THAT THE DELAWARE GENERAL CORPORATION LAW SPECIFICALLY AND MANDATORILY APPLIES.

6. MISCELLANEOUS.

6.1 Expenses.

Issuance of certificates for shares of Common Stock to a holder upon the exercise of any Warrants shall be made without charge to such holder for any Tax or other incidental expense in respect of the issuance of such certificates, all of which Taxes and expenses shall be paid by the Company (other than the Taxes not payable by the Company pursuant to Section 3.3).

6.2 Amendment and Waiver.

This Agreement may be amended, and the observance of any term of this Agreement may be waived, with and only with the written consent of the Company and the Required Warrantholders; provided, however, that no amendment or waiver of the provisions of this Section 2.1, Section 6.2, Section 4 or of any term defined in Section 5.1 to the extent used herein or therein, may be made without the prior written consent of all holders of Warrants then outstanding (excluding any Warrants directly or indirectly held by the Company or any Affiliate of the Company); and, provided, further, that

(a) no such amendment or waiver of any of the provisions of this Agreement pertaining to the Exercise Price or the number of shares or kind of Common Stock that may be purchased upon exercise of each Warrant; and

(b) no change accelerating the occurrence of the Expiration Time; shall be effective as to a holder of Warrants unless consented to in writing by such holder.

6.3 Entire Agreement.

This Agreement and the Warrant Certificates embody the entire agreement and understanding among the Company and the Purchasers, and supersede all prior agreements and understandings, relating to the subject matter hereof.

6.4 Successors and Assigns.

All covenants and other agreements in this Agreement made by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto to the extent they become holders of Warrants (including, without limitation, any Transferee) whether so expressed or not. Notwithstanding the foregoing sentence, the Company may not assign any of its rights, duties or obligations hereunder or under the Warrant Certificates without the prior written consent of the Required Warrantholders.

6.5 Notices.

All communications hereunder or under the Warrants shall be in writing and shall be delivered either by certified or registered mail, postage pre-paid, return receipt requested, or nationally recognized overnight courier, and shall be addressed to the following addresses:

(a) if to a Purchaser, at its address set forth on Annex 2 to this Agreement, or at such other address as such Purchaser shall have specified to the Company in writing;

(b) if to any other holder of any Warrant Certificate, addressed to such other holder at such address as such other holder shall have specified to the Company in writing or, if any such other holder shall not have so specified an address to the Company, then addressed to such other holder in care of the last holder of such Warrant Certificate that shall have so specified an address to the Company; and

(c) if to the Company, at the address set forth on Annex 3 to this Agreement, or at such other address as the Company shall have specified to each holder of Warrants in writing.

Any communication addressed and delivered as herein provided shall be deemed to be received when actually delivered to the address of the addressee (whether or not delivery is accepted) by a nationally recognized overnight delivery service which provides proof of delivery or on the date postmarked if sent by registered or certified mail, as the case may be. Any communication not so addressed and delivered shall be ineffective unless actually received by the intended addressee. Notwithstanding the foregoing provisions of this Section 6.5, service of process in any suit, action or proceeding arising out of or relating to this Agreement or any document, agreement or transaction contemplated hereby shall be delivered in the manner provided in Section 6.8(c).

6.6 Severability.

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

6.7 Execution in Counterpart.

This Agreement may be executed in one or more counterparts and shall be effective when at least one counterpart shall have been executed by each party hereto, and each set of counterparts that, collectively, show execution by each party hereto shall constitute one duplicate original.

6.8 Waiver of Jury Trial; Consent to Jurisdiction, Etc.

(a) **Waiver of Jury Trial**. THE PARTIES HERETO VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE WARRANTS OR ANY OF THE DOCUMENTS, AGREEMENTS OR TRANSACTIONS CONTEMPLATED HEREBY.

(b) **Consent to Jurisdiction**. ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE WARRANTS, OR ANY OF THE DOCUMENTS, AGREEMENTS OR TRANSACTIONS CONTEMPLATED HEREBY (WHETHER IN TORT, CONTRACT OR OTHERWISE) OR ANY ACTION OR PROCEEDING TO EXECUTE OR OTHERWISE ENFORCE ANY JUDGMENT IN RESPECT OF ANY BREACH UNDER THIS AGREEMENT, THE WARRANTS OR ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY SHALL BE BROUGHT BY SUCH PARTY IN ANY NEW YORK STATE COURT OR FEDERAL DISTRICT COURT LOCATED IN THE SOUTHERN DISTRICT OF NEW YORK AS SUCH PARTY MAY IN ITS SOLE DISCRETION ELECT, AND BY THE EXECUTION AND DELIVERY OF THIS AGREEMENT, THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMIT TO THE IN PERSONAM JURISDICTION OF EACH SUCH COURT, AND EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES AND AGREES NOT TO ASSERT IN ANY PROCEEDING BEFORE ANY TRIBUNAL, BY WAY OF MOTION, AS A DEFENSE OR OTHERWISE, ANY CLAIM THAT IT IS NOT SUBJECT TO THE IN PERSONAM JURISDICTION OF ANY SUCH COURT. IN ADDITION, EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE IN ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY DOCUMENT, AGREEMENT OR TRANSACTION CONTEMPLATED HEREBY BROUGHT IN ANY SUCH COURT, AND HEREBY IRREVOCABLY WAIVES ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) **Service of Process.** EACH PARTY HERETO IRREVOCABLY AGREES THAT PROCESS PERSONALLY SERVED OR SERVED BY U.S. REGISTERED MAIL AT THE ADDRESSES PROVIDED HEREIN FOR NOTICES SHALL CONSTITUTE, TO THE EXTENT PERMITTED BY LAW, ADEQUATE SERVICE OF PROCESS IN ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE WARRANTS OR ANY DOCUMENT, AGREEMENT OR TRANSACTION CONTEMPLATED HEREBY, OR ANY ACTION OR PROCEEDING TO EXECUTE OR OTHERWISE ENFORCE ANY JUDGMENT IN RESPECT OF ANY BREACH HEREUNDER, UNDER THE WARRANTS OR UNDER ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY. RECEIPT OF PROCESS SO SERVED SHALL BE CONCLUSIVELY PRESUMED AS EVIDENCED BY A DELIVERY RECEIPT FURNISHED BY THE UNITED STATES POSTAL SERVICE OR ANY COMMERCIAL DELIVERY SERVICE.

[Remainder of page intentionally left blank; next page is signature page]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written.

COMPANY:

BioScrip, Inc.

By: _____
Name: _____
Title: _____

PURCHASERS:

Coliseum Capital Partners, L.P.

By: _____
Name: _____
Title: _____

Coliseum Capital Partners II, L.P.

By: _____
Name: _____
Title: _____

Blackwell Partners, LLC, Series A

By: Coliseum Capital Management, LLC
Attorney-in-fact

By: _____
Name: _____
Title: _____

ATTACHMENT A
[FORM OF WARRANT CERTIFICATE]

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE OFFERED OR SOLD EXCEPT IN A TRANSACTION REGISTERED UNDER SUCH ACT OR PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SUCH ACT OR STATE SECURITIES LAWS. THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS OF A CERTAIN WARRANT AGREEMENT, DATED AS OF MARCH 9, 2015, THE PROVISIONS OF WHICH ARE INCORPORATED HEREIN BY REFERENCE. A COPY OF SUCH AGREEMENT IS AVAILABLE FROM THE COMPANY UPON REQUEST.

WARRANT CERTIFICATE

BIOSCRIP, INC.

No. WR- Warrants

Date: [•], 2015

This Warrant Certificate certifies that_____, or registered assigns, is the registered holder of _____(_____) Warrants. Each Warrant entitles the owner thereof to purchase at any time on or after the date hereof and on or prior to the Expiration Time, one (1) fully paid and nonassessable share of Common Stock, $0.0001 par value per share (the "Common Stock"), of BIOSCRIP, INC., a Delaware corporation (together with its successors and assigns, the "Company"), at a purchase price (subject to adjustment as provided in the Warrant Agreement (as defined below), the "Exercise Price") of $[•] per share of Common Stock upon presentation and surrender of this Warrant Certificate to the Company with a duly executed election to purchase and payment of the Exercise Price, all in the manner set forth in the Warrant Agreement (defined below). The number of shares of Common Stock that may be initially purchased upon exercise of each Warrant and the Exercise Price are the number and the Exercise Price as of the date hereof, and are subject to adjustment as referred to below.

The Warrants are issued pursuant to a Warrant Agreement (as it may from time to time be amended or supplemented, the "Warrant Agreement"), dated as of March 9, 2015, among the Company and the Purchasers named therein, and are subject to all of the terms, provisions and conditions thereof, which Warrant Agreement is hereby incorporated herein by reference and made a part hereof and to which Warrant Agreement reference is hereby made for a full description of the rights, obligations, duties and immunities of the Company and the holders of the Warrant Certificates. Capitalized terms used, but not defined, herein have the respective meanings ascribed to them in the Warrant Agreement. In the event of any conflict between this Warrant Certificate and the Warrant Agreement, the Warrant Agreement shall control and govern.

As provided in the Warrant Agreement, the Exercise Price and the number of shares of Common Stock that may be purchased upon the exercise of the Warrants evidenced by this Warrant Certificate are, upon the happening of certain events, subject to modification and adjustment. Except as otherwise set forth in, and subject to, the Warrant Agreement, the Expiration Time of this Warrant Certificate is as set forth in the Warrant Agreement.

Subject to the limitations set forth in the Warrant Agreement, this Warrant Certificate shall be exercisable, at the election of the holder, at any time on or after the date hereof and on or prior to the Expiration Time either as an entirety or in part from time to time. If this Warrant Certificate shall be exercised in part, the holder shall be entitled to receive, upon surrender hereof, another Warrant Certificate or Warrant Certificates for the number of Warrants not exercised. This Warrant Certificate, with or without other Warrant Certificates, upon surrender in the manner set forth in the Warrant Agreement and subject to the conditions set forth in the Warrant Agreement, may be transferred or exchanged for another Warrant Certificate or Warrant Certificates of like tenor evidencing Warrants entitling the holder to purchase a like aggregate number of shares of Common Stock as the Warrants evidenced by the Warrant Certificate or Warrant Certificates surrendered shall have entitled such holder to purchase.

Except as expressly set forth in the Warrant Agreement, no holder of this Warrant Certificate shall be entitled to vote or receive distributions or be deemed for any purpose the holder of shares of Common Stock or of any other Securities of the Company that may at any time be issued upon the exercise hereof, nor shall anything contained in the Warrant Agreement or herein be construed to confer upon the holder hereof, as such, any of the rights of a holder of a share of Common Stock in the Company or any right to vote upon any matter submitted to holders of shares of Common Stock at any meeting thereof, or to give or withhold consent to any corporate action of the Company (whether upon any recapitalization, issuance of stock, reclassification of Securities, change of par value, consolidation, merger, conveyance, or otherwise), or to receive dividends or subscription rights, or otherwise, until the Warrant or Warrants evidenced by this Warrant Certificate shall have been exercised as provided in the Warrant Agreement.

THIS WARRANT CERTIFICATE SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE COMPANY AND THE HOLDER HEREOF SHALL BE GOVERNED BY, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS RULES THEREOF TO THE EXTENT THAT ANY SUCH RULES WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION, EXCEPT TO THE EXTENT THAT THE DELAWARE GENERAL CORPORATION LAW SPECIFICALLY AND MANDATORILY APPLIES.

Attachment A

WITNESS the signature of a proper officer of the Company as of the date first above written.

BIOSCRIP, INC.
By:
Name:
Title:

Attachment A

[FORM OF ASSIGNMENT]
(To be executed by the registered holder if such holder desires to transfer the Warrant Certificate)

FOR VALUE RECEIVED, _____hereby sells, assigns and transfers unto

_____

(Please print name and address of transferee.)

the accompanying Warrant Certificate, together with all right, title and interest therein, and does hereby irrevocably constitute and appoint:

_____

attorney, to transfer the accompanying Warrant Certificate on the books of the Company with full power of substitution.

Dated: ,20 .

[HOLDER]
By:

NOTICE

The signature to the foregoing Assignment must correspond to the name as written upon the face of the accompanying Warrant Certificate or any prior assignment thereof in every particular, without alteration or enlargement or any change whatsoever.

Attachment A

[FORM OF ELECTION TO PURCHASE]
(To be executed by the registered holder if such holder desires to exercise the Warrant Certificate)

To: **BIOSCRIP, INC.**

The undersigned hereby irrevocably elects to exercise_____Warrants represented by the accompanying Warrant Certificate to purchase the shares of Common Stock issuable upon the exercise of such Warrants, and requests that certificates for such shares be issued in the name of:

_____
(Please print name and address.)

_____
(Please insert social security or other identifying number.)

If such number of Warrants shall not be all the Warrants evidenced by the accompanying Warrant Certificate, a new Warrant Certificate for the balance remaining of such Warrants shall be registered in the name of and delivered to:

_____
(Please print name and address.)

_____
(Please insert social security or other identifying number.)

The undersigned is paying the Exercise Price for the Common Stock to be issued on exercise of the foregoing Warrants, unless payment of such Exercise Price has been waived by the Company by certified or bank check by wire transfer pursuant to Section 2.1(a)(i) of the Warrant Agreement.

Dated: ,20 .

[HOLDER]
By:

NOTICE

The signature to the foregoing Election to Purchase must correspond to the name as written upon the face of the accompanying Warrant Certificate or any prior assignment thereof in every particular, without alteration or enlargement or any change whatsoever.

ANNEX 1
Warrants Issuable to the Purchasers

Purchaser	Total No. of Warrants (No.1)	Total No. of Warrants (No.2)
Coliseum Capital Partners, L.P.	1,133,188	1,133,188
Coliseum Capital Partners II, L.P.	253,569	253,569
Blackwell Partners, LLC, Series A	413,243	413,243

ANNEX 2
Address for Purchasers for Notices

Coliseum Capital Management, LLC
One Station Place, 7th Floor South
Stamford, CT 06902
Attention: Christopher Shackelton;

with a copy to:

Paul Hastings LLP
75 East 55th Street
New York, NY 10022
Attention: Barry A. Brooks

ANNEX 3
Address of Company for Notices

BioScrip, Inc.
100 Clearbrook Road
Elmsford, New York 10523
Attention: Chief Executive Officer

with a copy to:

Polsinelli PC
100 S. Fourth Street, Suite 1000
St. Louis, MO 63102
Attention: Mark H. Goran

PRESS RELEASE

Contact:
Lisa Wilson
In-Site Communications, Inc.
T: 212-452-2793
E: lwilson@insitecony.com

BioScrip Raises $62.5 million in Private Placement of Convertible Preferred Stock and Announces Plan for $20 million Rights Offering

Appoints Christopher Shackelton to BioScrip Board of Directors

ELMSFORD, N.Y., March 09, 2015 – BioScrip, Inc. (NASDAQ: BIOS) ("BioScrip") today announced the sale of $62.5 million in Series A Convertible Preferred Stock ("Preferred Stock") to Coliseum Capital Management, LLC ("Coliseum Capital") and affiliated funds. The Preferred Stock is convertible into 12,088,975 shares of BioScrip's common stock at a conversion price of $5.17 per share, which was the closing price of BioScrip's common stock on the NASDAQ Global Market on March 6, 2015. Dividends on the Preferred Stock will be payable quarterly at an annual rate of 8.5% if paid in cash or 11.5% if accrued. As part of the transaction, BioScrip issued to Coliseum Capital warrants for an aggregate of 3.6 million shares of BioScrip stock. Warrants for 1.8 million shares are exercisable at $5.295 per share and warrants for 1.8 million shares are exercisable at $6.596 per share.

In addition, BioScrip intends to conduct a registered rights offering to allow all of BioScrip's existing stockholders of record, on a date to be determined by the Board, the non-transferable right to purchase their pro rata share of $20.0 million of Preferred Stock and warrants on the same terms as the completed private placement to Coliseum Capital. Coliseum Capital and its affiliates will not participate in the rights offering. Additional details regarding the anticipated rights offering will be included in the Company's Form S-3, which it intends to file with the Securities and Exchange Commission.

The proceeds from the private placement will be used primarily to reduce BioScrip's outstanding indebtedness.

Christopher Shackelton, a Co-Founder and Managing Partner of Coliseum Capital, will join the BioScrip Board of Directors effective immediately.

Richard M. Smith, President and Chief Executive Officer of BioScrip, said, "We are pleased to announce this strategic investment by Coliseum Capital which we expect will enhance BioScrip's financial flexibility. We are excited to welcome Chris to our Board and believe his extensive experience in the healthcare services industry will bring added value to our Company."

Mr. Shackelton, said, “Coliseum is excited to be partnering with BioScrip. We believe strongly in the benefits of expanding the delivery of home-based healthcare, which start with improved patient care and outcomes, and extend to lower costs for payers. Specifically, we see significant value to the healthcare system from home-based infusion therapy. I am pleased to be joining BioScrip’s Board and I look forward to working with the Company.”

The closing of the private placement occurred today pursuant to a securities purchase agreement in connection with a financing transaction pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”), and Regulation D promulgated thereunder. The securities that were sold in the completed private placement have not been registered under the Securities Act, or state securities laws and may not be offered or sold in the United States absent registration with the Securities and Exchange Commission or an applicable exemption from such registration requirements.

The Company intends to file a registration statement with the Securities and Exchange Commission relating to the rights offering. The rights and securities offered for subscription thereunder may not be sold, nor may offers to buy be accepted, prior to the time such registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these rights offering securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Cain Brothers & Company LLC served as BioScrip’s financial advisor. Polsinelli PC is serving as legal advisor to BioScrip, and Paul Hastings LLP is serving as legal advisor to Coliseum Capital. Goodwin Procter LLP is serving as legal advisor to Cain Brothers.

About Mr. Shackelton

Christopher Shackelton has significant public company board experience, specifically within the healthcare services industry. He is currently Chairman of Providence Service Corp, a diversified healthcare holding company. He also serves on the board of LHC Group, a post-acute home nursing and hospice company. He was previously Chairman of Rural/Metro Corp, an emergency ambulance company. He is a Co-Founder and Managing Partner at Coliseum Capital Management, LLC. He received a bachelor's degree in Economics from Yale College.

About Coliseum Capital Management, LLC

Coliseum Capital is an investment firm founded in 2005 by Managing Partners Christopher Shackelton and Adam Gray, which focuses on long-term investments in both public and private companies. Coliseum directs capital behind strong management teams, with a willingness to work alongside companies to facilitate further value creation.

About BioScrip, Inc.

BioScrip, Inc. is a leading national provider of infusion and home care management solutions. BioScrip partners with physicians, hospital systems, skilled nursing facilities, healthcare payors, and pharmaceutical manufacturers to provide patients access to post-acute care services. BioScrip operates with a commitment to bring customer-focused pharmacy and related healthcare infusion therapy services into the home or alternate-site setting. By collaborating with the full spectrum of healthcare professionals and the patient, BioScrip provides cost-effective care that is driven by clinical excellence, customer service, and values that promote positive outcomes and an enhanced quality of life for those it serves. BioScrip provides its infusion and home care services from over 70 locations across 29 states.

Forward-Looking Statements – Safe Harbor

This press release includes statements that may constitute "forward-looking statements," including projections of certain measures of the Company's results of operations, projections of certain charges and expenses, and other statements regarding the Company's goals, regulatory approvals and strategy. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate strictly to historical or current facts. In some cases, forward-looking statements can be identified by words such as "may," "should," "could," "anticipate," "estimate," "expect," "project," “outlook,” “aim,” "intend," "plan," "believe," "predict," "potential," "continue" or comparable terms. Because such statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. Important factors that could cause or contribute to such differences include but are not limited to risks associated with: the Company's ability to integrate any acquisitions; the Company's ability to grow its Infusion Services segment organically or through acquisitions and obtain financing in connection therewith; its ability to reduce operating costs while sustaining growth; reductions in federal, state and commercial reimbursement for the Company's products and services; increased government regulation related to the health care and insurance industries; as well as the risks described in the Company's periodic filings with the Securities and Exchange Commission, including the Company's annual report on Form 10-K for the year ended December 31, 2014. The Company does not undertake any duty to update these forward-looking statements after the date hereof, even though the Company's situation may change in the future. All of the forward-looking statements herein are qualified by these cautionary statements.