SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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INVACARE CORP

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SIC: **3842** Orthopedic, prosthetic & surgical appliances & supplies

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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):
February 1, 2023 (January 27, 2023)

INVACARE CORPORATION

(Exact name of Registrant as specified in its charter)

Ohio	**001-15103**	**95-2680965**
(State or other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification Number)

One Invacare Way, Elyria, Ohio 44035
(Address of principal executive offices, including zip code)

(440) 329-6000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol	Name of exchange on which registered
Common Shares, without par value	IVC	New York Stock Exchange

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 (see General Instruction A.2. below):

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

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☐ 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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Item 1.01. Entry into a Material Definitive Agreement.

The information set forth below under Item 1.03 of this Current Report on Form 8-K regarding the Restructuring Support Agreement and the DIP Credit Agreements (each defined below) is incorporated herein by reference.

Item 1.02. Termination of a Material Definitive Agreement.

Effective October 1, 2019, Invacare Corporation (the "Company") entered into a Master Services Agreement (the "Master Services Agreement") with Birlasoft Solutions Inc. and certain of its affiliates (collectively, "Birlasoft"), which are part of The CK Birla Group, to outsource substantially all of the Company's information technology business service activities, including, among other things, support, rationalization and upgrading of the Company's legacy information technology systems and implementation of a global enterprise resource planning system and eCommerce platform. On January 27, 2023, the Company terminated the Master Services Agreement following Birlasoft's breach of the Master Services Agreement, including but not limited to Birlasoft's failure to meet transformation milestones, failure to provide services, and breach of representations, warranties and covenants in the Master Services Agreement.

Item 1.03. Bankruptcy or Receivership.

Chapter 11 Filing

On January 31, 2023 (the "Petition Date"), the Company and certain of its direct and indirect subsidiaries (collectively, the "Company Parties") filed a voluntary petition under chapter 11 of the U.S. Bankruptcy Code (the "Bankruptcy Code") in the U.S. Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") to implement the Restructuring Transactions (as defined below) contemplated by the Restructuring Support Agreement and the Plan (as defined below) (the "Chapter 11 Cases"). On the Petition Date, the Company Parties filed a motion with the Bankruptcy Court seeking to jointly administer the Chapter 11 Cases under the caption "*In re: Invacare Corporation, et al.*" Certain of the Company's subsidiaries in the United States and the Company's international subsidiaries, including those in Europe, Canada, Mexico, and in the Asia-Pacific regions were not included in the Chapter 11 filing.

The Company Parties continue to operate their business and manage their properties as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. To ensure the Company Parties' ability to complete a plan of reorganization and continue operating in the ordinary course of business and minimize the effect of the Restructuring on the Company Parties' customers, suppliers, vendors, and employees, the Company Parties filed with the Bankruptcy Court motions seeking a variety of "first-day" relief, including authority to pay employee wages and benefits and to pay vendors and suppliers for goods and services provided both before and after the filing date.

Restructuring Support Agreement

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On January 31, 2023, the Company Parties entered into a Restructuring Support Agreement (the “Restructuring Support Agreement”) with certain of their prepetition stakeholders (the “Consenting Stakeholders”). Capitalized terms used but not otherwise defined in this subsection shall have the meanings given to such terms in the Restructuring Support Agreement. The Consenting Stakeholders

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represent holders of at least a majority of the aggregate principal amount of the Company Parties' debt obligations under various debt agreements.

Under the Restructuring Support Agreement, the Consenting Stakeholders have agreed, subject to certain terms and conditions, to support a financial restructuring (the "Restructuring") of the existing debt of, existing equity interests in, and certain other obligations of the Company Parties, pursuant to a prearranged plan of reorganization (the "Plan") to be filed in the Chapter 11 Cases.

The Plan will be implemented in accordance with the Restructuring Support Agreement and that certain restructuring term sheet (the "Restructuring Term Sheet"), attached to and incorporated into the Restructuring Support Agreement (such transactions described in, and in accordance with, the Restructuring Support Agreement and the Restructuring Term Sheet, the "Restructuring Transactions") which, among other things, contemplates:

- a $70 million debtor-in-possession term loan financing facility, which includes a "roll-up" of $35 million of the Company's outstanding prepetition term loans;
- a $17.4 million in debtor-in-possession revolving credit facility comprised of (a) $11.6 million in undrawn commitments, of which $3.4 million will be used to cash collateralize certain letters of credit, and (b) a "roll-up" of $5.8 million in drawn commitments under the prepetition revolving credit facility;
- a preferred equity rights offering to holders of unsecured notes and general unsecured claims for an aggregate subscription price of $60 million (the "Aggregate Subscription Price"), fully backstopped by an ad hoc group composed of certain holders of the unsecured notes (collectively, the "Backstop Parties") pursuant to the Backstop Commitment Agreement (as defined below);
- the issuance of New Common Equity; and
- exit financing in the form of (a) a senior secured first lien term loan facility in an aggregate principal amount of up to $85 million, (b) senior first lien secured convertible notes in an aggregate principal amount not to exceed $41.5 million, and (c) the ability to enter into one or more revolving credit facilities.

The Restructuring Support Agreement, the Restructuring Term Sheet and the Plan also provide for the following stakeholder recoveries and treatment, among others:

- Lenders under the DIP Credit Agreements (defined below) shall receive, as applicable and unless otherwise agreed, (i) payment in full in cash or (ii) partial payment in cash with the remaining obligations to be rolled into post-closing financing.
- Lenders under the DIP Term Loan Facility shall receive their pro rata share of the Exit Term Loan Facility.
- Holders of Secured Notes shall receive their pro rata share of the Exit Secured Convertible Notes.
- Holders of unsecured notes shall receive: (a) the opportunity to participate in the Rights Offering (including the preferred exchange) on a pro rata basis with other holders of unsecured notes and general unsecured claims and (b) to the extent such holders have any residual unsecured notes claim, their pro rata share of 100% of the New Common Equity (subject to dilution by the Exit Secured Convertible Notes, the New Preferred Equity, the backstop equity premium and the Management Incentive Plan).
- Holders of general unsecured claims shall receive: (i) (a) the opportunity to participate in the Rights Offering (including the preferred exchange) on a pro rata basis with holders of unsecured notes and other

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general unsecured claims and (b) to the extent such holders have any residual general unsecured claims, their pro rata share of 100% of the New Common Equity (subject to

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dilution by the Exit Secured Convertible Notes, the New Preferred Equity, the backstop equity premium and the Management Incentive Plan); or (ii) such other consideration as is mutually agreed, including the option to elect to be paid in cash.

- The Company's outstanding common shares will be cancelled and extinguished without any distribution, and holders of the Company's common shares will not receive or retain any distribution or other value on account of their common shares.

Although the Company intends to pursue the Restructuring in accordance with the terms set forth in the Restructuring Support Agreement, there can be no assurance that the Company will be successful in completing a restructuring or any other similar transaction on the terms set forth in the Restructuring Support Agreement, on different terms or at all.

Backstop Commitment Agreement

As contemplated by the Restructuring Support Agreement, on January 31, 2023, the Company Parties entered into a Backstop Commitment Agreement (the "Backstop Commitment Agreement") with the Backstop Parties, pursuant to which each of the Backstop Parties has agreed to backstop, severally and not jointly and subject to the terms and conditions in the Backstop Commitment Agreement, the Aggregate Subscription Price (collectively, the "Backstop Commitment"). The Backstop Commitment Agreement provides that each of the Backstop Parties will, subject to the terms and conditions in the Backstop Commitment Agreement (i) subscribe for, and at the closing, purchase the New Preferred Equity offered to such Backstop Party in connection with the Rights Offering and (ii) purchase its agreed percentage (the "Backstop Commitment Percentage") of the New Preferred Equity representing the unsubscribed portion of the New Preferred Equity issued in the Rights Offering. As consideration for entering into the Backstop Commitment Agreement, each Backstop Party will receive, upon the closing of the Rights Offering, its Backstop Commitment Percentage of $12 million in aggregate amount, which amount shall be payable in the form of New Common Equity. The Backstop Commitment Agreement provides for the payment of a termination premium of $6 million upon certain events of the termination as set forth in the Backstop Commitment Agreement.

DIP Credit Agreements

The Company and certain lenders (the "DIP Parties") have agreed to a superpriority, senior secured and priming debtor-in-possession term loan credit facility in an aggregate principal amount of $70 million subject to the terms and conditions set forth therein (the "Term DIP Credit Agreement") and a superpriority senior secured and priming debtor-in-possession asset-based revolving facility in an aggregate amount of $17.4 million subject to the terms and conditions set forth therein (the "ABL DIP Credit Agreement" and together with the Term DIP Credit Agreement, the "DIP Credit Agreements").

The DIP Credit Agreements include conditions precedent, representations and warranties, affirmative and negative covenants, and events of default customary for financings of this type and size. The proceeds of all or a portion of the proposed DIP Credit Agreements may be used for, among other things, post-petition working capital for the Company and its subsidiaries, payment of costs to administer the Chapter 11 Cases, payment of expenses and fees of the transactions contemplated by the Chapter 11 Cases, payment of court-approved adequate protection obligations under the DIP Credit Agreements, and payment of other costs in an approved budget and other such purposes permitted under the DIP Credit Agreements.

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The foregoing description of the Restructuring Support Agreement, the Backstop Commitment Agreement and the DIP Credit Agreements is not complete and is qualified in its entirety by reference to each of the Restructuring Support Agreement and the Backstop Commitment Agreement, which are filed as Exhibits 10.1 and 10.2 to this Current Report on Form 8-K and incorporated herein by reference.

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Item 2.01. Completion or Acquisition or Disposition of Assets.

On January 30, 2023 the Company completed the sale of its respiratory business assets (the "Transaction") to Ventec Life Systems, Inc, a Delaware corporation and subsidiary of React Health, LLC (the “Purchaser”), pursuant to an Asset Purchase Agreement dated as of January 30, 2023 (the “Purchase Agreement”). The purchase price paid by the Purchaser in the Transaction was $11,925,644 in cash payable at closing, and the Company estimates net proceeds from the Transaction are approximately $11,500,000 after fees and expenses.

The Purchase Agreement contains customary indemnification obligations of each party with respect to breaches of their respective representations, warranties and covenants, and certain other specified matters, which are subject to certain exceptions, terms and limitations described further in the Purchase Agreement. The Company agreed to non-competition obligations with respect to respiratory products for a five-year period following the Transaction, which are more fully described in the Purchase Agreement. In addition, the Company entered into a supply agreement and a transition services agreement with the Purchaser to provide for, among other matters, the ongoing parts and service and support for the warranty and non-warranty service of respiratory products in the field.

A copy of the Purchase Agreement is attached as Exhibit 2.1 to this Current Report on Form 8-K and is incorporated in this Item 2.01 by reference. The foregoing description of the Purchase Agreement is a summary, does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement.

On January 27, 2023, the Company completed the sale of its Top End™ sports and recreational wheelchair and handcycle business to Top End Sports, LLC.

Item 2.02. Results of Operations and Financial Condition.

On February 1, 2023, the Company issued a press release regarding its financial results for the three months ended December 31, 2022. The press release is furnished herewith as Exhibit 99.1.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under Item 1.03 of this Current Report on Form 8-K regarding the DIP Credit Agreements is incorporated herein by reference.

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Item 2.04. Triggering Events that Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.

The filing of the Chapter 11 Cases constitutes an event of default that accelerated the Company's obligations under its outstanding (i) 5.68% Convertible Senior Secured Notes due 2026, Tranche I (the "Tranche I Secured Notes"), (ii) 5.68% Convertible Senior Secured Notes due 2026, Tranche II (the "Tranche II Secured Notes"), (iii) 5.00% Convertible Senior Exchange Notes due 2024 (the "2024 Notes, Series I"), (iv) 5.00% Series II Convertible Senior Exchange Notes due 2024 (the "2024 Notes, Series II"), (v) 4.25% Convertible Senior Exchange Notes due 2026 (the "2026 Notes") and (vi) the Company's outstanding prepetition term loan facility ("the Prepetition Term Loan Agreement") and the Company's outstanding prepetition revolving credit facility (the "Prepetition ABL Agreement" and together with the Term Loan Agreement, the "Prepetition Credit Agreements").

As of the Petition Date, the Company had an aggregate of (i) $20,739,000 in aggregate principal amount of Tranche I Secured Notes, (ii) $20,736,000 in aggregate principal amount of Tranche II Secured Notes, (iii) $72,909,000 in aggregate principal amount of 2024 Notes, Series I, (iv) $77,758,161 in aggregate principal amount of 2024 Notes, Series II, (v) $69,700,000 in aggregate principal amount of 2026 Notes, (vi) $5.8 million with $6.5 million in reserve of the Prepetition ABL Agreement and (vii) $90,500,000 in principal of the Prepetition Term Loan Agreement.

Pursuant to Section 362 of the Bankruptcy Code, the filing of the Chapter 11 Cases automatically stayed most actions against the applicable debtor, including actions to collect indebtedness incurred prior to the Petition Date or to exercise control over the applicable debtor's property. Subject to certain exceptions under the Bankruptcy Code, the filing of the Chapter 11 Cases also automatically stayed the continuation of most legal proceedings or the filing of other actions against or on behalf of the applicable debtor or its property to recover on, collect or secure a claim arising prior to the Petition Date or to exercise control over property of the applicable debtor's bankruptcy estates, unless and until the Bankruptcy Court modifies or lifts the automatic stay as to any such claim. Notwithstanding the general application of the automatic stay described above, governmental authorities may determine to continue actions brought under their police and regulatory powers.

Item 7.01. Regulation FD Disclosure.

Press Release

On February 1, 2023, the Company issued a press release in connection with the filing of the Chapter 11 Cases. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Cleansing Material

Prior to the commencement of the Chapter 11 Cases, and in connection with discussions with certain of the Company's debt holders with respect to potential strategic or capital markets transactions to enhance the Company's capital structure, the Company entered into confidentiality agreements (collectively, the "NDAs") in which the Company agreed to publicly disclose certain information, including material non-public information thereunder (the "Cleansing Materials"), upon the occurrence of certain events set forth in the NDAs. The Company is furnishing the Cleansing Materials as Exhibit 99.2 hereto in satisfaction of its obligations under the NDAs.

Additional Information on the Chapter 11 Cases

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Court filings and information about the Chapter 11 Cases can be found at a website maintained by the Company's claims agent Epiq at http://dm.epiq11.com/Invacare. The documents and other information available via website or elsewhere are not part of this Current Report and shall not be deemed incorporated therein.

The information furnished in this Item 7.01 of this Current Report on Form 8-K, the press release attached hereto as Exhibit 99.1 and the Cleansing Materials attached hereto as Exhibit 99.2 shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such section, and shall not be deemed to be incorporated by reference into the filings of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Item 8.01. Other Events.

In connection with entry into the DIP Credit Agreements, the Company also entered into (i) an amendment to the Prepetition Term Loan Agreement to permit entry into the DIP Credit Agreements and (ii) an intercreditor agreement (the "Intercreditor Agreement") among the finance parties under the finance parties under the DIP Credit Agreements and the finance parties under the Prepetition Credit Agreements and the finance parties under the indentures described below.

Cautionary Note Regarding the Company's Common Shares

The Company cautions that trading in the Company's securities (including, without limitation, the Company's common shares) during the pendency of the Chapter 11 Cases is highly speculative and poses substantial risks. Trading prices for the Company's securities may bear little or no relationship to the actual recovery, if any, by holders of the Company's securities in the Chapter 11 Cases. The Company expects that holders of shares of the Company's common shares could experience a significant or complete loss on their investment, depending on the outcome of the Chapter 11 Cases.

Further, the Cleansing Materials described above were not prepared with a view toward public disclosure and should not be relied upon to make an investment decision with respect to the Company. The Cleansing Materials include certain potential values for illustrative purposes only and such values are not the result of, and do not represent, actual valuations, estimates, forecasts or projections by any third party, the Company or its subsidiaries and should not be relied upon as such. Neither the Company nor any third party has made or makes any representation to any person regarding the accuracy of the Cleansing Materials or the ultimate outcome of any potential restructuring transaction, and none of them undertakes any obligation to publicly update the Cleansing Materials to reflect circumstances existing after the date when the Cleansing Materials were prepared or conveyed or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying the Cleansing Materials are shown to be in error.

Cautionary Statement Concerning Forward-Looking Statements

Statements contained in this Current Report on Form 8-K that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. Forward-looking statements include words or phrases such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "could," "may," "might," "should," "will" and similar words. Forward-looking statements are based on management's current expectations, beliefs, assumptions and estimates and may

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include, for example, statements regarding the Chapter 11 Cases, the DIP Credit Agreements, the Company's ability to consummate and complete a plan of reorganization and its ability to continue operating in the ordinary course while the Chapter 11 Cases

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are pending. These statements are subject to significant risks, uncertainties, and assumptions that are difficult to predict and could cause actual results to differ materially and adversely from those expressed or implied in the forward-looking statements, including risks and uncertainties regarding the Company's ability to successfully complete a restructuring under Chapter 11; consummation of a plan of reorganization; potential adverse effects of the Chapter 11 Cases on the Company's liquidity and results of operations; the Company's ability to obtain timely approval by the Bankruptcy Court with respect to the motions filed in the Chapter 11 Cases; objections to the Company's recapitalization process, DIP Credit Agreements, or other pleadings filed that could protract the Chapter 11 Cases; employee attrition and the Company's ability to retain senior management and other key personnel due to the distractions and uncertainties; the Company's ability to comply with the restrictions imposed by the terms and conditions of the DIP Credit Agreements and other financing arrangements; the Company's ability to maintain relationships with suppliers, customers, employees and other third parties and regulatory authorities as a result of the Chapter 11 Cases; the effects of the Chapter 11 Cases on the Company and on the interests of various constituents, including holders of the Company's common shares; the Bankruptcy Court's rulings in the Chapter 11 Cases, including the approvals of the terms and conditions of any plan of reorganization and the DIP Credit Agreements, and the outcome of the Chapter 11 Cases generally; the length of time that the Company will operate under Chapter 11 protection and the continued availability of operating capital during the pendency of the Chapter 11 Cases; risks associated with third party motions in the Chapter 11 Cases, which may interfere with the Company's ability to consummate a plan of reorganization or an alternative restructuring; increased administrative and legal costs related to the Chapter 11 process; and other litigation and inherent risks involved in a bankruptcy process.

Forward-looking statements are also subject to the risk factors and cautionary language described from time to time in the reports the Company files with the U.S. Securities and Exchange Commission, including those in the Company's most recent Annual Report on Form 10-K and any updates thereto in the Company's Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. These risks and uncertainties may cause actual future results to be materially different than those expressed in such forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description of Exhibit
2.1	Asset Purchase Agreement with Ventec Life Systems, Inc.
10.1	Restructuring Support Agreement, dated as of January 31, 2023, by and among the Company Parties and the Consenting Stakeholders.
10.2	Backstop Commitment Agreement, dated as of January 31, 2023, by and among the Company Parties and the backstop parties thereto.
99.1	Press Release, dated February 1, 2023.
99.2	Cleansing Materials
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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SIGNATURE

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

INVACARE CORPORATION
(Registrant)

Date: February 1, 2023	By:	/s/ Anthony C. LaPlaca
	Name:	Anthony C. LaPlaca
	Title:	Senior Vice President, General Counsel, Chief Administrative Officer and Secretary

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Exhibit Index

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104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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Exhibit 2.1

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement"), dated as of January 30, 2023, is entered into by and between Invacare Corporation, an Ohio corporation ("Invacare") and Ventec Life Systems, Inc., a Delaware corporation ("Buyer"). Invacare and Buyer shall be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Invacare, through one of its business divisions, was previously engaged in the business of designing, manufacturing, distributing, and selling respiratory care products designed to concentrate oxygen for consumers needing supplemental oxygen for breathing, including stationary and portable oxygen concentrators, integrated oxygen cylinders, and oxygen refilling systems (the "Respiratory Business"); and

WHEREAS, Invacare wishes to sell and assign to Buyer, and Buyer wishes to purchase and acquire from Invacare, all of the assets comprising the Respiratory Business as set forth herein in dissolution of the Respiratory Business division, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing Recitals and the premises, agreements, covenants, representations and warranties hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree to the foregoing Recitals and agree as follows:

ARTICLE I
DEFINITIONS

The following terms have the meanings specified or referred to in this ARTICLE I:

"Action" means any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private and whether at law or in equity) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority.

"Affiliate" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person and any successors or assigns of such Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Asset Count" means the count of Inventory (as defined in Section 2.01(a) or Tangible Personal Property (as defined in Section 2.01(d)) upon the physical delivery of same to Buyer after the Effective Time.

"Banker" means Huron Consulting Services, LLC.

"Benefit Plan" means any plan, fund, program, agreement, arrangement or scheme that is at any time sponsored or maintained or required to be sponsored or maintained by Invacare or to which Invacare makes or has made, or has or has had an obligation to make, contributions providing for employee benefits or for the remuneration, direct or indirect, of the employees, former employees, directors, managers, officers, consultants, independent contractors or contingent workers of

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the Respiratory Business or any other individual providing services to the Respiratory Business or the dependents of any of them (whether written or oral), including each (i) deferred compensation, bonus, incentive compensation, retention, change in control, pension, retirement, stock purchase, stock option and other equity or phantom equity compensation plan and "welfare" plan within the meaning of Section 3(1) of the

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Employee Retirement Income Security Act of 1974, as amended ("ERISA"), determined without regard to whether such plan is subject to ERISA, (ii) "pension" plan (within the meaning of Section 3(2) of ERISA, determined without regard to whether such plan is subject to ERISA), (iii) each severance plan or agreement, health, vacation, summer hours, paid time off, supplemental unemployment benefit, hospitalization insurance, medical and dental benefit plan and (iv) each other employment, consulting, advisory or benefit plan, fund, program, agreement or arrangement that Invacare maintains or to which Invacare contributes, has any obligation to contribute or has any other Loss.

"Calculation Periods" means each annual period during the Commission Term; provided, however, that (a) the first Calculation Period shall be the period beginning on the Closing Date and ending on the last day of the then-current annual period, and (b) the final Calculation Period shall be the period beginning on the first day of the last partial annual period of the Commission Term and ending on the third (3rd) anniversary of the Closing Date.

"Closing Date Asset Count" means the count of Inventory (as defined in Section 2.01(a) and Tangible Personal Property (as defined in Section 2.01(d)) as of the Effective Time (as defined in Section 3.01).

"Code" means the Internal Revenue Code of 1986, as amended.

"Commission Term" means the period beginning on the Closing Date and ending on the third (3rd) anniversary of the Closing Date.

"Competing Business" means any business performing, marketing, selling or offering to sell or otherwise involved in the activities or services that are competitive with the Respiratory Business as of the date hereof or any services offered by the Respiratory Business as of the date hereof.

"Confidential Information" means information concerning the Respiratory Business, or the affairs of the Buyer (or any of its Affiliates), or the affairs of Invacare and its Affiliates, including information relating to customers, clients, suppliers, business partners, investors, lenders, consultants, independent contractors or employees, customer and supplier lists, price lists and pricing policies, cost information, financial statements and information, budgets and projections, business plans, production costs, market research, marketing plans and proposals, sales and distribution strategies, production processes and techniques, processes and business methods, technical information, pending projects and proposals, new business plans and initiatives, research and development projects, inventions, discoveries, ideas, technologies, trade secrets, know-how, formulae, technical data, designs, patterns, marks, names, improvements, industrial designs, mask works, compositions, works of authorship and other intellectual property, devices, samples, plans, drawings and specifications, photographs and digital images, Software and programming, all other confidential information and materials relating to the Respiratory Business, and all notes, analyses, compilations, studies, summaries, reports, manuals, documents and other materials prepared by or for the Buyer (or its Affiliates) or Invacare containing or based in whole or in part on any of the foregoing, whether in verbal, written, graphic, electronic or any other form and whether or not conceived, developed or prepared in whole or in part by the Buyer (or its Affiliates) or Invacare.

"Contracts" means any agreement between two parties creating mutual obligations enforceable by Law including, but not limited to, leases, licenses, instruments, commitments, and undertakings.

"COVID-19" means the novel coronavirus disease, COVID-19 virus (SARS-COV-2 and all related strains and sequences) or mutations (or antigenic shifts or drifts) thereof or a disease or public health emergency resulting therefrom.

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"COVID-19 Funds" means all grants, payments, distributions, loans, funds or other relief provided under the CARES Act, the Paycheck Protection Program Act, or any other program authorized by any Governmental Authority or Government Program in response to COVID-19, including the Paycheck Protection Program, Main Street Loan Program, Provider Relief Fund, Small Rural Hospital Improvement Program, Assistant Secretary for Preparedness and Response or Hospital Preparedness Program Grants, or any other Law or program enacted, adopted or authorized in response to or in

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connection with COVID-19; provided, that COVID-19 Funds does not include any Medicare Accelerated and Advance Payments

"Data Room" means the site established by or on behalf of Invacare containing the documents of Invacare related to the Respiratory Business in existence as of the date hereof or such other site or sites in substitution thereof after the Closing.

"Declarations" means the written declarations of the Banker and an officer of Invacare, dated prior to the Closing, in a form reasonably satisfactory to Buyer, setting forth the Banker's and Invacare's efforts through Banker and an additional investment banker to market the Purchased Assets prior to the Closing, and subject to the factors and assumptions set forth therein, the Purchase Price to be paid to Invacare is fair, represents reasonably equivalent value, was negotiated in good faith between Buyer and Invacare and at arms-length.

"Disclosure Schedules" means the Disclosure Schedules delivered by Invacare and Buyer concurrently with the execution and delivery of this Agreement.

"Dollars**"** or "$" means the lawful currency of the United States.

"Encumbrance" means any mortgage, lien, restriction, agreement, claim, easement, encroachment, right of way, building use restriction, exception, variance, reservation, pledge, security interest, conditional sales agreement, right of first refusal, option, obligation, liability, charge or limitation of any nature.

"Excluded Liabilities" means all liabilities of Invacare and/or any Affiliate thereof, other than the Assumed Liabilities.

"FDA" means the U.S. Food and Drug Administration, or any successor agency thereto.

"Governmental Authority" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

"Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination, or award entered by or with any Governmental Authority.

"Intellectual Property" means (a) inventions (whether patentable or unpatentable and whether or not reduced to practice), unfiled invention disclosures, improvements thereto, and patents, patent applications, and patent disclosures, together with reissuances, continuations, continuations-in-part, revisions, extensions and reexaminations thereof; (b) trademarks, service marks, trade dress, logos, trade names, and corporate names, together with translations, adaptations, derivations and combinations thereof and including goodwill associated therewith, and applications, registrations, and renewals in connection therewith; (c) copyrightable works, copyrights, and applications, registrations and renewals in connection therewith; (d) mask works and applications, registrations and renewals in connection therewith; (e) trade secrets, know how, and Confidential Information; (f) Software and firmware; (g) plans, drawings, architectural plans and specifications; (h) social media accounts, websites, domain names and URLs, and the data, passwords, and contents thereof; (i) other proprietary rights; (j) copies and tangible embodiments and expressions thereof (in whatever form or medium), all improvements and modifications thereto and derivative works thereof; (k) other intellectual property and related proprietary rights; and (l) the right to all past and future income, royalties, damages, and payments due with respect to the foregoing,

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including rights to damages and payments for past, present, or future infringements, misappropriations, or other violations thereof.

"Intellectual Property Agreements" means all licenses and other agreements by or through which other Persons grant Invacare or Invacare grant any other Persons any exclusive or non-exclusive rights or

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interests in or to any material Intellectual Property that is used primarily in the Respiratory Business excluding any (i) non-customized commercially available off-the-shelf software agreements, (ii) standard customer agreements that include Intellectual Property licenses, and (iii) publically available patent assignments.

"Intellectual Property Assets" means all Intellectual Property that is owned or purported to be owned or licensed or purported to be licensed by Invacare or its Affiliates, or in which Invacare or its Affiliates otherwise hold any right, title or interest and is used in or applicable to the Respiratory Business. For the avoidance of doubt, Intellectual Property Assets includes the material Intellectual Property set forth on Schedule 4.05(a).

"Intellectual Property Registrations" means all Intellectual Property Assets that are subject to any issuance, registration, application, or other filing by, to, or with any Governmental Authority or authorized private registrar in any jurisdiction, including registered trademarks, domain names, and copyrights, issued and reissued patents and pending applications for any of the foregoing.

"Knowledge of Invacare" or "Invacare's Knowledge" or any other similar knowledge qualification, means the actual knowledge of Kathleen P. Leneghan, Geoffrey Purtill, Jason Fiest and Charles Konkol.

"Law(s)" means and refers to any applicable law, statute, ordinance, bylaw, code, rule, regulation, corporate integrity agreement, reimbursement manual, program memorandum, policy, restriction, order, judgment, writ, injunction, decree, determination, award or similar command of any Governmental Authority. Without limiting the foregoing, "Laws" shall include without limitation the laws of each jurisdiction in which Invacare or its Affiliates do business in connection with the Respiratory Business and all applicable state, federal or foreign country anti-kickback, fee-splitting and patient brokering laws and state, federal or foreign country information privacy and security laws. Further, "Laws" shall include, where applicable, Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395hhh (the Medicare statute), including specifically, the Ethics in Patient Referrals Act, as amended, or "Stark Law," 42 U.S.C. § 1395nn; Title XIX of the Social Security Act, 42 U.S.C. §§ 1396-1396v (the Medicaid statute); the Federal Health Care Program Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b); the False Claims Act, as amended, 31 U.S.C. §§ 3729-3733 and 18 U.S.C. § 287; the Health Care Fraud Statute, 18 U.S.C. § 1347; the Physician Payment Sunshine Act, 42 U.S.C. § 1320a-7h; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; the Anti-Kickback Act of 1986, 41 U.S.C. §§ 51-58; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; all criminal fraud and abuse laws, including, without limitation, 42 U.S.C. § 1320a-7b; the Exclusion Laws, 42 U.S.C. §§ 1320a-7 and 1320c-5; the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, and the regulations promulgated thereunder, including 45 C.F.R. §§ 160, 162, and 164 (collectively, "HIPAA"); state, local, or foreign country laws governing the privacy, security, integrity, accuracy, protection, management, storage, transmission, or exchange of personal data of or concerning an individual (together with HIPAA, the "Privacy Laws"); federal, state and foreign country antitrust laws, including laws that govern joint contracting; the rules and regulations applicable to first tier, downstream or related entities contracting with Medicare Advantage Organizations; all restrictions on the use of any data from the Center for Medicare and Medicaid Services ("CMS"), including any data use agreements; the Medical Device Laws; the Internal Revenue Code of 1986, as amended.

"Losses" means all claims, losses, liabilities, damages, costs, interest, awards, judgments, penalties, and expenses, including reasonable out-of-pocket attorneys' and consultants' fees and expenses and including any such reasonable expenses incurred in connection with investigating, defending against, or settling any of the foregoing.

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“Material Adverse Effect” means any event, occurrence, development, fact, condition, state of circumstances, change or effect that (a) is, or is reasonably likely in the future to be, individually or in the aggregate, materially adverse to the Respiratory Business, operations, results of operations, condition, properties (including intangible properties), rights, obligations or assets of the Respiratory Business, or (b) materially impairs or delays, or is reasonably likely to materially impair or delay, the ability of

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Invacare to consummate the transactions contemplated hereby or to perform their obligations under this Agreement.; provided, however, "Material Adverse Effect" shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions; (ii) conditions generally affecting the Respiratory Business; (iii) failure of Invacare to meet financial projections; (iv) any changes in financial or securities markets in general; (v) acts of war (whether or not declared), armed hostilities or terrorism, natural disasters, pandemics or the escalation or worsening thereof; (vi) any actions required pursuant to this Agreement; (vii) any changes in applicable Laws or accounting rules; (viii) the public announcement, pendency or completion of the transactions contemplated by this Agreement; or (ix) the filing of the Bankruptcy Case.

"Medical Device Laws" means the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301 et seq. and regulations promulgated by the FDA thereunder, including those requirements for medical devices relating to nonclinical research, clinical research, good clinical practices, good laboratory practices, investigational use, premarket notification, premarket approval, establishment registration, device listing, clinical trial registration and reporting, Quality System Regulation, record keeping, labeling, advertising, device importation and exportation, adverse event reporting, recalls and reporting of corrections and removals, and all similar applicable Laws promulgated by other Governmental Authority outside the United States.

"Net Sales" means, with respect to any Commission Product, the number of Commission Products sold by or on behalf of Buyer to third parties, less the following deductions: (1) previously sold Commission Products that were rejected or returned; and (2) sales of Commission Products that are written off as uncollectible after reasonable collection efforts, in accordance with standard practices of Buyer.

"Permits" means all permits, licenses, certificates, clearances, franchises, and other authorizations, consents and approvals required to be obtained from Governmental Authorities.

"Person" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

"Personal Information" means all personally identifiable information pertaining to individuals.

"Product Recalls" means the open recalls relating to (i) the PerfectoV devices (item IRC5PO2V in the U.S. and IRC5PO2VC in Canada) for a field correction on the PE Valve for products manufactured by Invacare between August 2014 and October 2018, and (ii) the P5NXG devices for correction of the product labeling.

"Product Recall Services" means the services and other obligations of Invacare to conduct and complete the Product Recall including, but not limited to, providing customers with the PE Valve Recall Kit, performing recall effectiveness checks, and preparing and submitting recall updates to the FDA.

"Product Warranty Claim" means a claim for Product Warranty Services.

"Product Warranty Services" means the services and other obligations under Invacare's applicable standard limited warranty in effect as of the date that the Respiratory Business products subject to a warranty claim were sold prior to Closing.

"Representative" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

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“Sanctioned Person” means any Person that is: (i) listed on any Sanctions-related list of designated or blocked persons; (ii) resident in, or organized under the Laws of, a country or territory that is the subject of comprehensive restrictive Sanctions (including Cuba, Iran, North Korea, Sudan, Syria, and the Crimea region of Ukraine); or (iii) majority-owned or controlled by any of the foregoing.

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"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered, or enforced by: (i) the United States government, including those administered by the U.S. Department of the Treasury, Office of Foreign Assets Control; (ii) the European Union and implemented by its member States; (iii) the United Nations Security Council; or (iv) Her Majesty's Treasury of the United Kingdom.

"Software" means any and all (a) computer programs, including any and all software implementations of algorithms, models, methodologies, operating systems, firmware, tools, data files, graphics, schematics, interfaces, architecture, data models, scripts, test specifications, test scripts and routines, whether in source code or object code, (b) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (c) descriptions, flow charts, outlines, narrative descriptions, operating instructions, software manufacturing instructions and other work product used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons and (d) all documentation, including user manuals and other training documentation, related to any of the foregoing.

"Subsidiary" means with respect to any given Person, any corporation, partnership, limited liability company, trust, or other legal entity of which that Person or one of that Persons' Subsidiaries, in either case acting alone or with one or more of that Person's other Subsidiaries, owns, or has the power to vote or exercise a controlling influence with respect to, more than half of the capital stock or other ownership interest giving holders the right to do one or both of the following: (1) elect the board of directors or other governing body of that legal entity and (2) receive the net assets of that legal entity available for distribution to holders of all stock or other ownership interests upon liquidation or dissolution of that legal entity.

"Taxes" means (a) all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, escheatable amounts or amounts due in respect of abandoned or unclaimed property, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, including any alternative or add-on minimum or estimated amounts with respect thereto, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties, and (b) liability for the payment of any amounts of the type described in clause (a) as a transferee or successor, by Contract, by operation of Law, or from any express or implied obligation to indemnify or otherwise assume or succeed to the liability of any other Person.

"Tax Return" means any return, declaration, report, claim for refund, information return or statement, or other document required to be filed or required to be supplied to a Governmental Authority with respect to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Transaction Documents" means this Agreement, the Bill of Sale, the Copyright Assignment Agreement, the Trademark Assignment Agreement, the Patent Assignment Agreement, the Transition Services Agreement, the Trademark License Agreement, the Supply Agreement, the Domain Name Assignment Agreement and the other agreements, instruments, documents, and certificates required to be delivered pursuant to or in connection with this Agreement and to consummate the transactions contemplated hereby.

"WARN Act" means the United States Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar applicable state or local law.

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"Warning Letter" means that certain November 18, 2021 warning letter from the FDA to Invacare, and any related communications between Invacare and the FDA relating to the contents thereto.

ARTICLE II
PURCHASE AND SALE

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Section 1.01 Purchase and Sale of Assets. Subject to the terms and conditions set forth herein, Invacare hereby sells, assigns, transfers, conveys, and delivers to Buyer as of the Effective Time, and Buyer hereby purchases from Invacare, all of Invacare's right, title and interest in and to the following assets, whether tangible and intangible, other than the Excluded Assets (as hereinafter defined), owned by Invacare, directly or indirectly, and used in connection with the business or operations of the Respiratory Business, free and clear of any and all Encumbrances other than the Assumed Liabilities (as hereinafter defined) (collectively, the "Purchased Assets"):

(a) all inventory, finished goods, raw materials, work in progress, packaging, supplies, parts, and other inventories of the Respiratory Business located in the United States or Canada as more particularly described on Schedule 2.01(a) (the "Inventory"), which Schedule 2.01(a) shall include the total value of all such Inventory as of the Closing Date;

(b) the Intellectual Property Agreements set forth on Schedule 4.05(a);

(c) all Intellectual Property Assets including those set forth on Schedule 4.05(a);

(d) all of the tooling, equipment, supplies, and other tangible personal property of the Respiratory Business as listed on Schedule 2.01(d) (the "Tangible Personal Property");

(e) all 510(k) clearances set forth on Schedule 2.01(e) (the "510(k) Clearances");

(f) all of Invacare's rights under warranties, guarantees, indemnities, covenants not to compete in favor of Invacare to the extent primarily relating to the Respiratory Business and all similar rights against third parties to the extent primarily related to any Purchased Assets;

(g) to the extent allowed by Law, all data and records created or maintained by Invacare in the course of and pertaining to their operation of the Respiratory Business, including all financial and patient records (including all medical records, documents, catalogs, books, files and operating manuals);

(h) copies of all books and records to the extent available and in existence, including machinery and equipment maintenance files, customer lists, customer purchasing histories, price lists, distribution lists, supplier lists, production data, quality control records and procedures, customer complaints and inquiry files, research and development files, work instructions, engineering and design files for past, present and anticipated respiratory products (whether or not they were finalized or marketed), strategic plans (including, but not limited to, any plans relating to cost savings measures to reduce costs for respiratory products, whether implemented by Invacare or not), change orders, records and data (including all formal correspondence with any Governmental Authority), sales material and records, strategic plans, marketing and promotional surveys, material and research, that relate to the Respiratory Business or the Purchased Assets, other than books and records set forth in Section 2.02(e);

(i) all claims of Invacare against third parties relating to the Purchased Assets; and

(j) all goodwill associated with any of the Purchased Assets.

Section 1.02 Excluded Assets. Notwithstanding anything herein to the contrary, other than the Purchased Assets, all other assets or property of Invacare and its Affiliates are not intended by the Parties to be, and are not, a part of the Purchased Assets to be purchased by Buyer hereunder and shall be excluded from the Purchased Assets (the "Excluded Assets"), including but not limited to the following:

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(a) all accounts or notes receivable of the Respiratory Business and of Invacare and their Affiliates;

(b) all cash and cash equivalents, bank accounts, and securities of Invacare and its Affiliates;

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(c) the inventory, finished goods, parts and components necessary to complete the existing Taiwanese order as more fully described on Schedule 2.02(c), which for the avoidance of doubt shall not be deemed Inventory for purposes of this Agreement;

(d) all Contracts that are not Intellectual Property Agreements;

(e) all Intellectual Property other than the Intellectual Property Assets;

(f) the corporate seals, organizational documents, minute books, stock books, Tax Returns, books of account or other records having to do with the corporate organization of Invacare or its Affiliates, all employee-related files or records of employees, employee benefit-related files or records, and any other books and records which Invacare is prohibited from disclosing or transferring to Buyer under applicable Law and is required by applicable Law to retain;

(g) all insurance policies of Invacare and all rights to applicable claims and proceeds thereunder;

(h) all Tax assets (including duty and Tax refunds and prepayments) of Invacare or any of its Affiliates;

(i) other than the assets set forth in Section 2.01(i), all rights to any action, suit, or claim of any nature available to or being pursued by Invacare and/or its Affiliates, whether arising by way of counterclaim or otherwise;

(j) all assets, properties, and rights used by Invacare and/or it Affiliates in their businesses, divisions, and segments other than those included as Purchased Assets;

(k) all COVID-19 Funds; and

(l) the assets, properties, and rights specifically set forth on Schedule 2.02(k).

Section 1.03 Assumed Liabilities. Notwithstanding anything herein to the contrary, as of the Effective Time, Buyer shall assume and agree to pay, perform and discharge in accordance with their respective terms, only the following liabilities and obligations arising out of or relating to the Respiratory Business or the Purchased Assets (collectively, the "Assumed Liabilities"):

(a) subject to Section 6.02 and Section 7.04(a) of this Agreement, all liabilities and obligations arising out of or relating to Buyer's ownership or operation of the Respiratory Business and the Purchased Assets on or after the Effective Time.

Section 1.04 Excluded Liabilities. Except for the Assumed Liabilities, Buyer shall not assume, nor shall it be liable for, and under no circumstance shall Buyer be obligated to pay or assume, and none of the Purchased Assets shall be or become liable for or subject to:

(a) any liability or obligation of Invacare or any Affiliate thereof;

(b) subject to Section 6.02, any liabilities or obligations arising out of or relating to Invacare's conduct or ownership or use of the Purchased Assets or operation of the Respiratory Business prior to the Effective Time, whether (in any case) fixed or contingent, recorded or unrecorded, known or unknown, currently existing or hereafter arising, and whether or not set forth or described in the Disclosure Schedules;

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(c) any liabilities, claim against or obligations, of any nature whatsoever, relating to any of the Excluded Assets;

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(d) any debt of or claim against Invacare or any Affiliate thereof, or any obligation of Invacare or any Affiliate thereof to repay borrowed money;

(e) any liability for violating any Law to the extent arising from Invacare or its Affiliates' acts or omissions prior to the Effective Time provided, however, that notwithstanding anything to the contrary in this Agreement, that neither Invacare nor its Affiliates shall not be responsible for any violations of Law arising from Buyer's acts or omissions after the Effective Time;

(f) any liability and obligation for (i) Taxes, including any rollback Taxes, relating to the Respiratory Business, the Purchased Assets, or the Assumed Liabilities for any taxable period or portion thereof ending on or prior to the Closing Date and any rollback Taxes imposed as a result of the transactions contemplated by this Agreement and (ii) any other Taxes of Invacare or its Affiliates for any taxable period, including as a transferee or successor, by Contract, or operation of Law, or from any express or implied obligation to indemnify or otherwise assume or succeed to the liability of any other Person;

(g) product warranty obligations of Invacare or its Affiliates for any Medical Devices (as defined in Section 4.07(a)) sold by Invacare or its Affiliates prior to the Effective Time;

(h) any liability and obligation for the Product Recalls;

(i) any liability and obligation relating to the Warning Letter;

(j) any liability and obligation to any distributors or customers of Invacare or its Affiliates for sales made by Invacare or its Affiliates prior to the Effective Time, including but not limited to product returns; and

(k) any liabilities relating to any present or former employees, officers, directors, retirees, independent contractors or consultants of Invacare or its Affiliates, including any liabilities associated with any claims for wages or other benefits, bonuses, accrued sick time, workers' compensation, leaves of absence, severance (whether pursuant to an agreement, plan, practice or policy, or applicable Law), retention, termination or other payments, or any other liability or obligation relating to labor and employment laws (including under the WARN Act) with respect to present or former employees, officers, directors, retirees, independent contractors or consultants of Invacare or its Affiliates, including liabilities with respect to any employee's termination of employment with Invacare or its Affiliates in connection with the transactions contemplated by the Transaction Documents, in each case, regardless of when arising or incurred, including if arising or incurred on, prior to, or after the Closing Date.

Section 1.05 Purchase Price. The aggregate "Purchase Price" for the Purchased Assets is (i) $11,925,644 (the "Cash Purchase Price"), plus (ii) the aggregate amount of Commission Payments (defined below). At Closing, immediately following the execution of this Agreement, Buyer shall pay the Cash Purchase Price by wire transfer of immediately available funds to an account designated in writing by Invacare to Buyer.

Section 1.06 Commission.

(a) **Commission Payments**. As additional consideration for the Purchased Assets, Buyer shall pay to Invacare an amount equal to (i) Twenty Dollars ($20.00) per each Platinum 5NXG 5L Stationary Concentrator, Homefill Oxygen System, Platinum Mobile Oxygen Concentrator, Platinum 10 Oxygen Concentrator, Platinum Oxygen Concentrator and Perfecto2 V Oxygen Concentrator sold during the Commission Term and (ii) Four Dollars ($4.00) per each PreciseRX

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Pediatric Flowmeter and Check O2 Plus Oxygen Analyzer sold under the 510(k) Clearances during the Commission Term and any oxygen cylinders sold during the Commission Term (collectively, the "Commission Products") in accordance with the terms of this Section 2.06 ("Commission Payments"). For purposes of this Section 2.06, Commission Payments shall be calculated based upon Net Sales and, for income Tax purposes, the Parties hereto acknowledge and agree that no portion of the Commission Payments shall be attributable to

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the productivity or use of any intangible acquired hereunder from Invacare outside of the United States. Subject to this Section 2.06, the Commission Payments are non-refundable.

(b) **Manner of Commission Payments; Commission Statements**. Within forty-five (45) days after of the end of each Calculation Period (the "Commission Payment Date"), Buyer shall provide Invacare with a detailed statement calculating the Net Sales (including identifying the number of Commission Products sold and the deductions made pursuant to the definition of "Net Sales") for such Calculation Period, and calculating the Commission Payments due based upon such Net Sales (the "Commission Statement"). Buyer shall pay the applicable Commission Payment at the time of the submission of the Commission Statement in cash by wire transfer of immediately available funds to the bank account for the Invacare as notified by Invacare to Buyer in writing. Invacare shall have thirty (30) days after receipt of the Commission Statement (the "Commission Review Period") to dispute, in writing, the amount of or calculation of the Commission Payment. During the Commission Review Period, Invacare and its accountants and representatives shall have the right to inspect Buyer's applicable books and records necessary to substantiate the calculation of the Commission Payment, upon request and solely for purposes reasonably related to the determination of the Commission Payment. If Invacare timely delivers a notice objecting to the Commission Payment (the "Commission Payment Objection Notice"), Buyer and Invacare shall negotiate in good faith to resolve such objections within ten (10) days after the delivery of the Commission Payment Objection Notice (the "Commission Payment Resolution Period"), and, if the same are so resolved within the Commission Payment Resolution Period, the Commission Statement shall be amended to reflect the resolution and be signed by both Buyer and Invacare, at which time the Commission Statement shall become final and binding. If Invacare fails to dispute any Commission Payment in writing prior to the expiration of the Commission Review Period, the amount of the Commission Payment for the applicable Calculation Period shall be final and binding upon all Parties.

(c) **Resolution of Disputes**. If Invacare and Buyer fail to reach an agreement with respect to all of the matters set forth in the Commission Payment Objection Notice before the expiration of the Commission Payment Resolution Period, then any amounts remaining in dispute (the "Disputed Commission Amount") shall be submitted for resolution to BDO USA, LLC or such other accounting firm acceptable to the Parties (the "Independent Accountants") who, acting as experts and not arbitrators, shall resolve the Disputed Commission Amounts only and make any adjustments to the Commission Payments, as the case may be, and the Commission Statement. The Parties hereto agree that all adjustments shall be made without regard to materiality. The Independent Accountants shall only decide the specific items under dispute by the Parties and their decision for each Disputed Commission Amount must be within the range of values assigned to each such item in the Commission Statement and the Commission Payment Objection Notice, respectively. The fees and expenses of the Independent Accountants shall be paid by Invacare, on the one hand, and by Buyer, on the other hand, based upon the percentage that the amount actually contested but not awarded to Invacare or Buyer, respectively, bears to the aggregate amount actually contested by Invacare and Buyer. To the extent Invacare fails to pay its portion of any fees or expenses due to the Independent Accountants, Buyer may set off such fees and expenses against any Commission Payment due to Invacare.

(d) **Determination by Independent Accountants**. The Independent Accountants shall make a determination as soon as practicable within thirty (30) days (or such other time as the Parties hereto shall agree in writing) after their engagement, and their resolution of the Disputed Commission Amounts and their adjustments to the Commission Statement and/or the Commission Payments shall be conclusive and binding upon the Parties hereto.

(e) **Payments of Commission Payments**. Except as otherwise provided herein, each Commission Payment shall be due within thirty (30) days after the end of each Calculation Period; *provided*, *however*, for any Disputed Commission Amount in excess of any Commission Payment determined either by (i) resolution by the Parties, or (ii) the Independent Accountants, to be due by Buyer to Invacare, such amount, if any, shall be paid within five (5) business days

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after such resolution. All Commission Payments shall be paid by wire transfer of immediately available funds to such account as is directed by Invacare to Buyer in writing.

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(f) **Commission Payment Failure.** If any Commission Payment is not paid by Buyer to Invacare when due hereunder, such amount shall bear interest from and including the date such payment was due to and including the date of payment at a rate per annum equal to (i) the lesser of five percent (5%), or the highest amount of interest permitted by applicable Law, for the first three (3) months of nonpayment of such Commission Payment, and (ii) the lesser of ten percent (10%), or the highest amount of interest permitted by applicable Law, for each month following the first three (3) months of nonpayment of such Commission Payment. Such interest shall be calculated daily on the basis of a 365-day year and the actual number of days elapsed. All rights and remedies provided in this Section 2.06(f) are cumulative and not exclusive, and the exercise by Invacare of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise.

(g) **Independence of Commission Payments**. Buyer's obligation to pay each of the Commission Payments to Invacare in accordance with this Section 2.06 is an independent obligation of Buyer and is not otherwise conditioned or contingent upon the satisfaction of any conditions precedent other than Closing.

Section 1.07 Post-Closing Closing Date Asset Adjustment.

(a) **Post-Closing Delivery of Inventory and Tangible Personal Property.** Invacare shall not sell or dispose of any Inventory or Tangible Personal Property after the Closing Date, other than such Inventory or Tangible Personal Property necessary to fulfill its obligations under the Transition Services Agreement (the "TSA Depleted Inventory"). Buyer shall be the owner of record of such Inventory and Tangible Personal Property as of the Effective Time and Invacare shall hold such Inventory and Tangible and Personal Property in trust for Buyer until such assets can be physically transferred to Buyer. Except for the TSA Depleted Inventory, if Invacare sells any Inventory or Tangible Personal Property after the Closing Date, it shall immediately remit any proceeds from such sale to the Buyer and provide any documentation reflecting such sale. During the one hundred and eighty (180) day period after the Closing, Invacare and Buyer shall work collaboratively to facilitate Buyer's transportation of the Inventory and Tangible Personal Property to Buyer at a location or locations designated by Buyer in writing to Invacare. Invacare shall be responsible for packing and crating the Inventory and Tangible Personal Property and Buyer shall be responsible for the coordination and cost of transporting such Inventory and Tangible Personal Property to the location or locations designated by Buyer.

(b) **Inventory Count**. Within fourteen (14) days after the Closing, Invacare, at its sole cost and expense, shall provide Buyer with a list of all Inventory and the Tangible Personal Property set forth on Schedules 2.01(a) and 2.01(d) actually remaining as of the Closing Date (the "Invacare Closing Date Asset Statement"). During the time period in which Invacare performs Subassembly (as defined in the Transition Services Agreement) services for Buyer under the Transition Services Agreement, Invacare shall keep track of all TSA Depleted Inventory. Within fourteen (14) days after Buyer's, or its designee's, receipt of a shipment of any Inventory or Tangible Personal Property from Invacare, Buyer shall, at its sole cost and expense, conduct an Asset Count and prepare and deliver to Invacare a statement setting forth its determination of the Asset Count (each, a "Buyer Asset Statement"), which statement shall include the type of Inventory or Tangible Personal Property and the amount of such Inventory or Tangible Personal Property actually delivered to Buyer. The Parties shall have the right to observe and participate in the verification of any count conducted to determine any Asset Count. Within thirty (30) days after the last delivery of any Inventory or Tangible Personal Property to Buyer, (i) Invacare shall deliver a statement to Buyer of all of the TSA Depleted Inventory (the "Depleted Inventory Statement"), and (ii) Buyer shall calculate the total amount of Inventory and Tangible Personal Property actually delivered to Buyer, as set forth in the Buyer Asset Statements, less the total amount of TSA Depleted Inventory (the "Buyer Closing Date Asset Statement").

(c) **Examination and Review**.

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(i) **Examination and Objections**.

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(A) After receipt of a Buyer Asset Statement, Invacare shall have fourteen (14) days (each, an "Asset Review Period") to review the Buyer Asset Statement. On or prior to the last day of the Asset Review Period, Invacare may object to the Buyer Asset Statement by delivering to Buyer a written statement setting forth Invacare's objections in reasonable detail, indicating each disputed item or amount and the basis for Invacare's disagreement therewith (each, an "Asset Objection Notice"). If Invacare fails to deliver an Asset Objection Notice before the expiration of an Asset Review Period, the Asset Count, as reflected in the relevant Buyer Asset Statement, shall be deemed to have been accepted by Invacare. If Invacare delivers an Asset Objection Notice before the expiration of an Asset Review Period, Buyer and Invacare shall negotiate in good faith to resolve such objections within ten (10) days after the delivery of an Asset Objection Notice (the "Asset Resolution Period"), and, if the same are so resolved within the Asset Resolution Period, the Buyer Asset Statement shall be amended to reflect the resolution and signed by both Buyer and Invacare, at which time the Buyer Asset Statement shall become final and binding upon all Parties.

(B) After receipt of the Depleted Inventory Statement, Buyer shall have fourteen (14) days ("Depleted Inventory Review Period") to review the Depleted Inventory Statement. On or prior to the last day of the Depleted Inventory Review Period, Buyer may object to the Depleted Inventory Statement by delivering to Invacare a written statement setting forth Buyer's objections in reasonable detail, indicating each disputed item or amount and the basis for Buyer's disagreement therewith (the "Depleted Inventory Objection Notice"). If Buyer fails to deliver a Depleted Inventory Objection Notice before the expiration of an Depleted Inventory Review Period, the TSA Depleted Inventory, as reflected in the relevant Depleted Inventory Statement, shall be deemed to have been accepted by Buyer. If Buyer delivers a Depleted Inventory Objection Notice before the expiration of an Depleted Inventory Review Period, Buyer and Invacare shall negotiate in good faith to resolve such objections within ten (10) days after the delivery of an Depleted Inventory Objection Notice (the "Depleted Inventory Resolution Period"), and, if the same are so resolved within the Depleted Inventory Resolution Period, the Depleted Inventory Statement shall be amended to reflect the resolution and signed by both Buyer and Invacare, at which time the Depleted Inventory Statement shall become final and binding upon all Parties.

(ii) **Resolution of Disputes**. Within thirty (30) days after the delivery of the Buyer Closing Date Asset Statement, if Invacare and Buyer have failed to reach an agreement with respect to all of the matters set forth in the Asset Objection Notices and the Depleted Inventory Objection Notice, if any, before the expiration of the applicable Asset Resolution Periods or the Depleted Inventory Resolution Period, if applicable, then any amounts remaining in dispute ("Disputed Asset Amounts" and any amounts not so disputed, the "Undisputed Asset Amounts") shall be submitted for resolution to the Independent Accountants who, acting as experts and not arbitrators, shall resolve the Disputed Asset Amounts only and make any adjustments to the applicable Buyer Asset Statements or the Depleted Inventory Statement. The Parties hereto agree that all adjustments shall be made without regard to materiality. The Independent Accountants shall only decide the specific items under dispute by the Parties and their decision for each Disputed Asset Amount must be within the range of values assigned to each such item in the Buyer Closing Date Asset Statement, the Asset Objection Notice or the Depleted Inventory Statement, as applicable. The fees and expenses of the Independent Accountant shall be paid by Invacare, on the one hand, and by Buyer, on the other hand, based upon the percentage that the amount actually contested but not awarded to Invacare or Buyer, respectively, bears to the aggregate amount actually contested by Invacare and Buyer.

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(iii) **Determination by Independent Accountants**. The Independent Accountants shall make a determination as soon as practicable within thirty (30) days (or such other time as the parties hereto shall agree in writing) after their engagement, and their resolution of the Disputed

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Asset Amounts and their adjustments to the Buyer Closing Date Asset Statement shall be conclusive and binding upon the Parties hereto.

(d) **Inventory Adjustment**. To the extent the value of the Inventory and Tangible Personal Property, as finally determined pursuant to this Section 2.07(c), represents a shortfall amount that is greater than Twenty Thousand Dollars ($20,000) when compared to the Invacare Closing Date Asset Statement, Buyer shall be entitled to set off the difference between the value of the Inventory and Tangible Personal Property set forth in the Buyer Closing Date Asset Statement (as finally determined pursuant to this Section 2.07(c)) and the value of the Inventory and Tangible Personal Property set forth on the Invacare Closing Date Asset Statement against any future Commission Payments due from Invacare to Buyer.

Section 1.08 Adjustments for Tax Purposes. Any payments or adjustments made pursuant to Section 2.06 and Section 2.07 shall be treated as an adjustment to the Purchase Price by the Parties for Tax purposes, unless otherwise required by Law.

Section 1.09 Allocation of Purchase Price. As promptly as practicable following the Closing, but no later than twenty (20) days prior to the due date for the Tax Return of Invacare for the taxable year that includes the Closing Date, Buyer shall provide Invacare an allocation of the Purchase Price (including the Assumed Liabilities and as adjusted hereunder and any other amounts treated as consideration for U.S. federal income Tax purposes) among the Purchased Assets (the "Allocation Schedule"). Invacare shall have ten (10) days from receipt of the Allocation Schedule to deliver written comments to Buyer on the Allocation Schedule (the "Allocation Comments"), and Buyer shall incorporate any reasonable changes to the Allocation Schedule as Invacare may request in the Allocation Comments, as determined by Buyer. Buyer shall deliver to Invacare a final Allocation Schedule no more than five (5) days after receipt of the Allocation Comments. If Invacare does not deliver Allocation Comments within the time frame specified above, then the Allocation Schedule as delivered by Buyer to Invacare shall be final and binding on the Parties. Any adjustments to the Purchase Price shall be allocated in accordance with the Allocation Schedule. After the Allocation Schedule has been finalized, the Parties shall make consistent use of the Allocation Schedule for all Tax purposes and in all filings, declarations, and reports with the Governmental Authority in respect thereof, including the reports required to be filed under Section 1060 of the Code. In any proceeding related to the determination of any Tax, neither Buyer nor Invacare shall contend or represent that the Allocation Schedule is not a correct allocation.

Section 1.10 Withholding Taxes. Notwithstanding any other provision of this Agreement, Buyer shall have the right to deduct and withhold all Taxes from payments to be made hereunder if such withholding is required by Law. Before making any such deduction or withholding, Buyer shall provide Invacare with five (5) Business Days' prior written notice of any such deduction or withholding that Buyer proposes to make, which notice shall include the authority, basis and method of calculation for the proposed deduction or withholding, and Buyer shall cooperate with any reasonable request from Invacare to obtain reduction of, or relief from, such deduction or withholding. Any amount properly deducted and withheld pursuant to this Section 2.10 shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction or withholding was made to the extent that amounts so withheld or deducted are timely paid to the appropriate Tax authorities.

ARTICLE III
CLOSING

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Section 1.01 Closing. Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by and described in this Agreement (the "Closing") shall take place on the date hereof (the "Closing Date") via the exchange of electronic documents and signature pages and shall be deemed effective as of 12:01 AM ET on the day immediately following the Closing Date (the "Effective Time").

Section 1.02 Actions of Invacare at Closing. At Closing and unless otherwise waived in writing by the applicable party, Invacare shall deliver or cause the delivery of the following to Buyer:

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(a) this Agreement, duly executed by authorized officers on behalf of Invacare;

(b) a bill of sale in the form of **Exhibit A** attached hereto (the "Bill of Sale") duly executed by an authorized officer of Invacare conveying to Buyer good and valid title to the Buyer to the Purchased Assets that constitute personal property, whether tangible or intangible, free and clear of any Encumbrance, other than the Assumed Liabilities;

(c) trademark assignment agreements substantially in the form of **Exhibit B** attached, hereto (collectively the "Trademark Assignment Agreement"), duly executed by an authorized officer of such assignor;

(d) a patent assignment agreement substantially in the form of **Exhibit C** attached hereto (the "Patent Assignment Agreement"), duly executed by an authorized officer of Invacare;

(e) a funds flow memorandum (the "Funds Flow Memorandum"), duly executed by authorized officers of Invacare;

(f) duly executed payoff letters, releases, UCC-3 termination statements, or other documents necessary to evidence the consents to the transactions contemplated hereby and termination of all Encumbrances of record in respect of the Purchased Assets (the "Lien Release Filings");

(g) a duly executed Internal Revenue Service Form W-9 from Invacare;

(h) a transition services agreement in the form of **Exhibit D** attached hereto (the "Transition Services Agreement"), duly executed by an authorized officer of Invacare, setting forth the terms and conditions upon which Invacare will perform certain services in order to transition the Respiratory Business to Buyer;

(i) a trademark license agreement in the form of **Exhibit E** attached hereto (the "Trademark License Agreement"), duly executed by an authorized officer of Invacare, licensing the INVACARE® trademark of Invacare to Buyer for limited uses and duration;

(j) a supply and cooperation agreement in the form of **Exhibit F** attached hereto (the "Supply Agreement"), duly executed by an authorized officer of Invacare;

(k) a copyright assignment substantially in the form of **Exhibit G** attached hereto (the "Copyright Assignment Agreement"), duly executed by an authorized officer of Invacare;

(l) a domain name assignment agreement in the form of **Exhibit H** attached hereto (the "Domain Name Assignment Agreement"), duly executed by authorized officers of Invacare; and

(m) copies of all consents, approvals, waivers, and authorizations set forth in Schedule 4.03(c);

(n) copies of resolutions duly adopted by Invacare's governing body, authorizing and approving the performance of the transactions contemplated hereby, and the execution, delivery and performance of this Agreement and the documents described herein to which they are a party, certified as true and of full force as of the Closing Date by a duly authorized officer of Invacare;

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(o) a certificate of incumbency for the officers of Invacare executing this Agreement or any other agreements or certificates to be executed or delivered on behalf of Invacare pursuant hereto, dated as of the Closing Date;

(p) a certificate of good standing of Invacare from the Ohio Secretary of State dated the most recent practical date prior to the Closing Date;

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(q) the Declarations; and

(r) such other customary instruments of transfer, assumption, filings, or documents, in form and substance reasonably satisfactory to Buyer, as may be required to give effect to this Agreement and the transactions contemplated hereby.

Section 1.03 Actions of Buyer at Closing. At the Closing, Buyer shall deliver to Invacare the following:

(a) this Agreement, duly executed by an authorized officer of Buyer;

(b) the Cash Purchase Price by wire transfer of immediately available funds to an account designated in writing by Invacare to Buyer;

(c) the Trademark Assignment Agreement, duly executed by an authorized officer of Buyer;

(d) the Patent Assignment Agreement, duly executed by an authorized officer of Buyer;

(e) the Funds Flow Memorandum, duly executed by an authorized officer of Buyer;

(f) the Transition Services Agreement, duly executed by an authorized officer of Buyer;

(g) the Trademark License Agreement, duly executed by an authorized officer of Buyer;

(h) the Supply Agreement, duly executed by an authorized officer of Buyer;

(i) the Copyright Assignment Agreement, duly executed by an authorized officer of Buyer;

(j) the Domain Name Assignment Agreement, duly executed by an authorized officer of Buyer;

(k) copies of resolutions duly adopted by Buyer's governing body, authorizing and approving the performance of the transactions contemplated hereby, and the execution, delivery and performance of this Agreement and the documents described herein to which it is a party, certified as true and of full force as of the Closing Date by a duly authorized officer of Buyer;

(l) a certificate of incumbency for the officers of Buyer executing this Agreement or any other agreements or certificates to be executed or delivered on behalf of Buyer pursuant hereto, dated as of the Closing Date;

(m) a certificate of good standing of Buyer from the Delaware Division of Corporations dated the most recent practical date prior to the Closing Date; and

(n) such other customary instruments of transfer, assumption, filings, or documents, in form and substance reasonably satisfactory to Invacare, as may be required to give effect to this Agreement and the transactions contemplated hereby.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF INVACARE

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To induce Buyer to execute and deliver this Agreement and to consummate the transactions contemplated herein, Invacare represents and warrants to Buyer, the following, as of the Closing Date (except in cases where the representation speaks to another date, in which case as of such date).

Section 1.01 Organization and Qualification of Invacare. Invacare is a corporation duly organized, validly existing, and in good standing under the Laws of the state of Ohio and has all necessary corporate power and authority to own or operate the properties and assets now owned or operated by it and to carry on the Respiratory Business. Invacare is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the ownership of the Purchased Assets or the operation of the Respiratory Business as currently conducted makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not have a Material Adverse Effect.

Section 1.02 Authority of Invacare. Invacare has all necessary corporate power and authority to enter into this Agreement and the other Transaction Documents to which Invacare is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Invacare of this Agreement and any other Transaction Document to which it is a party, the performance by it of its obligations hereunder and thereunder, and the consummation by Invacare of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Invacare. This Agreement has been duly executed and delivered by Invacare, and (assuming due authorization, execution, and delivery by Buyer) this Agreement constitutes a legal, valid, and binding obligation of Invacare, enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity) (the "Equitable Exceptions"). When each other Transaction Document to which Invacare is or will be a party has been duly executed and delivered by Invacare (assuming due authorization, execution, and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of Invacare enforceable against them in accordance with its terms, except as such enforceability may be limited by the Equitable Exceptions.

Section 1.03 No Conflicts; Consents. The execution, delivery, and performance by Invacare of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) result in a violation or breach of any provision of the articles of incorporation, bylaws or other equivalent governing documents of Invacare; (b) result in a violation or breach of any provision of any Law or Governmental Order applicable to Invacare, the Respiratory Business or the Purchased Assets; (c) except as set forth in Schedule 4.03(c), (i) conflict with nor result in any breach or contravention of any agreement, lease or instrument to which Invacare is a party or by which it or the Purchased Assets are bound, (ii) permit the acceleration of the maturity of the Assumed Liabilities, (iii) result in the creation of any Encumbrance affecting any of the Purchased Assets, or (iv) require the consent, notice or other action by any Person; or (d) violate any judgment of any court or Governmental Authority to which Invacare, the Respiratory Business or the Purchased Assets are subject. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Invacare in connection with the execution and delivery of this Agreement or any other Transaction Document and the consummation of the transactions contemplated hereby and thereby, except where the failure to obtain such consents, approvals, Permits, Governmental Orders, declarations, filings or notices, would not have a Material Adverse Effect.

Section 1.04 Title to Tangible Personal Property and Inventory. Invacare has good and valid title to and ownership of all Tangible Personal Property and Inventory included in the Purchased Assets, free and clear of Encumbrances. At the Closing, Invacare will convey to Buyer good and valid title to the Tangible Personal Property and Inventory, free and clear of any Encumbrance.

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Section 1.05 Intellectual Property and Privacy.

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(a) Schedule 4.05(a) lists all Intellectual Property Assets, including whether or not the Intellectual Property Assets are owned by Invacare, directly or indirectly, and, if not, the nature of Invacare's license to such Intellectual Property Assets (e.g., exclusive or non-exclusive, fee structure, duration, and territory). For all registered Intellectual Property, including applications thereto, Schedule 4.05(a) shall specify as to each, as applicable: the title, mark, or design; the record owner and inventor(s), if any; the jurisdiction by or in which it has been issued, registered, or filed; the registration and application serial number; the issue, registration, or filing date; and the current status. For clarity, Schedule 4.05(a) contains a correct, current and complete list of: (i) all patents, unfiled invention disclosures, trademarks, servicemarks, domain names, and applications therefor that are included in the Intellectual Property Assets, specifying as to each, as applicable: the title, mark, or design; the jurisdiction by or in which it has been issued, registered or filed; the patent, registration or application serial number; the issue, registration or filing date, and the current status; (ii) all unregistered trademarks and common law trademarks and similar identifiers included in the Intellectual Property Assets; (iii) all proprietary Software included in the Intellectual Property Assets identifying whether it is being assigned or licensed to Buyer; (iv) all names of products and services, whether existing or in development, owned, sold or are otherwise made available as part of the Respiratory Business; and (v) Intellectual Property Assets that are used in the conduct of the Respiratory Business as currently conducted.

(b) Except as set forth on Schedule 4.05(b), Invacare owns or has, valid, and enforceable rights to use all of the Intellectual Property Assets, free and clear of all Encumbrances.

(c) All required filings and fees related to Invacare's registrations of the Intellectual Property Assets have been timely filed with and paid to the relevant Governmental Authorities and authorized registrars, and all such registrations are otherwise in good standing. Any required filings, fees, provisional application conversions, national phases, responses, expiration dates, and any other actions coming due in the next six (6) months for any patents, trademarks, domain names, social media accounts, and copyrights, and applications for the foregoing anywhere in the world are listed on Schedule 4.05(c) or provided as an attachment thereto.

(d) Invacare and its Affiliates are not bound by any outstanding judgment, injunction, order, or decree restricting the use of the Intellectual Property Assets or restricting the licensing thereof to any Person.

(e) The conduct of the Respiratory Business, including all products and services sold or offered for sale or otherwise made available, has not and does not infringe, violate, dilute, or misappropriate the Intellectual Property rights of any Person and there are no claims pending or, to the Knowledge of Invacare, threatened by any Person with respect to the ownership, validity, enforceability, effectiveness, or use of the Intellectual Property Assets. Neither Invacare nor any other party thereto is, or is alleged to be, in breach of or default under, or has provided or received any notice of breach of, default under, or intention to terminate (including by non-renewal) of any Intellectual Property Agreement.

(f) To the Knowledge of Invacare, no Person is infringing, misappropriating, diluting, or otherwise violating any of the Intellectual Property Assets, and neither Invacare nor its Affiliates have made or asserted any claim, demand, or notice against any Person alleging any such infringement, misappropriation, dilution, or other violation.

(g) Except as set forth on Schedule 4.05(g), all personnel, including employees, agents, consultants, and contractors, who have contributed to, or participated in, the conception or development, or both, of the Intellectual Property Assets have executed valid and enforceable written instruments of assignment in favor of Invacare as assignees that have conveyed to Invacare effective ownership of all of the rights, title, and interests in and to such Intellectual Property Assets.

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(h) Other than in respect of Buyer's obligation to Invacare as set forth in this Agreement, no royalties, commissions, fees or other payments are or will become payable by the Buyer to any Person by reason of the exploitation of any Purchased Assets by the Buyer or the execution and delivery of this Agreement or any Transaction Document.

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(i) Except as set forth on Schedule 4.05(i), the Intellectual Property Assets constitutes all of the Intellectual Property owned by Invacare that are used by it to conduct the Respiratory Business as currently conducted. Except as set forth on Schedule 4.05(i), (other than commercially available non-customized off the shelf software), no Intellectual Property is licensed from an Affiliate of Invacare to conduct the Respiratory Business. Invacare has implemented commercially reasonable measures with respect to data and information technology security, backup, and intrusion detection and prevention with respect to the Respiratory Business. No complaint relating to an improper use or disclosure of, or a breach in the security of, any Confidential Information has been made or threatened in writing against Invacare. No unauthorized disclosure has occurred of any third party proprietary information or Confidential Information in the possession, custody or control of Invacare.

(j) Invacare has not sold, licensed, rented or otherwise made available to third parties any Personal Information submitted by individuals in connection with the Respiratory Business or otherwise and Invacare is in compliance with all applicable privacy Laws.

(k) Invacare's past and present collection, use, retention, and dissemination of Personal Information is, and has been in the past, in compliance in all material respects with the terms of all Contracts applicable to the Respiratory Business to which Invacare is a party.

(l) Invacare has implemented commercially reasonable policies, programs, and procedures (including administrative, technical, and physical safeguards) in connection with the Respiratory Business: (i) to protect against unauthorized access, use, modification, and disclosure of and to protect the confidentiality, integrity, and security of, Personal Information and proprietary information in Invacare's possession, custody, or control; and (ii) as required in all material respects to comply with applicable Law.

(m) Invacare has not been subject to any material unauthorized access to (or access in excess of authorization) its information technology systems, or material unauthorized use, disclosure, or other processing of Personal Information, and have not received any and is not aware of any basis for material claims, notices, or complaints regarding its information security practices or the disclosure, retention, or misuse of any Personal Information, and there have been no data security breaches arising from its operation of the Respiratory Business that would constitute a breach for which notification to individuals and or regulatory authorities is required under any applicable Law.

(n) There are no Actions (including any opposition, cancellation, revocation, review, or other proceeding), whether settled, pending or threatened (including in the form of offers to obtain a license): (i) alleging any infringement, misappropriation, or other violation of the Intellectual Property of any Person by Invacare in the conduct of the Respiratory Business; (ii) challenging the validity, enforceability, registrability, patentability, or ownership of any Intellectual Property Assets; or (iii) by Invacare or any other Person alleging any infringement, misappropriation, or other violation by any Person of any Intellectual Property Asset. Invacare is not aware of any facts or circumstances that could reasonably be expected to give rise to any such Action. Invacare is not subject to any outstanding or prospective Governmental Order (including any motion or petition therefor) that does or could reasonably be expected to restrict or impair the use of any Intellectual Property Asset.

(o) The Purchased Assets, including the Intellectual Property Assets, and the assigned Intellectual Property Agreements constitute, in all material respects, all of the Intellectual Property required for the sale, licensing, distribution, maintenance and support of the products of the Respiratory Business and the operation of the Respiratory Business as currently conducted. Invacare's intangible assets (including books and records, Confidential Information,

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Intellectual Property and data) are in the sole possession of Invacare or its Affiliates, in or on systems solely controlled by (and, in the case of third party systems, solely contracted in the name of) Invacare or its Affiliates and such assets will be solely controlled and held by the Buyer following the Closing.

(p) No software, whether owned by Invacare or, to Invacare's Knowledge, licensed from any other Person, contains any "back door," "drop dead device," "time bomb," "Trojan horse," "virus," or "worm" (as such terms are commonly understood in the software industry) or any other code

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designed or intended to have, or capable of performing, any of the following functions: (i) disrupting, disabling, harming, or otherwise impeding in any manner the operation of, or providing unauthorized access to, a computer system or network or other device on which such code is stored or installed; or (ii) damaging or destroying any data or file without the user's consent.

Section 1.06 Legal Proceedings; Governmental Orders.

(a) Except as set forth in Schedule 4.06(a), there are no Actions pending or, to Invacare's Knowledge, threatened against or adversely affecting the Respiratory Business, Purchased Assets or the Assumed Liabilities, at law or in equity, or before or by any federal, state, municipal other governmental department, commission, board, bureau, agency or instrumentality wherever located. Except as set forth on Schedule 4.06(a), Invacare is not now, nor has it been within the preceding six (6) years, a party to any injunction, order or decree restricting the conduct of the Respiratory Business or the marketing of the Purchased Assets.

(b) Except as set forth in Schedule 4.06(b), there are no outstanding Governmental Orders and no unsatisfied judgments, penalties, or awards against or affecting the Respiratory Business or the Purchased Assets.

Section 1.07 FDA Regulatory Compliance and Compliance with other Laws.

(a) Except as disclosed in Schedule 4.07(a), each Purchased Asset that is subject to the Medical Device Laws, Canadian Medical Devices Regulation ("CMDR") SOR 98-282, Medical Devices Directive ("MDD") 93/42/ECC, Medical Device Regulation in the European Union ("MDR"), or comparable applicable Laws in any other applicable non-U.S. jurisdiction (each such Purchased Asset, a "Medical Device"), is being or since three (3) years prior to the date hereof has been developed, manufactured, sold, licensed, imported for resale, tested, processed, labeled, stored, distributed and marketed in compliance with all necessary Permits and other applicable requirements under the Medical Device Laws, CMDR, MDD, MDR and comparable applicable Laws in any other applicable non-U.S. jurisdiction where Invacare has made a sale of the Medical Devices, except for such non-compliance that has not had, or would not reasonably be expected to result in, a Material Adverse Effect. Schedule 4.07(a) lists Invacare's 510(k) notifications and CE Marks for the Medical Devices where one is required.

(b) Except as disclosed in Schedule 4.07(b), since three (3) years prior to the date hereof, in Invacare's reasonable judgment, all reports, documents, claims, Permits, and notices required to be filed, maintained, or furnished with or to the FDA or any other comparable Governmental Authority by Invacare for the Medical Devices have been so filed, maintained or furnished, except where the failure to do so has not had, or would not reasonably be expected to result in, a Material Adverse Effect. Except as disclosed in Schedule 4.07(b), since three (3) years prior to the date hereof, all such reports, documents, claims, Permits, and notices were complete and accurate in all material respects on the date filed (or were corrected in or supplemented by a subsequent filing in all material respects), except as has not had, or would not reasonably be expected to result in, a Material Adverse Effect.

(c) Except as disclosed in Schedule 4.07(c), since three (3) years prior to the date hereof, Invacare has not received any FDA Form 483, notice of adverse inspectional finding, demand letters, warning letters, untitled letters or other correspondence or notice from the FDA, or other comparable Governmental Authority with respect to the Medical Devices asserting material non-compliance with any applicable requirements under the Medical Device Laws, CMDR, MDD, MDR or comparable applicable Laws in any other applicable non-U.S. jurisdiction.

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(d) Except as disclosed in Schedule 4.07(d), since three (3) years prior to the date hereof, no Permit issued to Invacare with respect to the Medical Devices by the FDA or any comparable Governmental Authority has been limited, suspended, or revoked.

(e) Except as disclosed in Schedule 4.07(e), since three (3) years prior to the date hereof, Invacare has not voluntarily or involuntarily initiated, conducted or issued, or caused to be initiated, conducted or issued, any recall, field notifications, field corrections, market withdrawal or

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replacement, safety alert, or "dear doctor" letter relating to an alleged material lack of safety, efficacy or regulatory compliance of any Medical Devices.

Section 1.08 Product Warranties.

(a) Schedule 4.08(a) sets forth Invacare's standard warranty with respect to the Medical Devices.

(b) Except as set forth on Schedule 4.08(b), since January 1, 2018, there have been no (i) recalls of any Medical Devices or (ii) Actions (whether completed or pending) seeking the recall, suspension, or seizure of any Medical Devices. Each Medical Device that has been manufactured, sold, distributed, shipped, or licensed by Invacare since January 1, 2018 contains all warnings required by applicable Law and such warnings are in accordance with reasonable industry practice.

Section 1.09 Brokers. Other than the fee paid to Banker on the flow of funds, no broker, finder, or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Invacare or its Affiliates.

Section 1.10 Customers and Suppliers. Schedule 4.10 lists, respectively the top ten (10) customers (each, a "Customer") and suppliers of the Respiratory Business (each, a "Supplier") for the twelve (12)-month period ended December 31, 2022, the twelve (12)-month period ended December 31, 2021, and the twelve (12)-month period ended December 31, 2020, and sets forth opposite the name of each such (i) Customer, the legal name of such Customer, the annual revenue for 2021 and 2022, and (ii) Supplier, the legal name, the total volume of supplies provided by such Supplier in 2022, and whether any such products are on consignment from such Supplier. NTD: under review for ability to provide for information on hand and further contact and other information can be address in the TSA.

Section 1.11 Wholesalers and Distributors. Schedule 4.11 lists the wholesalers and distributors for each foreign jurisdiction (each, a "Foreign Contact") with regard to Invacare's sales, as it relates to the Respiratory Business, into each foreign jurisdiction prior to the Closing.

Section 1.12 Employee Benefits.

(a) Schedule 4.12(a) is a list of each material Benefit Plan of Invacare (excluding any severance agreements, whether material or otherwise). Each Benefit Plan has been established, maintained, operated and administered in accordance with the terms of such Benefit Plan and applicable law and applicable administrative or governmental rules and regulations, including ERISA, the Code and the Patient Protection and Affordable Care Act of 2010, as amended. There is no pending or, to Invacare's Knowledge, threatened suit, action, claim, arbitration, proceeding or investigation relating to any former or current employee of the Respiratory Business under any Benefit Plan (other than claims for benefits in the ordinary course of business), and none of the foregoing (whether or not such suit, action, claim, arbitration, proceeding or investigation is in respect of claims for benefits in the ordinary course of business) could reasonably be expected to result in any Loss to the Buyer.

(b) No Loss has been incurred by Invacare (or any entity treated as a single employer with Invacare for purposes of Section 414 of the Code (an "ERISA Affiliate")), and, to Invacare's Knowledge, no event has occurred and no condition exists that could reasonably be expected to subject the Buyer to Loss under Title IV of ERISA, Section 302 of

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ERISA or Sections 412, 4971 or 4980H of the Code. Neither Invacare nor any ERISA Affiliate has ever maintained, had an obligation to contribute to, contributed to, or had any liability with respect to any current or former employee benefit plan that is or has been a multiple employer plan within the meaning of Section 413(c) of the Code, a voluntary employees' beneficiary association within the meaning of Section 501(c)(9) of the Code, a multiemployer plan within the meaning of Section 3(37) of ERISA or a multiple employer welfare plan within the meaning of Section 3(40), and no Benefit Plan provides health or life insurance benefits to any individual following termination of service or retirement except as required pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA").

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Section 1.13 Labor and Employment Matters.

(a) Except as set forth on Schedule 4.13(a): (i) there are no actions, investigations, or audits pending or, to the Knowledge of Invacare, threatened against Invacare relating to its Respiratory Business by any of its current or former employees, independent contractors or other contingent workers, including any charges of discrimination before the Equal Employment Opportunity Commission or other Governmental Authority, (ii) Invacare is not a party to any collective bargaining agreement or other labor union contract applicable to Persons employed by Invacare in the Respiratory Business, nor, to the Knowledge of Invacare, are there any activities or proceedings of any labor union to organize any such employees; (iii) Invacare has not materially breached or otherwise failed to comply with any provision of any such agreement or contract, and there are no material grievances outstanding against Invacare under any such agreement or contract; (iv) there are no unfair labor practice complaints pending against Invacare before the National Labor Relations Board or any current union representation questions involving employees of Invacare in the Respiratory Business; and (v) there is no strike, slowdown, work stoppage or lockout, or, to the Knowledge of Invacare, threat thereof, by or with respect to any employees of Invacare in the Respiratory Business.

(b) Invacare has never effectuated a “mass layoff,” “plant closing,” or other group termination of employees that could be subject to the WARN Act.

Section 1.14 Compliance with Laws; Permits.

(a) Invacare is in compliance with all Laws applicable to the conduct of the Respiratory Business as currently conducted or the ownership and use of the Purchased Assets, except where such noncompliance would not cause a Material Adverse Effect.

(b) All material Permits required for Invacare to conduct the Respiratory Business as currently conducted or for the ownership and use of the Purchased Assets have been obtained by Invacare and are valid and in full force and effect, except where the failure to have such Permits would not cause a Material Adverse Effect.

Section 1.15 Healthcare Matters.

(a) Invacare is, and at all times has been, in compliance with all applicable Laws governing, regulating, restricting, or relating to the research, manufacture, distribution, sale, and promotion of the Medical Devices, except as has not had, or would not reasonably be expected to result in a Material Adverse Effect. Neither Invacare nor any equityholders, directors, managers or officers of Invacare, nor, to the Invacare’s Knowledge, any current or any former employee, contractor, or agent of Invacare has at any time (i) been suspended or excluded from participation in Medicare, Medicaid, or any other state or federal health care program; (ii) been convicted of a criminal offense related to the delivery of an item or service under Medicare, Medicaid or any other state or federal health care program; or (iii) been convicted of a criminal offense relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct in connection with the delivery of a health care item or service, or in connection with a program operated by or financed in whole or in part by any federal, state, or local government agency. There is no pending or, to Invacare’s Knowledge, threatened investigation, audit, review or other examination of or involving the Respiratory Business. Invacare is not subject to any order, agreement, memorandum of understanding or other regulatory enforcement action or proceeding with or by the United States Department of Justice, the Office of Inspector General of the United States Department of Health and Human Services, or any other federal, state, or foreign Governmental Authority, agency or contractor having supervisory or regulatory authority with respect to the Respiratory Business, nor is Invacare aware of any basis for any such investigation or audit.

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(b) Invacare (i) is not and has never been a “Covered Entity” or a “Business Associate,” as those terms are defined by HIPAA, (ii) is not and has never been required to comply with HIPAA, (iii) has never entered into a “Business Associate Agreement” with any “Covered Entity” or “Business Associate” as such terms are defined by HIPAA, and (iv) does not receive and has never received any “Protected Health Information,” as such term is defined by HIPAA.

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Section 1.16 Fair Value. Prior to Closing, Invacare retained the Banker and an additional investment banker as set forth in the Declarations and, based upon the efforts of the Banker and the additional investment banker and the business judgment of Invacare, Invacare has determined that the Purchase Price represents fair consideration and reasonably equivalent value for the Purchased Assets, and Buyer is a good faith purchaser for value. The negotiations between Buyer and Invacare have been in good faith and at arms-length.

Section 1.17 No Other Representations and Warranties. Except for the representations and warranties contained in this ARTICLE IV (including the related portions of the Disclosure Schedules), none of Invacare nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of Invacare or its Affiliates, including any representation or warranty as to the future revenue, profitability or success of the Respiratory Business, or any representation or warranty arising from statute or otherwise in law.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF BUYER

To induce Invacare to execute and deliver this Agreement and to consummate the transactions contemplated herein, Buyer represents and warrants to Invacare, the following, as of the Closing Date hereof (except in cases where the representation speaks to another date, in which case as of such date).

Section 1.01 Organization and Authority of Buyer. Buyer is a corporation duly organized, validly existing, and in good standing under the Laws of the state of Delaware.

Section 1.02 Authority of Buyer. Buyer has all necessary corporate power and authority to enter into this Agreement and the other Transaction Documents to which Buyer is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any other Transaction Document to which Buyer is a party, the performance by Buyer of its obligations hereunder and thereunder, and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer, and (assuming due authorization, execution, and delivery by Invacare) this Agreement constitutes a legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by the Equitable Exceptions. When each other Transaction Document to which Buyer is or will be a party has been duly executed and delivered by Buyer (assuming due authorization, execution, and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of Buyer enforceable against it in accordance with its terms, except as such enforceability may be limited by the Equitable Exceptions.

Section 1.03 No Conflicts; Consents. The execution, delivery, and performance by Buyer of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) result in a violation or breach of any provision of the certificate of formation or the limited liability company agreement of Buyer; (b) result in a violation or breach of any provision of any Law or Governmental Order applicable to Buyer; or (c) except as set forth in Schedule 5.03, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default under or result in the acceleration of any agreement to which Buyer is a party, except in the cases of clauses (b) and (c), where the violation, breach, conflict, default, acceleration or failure to give notice would not have a material adverse effect on Buyer's ability to consummate the transactions contemplated hereby. Except as set forth in Schedule 5.03, no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Buyer in connection with

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the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, except where the failure to obtain such consents, approvals, Permits, Governmental Orders, declarations, filings or notices would not have a material adverse effect on Buyer's ability to consummate the transactions contemplated hereby and thereby.

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Section 1.04 Brokers. No broker, finder, or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Buyer.

Section 1.05 Legal Proceedings. There are no Actions pending or, to Buyer's knowledge, threatened against or by Buyer or any Affiliate of Buyer that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement or the other Transaction Documents.

ARTICLE VI
COVENANTS

Section 1.01 Regulatory Compliance. After the Closing Date or transfer of the 510(k) Clearances in accordance with Section 6.04, whichever is later, and for a period of three (3) years thereafter, Invacare and Buyer shall promptly notify the other Party in writing upon becoming aware of any reports of adverse events or Complaints (as defined below) related to Medical Devices and will provide the other Party with copies of any underlying source documentation. "Complaint" means any written, electronic, or oral communication that alleges deficiencies related to the identity, quality, durability, reliability, safety, effectiveness, or performance of a device after it is released for distribution (21 C.F.R. § 820.3(b) Definitions). The receiving Party shall provide the other Party with all information reasonably requested by the other Party regarding such report or Complaint, including, without limitation, the name of the complainant, the nature of the Complaint, and the part numbers and serial numbers affected. Invacare shall be solely responsible for investigating and monitoring all such reports and Complaints relating to any Medical Devices sold prior to the Closing Date and, upon Buyer's request, will keep Buyer informed on the status and results of the investigation. Invacare shall maintain complete and accurate records relating to any adverse event report, Complaint, or Medical Device investigation in accordance with applicable Law.

Section 1.02 Cooperation in Litigation and Investigations. From and after the Closing Date, Buyer and Invacare shall fully cooperate in the defense or prosecution of any litigation, proceeding, examination, or audit instituted prior to or after the Closing against or by either party relating to or arising out of the manufacturing, marketing and selling of a Medical Device prior to or after the Closing (other than a dispute between Buyer and Invacare or their respective Affiliates arising out of this Agreement).

Section 1.03 Product Obligations.

(a) Product Warranties. Notwithstanding anything herein to the contrary, the Parties acknowledge and agree that Invacare shall be responsible for providing all Product Warranty Services for Product Warranty Claims for Medical Devices sold by Invacare prior to the Closing Date for such Product Warranty Claims made during the period commencing on the Closing Date through the applicable warranty period for all Medical Devices sold by Invacare prior to the Closing Date (the "Product Warranty Transition Period"). Buyer shall supply Invacare with any spare or replacement parts or components in order for Invacare to provide the Product Warranty Services in accordance with the Supply Agreement.

(b) Product Recalls. Notwithstanding anything herein to the contrary, the Parties acknowledge and agree that Invacare shall be responsible for providing all Product Recall Services for the Product Recalls. Buyer shall supply Invacare with any spare or replacement parts or components in order for Invacare to provide the Product Recall Services in accordance with the Supply Agreement.

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(c) Warning Letter. Invacare shall fulfill all obligations necessary to remedy the FDA's concerns in the Warning Letter in a timely fashion including, but not limited to, completing complaint investigations in accordance with Invacare's commitments to the FDA and, if necessary, conducting and completing any review or revision of the design of any Purchased Asset.

Section 1.04 Transfer of 510(k) Clearances.

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(a) On the Closing Date, the Parties will cooperate in connection with the transfer of the 510(k) Clearances to Buyer and will each update their respective FDA device establishment registrations and device listings such that Invacare will first remove any transferred 510(k) Clearances from its device listing information and Buyer will then add such transferred 510(k) Clearances to its device listing information. Notwithstanding the foregoing, the Parties agree to take all actions reasonably necessary to effectuate the transfer of the 510(k) Clearances from Invacare to Buyer, including reporting all material communications (whether written or oral) from a Governmental Authority in relation to a transfer and, to the extent one Party requires the other Party's participation to effectuate the transfer of the 510(k) Clearances, it shall give the other Party reasonable notice of all meetings and telephone calls with any Governmental Authority expected to have a material impact upon a transfer and give the other Party a reasonable opportunity to participate at each such meeting or telephone call. Unless otherwise required by applicable Law, from the Closing Date until the relevant date of transfer for each 510(k) Clearance, Invacare shall use commercially reasonable efforts to maintain or cause to be maintained in force each such 510(k) Clearance and Buyer shall promptly reimburse Invacare for the reasonable documented and out-of-pocket costs and expenses incurred by Invacare in connection with maintaining or causing to be maintained such 510(k) Clearance.

(b) After the Closing or transfer of the 510(k) Clearances, whichever is later, Buyer shall solely assume all responsibility for and under the 510(k) Clearances, including all responsibility for communications with the FDA and any other Governmental Authority concerning the Medical Devices, payment of user fees, and requirements relating to registration and listing, medical device reporting, corrections, removals, recalls, and complaint handling, and Invacare shall no longer hold such responsibilities, except for the Product Recalls and the Product Recall Services.

Section 1.05 Reserved.

Section 1.06 Consents and Waivers. To the extent that any license, agreement, Permit or right included in the Purchased Assets, or any claim, right or benefit arising thereunder or resulting therefrom (each, an "Interest") is not capable of being sold, assigned, transferred, or conveyed without the authorization, approval, consent or waiver of the issuer thereof or the other party or parties thereto, or any other Person, including a Governmental Authority (or if such Interest would be breached in the event of a sale, assignment, transfer or conveyance without such authorization, approval, consent or waiver), this Agreement shall not, in the event such issuer or other Person objects to, or otherwise does not consent to, such assignment, constitute an assignment or conveyance thereof absent such approval, consent or waiver. To the extent any of the authorizations, approvals, consents, or waivers referred to in this Section 6.06 have not been obtained as of the Closing, Invacare shall use commercially reasonable efforts to assist Buyer in obtaining all such authorizations, approvals, consents, and waivers as necessary to consummate the transactions contemplated by this Agreement and the other Transaction Documents and to otherwise comply with all applicable Laws.

Section 1.07 Books and Records.

(a) In order to facilitate the resolution of any claims made against or incurred by Invacare prior to the Closing, or for any other reasonable purpose, for a period of five (5) years after the Closing or as long as required by applicable Law, whichever is greater, Buyer shall (i) retain the books and records relating to periods prior to the Closing in a manner reasonably consistent with the prior practices of Invacare; and (ii) upon reasonable notice, afford Invacare reasonable access (including the right to make, at Invacare's expense, photocopies), during normal business hours, to such books and records.

(b) In order to facilitate the resolution of any claims made by or against or incurred by Buyer after the Closing, or for any other reasonable purpose, for a period of five (5) years after the Closing, Invacare shall (i) retain the

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books and records of Invacare which relate to the Respiratory Business and its operations for periods prior to the Closing; and (ii) upon reasonable notice, afford the Buyer's Representatives reasonable access (including the right to make, at Buyer's expense, photocopies), during normal business hours, to such books and records.

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(c) Neither Buyer nor Invacare shall be obligated to provide the other party with access to any books or records pursuant to this Section 6.07 where such access would violate any Law.

Section 1.08 Transfer of Possession of Assets. In order to facilitate a timely transfer of possession of the Purchased Assets to Buyer after the Closing, promptly following receipt of written instructions from Buyer, Invacare shall make available, during its normal business hours, any and all tangible Purchased Assets, including Inventory and Tangible Personal Property for pickup by one or more carriers designated by Buyer. Buyer shall be responsible for and pay all costs and expenses in connection with the pickup and any shipment of the Purchased Assets. Risk of loss and damage to any such Purchased Assets shall pass to Buyer upon pickup by such designated carrier(s). Invacare shall also take such actions as may be reasonably requested by Buyer to facilitate a timely transfer of any intangible Purchased Assets to Buyer after the Closing.

Section 1.09 Public Announcements. Unless otherwise required by applicable Law (based upon the reasonable advice of counsel), no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), and the Parties shall cooperate as to the timing and contents of any such announcement.

Section 1.10 Bulk Sales Laws. The Parties hereby waive compliance with the provisions of any bulk sales, bulk transfer, or similar Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Purchased Assets to Buyer.

Section 1.11 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement shall be borne and paid by Invacare when due. Invacare shall, at their own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary). Buyer has provided or shall provide Invacare with resale certificates evidencing Buyer's qualification for exemption from sales tax in Ohio and Florida (the "Resale Certificates").

Section 1.12 Cooperation on Tax Matters. Buyer and Invacare shall cooperate, as and to the extent reasonably requested by any other party, in connection with the filing and preparation of Tax Returns related to the Purchased Assets and claiming any applicable exemptions, exclusions, or other Tax benefits related to the Purchased Assets, including with respect to any Transfer Taxes and Taxes described in Section 6.13, and any proceeding related thereto.

Section 1.13 Ad Valorem Taxes. All real property (including fixtures), personal property, ad valorem and similar Taxes imposed on the Purchased Assets with respect to the year in which Closing occurs will be prorated between the parties based on the number of days that Invacare and Buyer own the Purchased Assets during such year and based on the Closing Date, which date shall be deemed a day on which Invacare own the Purchased Assets. Invacare shall timely pay all real property (including fixtures), personal property, ad valorem, and similar Taxes imposed on the Purchased Assets for the year in which Closing occurs and all prior years. At least thirty (30) days prior to such payment, Invacare shall provide Buyer a copy of all assessments of such Taxes imposed on the Purchased Assets, and any other documentation necessary to determine the portion of the assessments attributable to the Purchased Assets, and Buyer shall pay Invacare for any such Taxes that are Buyer's responsibility pursuant to this Section 6.13 within five (5) business days after Invacare provide Buyer proof of payment of such Taxes.

Section 1.14 Non-Competition; Non-Interference; Non-Solicitation.

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(a) For a period of five (5) years commencing at Closing (the "Restricted Period"), Invacare agrees not to, and shall not permit any of (i) their respective Subsidiaries and Affiliates, or (ii) their respective current officers, directors, or employees while such persons are so employed by Invacare, as applicable, to, directly or indirectly, (A) own, manage, operate, join, control, or loan money to any Competing Business anywhere in the world, (B) with respect to the board members, Invacare shall cause

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for such persons not to be employed by (in an executive, managerial, financial, business development, operational, educational or sales capacity), serve as an officer, director, manager, advisor, consultant, independent contractor or employee of, consult with, or participate in the ownership, management, operation or control of, any Competing Business anywhere in the United States of America, or (C) solicit, divert, entice or otherwise take away or attempt to take away the business or patronage of customers, suppliers, wholesalers or dealers of the Respiratory Business in each case with respect to which Invacare participated or were involved prior to the Closing Date. Notwithstanding the foregoing, neither (X) any acquisition by Invacare or its Affiliates of any Person that conducts a Competing Business where such Competing Business constitutes 20% or less of such Person's overall business (on a gross revenue basis) nor, (Y) for the avoidance of doubt any selling through of any Inventory, finished goods or parts that are Excluded Assets shall be construed as a breach of this Section 6.14(a).

(b) During the Restricted Period, Invacare shall not, and shall not permit any of its Subsidiaries or Affiliates to, directly or indirectly interfere in any material respect with the Buyer's business relationships (whether formed prior to or after the date of this Agreement) related to its ownership and operation of the Respiratory Business or with the customers, suppliers, wholesalers or dealers of the Respiratory Business.

(c) During the Restricted Period, Invacare shall not, and shall not permit any of its Subsidiaries or Affiliates to, hire or solicit any employees of Buyer who work for the Respiratory Business after the Closing Date or solicit any such employee to leave such employment or hire any such employee who has left such employment during the twelve (12) month period after such employee's employment with the Respiratory Business was terminated, except pursuant to a general solicitation that is not directed specifically to any such employees.

(d) Each Party acknowledges that the restrictions contained in this Section 6.14 are reasonable and necessary to protect the legitimate interests of the other Party and constitute a material inducement to the Parties to enter into this Agreement and consummate the transactions contemplated by this Agreement. In the event that any covenant contained in this Section 6.14 should ever be adjudicated to exceed the time, geographic, product or service, or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, product or service, or other limitations permitted by applicable Law. The covenants contained in this Section 6.14 and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 1.15 Bankruptcy Obligations. In the event Invacare and/or any of its Affiliates files a proceeding seeking relief under Chapter 11 of the Bankruptcy Code (any "Bankruptcy Case"). Immediately after the commencement of the Bankruptcy Case, Invacare shall file, and seek the entry of orders approving, first day motions in the Bankruptcy Case for: (i) authority to pay certain prepetition Taxes, which shall include the payment of any prepetition Taxes relating to the Purchased Assets or the Respiratory Business to the extent any such Taxes remain outstanding or could otherwise impose a lien on the Purchased Assets, (ii) authority, but not the obligation, to continue to satisfy certain prepetition product warranty obligations, including the Product Warranty Services, and (iii) authority to continue to satisfy its obligations under the Product Recalls and Warning Letter, if required. In addition, provided Buyer is not in material breach of the terms of this Agreement, and Buyer has failed to cure such breach within a reasonable time period after being provided written notice of said breach from Invacare, Invacare shall: (i) incorporate into the Confirmation Order and/or Plan Supplement that Buyer shall not seek to modify or reject this Agreement or any other Transaction Document in the Bankruptcy Case, and upon the

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Effective Date of the Plan of Reorganization, Buyer's right to set-off, as set forth in Section 8.01 of this Agreement, and this Agreement and the Transaction Documents shall remain unimpaired and shall continue unaffected following the effective date of the Plan of Reorganization, without any further action required by Buyer; and (ii) shall preserve all of Buyer's rights pursuant to this Agreement and any other Transaction Document in such Plan, without any further action required of Buyer in the Bankruptcy Case.

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Section 1.16 Website. At Closing, any portion of Invacare's websites or websites authorized or controlled by Invacare, such as any reseller websites, for example, including those accessible through "invacare.com" and any other domains owned by Invacare that are not Purchased Assets, that reference any respiratory products included within the Purchased Assets shall include a link to redirect a website visitor to a webpage designated by Buyer. Such link shall remain active for six (6) months after the Effective Time. Thereafter, Invacare shall remove all references to any respiratory products included within the Purchased Assets from their Invacare.com website and any websites owned, authorized or controlled by Invacare that reference such products. Invacare shall use reasonable efforts to remove any reference to their ownership of the Purchased Assets that may be listed on third-party websites and shall cooperate in good faith with Buyer to have such references updated to reflect Buyer as the seller of such respiratory products after Closing and provide Buyer with contact information and introductions to any operators of such third-party websites with whom Invacare has worked with regard to such respiratory products.

Section 1.17 Further Assurances. Following the Closing and until the third (3rd) anniversary thereof, each of the Parties hereto shall and shall cause their respective Subsidiaries and Affiliates to, execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents including, but not limited to, taking any actions necessary to release any Encumbrances not automatically released pursuant to Invacare's credit agreements, or any other lienholders, including the filing of any Lien Release Filings following the Closing. Among other things, Invacare agrees to promptly notify the Buyer in writing at such time as it receives notification (written or otherwise) that they must take certain actions that, if not taken, will adversely affect the Intellectual Property Assets or other Purchased Assets or the right of Invacare (and following the Closing, the Buyer) to use same, including the payment of any registration, maintenance, renewal fees, annuity fees and Taxes or the filing of any documents, responses, applications or certificates for the purposes of maintaining, perfecting or preserving or renewing any Intellectual Property Assets or other Purchased Assets. In addition, Invacare will promptly take commercially reasonable actions necessary to provide Buyer access to any applicable documentation and information to the extent it relates to the Respiratory Business and the Purchased Assets, or otherwise as expressly required under this Agreement that was not provided prior to Closing relating to the name and contact information for the Foreign Contacts, and will take actions reasonably requested by Buyer, at Buyer's expense, to facilitate, as necessary, communications with such Foreign Contacts and otherwise assist Buyer with (i) transitioning to Buyer, Invacare's pre-Closing relationships with such Foreign Contacts and (ii) providing information in Invacare's possession concerning the sale of products from the Respiratory Business into foreign jurisdictions. In addition, Invacare will cause the Data Room to be available for ninety (90) days post-Closing or such longer period of time as agreed between the Parties and facilitate the transfer of any information or documents therein to Buyer. If, after the Closing Date, Invacare or Buyer identify any Intellectual Property Assets owned by Invacare or any Affiliate of Invacare that as of the Closing Date should have been but inadvertently was not previously transferred by Invacare or any Affiliate of Invacare to Buyer, subject to any required approval of any third party, Invacare shall, if and to the extent otherwise consistent with the Transaction Documents, promptly transfer, or cause to be transferred, such Intellectual Property to Buyer for no additional consideration. To the extent a Representative of Buyer has questions relating to the Purchased Assets after the Closing Date, Invacare shall instruct their Representatives to cooperate on a commercially reasonable basis to answer such questions.

ARTICLE VII
INDEMNIFICATION

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Section 1.01 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained (a) in Sections 4.12 (Employee Benefits) and 4.13 (Labor and Employment Matters) shall expire as of the Closing, and (b) all other representations and warranties shall survive and remain in full force and effect until the date that is twelve (12) months from the Closing Date; *provided*, *however*, that the representations and warranties contained in (a) Sections 4.01 (Organization and Qualification of Invacare), 4.02 (Authority of Invacare), 4.04 (Title to Tangible Personal Property and Inventory), 4.09 (Brokers), 5.01 (Organization and Authority of Buyer), 5.02 (Authority of Buyer),

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and 5.04 (Brokers) (collectively, the "Fundamental Representations") shall survive until sixty (60) days following the expiration of the statute of limitations applicable to the underlying subject matter, (b) Sections 4.06 (Legal Proceedings; Governmental Orders), Section 4.07 (FDA Regulatory Compliance and Compliance with other Laws), 4.14 (Compliance With Laws; Permits), and 4.15 (Healthcare Matters) shall survive for a period of six (6) years following the Closing Date, and (c) Section 4.05 (Intellectual Property and Privacy) shall survive for a period of three (3) years following the Closing Date. None of the covenants or other agreements contained in this Agreement shall survive the Closing Date other than those which by their terms contemplate performance after the Closing Date, and each such surviving covenant and agreement shall survive the Closing for the period contemplated by its terms. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of such survival period and such claims shall survive until finally resolved. All covenants and agreements of the Parties contained herein shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any claims based upon, arising out of, or in connection with, fraud shall survive indefinitely. In addition, notwithstanding the foregoing, any representation or warranty in respect of which indemnity may be sought under this Agreement will survive the time at which it would otherwise terminate pursuant to the immediately preceding sentences if written notice of the inaccuracy or breach thereof setting forth in reasonable detail the facts or circumstances of such inaccuracy or breach thereof, giving rise to such right of indemnification, has been given to the Party, against whom such indemnification may be sought, prior to such time and such representations and warranties shall survive until such claim for indemnification is finally adjudicated and resolved.

Section 1.02 Indemnification by Invacare. Subject to the other terms and conditions of this ARTICLE VII, Invacare shall indemnify and hold harmless Buyer and its officers, directors, shareholders, employees, agents, Subsidiaries and Affiliates ("Buyer Indemnified Party") from and against, any and all Losses, whether or not involving a third-party claim, paid, suffered, incurred, sustained, or accrued by any Buyer Indemnified Party, directly or indirectly, as a result of, arising out of, or in connection with:

(a) any inaccuracy in or breach of any of the representations or warranties of Invacare contained in this Agreement or in any other Transaction Documents;

(b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Invacare pursuant to this Agreement or any other Transaction Documents;

(c) any Excluded Asset or any Excluded Liability;

(d) any Losses resulting from a product liability claim made against the Buyer for any Medical Devices sold by Invacare prior to the Effective Time; and

(e) any Losses to the extent they arose from Invacare's conduct of the Respiratory Business prior to the Effective Time.

Section 1.03 Indemnification by Buyer. Subject to the other terms and conditions of this ARTICLE VII, Buyer shall indemnify and hold harmless Invacare and their directors, officers, shareholders, employees, agents, Subsidiaries and Affiliates ("Invacare Indemnified Party") from and against, any and all Losses, whether or not involving a third-party claim, paid, suffered, incurred, sustained, or accrued by any Invacare Indemnified Party, directly or indirectly, as a result of, arising out of, or in connection with:

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(a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement;

(b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Buyer pursuant to this Agreement or any other Transaction Document;

(c) any Assumed Liability; and

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(d) Buyer's ownership or operation of the Purchased Assets or the Respiratory Business after the Effective Time.

Section 1.04 Certain Limitations.

(a) Invacare's liability for indemnification under Section 7.02, other than in connection with breaches of Fundamental Representations, shall not exceed the Purchase Price (the "Cap"). No indemnification obligations shall be owed by Invacare pursuant to Section 7.02 until the aggregate claims thereunder exceed $100,000 (the "Threshold"), at which time such Buyer Indemnified Parties shall be jointly entitled, in the aggregate, to indemnification for the amount exceeding the Threshold amount, up to the Cap; the aggregate indemnification or payment obligations to the Buyer by Invacare arising out of or in connection with this Agreement or the Transaction Documents, the breach hereof or thereof (whether arising in contract, tort, strict liability or otherwise), shall in no event exceed the Cap, subject to liability pursuant to Section 7.02(a) relating solely to Fundamental Representations, which indemnification obligations shall not have a Cap.

(b) For purposes of this ARTICLE VII, the amount of any indemnifiable Losses in respect of any representations and warranties of Invacare set forth in ARTICLE IV of this Agreement containing any materiality or Material Adverse Effect or similar qualification or exception shall be determined without regard to such qualifications or exceptions.

(c) Notwithstanding anything contained herein to the contrary, in the event any Buyer Indemnified Party is finally determined, by written agreement executed by Invacare or a final determination of a court of competent jurisdiction, to be entitled to receive indemnification pursuant to this Agreement and the Transaction Documents, such Buyer Indemnified Party's sole recourse for such Losses shall be the right to set-off such Losses against the amounts payable by the Buyer to Invacare as Commission Payments on a dollar-for-dollar basis in an amount equal to the aggregate dollar value so determined, up to the amount of the Cap (unless there is a breach of a Fundamental Representation, in which case there shall be no Cap). In the event the amounts payable by Buyer as Commission Payments are set-off pursuant to this Section 7.04, such payments shall no longer be due or payable by the Buyer hereunder nor shall such indemnification claim to such Buyer Indemnified Party be due or payable.

Section 1.05 Indemnification Procedures.

(a) Third-Party Claims. If any Buyer Indemnified Party or Invacare Indemnified Party (each, an "Indemnified Party") receives notice of the assertion or commencement of any action, suit, claim or other legal proceeding made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a "Third-Party Claim") against such Indemnified Party with respect to which a Party is obligated to provide indemnification under this Agreement and/or the Transaction Documents (each, an "Indemnifying Party"), the Indemnified Party shall give the Indemnifying Party prompt written notice thereof which notice shall be within fifteen (15) days of receipt. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Third-Party Claim in reasonable detail, shall include copies of all material written evidence thereof, and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party within thirty (30) days thereafter, to assume the defense of any Third-Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnified Party shall cooperate in good faith in such defense; *provided*, *however*, that the Indemnifying Party shall not be entitled to assume control of such defense and shall pay the fees and expenses of counsel retained by the Indemnified Party if

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(i) such Third-Party Claim relates to, or arises in connection with, any criminal, civil, or administrative action, investigation, audit, or other proceeding instituted by a Governmental Authority, (ii) a conflict of interest exists between the Indemnifying Party and the Indemnified Party, or (iii) such Third-Party Claim seeks an injunction or other equitable relief against the Indemnified Party. The Indemnified Party shall have the right, at its own cost and expense, to participate in the defense of any Third-Party Claim with counsel

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selected by it subject to the Indemnifying Party's right to control the defense thereof. If the Indemnifying Party elects not to compromise or defend such Third-Party Claim or fails to assume the defense of such Third-Party Claim within the time frame set forth above or to employ counsel reasonably satisfactory to the Indemnified Party, in either case within such thirty (30)-day period, then the Indemnified Party may, subject to Section 7.05(b), pay, compromise, defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim. Invacare and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Claim, including making available (subject to the provisions of Section 6.07) records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third-Party Claim.

(b) Settlement of Third-Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into the settlement of any Third-Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed), except as provided in this Section 7.05(b). If a firm offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and (i) provides for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim, (ii) does not contain any admission or statement suggesting any wrongdoing or liability on behalf of the Indemnified Party, and (iii) does not contain any equitable order, judgment, or term that in any manner affects, restrains, or interferes with the business of the Indemnified Party or any of the Indemnified Party's Affiliates, and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim. If the Indemnified Party has assumed the defense pursuant to Section 7.05(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(c) Direct Claims. Any claim by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (a "Direct Claim") shall be asserted by the Indemnified Party giving the Indemnifying Party prompt written notice thereof (the "Claims Notice"). The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof, and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. During such thirty (30) day period, the Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Indemnified Party's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within thirty (30) days after the receipt of a Claims Notice, that the Indemnifying Party disputes its liability to the Indemnified Party under this ARTICLE VII or the amount thereof, the Direct Claim specified

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by the Indemnified Party in such Claims Notice shall be conclusively deemed a liability of the Indemnifying Party under this ARTICLE VII, and the Indemnifying Party shall pay the amount of such liability to the Indemnified Party on demand or, in the case of any Claims Notice in which the amount of the Direct Claim (or any portion of the Direct Claim) is estimated, on such later date when the amount of such Direct Claim (or such portion of such Direct Claim) becomes finally determined. In the event that the Indemnifying Party has timely disputed its liability with respect to such Direct Claim as provided above, as promptly as possible, such Indemnified Party and the appropriate Indemnifying Party shall establish the merits and amount of

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such Direct Claim (by mutual agreement, litigation, arbitration or otherwise) and, within ten (10) Business Days following the final determination of the merits and amount of such Direct Claim, the Indemnifying Party shall pay to the Indemnified Party an amount equal to such Direct Claim as determined hereunder.

Section 1.06 Mitigation of Losses. Each Indemnified Party shall use commercially reasonable efforts to mitigate all Losses upon becoming aware of any event that could reasonably be expected to give rise to Losses arising under any Third-Party Claim; provided, that nothing set forth in this Agreement shall create an affirmative obligation of the Buyer Indemnified Parties to submit such a claim to its insurers.

Section 1.07 Reliance. The Parties expressly agree and acknowledge that Buyer is relying upon each of the representations and warranties of Invacare made in this Agreement and the Transaction Documents and that Buyer would not be willing to enter into this Agreement and the Transaction Documents if any limitations were placed on such reliance. The waiver of any condition based upon the accuracy of any representation or warranty, or on the performance of or compliance with any covenant or obligation, will not affect the right to indemnification, reimbursement or other remedy based upon such representations, warranties, covenants and obligations.

Section 1.08 Satisfaction. Payments of all amounts owing by an Indemnifying Party under this ARTICLE VII shall be made promptly upon a final settlement among the Indemnifying Party and the Indemnified Parties or upon a final adjudication determined by a court of competent jurisdiction in accordance with this ARTICLE VII that an obligation is owing by the Indemnifying Party to the Indemnified Party.

Section 1.09 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the Parties as an adjustment to the Purchase Price for Tax purposes unless otherwise required by Law.

Section 1.10 Exclusive Remedies. The indemnification provisions contained in this ARTICLE VII will constitute the sole and exclusive recourse and remedy of the Parties for recovery of Losses, except in the case of fraud, willful misconduct or intentional misrepresentation. Notwithstanding the foregoing, the provisions of this ARTICLE VII will not restrict the right of any party to seek specific performance or other equitable remedies to which such party is entitled under this Agreement or any other Transaction Document.

ARTICLE VIII
MISCELLANEOUS

Section 1.01 Buyer's Right of Set-Off. Notwithstanding anything to the contrary in this Agreement or any Transaction Document, Buyer may set off any amount to which it may be entitled under this Agreement or any Transaction Document including, without limitation, those amounts due by Invacare to Buyer pursuant to ARTICLE VII hereof or under the Supply Agreement, against any amounts otherwise payable by Buyer to Invacare under this Agreement or any Transaction Document including, without limitation, the Commission Payments. If at the time for payment for any Commission Payment, a Third-Party Claim or a Direct Claim (collectively, a "Buyer Indemnification Claim") has been asserted by Buyer but Invacare's obligation with respect thereto has not been finally determined or agreed upon, Buyer may withhold payment of such portion of the Commission Payment as shall be sufficient to pay and reimburse Buyer for all Losses upon which the Buyer Indemnification Claim is based and shall not be required to pay such withheld amount over to Invacare until five (5) days following the final determination or agreement that Invacare is not obligated to the Buyer with

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respect to such Buyer Indemnification Claim or, if obligated, Invacare has paid and satisfied such Buyer Indemnification Claim in full.

Section 1.02 **Expenses.** Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors, and accountants,

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incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 1.03 Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); or (c) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective Parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8.03):

If to Invacare:	Invacare Corporation 1 Invacare Way Elyria, OH 44035 E-mail: ALaPlaca@invacare.com Attention: Anthony LaPlace, General Counsel with a copy which shall not constitute notice to McDonald Hopkins, LLC 600 Superior Avenue East Suite 2100 Cleveland, OH 44114 E-mail: sriley@mcdonaldhopkins.com E-mail: fwardega@mcdonaldhopkins.com Attention: Shawn M. Riley Attention: Frank Wardega
If to Buyer:	Ventec Life Systems, Inc. 5101 Fruitville Rd., Suite 200 Sarasota, FL 34232 E-mail: Tom.Pontzius@ReactHealth.com Attention: Tom Pontzius, President with a copy which shall not constitute notice to: K&L Gates, LLP 2801 Via Fortuna, Suite 650 Austin, TX 78746 E-mail: andrea.cunha@klgates.com Attention: Andrea Cunha

Section 1.04 Interpretation. For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedules, and Exhibits mean the Articles and Sections of,

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and Disclosure Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument, or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or

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interpretation against the party drafting an instrument or causing any instrument to be drafted. The Disclosure Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 1.05 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 1.06 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 1.07 Entire Agreement. This Agreement and the Transaction Documents constitute one integrated agreement, were negotiated and entered into simultaneously as integrated parts of one unified transaction with a common purpose. Without limiting the generality of the foregoing, the Parties would not have entered into any of the Transaction Documents without entering into the other, the consideration for such Transaction Documents is not separate and distinct, but interrelated and incorporated by reference in each Transaction Document. This Agreement and the Transaction Documents represent the entire agreement of the Parties with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous representations, warranties, understandings, and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement or any other Transaction Document and those in the Exhibits and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control. The Parties agree that after the occurrence of the Closing, Buyer has performed all material obligations under this Agreement and the Transaction Documents, and as a consequence thereof this Agreement and the Transaction Documents shall no longer be deemed executory. Further, provided that Buyer is not in material breach of the terms of this Agreement, after Buyer has been given written notice of said breach from Invacare and a reasonable time period to cure, Invacare shall: (i) incorporate into the Confirmation Order and/or Plan Supplement that Buyer shall not seek to modify or reject this Agreement or any other Transaction Document in the Bankruptcy Case, or any liabilities or obligations of Invacare set forth therein, and (ii) oppose any actions taken by any other party (including an unsecured creditors' committee) in the Bankruptcy Case to do the same.

Section 1.08 Cross-Default. Any default by Invacare in the making of any representation or warranty or the performance of any covenant or condition hereof or in the Transaction Documents shall be deemed automatically a default under this Agreement and each of the Transaction Documents, entitling Buyer to exercise any or all rights and remedies available to Buyer under the terms of this Agreement and any or all of the Transaction Documents, and any default under any other Transaction Document shall be deemed automatically a default hereunder, entitling Buyer to exercise any or all rights and remedies provided for herein and under the Transaction Documents.

Section 1.09 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns (including such successors that occur by operation of law). No party may assign its rights or obligations hereunder without the prior written consent of the other parties, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

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Section 1.10 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

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Section 1.11 Amendment and Modification; Waiver. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 1.12 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

(b) ANY LEGAL SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY MAY BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA LOCATED IN DELAWARE, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION, OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION, OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.12(c).

Section 1.13 Enforcement Expenses. Except as otherwise provided for in ARTICLE VII (Indemnification), in the event any party elects to incur legal expenses to enforce or defend any provision of this Agreement, as between it and any other party, the prevailing party shall be entitled to recover from the other party such legal expenses, including reasonable attorneys' fees, costs and necessary disbursements, in addition to any other relief to which such party may be entitled.

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Section 1.14 Specific Performance. The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 1.15 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.

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A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 1.16 Non-recourse. This Agreement may only be enforced against, and any claim, action, suit, or other legal proceeding based upon, arising out of or related to this Agreement, or the negotiation, execution, or performance of this Agreement, may only be brought against the entities that are expressly named as Parties hereto and then only with respect to the specific obligations set forth herein with respect to such party. No past, present, or future director, officer, employee, incorporator, manager, member, partner, stockholder, Affiliate, agent, attorney or other Representative of any party hereto or of any Affiliate of any party hereto, or any of their successors or permitted assigns, shall have any liability for any obligations or liabilities of any party hereto under this Agreement or for any claim, action, suit or other legal proceeding based on, in respect of or by reason of the transactions contemplated hereby.

[Signature page follows]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

BUYER:

VENTEC LIFE SYSTEMS, INC.

By:__/s/ Tom Pontzius________
Name: Tom Pontzius
Title: President

[Signature page to Asset Purchase Agreement]

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INVACARE:

INVACARE CORPORATION

By: /s/ Kathleen P. Leneghan
Name: Kathleen P. Leneghan
Title: Senior Vice President and Chief Financial Officer

[Signature page to Asset Purchase Agreement]

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Exhibit 10.1

THIS RESTRUCTURING SUPPORT AGREEMENT IS NOT AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT (including all exhibits, annexes, and schedules hereto in accordance with Section 15.02, this "**Agreement**") is made and entered into as of January 31, 2023 (the "**Execution Date**"), by and among the following parties (each of the following described in sub-clauses (i) through (vi) of this preamble, collectively, the "**Parties**"):[1]

i. Invacare Corporation, a company incorporated under the Laws of Ohio ("**Invacare**"), and each of its Affiliates listed on **Exhibit A** to this Agreement (including the Debtors and the Guarantor/Obligor Subsidiaries) that has executed and delivered counterpart signature pages to this Agreement to counsel to the Consenting Stakeholders (the Entities in this clause (i), collectively, the "**Company Parties**");

ii. Certain funds managed by Highbridge Capital Management, LLC that hold Term Loan Claims (the "**Consenting Term Loan Lender**");

iii. Certain funds managed by Highbridge Capital Management, LLC that hold Secured Notes Claims (the "**Consenting Secured Noteholders**" and together with the Consenting Term Loan Lender, "**Highbridge**")

iv. the undersigned holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold ABL Claims that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (iv), collectively, the "**Consenting ABL Lenders**");

v. the undersigned holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold, 5.00% Series I Convertible Notes Claims that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (v), collectively, the "**Consenting 5.00% Series I Convertible Noteholders**");

vi. the undersigned holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold, 5.00% Series II Convertible Notes Claims that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (vi), collectively, the "**Consenting 5.00% Series II Convertible Noteholders**");

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[1] Capitalized terms used but not defined in the preamble and recitals to this Agreement have the meanings ascribed to them in Section 1.

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vii. the undersigned holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold, 4.25% Convertible Note Claims that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (vii), collectively, the "**Consenting 4.25% Convertible Noteholders**," and together with the Consenting 5.00% Series I Convertible Noteholders and the Consenting 5.00% Series II Convertible Noteholders, and Azurite (as defined herein), the "**Consenting Unsecured Noteholders**"); and

viii. Azurite Management LLC ("**Azurite**" and collectively with the Consenting Term Loan Lender, Consenting Secured Noteholders, the Consenting ABL Lenders, and the Consenting Unsecured Noteholders, the "**Consenting Stakeholders**"), in its capacity as a Consenting Unsecured Noteholder.

RECITALS

WHEREAS, the Company Parties and the Consenting Stakeholders have in good faith and at arm's length negotiated or been apprised of certain restructuring transactions with respect to the Company Parties on the terms set forth in this Agreement and as specified in the term sheet attached as **Exhibit B** hereto (the "**Restructuring Term Sheet**" and, such transactions as described in this Agreement and the Restructuring Term Sheet, the "**Restructuring Transactions**");

WHEREAS, the Company Parties intend to implement the Restructuring Transactions through the commencement by the Debtors of voluntary cases under chapter 11 of the Bankruptcy Code in the Bankruptcy Court (such cases commenced, the "**Chapter 11 Cases**");

WHEREAS, the Parties have agreed to take certain actions in support of the Restructuring Transactions on the terms and conditions set forth in this Agreement and the Restructuring Term Sheet;

WHEREAS, Highbridge has agreed to provide the DIP Term Loan Facility pursuant to the terms and conditions to be set forth in the DIP Order and the DIP Term Loan Credit Agreement;

WHEREAS, the Consenting ABL Lenders have agreed to provide the DIP ABL Facility pursuant to the terms and conditions to be set forth in the DIP Order and the DIP ABL Credit Agreement;

WHEREAS, the Debtors and Highbridge have reached an agreement for the consensual use of Cash Collateral (as defined in the Bankruptcy Code) pursuant to the terms and conditions set forth in the DIP Order and the DIP Term Loan Credit Agreement;

WHEREAS, the Debtors and the Consenting ABL Lenders have reached an agreement for the consensual use of Cash Collateral (as defined in the Bankruptcy Code) pursuant to the terms and conditions set forth in the DIP Order and the DIP ABL Credit Agreement; and

WHEREAS, the Consenting Unsecured Noteholders have committed to backstop the Rights Offering, on the terms and conditions set forth in this Agreement, the Restructuring Term Sheet and the Backstop Commitment Agreement.

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NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, intending to be legally bound hereby, agrees as follows:

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AGREEMENT

Section 1. ***Definitions and Interpretation***.

1.01. Definitions. The following terms shall have the following definitions:

"**4.25% Convertible Notes**" means the 4.25% Convertible Senior Notes due 2026 issued by Invacare Corporation under the 4.25% Convertible Notes Indenture.

"**4.25% Convertible Notes Claim**" means any Claim against a Company Party arising under, derived from, secured by, based on, or related to the 4.25% Convertible Notes.

"**4.25% Convertible Notes Indenture**" means that certain indenture, dated as of March 16, 2021, as may be amended, amended and restated, or otherwise supplemented from time to time, by and between Invacare Corporation, as issuer, and Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association), as trustee, governing the 4.25% Convertible Notes.

"**5.00% Series I Convertible Notes**" means the 5.00% Convertible Senior Exchange Notes due 2024 issued by Invacare Corporation under the 5.00% Series I Convertible Notes Indenture.

"**5.00% Series I Convertible Notes Claim**" means any Claim against a Company Party arising under, derived from, secured by, based on, or related to the 5.00% Series I Convertible Notes.

"**5.00% Series I Convertible Notes Indenture**" means that certain indenture, dated as of November 19, 2019, as may be amended, amended and restated, or otherwise supplemented from time to time, by and between Invacare Corporation, as issuer, and Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association), as trustee, governing the 5.00% Series I Convertible Notes.

"**5.00% Series II Convertible Notes**" means the 5.00% Series II Convertible Senior Exchange Notes due 2024 issued by Invacare Corporation under the 5.00% Series II Convertible Notes Indenture.

"**5.00% Series II Convertible Notes Claim**" means any Claim against a Company Party arising under, derived from, secured by, based on, or related to the 5.00% Series II Convertible Notes.

"**5.00% Series II Convertible Notes Indenture**" means that certain indenture, dated as of June 4, 2020, as may be amended, amended and restated, or otherwise supplemented from time to time, by and between Invacare Corporation, as issuer, and Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association), as trustee, governing the 5.00% Series II Convertible Notes.

"**ABL Claims**" means any Claim on account of the ABL Loans.

"**ABL Credit Agreement**" means that certain second amended and restated revolving credit and security agreement dated as of July 26, 2022, as may be amended, amended and restated, or otherwise supplemented from time to time, by and among Invacare Corporation, as borrower, certain Company Parties as borrowers and guarantors party thereto, PNC Bank, National Association, as lender and agent, and the other lenders party thereto.

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"**ABL Lenders**" has the meaning given to the term "Lenders" in the ABL Credit Agreement.

"**ABL Loans**" means the revolving loans borrowed under and on the terms set forth in the ABL Credit Agreement.

"**Affiliate**" means, with respect to any specified Entity, any other Entity directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Entity. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by," and "under common control with"), as used with respect to any Entity, shall mean the possession, directly or indirectly, of the right or power to direct or cause the direction of the management or policies of such Entity, whether through the ownership of voting securities, by agreement, or otherwise.

"**Agent**" means any administrative agent, collateral agent, or similar Entity under the Term Loan Agreement, the ABL Credit Agreement, the DIP Term Loan Facility and/or the DIP ABL Facility, including any successors thereto.

"**Agents/Trustees**" means, collectively, each of the Agents and Trustees.

"**Agreement**" has the meaning set forth in the preamble to this Agreement and, for the avoidance of doubt, includes all the exhibits, annexes, and schedules hereto in accordance with Section 15.02 (including the Restructuring Term Sheet).

"**Agreement Effective Date**" means the date on which the conditions set forth in Section 2 have been satisfied or waived by the appropriate Party or Parties in accordance with this Agreement; *provided* that the Agreement Effective Date with respect to any Consenting Stakeholder that becomes party to this Agreement through execution of a Joinder or a Transfer Agreement shall be the date that such Consenting Stakeholder executes such Joinder or Transfer Agreement.

"**Agreement Effective Period**" means, with respect to a Party, the period from the Agreement Effective Date to the Termination Date applicable to that Party.

"**Alternative Restructuring Proposal**" means any plan, inquiry, proposal, offer, bid, term sheet, discussion, or agreement (in each case whether oral or written) with respect to: (a) a sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, liquidation, asset sale, share issuance, consent solicitation, exchange offer, tender offer, recapitalization, plan of reorganization, share exchange, business combination, joint venture or similar transaction involving any one or more Company Parties or the debt, equity, or other interests in any one or more Company Parties or any Affiliates thereof that, in each case, is not expressly contemplated by this Agreement; or (b) any other transaction involving one or more Company Parties or any Affiliates thereof that is an alternative to and/or inconsistent with one or more of the Restructuring Transactions.

"**Azurite**" has the meaning set forth in the preamble of this Agreement.

"**Backstop Commitment**" means the Backstop Parties' commitment to backstop the Rights Offering on the terms and conditions set forth in the Restructuring Term Sheet and the Backstop Commitment Agreement.

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"**Backstop Commitment Agreement**" means that certain backstop commitment agreement, dated as of the Execution Date, by and among the Backstop Parties and Invacare, as

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may be amended, supplemented, or modified from time to time, setting forth, among other things, the terms and conditions of the Rights Offering, the Backstop Commitments, and the payment of the Backstop Premium, and is attached as **Exhibit C** to this Agreement.

"**Backstop Parties**" has the meaning set forth in the Restructuring Term Sheet.

"**Backstop Premium**" means the premium payable on, and as a condition to, the Plan Effective Date, to the Backstop Parties in consideration for the Backstop Commitment on the terms set forth in the Restructuring Term Sheet and the Backstop Commitment Agreement.

"**Bankruptcy Code**" means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as amended.

"**Bankruptcy Court**" means the United States Bankruptcy Court for the Southern District of Texas (Houston Division) presiding over the Chapter 11 Cases or, in the event of any withdrawal of reference under 28 U.S.C. § 157, the United States District Court for the Southern District of Texas.

"**Bankruptcy Rules**" means the Federal Rules of Bankruptcy Procedure and the local rules and general orders of the Bankruptcy Court, as in effect on the Petition Date, if applicable, together with all amendments and modifications thereto subsequently made applicable to the Chapter 11 Cases.

"**Business Day**" means any day other than a Saturday, Sunday, or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state of New York.

"**Cash Collateral**" has the meaning set forth in section 363(a) of the Bankruptcy Code.

"**Causes of Action**" means any Claims, Interests, damages, remedies, causes of action, demands, rights, actions, controversies, proceedings, agreements, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, Liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, assertable, directly or derivatively, matured or unmatured, suspected or unsuspected, whether arising before, on, or after the Petition Date, in contract, tort, Law, equity, or otherwise. Causes of Action also include: (a) all rights of setoff, counterclaim, or recoupment and claims under contracts or for breaches of duties imposed by Law or in equity; (b) the right to object to or otherwise contest Claims or Interests; (c) claims pursuant to section 362 or chapter 5 of the Bankruptcy Code; (d) such claims and defenses as fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of the Bankruptcy Code; and (e) any avoidance actions arising under chapter 5 of the Bankruptcy Code or under similar local, state, federal, or foreign statutes and common law, including fraudulent transfer laws.

"**Chapter 11 Cases**" has the meaning set forth in the recitals to this Agreement.

"**Claim**" has the meaning ascribed to it in section 101(5) of the Bankruptcy Code.

"**Company Claims/Interests**" means any Claim against, or Interest in, a Company Party, including without limitation the DIP Term Loan Claims, the Term Loan Claims, the DIP ABL Claims, the ABL Claims, the Secured Notes Claims, and the Convertible Notes Claims.

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"**Company Parties**" has the meaning set forth in the preamble to this Agreement.

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"**Confidentiality Agreement**" means an executed confidentiality agreement, including with respect to the issuance of a "cleansing letter" or other public disclosure of material non-public information agreement, in connection with any proposed Restructuring Transactions.

"**Confirmation Hearing**" means the hearing to be held by the Bankruptcy Court on confirmation of the Plan, pursuant to Bankruptcy Rule 3020(b)(2) and sections 1128 and 1129 of the Bankruptcy Code, as such hearing may be continued from time to time.

"**Confirmation Order**" means the order(s) entered by the Bankruptcy Court in the Chapter 11 Cases confirming the Plan.

"**Consenting ABL Lenders**" has the meaning set forth in the preamble of this Agreement.

"**Consenting Unsecured Noteholders**" has the meaning set forth in the preamble of this Agreement.

"**Consenting Secured Noteholders**" has the meaning set forth in the preamble of this Agreement.

"**Consenting Stakeholders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting Term Loan Lender**" has the meaning set forth in the preamble to this Agreement.

"**Convertible Notes**" means, collectively, the 4.25% Convertible Notes, 5.00% Series I Convertible Notes, and 5.00% Series II Convertible Notes.

"**Convertible Notes Claims**" means, collectively, the 4.25% Convertible Notes Claims, 5.00% Series I Convertible Notes Claims, and 5.00% Series II Convertible Notes Claims.

"**Debtors**" means the Company Parties that commence the Chapter 11 Cases identified as Debtor Entities on **Exhibit A**.

"**Definitive Documents**" has the meaning set forth in Section 3.01.

"**DIP ABL Agent**" means PNC Bank, National Association, as administrative agent and collateral agent under the DIP ABL Facility, or any successor administrative agents thereunder.

"**DIP ABL Claims**" means any Claim on account of the DIP ABL Facility.

"**DIP ABL Credit Agreement**" means that certain superpriority secured debtor-in-possession credit agreement that governs the DIP ABL Facility (as may be amended, supplemented, or otherwise modified from time to time) dated on or around the date hereof by and among Invacare Corporation, as borrower, the Debtor guarantors that are party thereto, the DIP ABL Lenders, and the DIP ABL Agent, in form and substance substantially consistent with the form of DIP ABL Credit Agreement attached to this Agreement as **Exhibit D**.

"**DIP ABL Documents**" means, collectively, the DIP Orders, the DIP ABL Credit Agreement and any and all other agreements, documents, and instruments delivered or to be entered into in connection therewith,

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including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents.

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"**DIP ABL Facility**" means that certain superpriority secured debtor-in-possession facility in accordance with the terms and conditions set forth in the DIP ABL Credit Agreement.

"**DIP ABL Lenders**" means the lenders party to the DIP ABL Credit Agreement with respect to the DIP ABL Facility.

"**DIP Term Loan Agents**" means Cantor Fitzgerald Securities, as administrative agent and GLAS Trust Corporation Limited, as collateral agent under the DIP Term Loan Facility, or any successor agents thereunder.

"**DIP Term Loan Claims**" means any Claim on account of the DIP Term Loan Facility.

"**DIP Term Loan Credit Agreement**" means that certain superpriority secured debtor-in-possession credit agreement that governs the DIP Term Loan Facility (as may be amended, supplemented, or otherwise modified from time to time) dated on or around the date hereof, by and among Invacare Corporation, as borrower, the Debtor guarantors that are party thereto, the DIP Term Loan Lenders, and the DIP Term Loan Agents, in form and substance substantially consistent with the form of DIP Term Loan Credit Agreement attached to this Agreement as **Exhibit E**.

"**DIP Term Loan Documents**" means, collectively, the DIP Orders, the DIP Term Loan Credit Agreement and any and all other agreements, documents, and instruments delivered or to be entered into in connection therewith, including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents.

"**DIP Term Loan Facility**" means that certain superpriority secured debtor-in-possession facility in accordance with the terms and conditions set forth in the DIP Term Loan Credit Agreement.

"**DIP Term Loan Lenders**" means the lenders party to the DIP Term Loan Credit Agreement with respect to the DIP Term Loan Facility.

"**DIP Motion**" means the motion filed by the Debtors seeking entry of the DIP Orders, together with all exhibits thereto and any declarations, affidavits or other documents filed in connection with such motion.

"**DIP Orders**" means, collectively, the Interim DIP Order, the Final DIP Order, and any other orders entered in the Chapter 11 Cases authorizing debtor-in-possession financing or the use of Cash Collateral.

"**Disclosure Statement**" means the disclosure statement with respect to the Plan and any exhibits and schedules thereto, as may be amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement.

"**Disclosure Statement Order**" means an order entered by the Bankruptcy Court approving the Disclosure Statement and Solicitation Materials as containing, among other things, "adequate information" as required by sections 1125 and 1126(b) of the Bankruptcy Code, the solicitation procedures related thereto, and granting the other relief requested in the motion to approve the Disclosure Statement.

"**Entity**" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

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“**Execution Date**” has the meaning set forth in the preamble to this Agreement.

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“**Exit ABL Facilities**” shall mean the Exit NA ABL Facility and the Exit EMEA ABL Facility (each as defined in the Restructuring Term Sheet).

“**Exit ABL Documents**” shall mean the credit agreements for the Exit ABL Facilities, and all other agreements, documents and instruments delivered or to be entered into in connection therewith, including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents.

“**Exit Secured Convertible Notes**” shall have the meaning set forth in the Restructuring Term Sheet.

“**Exit Secured Convertible Notes Documents**” shall mean any indenture for the Exit Secured Convertible Notes, and all other agreements, documents and instruments delivered or to be entered into in connection therewith, including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents.

“**Exit Term Loan Facility**” shall have the meaning set forth in the Restructuring Term Sheet.

“**Exit Term Loan Documents**” shall mean the credit agreement for the Exit Term Loan Facility, and all other agreements, documents and instruments delivered or to be entered into in connection therewith, including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents.

“**File**, **Filed**, or **Filing**” means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

“**Final DIP Order**” means the order entered in the Chapter 11 Cases authorizing, among other things, the Debtors’ entry into the DIP Term Loan Facility and DIP ABL Facility on a final basis.

“**First Day Pleadings**” means the motions, declarations, pleadings and all other documents that the Debtors File on or around the Petition Date requesting certain emergency relief, or supporting the request for such relief, and to be heard at the “first day” hearing.

“**General Unsecured Claim**” means any Unsecured Claim against any of the Debtors that is not: (a) paid in full prior to the Plan Effective Date pursuant to an order of the Bankruptcy Court; (b) a DIP Claim, (c) an Administrative Claim; (d) an Other Secured Claim; (e) an Other Priority Claim; (f) a Term Loan Claim; (g) an ABL Claim; (h) a Secured Notes Claim; (i) an Unsecured Notes Claims; (j) an Intercompany Claim; or (k) a Section 510(b) Claim.

“**Guarantor/Obligor Subsidiaries**” means each Company Party, other than a Debtor Entity, that is a direct or indirect subsidiary of Invacare that is an obligor or guarantor under the Term Loan Agreement, Secured Tranche I Convertible Notes Indenture, Secured Tranche II Convertible Notes Indenture, or ABL Credit Agreement as of the Execution Date of each, including each such subsidiary set forth on **Exhibit A** as a Guarantor/ Obligor Subsidiary.

“**Highbridge**” has the meaning set forth in the preamble of this Agreement.

“**Intercompany Interests**” means an Interest in a Debtor held by a Debtor or an Affiliate of a Debtor.

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“**Interests**” means any equity security (as defined in section 101(16) of the Bankruptcy Code) of a Debtor, and including all common stock, preferred stock, limited partner interests,

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general partner interests, limited liability company interests, and any other equity, ownership, beneficial or profits interests in any of the Debtors, whether or not transferable, and options, warrants, rights, or other securities, agreements or interests to acquire or subscribe for, or which are exercisable, convertible or exchangeable into or for the shares (or any class thereof) of, common stock, preferred stock, limited partner interests, general partner interests, limited liability company interests, or other equity, ownership, beneficial or profits interests in or of any Debtor, contractual or otherwise (in each case whether or not arising under or in connection with any employment agreement).

"**Interim DIP Order**" means the order entered in the Chapter 11 Cases authorizing, among other things, the Debtors' entry into the DIP Term Loan Facility and DIP ABL Facility on an interim basis.

"**Invacare**" has the meaning set forth in the preamble of this Agreement.

"**Law**" means any federal, state, local, or foreign law (including common law), statute, code, ordinance, rule, regulation, order, ruling, or judgment, in each case, that is validly adopted, promulgated, issued, or entered by a governmental authority of competent jurisdiction (including the Bankruptcy Court).

"**Lien**" has the meaning set forth in section 101(37) of the Bankruptcy Code.

"**Management Incentive Plan**" has the meaning set forth in the Restructuring Term Sheet.

"**Milestones**" means the applicable milestones set forth in Section 4 of this Agreement, as they may be extended in accordance with Section 4.01 of this Agreement.

"**New Common Equity**" means the common stock, limited liability company membership units, or functional equivalent thereof of Reorganized Invacare to be issued on the Plan Effective Date subject to the terms and conditions set forth in the Restructuring Term Sheet and the New Organizational Documents.

"**New Organizational Documents**" means any document that may be included with the Plan Supplement with respect to the governance of any of the reorganized Company Parties following the consummation of the Restructuring Transactions, and any certificates of formation, charters, certificates or articles of incorporation, bylaws, operating agreements, limited liability company agreements or other applicable organizational documents or charter documents and any shareholder agreements or other shareholder documents.

"**New Preferred Equity**" shall have the meaning set forth in the Restructuring Term Sheet.

"**Noteholder Ad Hoc Group**" means the ad hoc group of certain holders of the Convertible Notes represented by Brown Rudnick LLP,GLC Advisors & Co., LLC, and Norton Rose Fulbright US LLP.

"**Parties**" has the meaning set forth in the preamble to this Agreement.

"**Permitted Transfer**" means each Transfer of Company Claims/Interests which meets the requirements of Section 9.01.

"**Permitted Transferee**" means each transferee of any Company Claims/Interests who meets the requirements of Section 9.01.

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“**Person**” has the meaning ascribed to such term in section 101(41) of the Bankruptcy Code.

“**Petition Date**” means the first date any of the Company Parties commences a Chapter 11 Case.

“**Plan**” means the joint plan of reorganization, including any exhibits and schedules thereto, Filed by the Debtors under chapter 11 of the Bankruptcy Code that embodies the Restructuring Transactions (as may be amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement).

“**Plan Effective Date**” means the date upon which all conditions precedent to the effectiveness of the Plan have been satisfied or waived in accordance with the terms of this Agreement and the Plan, and on which the Restructuring Transactions become effective or are consummated.

“**Plan Supplement**” means the compilation of documents and forms and/or term sheets of documents, schedules, and exhibits to the Plan, which shall be Filed by the Debtors prior to the Confirmation Hearing, and additional documents Filed with the Bankruptcy Court prior to the Plan Effective Date as amendments to the Plan Supplement.

“**Qualified Marketmaker**” means an Entity that (a) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers Company Claims/Interests (or enter with customers into long and short positions in Company Claims/Interests), in its capacity as a dealer or market maker in Company Claims/Interests and (b) is, in fact, regularly in the business of making a market in claims against issuers or borrowers (including debt securities or other debt).

“**Reorganized Debtor**” means a Debtor, or any successor or assign thereto, by merger, consolidation, reorganization, or otherwise, in the form of a corporation, limited liability company, partnership, or other form, as the case may be, on and after the Plan Effective Date, including Invacare.

“**Reorganized Invacare**” means (x) Invacare as a Reorganized Debtor or (y) a new corporation or limited liability company that will be formed to, among other things, directly or indirectly acquire substantially all of the assets and/or stock of the Debtors and issue the New Common Equity to be distributed pursuant to the Plan.

“**Required Consenting ABL Lenders**” means, as of the relevant date, Consenting ABL Lenders holding at least 50.01% of the aggregate outstanding principal amount of ABL Loans that are held by Consenting ABL Lenders at the relevant time.

“**Required Consenting Unsecured Noteholders**” means, as of the relevant date, Consenting Unsecured Noteholders holding at least 50.01% of the aggregate outstanding principal amount of Convertible Notes that are held by Consenting Unsecured Noteholders at the relevant time. For the avoidance of doubt, any decision of the Required Consenting Unsecured Noteholders shall be made only after consultation with all Consenting Unsecured Noteholders, including, but not limited to, Azurite.

“**Required Consenting Stakeholders**” means the Consenting Term Loan Lender, the Required Consenting ABL Lenders, the Required Consenting Unsecured Noteholders, and the Consenting Secured Noteholders.

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"**Respiratory Business Asset Purchase Agreement**" means that certain Asset Purchase Agreement, dated January 27, 2023, by and between Invacare Corporation, as seller, and Ventec Life Systems, Inc. ("Ventec"), as purchaser.

"**Respiratory Business Asset Sale Transaction**" means the sale by Invacare Corporation of all of its assets with respect to the respiratory business (which assets are more fully described in the Respiratory Business Asset Purchase Agreement) free and clear of all liens, claims and encumbrances, in accordance with the terms and conditions of the Respiratory Business Asset Purchase Agreement.

"**Restructuring Term Sheet**" has the meaning set forth in the recitals to this Agreement.

"**Restructuring Transactions**" has the meaning set forth in the recitals to this Agreement.

"**Rights Offering**" has the meaning set forth in the Restructuring Term Sheet.

"**Rights Offering Documents**" means collectively, the Backstop Commitment Agreement, the Rights Offering Procedures, and any and all other agreements, documents, and instruments as amended, delivered, or entered into in connection with the Rights Offering.

"**Rights Offering Procedures**" means those certain rights offering procedures with respect to the Rights Offering, which rights offering procedures shall be set forth in the Rights Offering Documents.

"**Rules**" means Rule 501(a)(1), (2), (3), and (7) of the Securities Act.

"**Sale**" means a sale of all, substantially all, or a material portion of the Debtors' (and if applicable other Company Parties') assets or equity interests pursuant to section 363 of the Bankruptcy Code or the Plan, including pursuant to a credit bid under section 363(k) of the Bankruptcy Code.

"**Sale Order**" means an order entered by the Bankruptcy Court approving a Sale pursuant to the applicable purchase agreement.

"**Sale Toggle Event**" has the meaning set forth in Section 12.03(d).

"**Secured Notes**" means, collectively, the Secured Tranche I Convertible Notes and Secured Tranche II Convertible Notes.

"**Secured Notes Claims**" means, collectively, the Secured Tranche I Convertible Notes Claims and Secured Tranche II Convertible Notes Claims.

"**Secured Tranche I Convertible Notes**" means the 5.68% Convertible Senior Secured Notes due 2026, Tranche I, issued by Invacare Corporation under the Secured Tranche I Convertible Notes Indenture.

"**Secured Tranche I Convertible Notes Claim**" means any Claim against a Company Party arising under, derived from, secured by, based on, or related to the Secured Tranche I Convertible Notes.

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“**<u>Secured Tranche I Convertible Notes Indenture</u>**” means that certain indenture, dated as of July 26, 2022, as may be amended, amended and restated, or otherwise supplemented from

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time to time, by and between Invacare Corporation, as issuer, and Computershare Trust Company, N.A., as trustee, governing the Secured Tranche I Convertible Notes.

"**Secured Tranche II Convertible Notes**" means the 5.68% Convertible Senior Secured Notes due 2026, Tranche II, issued by Invacare Corporation under the Secured Tranche II Convertible Notes Indenture.

"**Secured Tranche II Convertible Notes Claim**" means any Claim against a Company Party arising under, derived from, secured by, based on, or related to the Secured Tranche II Convertible Notes.

"**Secured Tranche II Convertible Notes Indenture**" means that certain indenture, dated as of July 26, 2022, as may be amended, amended and restated, or otherwise supplemented from time to time, by and between Invacare Corporation, as issuer, and Computershare Trust Company, N.A., as trustee, governing the Secured Tranche II Convertible Notes.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Solicitation Materials**" means all solicitation materials in respect of the Plan.

"**Term Loan Agreement**" means that certain credit agreement, dated as of July 26, 2022, as may be amended, amended and restated, or otherwise supplemented from time to time, between Invacare Corporation, as borrower, the lenders party thereto, Cantor Fitzgerald Securities, as administrative agent, and Glas Trust Corporation Limited, as collateral agent.

"**Term Loan Claims**" means any Claim on account of the Term Loans.

"**Term Loans**" means loans outstanding under the Term Loan Agreement.

"**Termination Date**" means the date on which termination of this Agreement as to a Party is effective in accordance with Sections 12.01, 12.02, 12.03, 12.04 or 12.05.

"**Transaction Expenses**" means all reasonable and documented prepetition and postpetition out-of-pocket fees and expenses of: (i) Highbridge (including the reasonable fees and expenses of the advisors to Highbridge, including Davis Polk & Wardwell LLP and Ducera Partners LLC accrued since the inception of their respective engagements and not previously paid by, or on behalf of, the Company Parties) (ii) the Noteholder Ad Hoc Group (including the reasonable fees and expenses of the advisors to the Noteholder Ad Hoc Group, including Brown Rudnick LLP, GLC Advisors & Co., LLC, and Norton Rose Fulbright US LLP accrued since the inception of their respective engagements and not previously paid by, or on behalf of, the Company Parties), and (iii) Azurite (including the reasonable fees and expenses of advisors to Azurite, including Latham & Watkins LLP and local counsel), in each case incurred in connection with the Debtors, this Agreement, the Definitive Documents and the transactions contemplated hereby and thereby.

"**Transfer**" means to sell, resell, reallocate, use, pledge, assign, transfer, hypothecate, participate, donate or otherwise encumber or dispose of, directly or indirectly (including through derivatives, options, swaps, pledges, forward sales or other transactions).

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"**Transfer Agreement**" means an executed form of the transfer agreement providing, among other things, that a transferee is bound by the terms of this Agreement and substantially in the form attached hereto as **Exhibit F**.

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“**Trustee**” means any indenture trustee, collateral trustee, or other trustee or similar Entity under the Convertible Notes and the Secured Notes.

1.02. Interpretation. For purposes of this Agreement:

(a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender;

(b) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(c) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;

(d) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, supplemented, or otherwise modified from time to time; *provided* that any capitalized terms herein which are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date hereof;

(e) unless otherwise specified, all references herein to “Sections” are references to Sections of this Agreement;

(f) the words “herein,” “hereof,” and “hereto” refer to this Agreement in its entirety rather than to any particular portion of this Agreement;

(g) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(h) references to “shareholders,” “directors,” and/or “officers” shall also include “members” and/or “managers,” as applicable, as such terms are defined under the applicable limited liability company Laws;

(i) the use of “include” or “including” is without limitation, whether stated or not;

(j) the phrase “counsel to the Company Parties” refers to Kirkland & Ellis LLP and McDonald Hopkins LLC;

(k) the phrase “counsel to Highbridge,” “counsel to the Consenting Term Loan Lender” or “counsel to the Consenting Secured Noteholders” refers in this Agreement to counsel specified in Section 15.10(b);

(l) the phrase “counsel to the Noteholder Ad Hoc Group” refers in this Agreement to counsel specified in Section 15.10(c);

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(m) the phrase "counsel to the Consenting ABL Lenders" refers in this Agreement to counsel specified in Section 15.10(d);

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(n) the phrase "counsel to Azurite" refers in this Agreement to counsel specified in Section 15.10(e); and

(o) the phrase "counsel to the Parties" refers in this Agreement collectively to counsel specified in Section 15.10.

Section 2. ***Effectiveness of this Agreement***. This Agreement shall become effective and binding upon each of the Parties at 12:00 a.m., prevailing Eastern Standard Time, on the Agreement Effective Date, which is the date on which all of the following conditions have been satisfied or waived in accordance with this Agreement:

(a) each of the Company Parties shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the Parties;

(b) the following shall have executed and delivered counterpart signature pages of this Agreement:

(i) the Consenting Term Loan Lender;

(ii) holders of at least 66.67% of the aggregate outstanding principal amount of the ABL Loans;

(iii) the Consenting Secured Noteholders; and

(iv) holders of at least 66.67% of the aggregate outstanding principal amount of the Convertible Notes.

(c) counsel to the Company Parties shall have given notice to counsel to the Consenting Stakeholders in the manner set forth in Section 15.10 hereof (by email or otherwise) that the other conditions to the Agreement Effective Date set forth in this Section 2(a) have occurred.

Section 3. ***Definitive Documents***.

3.01. The definitive documents governing the Restructuring Transactions shall include the following (the "**Definitive Documents**"):

(a) the Plan;

(b) the Confirmation Order;

(c) the Disclosure Statement and Solicitation Materials (including any motion seeking either approval of the Disclosure Statement or combined or conditional approval of the Disclosure Statement and/or Plan);

(d) the Disclosure Statement Order;

(e) the First Day Pleadings and all orders sought pursuant thereto;

(f) the "second day" pleadings that the Company Parties determine, in consultation with the Consenting Stakeholders, are necessary or desirable to file (excluding any "retention

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applications," except to the extent that such retention application seeks payment for, or authorization for the Debtors to pay, a success, transaction or similar fee);

(g) the Plan Supplement;

(h) the DIP Motion, DIP Orders, DIP Term Loan Credit Agreement, DIP ABL Credit Agreement and any and all other DIP Term Loan Documents and DIP ABL Documents and related documentation;

(i) the Backstop Commitment Agreement, Rights Offering Procedures, and any and all other Rights Offering Documents and related documentation;

(j) the New Preferred Equity and all documentation required to implement, issue, and distribute the New Preferred Equity, including all agreements, instruments and documents evidencing or granting any security interests in and liens on any intercompany claims for the benefit of New Intermediate Holding Company (as defined in the Restructuring Term Sheet) and any filings in respect thereof;

(k) the Management Incentive Plan;

(l) the New Organizational Documents and all other documents or agreements for the governance of Reorganized Invacare, including any certificates of incorporation and shareholders' agreement or supplements as may be reasonably necessary or advisable to implement the Restructuring Transactions and any and all documentation required to implement, issue, and distribute the New Common Equity;

(m) the Exit Term Loan Documents;

(n) the Exit Secured Convertible Notes Documents;

(o) the Exit ABL Documents;

(p) agreements, motions, pleadings, briefs, applications, orders and other filings with the Bankruptcy Court with respect to the rejection, assumption and/or assumption and assignment of material executory contracts and unexpired leases (provided that (i) any contract related to the BAN business or BAN equipment, (ii) any contract between the company Parties and Birlasoft Solutions Inc. and (iii) any contract related to the asset sale transaction with respect to the Company Parties' respiratory business shall be material contracts); and

(q) any other material (with materiality determined in the reasonable discretion of the advisors to Highbridge and the advisors to the Noteholder Ad Hoc Group, in consultation with the advisors to the Company Parties and Azurite) agreements, motions, pleadings, briefs, applications, orders and other filings with the Bankruptcy Court (including any documentation related to any equity or debt investment or offering with respect to any Company Party and any "key employee" retention or incentive plan); and

(r) such other material (with materiality determined in the reasonable discretion of the advisors to Highbridge and the advisors to the Noteholder Ad Hoc Group, in consultation with the advisors to the Company Parties and Azurite) motions, orders, agreements and documentation reasonably desired or necessary to consummate and document the transactions contemplated by this Agreement, the Restructuring Term Sheet and the Plan.

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3.02. The Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date remain subject to negotiation and completion. Upon completion, the

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Definitive Documents and every other document, deed, agreement, filing, notification, letter or instrument related to the Restructuring Transactions shall contain terms, conditions, representations, warranties, and covenants consistent with the terms of this Agreement (and shall be in form and substance reasonably acceptable in all respects to the Company Parties, Highbridge, and the Required Consenting Unsecured Noteholders, including any modifications, amendments or supplements thereto in accordance with Section 13; *provided* that (i) the DIP Term Loan Documents, the DIP ABL Documents, the Plan, the Confirmation Order, the Exit ABL Documents, the Exit Term Loan Documents and the Exit Secured Convertible Notes Documents shall be in form and substance acceptable to Highbridge, (ii) the DIP ABL Documents shall be acceptable in all respects to the Required Consenting ABL Lenders; *provided further* that the Management Incentive Plan shall be in form and substance acceptable to Highbridge, the Required Consenting Unsecured Noteholders, and the Chief Executive Officer of the Debtors, and (iii) any Definitive Documents that solely or disproportionately affect the rights of Azurite relative to the rights set forth in this Agreement and the Restructuring Term Sheet shall be in form and substance acceptable to Azurite.

Section 4. ***Milestones.***

4.01. The Debtors shall implement the Restructuring Transactions in accordance with the following milestones unless extended in writing by Highbridge and the Required Consenting Unsecured Noteholders (email from respective counsel to such Parties being sufficient):

(a) no later than January 31, 2023, the Petition Date shall have occurred;

(b) no later than the Petition Date, the Debtors shall have Filed the draft Plan with the Bankruptcy Court;

(c) no later than three (3) days after the Petition Date, the Bankruptcy Court shall have entered the Interim DIP Order;

(d) no later than ten (10) Business Days after the Petition Date, the Debtors shall have filed (i) the Disclosure Statement, (ii) a motion seeking entry of the Disclosure Statement Order and (iii) a motion seeking approval of the fees and expenses of the Backstop Parties in connection with the Backstop Commitment Agreement;

(e) no later than thirty-five (35) days after the Petition Date, the Bankruptcy Court shall have entered the Final DIP Order;

(f) no later than sixty (60) days after the Petition Date, the Bankruptcy Court shall have entered (i) the Disclosure Statement Order, (ii) an order approving the fees and expenses of the Backstop Parties in connection with the Backstop Commitment Agreement and (iii) an order approving the Rights Offering Procedures;

(g) no later than twenty (20) Business Days after the subscription commencement date, the Debtors shall have ended the subscription period for the Rights Offering;

(h) no later than one hundred and five (105) days after the Petition Date, the Bankruptcy Court shall have entered (i) the Confirmation Order and (ii) an order approving the Backstop Commitment Agreement;

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(i) no later than one hundred and twenty (120) days after the Petition Date, the Plan Effective Date shall have occurred; *provided* however, that such date may be extended for an additional one (1) month period, solely to the extent that the Company Parties have otherwise complied with the terms of this Agreement, the Definitive Documents and all other events and

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actions necessary for the occurrence of the Plan Effective Date has occurred other than the receipt of regulatory or other approval of a government entity or unit necessary for the occurrence of the Plan Effective Date.

Section 5. ***Commitments of the Consenting Stakeholders*.**

5.01. General Commitments, Forbearances, and Waivers.

(a) Subject to Section 6.01 below, during the Agreement Effective Period, each Consenting Stakeholder agrees, severally and not jointly, in respect of all of its Company Claims/Interests, to:

(i) support the Restructuring Transactions and vote and exercise any powers or rights available to it (including in any board, shareholders', or creditors' meeting or in any process requiring voting or approval to which they are legally entitled to participate) in each case in favor of any matter requiring approval to the extent reasonably necessary to implement the Restructuring Transactions in accordance with this Agreement and the Definitive Documents, as applicable;

(ii) give any notice, order, instruction, or direction to the applicable Agents/Trustees reasonably necessary to give effect to the Restructuring Transactions;

(iii) negotiate in good faith and use reasonable efforts to execute and implement the Definitive Documents that are consistent with this Agreement to which it is required to be a party;

(iv) negotiate in good faith and use commercially reasonable efforts to execute, deliver, and perform its obligations under any other agreements reasonably necessary or desirable to effectuate and consummate the Restructuring Transactions as contemplated by this Agreement; and

(v) acknowledge that the Respiratory Business Asset Sale Transaction, the Transaction Documents (as defined in the Respiratory Business Asset Purchase Agreement) and all rights of setoff of Ventec thereunder "ride through" the Chapter 11 Cases unimpaired and without further action required of Ventec.

(b) Subject to Section 6.01 below, during the Agreement Effective Period, each Consenting Stakeholder agrees, severally and not jointly, in respect of all of its Company Claims/Interests, that it shall not directly or indirectly:

(i) object to, delay, impede, or take any other action to materially interfere with acceptance, implementation, or consummation of the Restructuring Transactions;

(ii) either itself or through any representatives or agents, solicit, initiate, negotiate, facilitate, propose, respond, File, support, or vote for any Alternative Restructuring Proposal from or with any Entity or propose, File, support, consent to, seek formal or informal credit committee approval of, or vote for any Alternative Restructuring Proposal (and shall immediately inform the Company Parties and the other Consenting Stakeholders of any notification of any Alternative Restructuring Proposal);

(iii) File any motion, pleading, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereto) that, in whole or in part, is not materially consistent with this Agreement or the Plan;

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(iv) initiate, or have initiated on its behalf, any litigation or proceeding of any kind with respect to the Chapter 11 Cases, this Agreement, or the other Restructuring Transactions contemplated herein against the Company Parties or the other Parties other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(v) exercise, or direct any other person to exercise, any right or remedy for the enforcement, collection, or recovery of any of Company Claims/Interests in a manner materially inconsistent with the terms of this Agreement;

(vi) object to, delay, impede, or take any other action to interfere with the Company Parties' ownership and possession of their assets, wherever located, or interfere with the automatic stay arising under section 362 of the Bankruptcy Code; or

(vii) either itself or through any representatives or agents, allege or support any claim that any Transaction Documents (as defined in the Respiratory Business Asset Purchase Agreement) or any rights of setoff contained therein do not "ride through" the Chapter 11 Cases unimpaired and without further action required of Ventec.

5.02. Commitments with Respect to Chapter 11 Cases.

(a) Subject to Section 6.01 below, during the Agreement Effective Period, each Consenting Stakeholder that is entitled to vote to accept or reject the Plan pursuant to its terms agrees, severally and not jointly, that it shall, subject to receipt by such Consenting Stakeholder, whether before or after the commencement of the Chapter 11 Cases, of the Solicitation Materials:

(i) vote each of its Company Claims/Interests to accept the Plan by delivering its duly executed and completed ballot accepting the Plan on a timely basis following the commencement of the solicitation of the Plan and its actual receipt of the Solicitation Materials and the ballot and prior to the deadline for such delivery;

(ii) to the extent it is permitted to elect whether to opt out of the releases set forth in the Plan, elect not to opt out of such releases and (b) to the extent it is permitted to elect whether to opt in to the releases set forth in the Plan, elect to opt in to such releases, in each case by timely delivering its duly executed and completed ballot(s) indicating such election prior to the deadline for such delivery; and

(iii) not change, withdraw, amend, or revoke (or cause to be changed, withdrawn, amended, or revoked) any vote or election referred to in clauses (i) and (ii) above; *provided*, *however*, that such vote or election may be revoked or withdrawn (and, upon such revocation or withdrawal, deemed void *ab initio*) by such Consenting Stakeholder in accordance with Section 12.06 at any time if this Agreement is terminated with respect to such Consenting Stakeholder.

(b) Subject to Section 6.01 below, during the Agreement Effective Period, each Consenting Stakeholder, in respect of each of its Company Claims/Interests, will support, and will not directly or indirectly object to, delay, impede, or take any other action to interfere with any motion or other pleading or document Filed by a Company Party in the Bankruptcy Court that is consistent with this Agreement.

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5.03. Backstop Commitments. Upon the terms and subject to the conditions hereof, the Backstop Parties shall provide their respective Backstop Commitment, in each case pursuant to and in accordance with this Agreement, the Restructuring Term Sheet, and the Backstop Commitment Agreement.

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Section 6. ***Additional Provisions Regarding the Consenting Stakeholders' Commitments*.**

6.01. Notwithstanding anything contained in this Agreement, nothing in this Agreement shall:

(a) be construed to prohibit or limit any Consenting Stakeholder from taking or directing any action relating to maintenance, protection or preservation of any collateral, *provided* that such action is not materially inconsistent with this Agreement and does not hinder, delay or prevent consummation of the Plan and the Restructuring Transactions;

(b) be construed to prohibit or limit any Consenting Stakeholder from appearing as a party in interest in any matter to be adjudicated concerning any matter arising in the Chapter 11 Case;

(c) affect the ability of any Consenting Stakeholder to consult with any other Consenting Stakeholder, the Company Parties, or any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee);

(d) impair or waive the rights of any Consenting Stakeholder to assert or raise any objection permitted under this Agreement or the Definitive Documents in connection with the Restructuring Transactions;

(e) prevent any Consenting Stakeholder from enforcing this Agreement or any Definitive Document, or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or the Definitive Documents, or exercising its rights or remedies reserved herein or in the Definitive Documents, for the avoidance of doubt nothing in this Agreement shall prevent the ABL Consenting Lenders, and the ABL Consenting Lenders shall not be in breach of this Agreement, if the ABL Consenting Lenders exercise their rights and remedies set forth in the ABL Credit Agreement and related documents, the DIP Orders, and the ABL DIP Documents, as applicable;

(f) prevent any Consenting Stakeholder from taking any action which is required by applicable Law;

(g) require any Consenting Stakeholder to take any action which is prohibited by applicable Law or to waive or forego the benefit of any applicable legal professional privilege;

(h) unless provided for under this Agreement, incur any expenses, liabilities, or other obligations, or agree to any commitments, undertakings, concessions, indemnities, or other arrangements that could result in expenses, liabilities or other obligations;

(i) prevent any Consenting Stakeholder by reason of this Agreement or the Restructuring Transactions from making, seeking, or receiving any regulatory filings, notifications, consents, determinations, authorizations, permits, approvals, licenses or the like; or

(j) prohibit any Consenting Stakeholder from taking any action that is not materially inconsistent with this Agreement.

6.02. Notwithstanding anything else in this Agreement to the contrary, (i) each of the Consenting Unsecured Noteholders and Azurite agrees that it shall not purchase any of its Unsecured Note Claims or General Unsecured Claims without providing prior written notice by 5:00 p.m. (prevailing Eastern Time) on the immediate

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following business day to each of the other Consenting Unsecured Noteholders and Azurite summarizing the economic terms of such potential transaction and affording all of the other Consenting Unsecured Noteholders and

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Azurite with a right of first refusal to purchase such Unsecured Note Claims and General Unsecured Claims on the same terms as it is contemplating purchasing such additional Unsecured Note Claims and (ii) the Consenting Secured Noteholders agree that they shall not purchase any General Unsecured Claims so long as this Agreement remains in effect. In the event that more than one Consenting Unsecured Noteholder or Azurite elect to exercise the right of first refusal set forth in the immediately preceding sentence, all of the Consenting Unsecured Noteholders and Azurite desiring to make such purchase shall each purchase a *pro rata* portion of that Unsecured Note Claim based on their respective Backstop Commitment Percentages.

Section 7. ***Commitments of the Company Parties***.

7.01. Affirmative Commitments. Except as set forth in Section 8, during the Agreement Effective Period, the Company Parties agree to:

(a) support and take all steps reasonably necessary and desirable to implement and consummate the Restructuring Transactions in accordance with the terms, conditions and applicable deadlines set forth in this Agreement and the Definitive Documents, as applicable;

(b) support and take all steps reasonably necessary and desirable to facilitate solicitation of the Plan in accordance with this Agreement;

(c) comply with each Milestone;

(d) to the extent any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions contemplated herein, take all steps reasonably necessary and desirable to address any such impediment, including to negotiate in good faith appropriate additional or alternative provisions to address any such impediment including to negotiate in good faith appropriate additional or alternative provisions to address any such impediment, in each case, in a manner reasonably acceptable to Highbridge and the Required Consenting Unsecured Noteholders, and/or timely filing a formal objection to any motion, application or proceeding (i) seeking or approving an Alternative Restructuring Proposal, (ii) seeking relief that is inconsistent with this Agreement in any material respect, or would (or would reasonably be expected to) frustrate the purposes of this Agreement, (iii) seeking the entry of an order modifying or terminating any Company Party's exclusive right to file and/or solicit acceptances of a plan of reorganization, (iv) challenging the amount, validity, allowance, character, enforceability or priority of any Company Claims/Interests of any of the Consenting Stakeholders, (v) challenging the validity, enforceability or perfection of any lien or other encumbrance securing any Company Claims/Interests of any of the Consenting Stakeholders, (vi) seeking standing to pursue claims or causes of action of the Company Parties against any Consenting Stakeholder, or (vii) objecting to or seeking to interfere with the DIP Term Facility or DIP ABL Facility;

(e) use commercially reasonable efforts to obtain, file, submit, or register any and all required regulatory and/or third-party approvals, filings, registrations or notices that are necessary or advisable for the implementation or consummation of the Restructuring Transactions and approval by the Bankruptcy Court of the Definitive Documents;

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(f) negotiate in good faith and use commercially reasonable efforts to execute, deliver and perform its obligations under the Definitive Documents and any other agreements necessary or desirable to effectuate and consummate the Restructuring Transactions as contemplated by this Agreement;

(g) use commercially reasonable efforts to seek additional support for the Restructuring Transactions from their other material stakeholders and consult with Highbridge

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and the Consenting Unsecured Noteholders regarding the status and the material terms of any negotiations with any such stakeholders;

(h) provide to Highbridge and the Consenting Unsecured Noteholders drafts of all Definitive Documents that the Company Parties intend to File with the Bankruptcy Court and as soon as reasonably practicable, but in no event less than three (3) Business Days (or such shorter period as may be necessary in light of exigent circumstances) prior to such filing;

(i) provide to the Consenting ABL Lenders a reasonable opportunity to review drafts of Definitive Documents materially affecting the ABL Loans or the DIP ABL Facility that the Company Parties intend to File with the Bankruptcy Court related thereto, and to the extent reasonably practicable, provide a reasonable opportunity to counsel to any Consenting Stakeholders materially affected by such filing to review draft copies of other documents that the Company Parties intend to File with Bankruptcy Court, as applicable;

(j) upon reasonable request of Highbridge and the Required Consenting Unsecured Noteholders (which request may come from counsel thereto), inform counsel to such Party as to: (i) the status and progress of the Restructuring Transactions, including progress in relation to the negotiations of the Definitive Documents; (ii) the status of obtaining any necessary or desirable authorizations (including any consents) from each Consenting Stakeholder, any competent judicial body, governmental authority, banking, taxation, supervisory or regulatory body or any stock exchange, (iii) operational and financial performance matters (including liquidity), collateral matters, contract and lease matters, and the general status of ongoing operations and, in each of the foregoing clauses (i)-(iii), provide timely and reasonable responses to all reasonable diligence requests with respect to the foregoing, subject to any applicable restrictions and limitations set forth in any Confidentiality Agreements then in effect;

(k) inform the applicable counsel to each of the Consenting Stakeholders as soon as reasonably practicable, but no later than two (2) Business Days, after obtaining actual knowledge thereof: (i) any event or circumstance that has occurred, or that is reasonably likely to occur (and if it did so occur), that would permit any Party to terminate, or would result in the termination of, this Agreement; (ii) any matter or circumstance which they know to be a material impediment to the implementation or consummation of the Restructuring Transactions; (iii) any notice of any commencement of any material involuntary insolvency proceedings, legal suit for payment of debt or securement of security from or by any person in respect of the Company unless such notice is disclosed on the docket maintained in the Chapter 11 Cases within two (2) Business Days after obtaining actual knowledge thereof; (iv) a breach of this Agreement (including a breach by the Company Parties); (v) any representation or statement made or deemed to be made by the Company Parties under this Agreement which is or provides to have been materially incorrect or misleading in any respect when deemed to have been made; (vi) the initiation, institution or commencement of any material lawsuit, action or other proceeding by any person or entity (A) involving the Company Parties or any of their respective current or former officers, employees, managers, directors, members or equity holders (in their capacities as such) unless such notice is disclosed on the docket maintained in the Chapter 11 Cases within two (2) Business Days after obtaining actual knowledge thereof or (B) challenging the validity of the Restructuring Transactions or seeking to enjoin, restrain or prohibit this Agreement or the consummation of the Restructuring Transactions unless such notice is disclosed on the docket maintained in the Chapter 11 Cases within two (2) Business Days after obtaining actual knowledge thereof, (vii) the happening or existence of any fact, event or circumstance that shall have made any of the conditions precedent to any Company Party's obligations set forth in (or to be set forth in) any of the Definitive Documents incapable of being satisfied,

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and (viii) the receipt of notice from any person or entity alleging that the consent of such person or entity is or may be required under any contract, agreement, permit, Law or otherwise in connection with the consummation of any part of the Restructuring Transactions, unless such notice is disclosed on

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the docket maintained in the Chapter 11 Cases within two (2) Business Days after obtaining actual knowledge thereof;

(l) use commercially reasonable efforts to maintain their good standing under the Laws of the state or other jurisdiction in which they are incorporated or organized;

(m) timely file a formal objection to any motion filed with the Bankruptcy Court (with respect to clause (iv), to the extent not informally resolved in connection with the objection deadline in connection therewith) by any person seeking the entry of an order (i) directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code), (ii) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, (iii) dismissing the Chapter 11 Cases or (iv) for relief that (x) is inconsistent with this Agreement in any material respect or (y) would reasonably be expected to frustrate the purposes of this Agreement, including by preventing consummation of the Restructuring Transactions;

(n) use commercially reasonable efforts to (i) preserve intact in all material respects the current business operations of the Company Parties, keep available the services of their current officers and material employees and preserve in all material respects their relationships with customers, suppliers, distributors and others, (ii) maintain their respective books and records on a basis consistent with prior practice, (iii) maintain their physical assets, equipment, properties and facilities in their condition and repair as of the Agreement Effective Date, (iv) maintain all of their respective licenses and permits in full force and effect, (v) maintain all necessary insurance policies, or suitable replacements therefor, in full force and effect and (vi) otherwise operate their business in the ordinary course in compliance with applicable Law and this Agreement and the Definitive Documents;

(o) not seek application of the equitable doctrine of marshaling, section 506(c) of the Bankruptcy Code or section 552(b) of the Bankruptcy Code with respect to the DIP Term Facility, the Term Loans or the Secured Notes;

(p) negotiate in good faith the reasonable request of any Consenting Stakeholder any modifications to the Restructuring Transactions that improve the tax efficiency of the Restructuring Transactions or are otherwise necessary to address any legal, financial, or structural impediment that may prevent the consummation of the Restructuring Transactions, in each case to the extent such modifications can be implemented without any material adverse effect on such Company Party; and

(q) pay the Transaction Expenses as and when due; *provided* that, with respect to any Transaction Expenses with respect to Highbridge (including the advisors to Highbridge) that were due and payable as of the Agreement Effective Date and invoiced at least one (1) day prior to the Petition Date, the Company Parties shall pay any such Transaction Expenses not later than one (1) Business Day after the Effective Date (as such term is defined in the DIP Term Loan Credit Agreement); *provided*, *further*, that on and after the Plan Effective Date, so long as this Agreement has not been terminated prior to the Plan Effective Date as to all Parties, the Company Parties shall pay the Transaction Expenses as and when due without any requirement for Bankruptcy Court review or further Bankruptcy Court order;

7.02. Negative Commitments. Except as set forth in Section 8, during the Agreement Effective Period, each of the Company Parties shall not directly or indirectly:

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(a) object to, delay, impede, or take any other action that is inconsistent with or would to frustrate or interfere with acceptance, approval, implementation, or consummation of

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the Restructuring Transactions or otherwise commence any proceeding opposing any of the terms of this Agreement or any of the other Definitive Documents;

(b) amend, terminate or modify the Definitive Documents, in whole or in part, in a manner that is not consistent in all respects with this Agreement;

(c) File any motion, pleading, or Definitive Documents with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not materially consistent with this Agreement or the Plan;

(d) seek, solicit, support, encourage propose, consent to, vote for, or enter into any agreement regarding any Alternative Restructuring Proposal;

(e) Consummate or enter into a definitive agreement evidencing any merger, consolidation, disposition of material assets, acquisition of material assets, or similar transaction, pay any dividend, incur any indebtedness for borrowed money, in each case outside the ordinary course of business, in each case other than: (i) the Restructuring Transactions or (ii) with the prior consent of Highbridge and the Required Consenting Unsecured Noteholders;

(f) amend, terminate or modify any agreement, document, instrument, indenture or other writing evidencing any indebtedness or prepay, repay, redeem, defease, purchase, acquire, terminate, or discharge any such indebtedness without the consent of Highbridge and the Required Consenting Unsecured Noteholders;

(g) except to the extent required by this Agreement or otherwise required to consummate the Restructuring Transactions, make or change any tax election, change any annual tax accounting period, adopt or change any method of tax accounting, file any amended tax return, enter into any closing agreement, settle any tax claim or assessment, surrender any right to claim a tax refund, offset or other reduction in tax liability or consent to any extension or waiver of the limitation period applicable to any tax claim or assessment that would materially affect the Company Parties or Highbridge, in each case without the reasonable consent of Highbridge and the Required Consenting Unsecured Noteholders;

(h) (i) seek discovery in connection with, or prepare or commence an avoidance action or other legal proceeding that challenges, (A) the amount, validity, allowance, character, enforceability or priority of any Company Claims/Interests of any of the Consenting Stakeholders or (B) the validity, enforceability or perfection of any lien or other encumbrance securing any Company Claims/Interests of any of the Consenting Stakeholders or (ii) support any third party in connection with any of the acts described in clause (i) of this paragraph;

(i) allege or support any claim or Cause of Action that the Respiratory Business Asset Sale Transaction is not an arm's length transaction or that the consideration provided by Ventec to Invacare in the Respiratory Business Asset Sale Agreement does not represent reasonably equivalent value for the assets sold pursuant thereto;

(j) allege or support any claim that (x) any Transaction Documents (as defined in the Respiratory Business Asset Purchase Agreement) or any rights of setoff contained therein do not "ride through" the Chapter 11 Cases unimpaired and without further action required of Ventec, or (y) that any Transaction Documents or any rights of setoff contained therein are barred by any injunction, release or otherwise;

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Section 8. ***Additional Provisions Regarding Company Parties' Commitments***.

1.01. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require a Company Party or the board of directors, board of managers, or similar governing body of a Company Party, after consulting with counsel, to take any action or to refrain from taking any action with respect to the Restructuring Transactions to the extent taking or failing to take such action would be inconsistent with applicable Law, inconsistent with its corporate benefit, inconsistent with its fiduciary obligations under applicable Law, or result in any criminal liability for the relevant person, and any such action or inaction pursuant to this Section 8.01 shall not be deemed to constitute a breach of this Agreement; *provided*, it is agreed that any such action that results in a termination of this Agreement in accordance with the terms hereof shall be subject to the provisions set forth in Section 12.06 hereof.

8.01. Notwithstanding anything to the contrary in this Agreement, each Company Party and its respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives shall have the right to: (a) receive, analyze, discuss, respond to, facilitate, and negotiate any unsolicited Alternative Restructuring Proposals received by any Company Party; (b) provide access to non-public information concerning any Company Party to any Entity or enter into Confidentiality Agreements or nondisclosure agreements with any Entity; (c) maintain or continue discussions or negotiations with respect to Alternative Restructuring Proposals; and (d) enter into or continue discussions or negotiations with holders of Company Claims/Interests (including any Consenting Stakeholder), any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), or any other Entity regarding the Restructuring Transactions. If any Company Party receives an Alternative Restructuring Proposal, then such Company Party shall, within two (2) Business Days of receiving such proposal, provide counsel to each of Highbridge, the Noteholder Ad Hoc Group, and Azurite with a copy of each written proposal, including all annexes, ancillary terms, and other components of such proposal, or a reasonably detailed summary of each oral proposal, including the identity of the person or group of persons involved and reasonable updates as to the status and progress of such Alternative Restructuring Proposal and such Company Party shall respond promptly to reasonable information requests and questions from the advisors to Highbridge, the Noteholder Ad Hoc Group, or Azurite relating to such Alternative Restructuring Proposal.

8.02. Nothing in this Agreement shall: (a) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions; or (b) prevent any Company Party from enforcing this Agreement or any Definitive Document, or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or the Definitive Documents, or exercising its rights or remedies reserved herein or in the Definitive Documents, so long as the Definitive Documents are in satisfaction of all requirements of this Agreement, including Section 3.02.

Section 9. ***Transfer of Interests and Securities***.

9.01. During the Agreement Effective Period, no Consenting Stakeholder shall Transfer any ownership (including any beneficial ownership as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended) in any Company Claims/Interests to any affiliated or unaffiliated party, including any party in which it may hold a direct or indirect beneficial interest, unless:

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(a) in the case of any Company Claims/Interests, the authorized transferee is either (1) a qualified institutional buyer as defined in Rule 144A under the Securities Act, (2) a non-U.S. person in an offshore transaction as defined under Regulation S under the Securities Act,

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(3) an institutional accredited investor (as described in Rule 501(a)(1), (2), (3) or (7) under the Securities Act), or (4) a Consenting Stakeholder; and

(b) either (i) the transferee executes and delivers to counsel to the Company Parties, at or before the time of the proposed Transfer, a Transfer Agreement or (ii) the transferee is a Consenting Stakeholder and the transferee provides notice of such Transfer (including the amount and type of Company Claim or Interest Transferred) to counsel to the Company Parties at or before the time of the proposed Transfer.

9.02. Upon compliance with the requirements of Section 9.01, the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of the rights and obligations in respect of such transferred Company Claims/Interests. Any Transfer in violation of Section 9.01 shall be void *ab initio*.

9.03. This Agreement shall in no way be construed to preclude the Consenting Stakeholders from acquiring additional Company Claims/Interests; *provided*, *however*, that (a) such additional Company Claims/Interests shall automatically and immediately upon acquisition by a Consenting Stakeholder be deemed subject to the terms of this Agreement (regardless of when or whether notice of such acquisition is given to counsel to the Company Parties or counsel to the Consenting Stakeholders) and (b) such Consenting Stakeholder must provide notice of such acquisition (including the amount and type of Company Claim/Interest acquired) to counsel to the Company Parties and counsel to the Consenting Stakeholders within five (5) Business Days of such acquisition.

9.04. This Section 9 shall not impose any obligation on any Company Party to issue any "cleansing letter" or otherwise publicly disclose information for the purpose of enabling a Consenting Stakeholder to Transfer any of its Company Claims/Interests. Notwithstanding anything to the contrary herein, to the extent a Company Party and another Party have entered into a Confidentiality Agreement, the terms of such Confidentiality Agreement shall continue to apply and remain in full force and effect according to its terms, and this Agreement does not supersede any rights or obligations otherwise arising under such Confidentiality Agreements.

9.05. Notwithstanding Section 9.01, a Qualified Marketmaker that acquires any Company Claims/Interests with the purpose and intent of acting as a Qualified Marketmaker for such Company Claims/Interests shall not be required to execute and deliver a Transfer Agreement in respect of such Company Claims/Interests if (i) such Qualified Marketmaker subsequently transfers such Company Claims/Interests (by purchase, sale assignment, participation, or otherwise) within five (5) Business Days of its acquisition to a transferee that is an Entity that is not an Affiliate, affiliated fund, or affiliated Entity with a common investment advisor; (ii) the transferee otherwise is a Permitted Transferee under Section 9.01; and (iii) the Transfer otherwise is a Permitted Transfer under Section 9.01. To the extent that a Consenting Stakeholder is acting in its capacity as a Qualified Marketmaker, it may Transfer (by purchase, sale, assignment, participation, or otherwise) any right, title or interests in Company Claims/Interests that the Qualified Marketmaker acquires from a holder of the Company Claims/Interests who is not a Consenting Stakeholder without the requirement that the transferee be a Permitted Transferee.

9.06. Notwithstanding anything to the contrary in this Section 9, the restrictions on Transfer set forth in this Section 9 shall not apply to the grant of any liens or encumbrances on any claims and interests in favor of a bank or broker-dealer holding custody of such claims and interests in the ordinary course of business and which lien or encumbrance is released upon the Transfer of such claims and interests.

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Section 10. ***Representations and Warranties of Consenting Stakeholders***. Each Consenting Stakeholder severally, and not jointly, represents and warrants that, as of the date such Consenting Stakeholder executes and delivers this Agreement, a Joinder or a Transfer Agreement:

(a) it is the beneficial or record owner of the face amount of the Company Claims/Interests or is the nominee, investment manager, or advisor for beneficial holders of the Company Claims/Interests reflected in, and, having made reasonable inquiry, is not the beneficial or record owner of any Company Claims/Interests other than those reflected in, such Consenting Stakeholder's signature page to this Agreement or a Transfer Agreement, as applicable (as may be updated pursuant to Section 9);

(b) it has the full power and authority to act on behalf of, vote and consent to matters concerning, such Company Claims/Interests;

(c) such Company Claims/Interests are free and clear of any pledge, lien, security interest, charge, claim, equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition, transfer, or encumbrances of any kind, that would adversely affect in any way such Consenting Stakeholder's ability to perform any of its obligations under this Agreement at the time such obligations are required to be performed;

(d) it has the full power to vote, approve changes to, and transfer all of its Company Claims/Interests as contemplated by this Agreement subject to applicable Law;

(e) it has made no prior assignment, sale, participation, grant, conveyance or other Transfer of, and has not entered into any agreement to assign, sell, participate, grant, convey or otherwise Transfer, in whole or in part, any portion of its right, title, or interests in its Company Claims/Interests;

(f) it is a sophisticated party with respect to the subject matter of this Agreement and the transactions contemplated hereby;

(g) it (i) has access to adequate information regarding the terms of this Agreement to make an informed and knowledgeable decision with regard to entering into this Agreement and (ii) has such knowledge and experience in financial and business matters of this type that it is capable of evaluating the merits and risks of entering into this Agreement and of making an informed investment decision with respect hereto;

(h) in has not relied upon any other Party in deciding to enter into this Agreement and has instead made its own independent analysis and decision to enter into this Agreement; and

(i) solely with respect to holders of Company Claims/Interests, (i) it is either (A) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (B) not a U.S. person (as defined in Regulation S of the Securities Act), or (C) an institutional accredited investor (as defined in the Rules), and (ii) any securities acquired by the Consenting Stakeholder in connection with the Restructuring Transactions will have been acquired for investment and not with a view to distribution or resale in violation of the Securities Act.

Section 11. ***Mutual Representations, Warranties, and Covenants***. Each of the Parties, severally and not jointly, represents, warrants, and covenants to each other Party, as of the date such Party executes and delivers this Agreement, a Joinder or a Transfer Agreement:

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(a) it is validly existing and in good standing under the Laws of the state of its organization, and this Agreement is a legal, valid, and binding obligation of such Party,

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enforceable against it in accordance with its terms, except as enforcement may be limited by applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(b) except as expressly provided in this Agreement, the Plan, and the Bankruptcy Code, no consent or approval is required by any other person or Entity in order for it to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement;

(c) the entry into and performance by it of, and the transactions contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its articles of association, memorandum of association or other constitutional documents;

(d) except as expressly provided in this Agreement, it has (or will have, at the relevant time) all requisite corporate or other power and authority to enter into, execute, and deliver this Agreement and to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement; and

(e) except as expressly provided by this Agreement, it is not party to any restructuring or similar agreements or arrangements with the other Parties to this Agreement that have not been disclosed to all Parties to this Agreement.

Section 12. ***Termination Events*****.**

12.01. Consenting Stakeholder Termination Events. This Agreement may be terminated (a) with respect to the Consenting Term Loan Lender, by the Consenting Term Loan Lender, (b) with respect to the Consenting ABL Lenders, by the Required Consenting ABL Lenders; (c) with respect to the Consenting Secured Noteholders, by the Consenting Secured Noteholders; and (d) with respect to the Consenting Unsecured Noteholders, by the Required Consenting Unsecured Noteholders, in each case, by the delivery to the Company Parties of a written notice in accordance with Section 15.10 hereof upon the occurrence and/or continuation of the following events:

(a) the breach in any material respect by a Company Party of any of the representations, warranties, or covenants of the Company Parties set forth in this Agreement that (i) is materially adverse to the Consenting Stakeholders seeking termination pursuant to this provision and (ii) remains uncured for five (5) Business Days after such terminating Consenting Stakeholders transmit a written notice in accordance with Section 15.10 hereof detailing such breach;

(b) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) would reasonably be expected to prevent the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for ten (10) Business Days after delivery of a written notice to the Company in accordance with Section 15.10 hereof detailing any such issuance; *provided*, that this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation set out in this Agreement;

(c) the Bankruptcy Court (i) enters an order denying confirmation of the Plan, (ii) enters the Confirmation Order in a form not acceptable to Highbridge and the Required Consenting Unsecured Noteholders and does not enter a revised Confirmation Order reasonably acceptable to Highbridge and the Required Consenting

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Unsecured Noteholders in the event the Confirmation Order is reversed or vacated, within five (5) Business Days, (iii) does not enter a

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revised Confirmation Order reasonably acceptable to Highbridge and the Required Consenting Unsecured Noteholders in the event the Confirmation Order is reversed or vacated, within five (5) Business Days of such reversal or vacation, or (iv) grants relief that is inconsistent in any material respect with this Agreement, the Definitive Documents or the Restructuring Transactions, and such inconsistent relief is not dismissed, vacated or modified to be consistent with this Agreement and the Restructuring Transactions within five (5) Business Days following written notice thereof to the Company Parties by the terminating Consenting Stakeholder;

(d) the entry of an order by the Bankruptcy Court, or the Filing of a motion or application by any Company Party seeking an order (without the prior written consent of the Required Consenting Stakeholders), (i) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code, (ii) appointing an examiner with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code or a trustee in one or more of the Chapter 11 Cases of a Company Party, or (iii) rejecting this Agreement;

(e) a Company Party (i) withdraws or revokes the Plan or publicly announces its intention to withdraw the Plan, (ii) files, proposes or otherwise supports or approves an Alternative Restructuring Proposal or enters into a definitive agreement with respect to an Alternative Restructuring Proposal or (iii) files, proposes or otherwise supports or approves any amendment or modification to the Definitive Documents containing any terms that are materially inconsistent with the implementation of, and the terms of, this Agreement without the prior written consent of the terminating Consenting Stakeholder which remains uncured (to the extent curable) for five (5) Business Days after such terminating Consenting Stakeholders transmit a written notice in accordance with Section 15.10 detailing any such breach;

(f) the Milestones have not been achieved, extended or waived in accordance with this Agreement; *provided* that, for the avoidance of doubt, no Party may terminate this Agreement on account of failure to satisfy a Milestone to the extent that such failure is primarily caused by or primarily resulting from such Party's own action (or failure to act) in breach of the terms of this Agreement;

(g) the Bankruptcy Court enters an order terminating any Company Party's exclusive right to file and/or solicit acceptances of a plan of reorganization;

(h) any of the Company Parties consummates or enters into a definitive agreement evidencing any merger, consolidation, disposition of material assets, acquisition of material assets, or similar transaction, pays any dividend, or incurs any indebtedness for borrowed money, in each case outside the ordinary course of business, in each case other than: (i) the Restructuring Transactions or (ii) with the prior consent of Highbridge and the Required Consenting Unsecured Noteholders;

(i) any of the Company Parties enters into an executory contract or lease involving consideration of more than $10 million, any key employee incentive plan or key employee retention plan, any new or amended agreement regarding executive compensation, or other compensation arrangement, in each case, outside of the ordinary course of business, in each case other than with the prior consent (such consent not to be unreasonably withheld, conditioned, or delayed) of Highbridge and the Required Consenting Unsecured Noteholders;

(j) the filing by any Company Party of any Definitive Document, amendments, modifications or supplements thereto, motion or pleading with the Bankruptcy Court that is not consistent in all material respects

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with this Agreement, and such filing is not withdrawn (or, in the case of a motion that has already been approved by an order of the Bankruptcy Court at the time the Company Parties are provided with such notice, such order is not stayed, reversed or

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vacated) within five (5) Business Days following written notice thereof to the Company Parties by Highbridge or the Required Consenting Unsecured Noteholders;

(k) any of the Company Parties (i) files any motion seeking to avoid, disallow, subordinate, or recharacterize any DIP ABL Claim, DIP Term Claim, Term Loan Claim, ABL Claim, Secured Notes Claim or Convertible Notes Claim held by any Consenting Stakeholder or (ii) supports any application, adversary proceeding or Cause of Action referred to in the immediately preceding clause (i) filed by a third party, or consents to the standing of any such third party to bring such application, adversary proceeding or Cause of Action;

(l) other than the Chapter 11 Cases or a voluntary chapter 11 filing under the Bankruptcy Code by Company Parties formed or otherwise based in North America, if any Company Party: (i) voluntarily commences any case or files any petition seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, receivership, reorganization (by way of voluntary administration, deed of company arrangement or otherwise) or other relief under any federal, state or foreign bankruptcy, insolvency, arrangement, scheme of arrangement, administrative receivership or similar law now or hereafter in effect, except as contemplated by this Agreement, (ii) consents to the institution of, or fails to contest in a timely and appropriate manner, any involuntary proceeding or petition described in the preceding subsection (i), (iii) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator or similar official with respect to any Company Party or for a substantial part of such Company Party's assets, (iv) makes a general assignment or arrangement for the benefit of creditors, or (v) takes any corporate action for the purpose of authorizing any of the foregoing;

(m) the Bankruptcy Court grants relief terminating, annulling or modifying the automatic stay (as set forth in Section 362 of the Bankruptcy Code) with regard to any assets of the Debtors having an aggregate fair market value in excess of $25 million without the written consent of Highbridge and the Required Consenting Unsecured Noteholders; or

(n) the termination of this Agreement as to the (i) Consenting Term Loan Lender, (ii) the Consenting Secured Noteholders or (iii) the Consenting Unsecured Noteholders, if such termination results in the Consenting Unsecured Noteholders party to this agreement holding less than 66.67% of the Convertible Notes.

12.02. Company Party Termination Events. Any Company Party may terminate this Agreement as to all Parties upon prior written notice to all Parties in accordance with Section 15.10 hereof upon the occurrence of any of the following events:

(a) the breach in any material respect by one or more Consenting Stakeholders of any provision set forth in this Agreement (i) that is materially adverse to the Company Parties and (ii) that remains uncured for a period of ten (10) Business Days after the receipt by such Consenting Stakeholder of notice of such breach; *provided* that the Company Parties shall only have the right to terminate this Agreement as to such breaching Consenting Stakeholder pursuant to this paragraph, and shall not have the right to terminate this Agreement as to all Parties pursuant to this paragraph;

(b) the breach in any material respect by Highbridge of any provision set forth in this Agreement (i) that is materially adverse to the Company Parties and (ii) that remains uncured for a period of fifteen (15) Business Days after the receipt by Highbridge of notice of such breach;

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(c) the breach in any material respect by or one or more of the Consenting Unsecured Noteholders holding an amount of Convertible Notes that would result in non-breaching Consenting Unsecured Noteholders holding less than two-thirds (66.67%) of the aggregate

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outstanding principal amount of the Convertible Notes of any provision set forth in this Agreement (i) that is materially adverse to the Company Parties and (ii) that remains uncured for a period of fifteen (15) Business Days after the receipt by the applicable Consenting Unsecured Noteholders of notice of such breach; *provided* that the Company Parties shall only have the right to terminate this Agreement as to the Consenting Unsecured Noteholders pursuant to this paragraph, and shall not have the right to terminate this Agreement as to all Parties pursuant to this paragraph;

(d) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for ten (10) Business Days after such terminating Company Party transmits a written notice in accordance with Section 13.10 hereof detailing any such issuance; *provided*, that this termination right shall not apply to or be exercised by any Company Party that sought or requested such ruling or order in contravention of any obligation or restriction set out in this Agreement;

(e) the Bankruptcy Court enters an order denying confirmation of the Plan; or

(f) the termination of this Agreement as to the (i) Consenting Term Loan Lender or (ii) the Consenting Secured Noteholders.

12.03. Highbridge Termination Events. This Agreement may also be terminated with respect to Highbridge, by Highbridge, by the delivery to the Company Parties of a written notice in accordance with Section 15.10 hereof upon the occurrence and/or continuation of the following events:

(a) (i) a Default or Event of Default (as each is defined in the DIP Term Loan Facility) has occurred and is continuing and has not been waived or timely cured in accordance with the DIP Term Loan Facility, (ii) any DIP Order is entered in a form not acceptable to Highbridge, and (iii) any DIP Order is reversed, stayed, dismissed, vacated, reconsidered, modified or amended in a manner that is not approved by Highbridge.

(b) the Bankruptcy Court enters an order (or the Company Parties seek an order) invalidating, disallowing, subordinating, recharacterizing, or limiting, as applicable, any of the Company Claims/Interests of Highbridge, the liens securing the Company Claims/Interests of Highbridge, the DIP Term Facility or the liens securing the DIP Term Facility, or any official committee or other person obtains standing to pursue any Challenge (as defined in the DIP Orders); or

(c) the Company Parties fail to pay the Transaction Expenses as and when due, including pursuant to Section 7.01(q); *provided* that payment of the Transaction Expenses of the Noteholder Ad Hoc Group shall be subject to the occurrence of the earlier of (x) approval of such Backstop Commitment Agreement by the Bankruptcy Court and (y) the Plan Effective Date.

(d) In the event that Highbridge has the right to terminate this Agreement pursuant to this Section 12, Highbridge may, at its sole discretion, provide notice to the Company Parties of its election not to terminate this Agreement and forbear from exercising remedies under and pursuant to the DIP Orders and/or DIP Credit Agreement solely with respect to the event or occurrence that gave rise to such termination right (and only if, and solely to the extent that, the exercise of such remedies would prevent the Company Parties from commencing and implementing the marketing and sale process described in this paragraph in a manner acceptable to Highbridge),

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notwithstanding such termination right (the occurrence of such election, a "Sale Toggle Event"). Upon the occurrence of a Sale Toggle Event, (i) the Company Parties and Highbridge shall negotiate in good faith modifications to this Agreement as mutually agreed by

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the Company Parties and Highbridge, (ii) the Company Parties shall promptly commence a marketing process for a sale of all or substantially all of the Debtors' (and if applicable other Company Parties') assets or equity interests pursuant to section 363 of the Bankruptcy Code or the Plan, including pursuant to a credit bid under section 363(k) of the Bankruptcy Code, on terms acceptable to Highbridge and (iii) the Milestones set forth in Section 4 shall be automatically replaced in their entirely with a Milestone for the Bankruptcy Court to, no later than sixty (60) days after the occurrence of the Sale Toggle Event (or such later date extended in writing by Highbridge, with email from counsel being sufficient), enter the Sale Order in form and substance acceptable to Highbridge.

12.04. Mutual Termination. This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual written agreement among all of the following: (a) the Required Consenting Stakeholders and (b) each Company Party.

12.05. Automatic Termination. This Agreement shall terminate automatically without any further required action or notice upon the earlier of:

(a) the board of directors, board of managers, or such similar governing body of any Company Party determines in good faith, based on advice of counsel that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties under applicable Law;

(b) the Company Parties (i) notify the Consenting Stakeholders pursuant to Section 8.02 and/or make a public announcement that they intend to pursue an Alternative Restructuring Proposal or (ii) enter into a definitive agreement with respect to an Alternative Restructuring Proposal;

(c) the Plan Effective Date; or

(d) on the date that is 240 days after the Petition Date.

12.06. Effect of Termination. Upon the occurrence of a Termination Date as to a Party (subject to any Sale Toggle Event), this Agreement shall be of no further force and effect as to such Party and each Party subject to such termination shall, except as otherwise expressly provided in this Agreement or the Definitive Documents, be released from its liabilities, obligations, commitments, undertakings, and agreements under or related to this Agreement, shall have no further rights, benefits or privileges hereunder, and shall have the rights and remedies that it would have had, had it not entered into this Agreement, and no such rights or remedies shall be deemed waived pursuant to a claim of laches or estoppel, and shall be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Claims or Causes of Action. Upon the occurrence of a Termination Date prior to the Confirmation Order being entered by a Bankruptcy Court, any and all consents or ballots tendered by the Parties subject to such termination before a Termination Date shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions and this Agreement or otherwise; *provided*, however, (i) any Consenting Stakeholder withdrawing or changing its vote pursuant to this Section 12.06 shall promptly provide written notice of such withdrawal or change to each other Party to this Agreement and, if such withdrawal or change occurs on or after the Petition Date, File notice of such withdrawal or change with the Bankruptcy Court and (ii) the Company Parties shall consent to any attempt by such Consenting Stakeholder to change or withdraw (or cause to change or withdraw) such vote at such time. Nothing in this Agreement shall be construed as

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prohibiting a Company Party or any of the Consenting Stakeholders from contesting whether any such termination is in

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accordance with its terms or to seek enforcement of any rights under this Agreement that arose or existed before a Termination Date. Except as expressly provided in this Agreement or the Definitive Documents, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict (a) any right of any Company Party or the ability of any Company Party to protect and reserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Consenting Stakeholder, and (b) any right of any Consenting Stakeholder, or the ability of any Consenting Stakeholder, to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Company Party or Consenting Stakeholder. No purported termination of this Agreement shall be effective under this Section 12.06 or otherwise if the Party seeking to terminate this Agreement is in material breach of this Agreement, except a termination pursuant to Section 12.02(d). Nothing in this Section 12.06 shall restrict any Company Party's right to terminate this Agreement in accordance with Section 12.02(d).

Section 13. ***Amendments and Waivers***.

(a) This Agreement may not be modified, amended, or supplemented, and no condition or requirement of this Agreement may be waived, in any manner except in accordance with this Section 13.

(b) This Agreement may be modified, amended, or supplemented, or a condition or requirement of this Agreement may be waived, in a writing signed by: (a) each Company Party and (b) the Required Consenting Stakeholders; *provided*, *however*, that (i) any modification or amendment to this Section 13 shall require the written consent of each Party, (ii) with respect to any modification, amendment, waiver or supplement that materially, adversely and disproportionately affects the rights of or proposed treatment of any Consenting Stakeholder (in its capacity as such) or any other party that becomes a Party to this Agreement, the written consent of such affected Consenting Stakeholder or other Party shall be required, (iii) in the event of a Sale Toggle Event, this Agreement may be modified, amended, or supplemented by each Company Party and Highbridge, and (iv) any modification or amendment of Section 12.05 shall require the consent of the Required Consenting Stakeholders and Azurite.

(c) Any proposed modification, amendment, waiver or supplement that does not comply with this Section 13 shall be ineffective and void *ab initio*.

(d) The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver of any such right, power or remedy or any provision of this Agreement, nor shall any single or partial exercise of such right, power or remedy by such Party preclude any other or further exercise of such right, power or remedy or the exercise of any other right, power or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by Law.

Section 14. ***DIP Commitments***

14.01. Term DIP Commitment. Each Consenting Term Loan Lender party hereto commits, severally and not jointly, to provide the portion of the DIP Term Loan Facility set forth opposite such Consenting Term Loan Lender's name on **Schedule 1** hereto on the terms and conditions set forth in the DIP Term Loan Credit Agreement and otherwise subject to the Definitive Documents. The Consenting Term Loan Lenders may participate in the DIP

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Term Loan Facility on behalf of some or all accounts and funds managed by such Consenting Term Loan Lender and some or all accounts and funds managed by the investment manager, or any

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affiliate of the investment manager, of such Consenting Term Loan Lender, and may allocate its participation in the DIP Term Loan Facility among such funds in its sole discretion.

14.02. ABL DIP Commitment. Each Consenting ABL Lender party hereto commits, severally and not jointly, to provide the portion of the DIP ABL Facility set forth opposite such Consenting ABL Lender's name on **Schedule 1** hereto on the terms and conditions set forth in the DIP ABL Credit Agreement and otherwise subject to the Definitive Documents. The Consenting ABL Lenders may participate in the DIP ABL Facility on behalf of some or all accounts and funds managed by such Consenting ABL Lender and some or all accounts and funds managed by the investment manager, or any affiliate of the investment manager, of such Consenting ABL Lender, and may allocate its participation in the DIP ABL Facility among such funds in its sole discretion.

Section 15. ***Miscellaneous***

15.01. Acknowledgement. Notwithstanding any other provision herein, this Agreement is not and shall not be deemed to be an offer with respect to any securities or solicitation of votes for the acceptance of a plan of reorganization for purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise. Any such offer or solicitation will be made only in compliance with all applicable securities Laws, provisions of the Bankruptcy Code, and/or other applicable Law.

15.02. Exhibits Incorporated by Reference; Conflicts. Each of the exhibits, annexes, signature pages, and schedules attached hereto is expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include such exhibits, annexes, and schedules. In the event of any inconsistency between this Agreement (without reference to the exhibits, annexes, and schedules hereto) and the exhibits, annexes, and schedules hereto, this Agreement (without reference to the exhibits, annexes, and schedules thereto) shall govern.

15.03. Further Assurances. Subject to the other terms of this Agreement, the Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary, or as may be required by order of the Bankruptcy Court, from time to time, to effectuate the Restructuring Transactions, as applicable.

15.04. Complete Agreement. Except as otherwise explicitly provided herein, this Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, among the Parties with respect thereto, other than any Confidentiality Agreement.

15.05. GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each Party hereto agrees that it shall bring any action or proceeding in respect of any claim arising out of or related to this Agreement, to the extent possible, in the Bankruptcy Court, and solely in connection with claims arising under this Agreement: (a) irrevocably submits to the exclusive jurisdiction of the Bankruptcy Court; (b) waives any objection to laying venue in any such action or proceeding in the Bankruptcy Court; and (c) waives any objection that the Bankruptcy Court is an inconvenient forum or does not have jurisdiction over any Party hereto.

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15.06. TRIAL BY JURY WAIVER. EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING

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ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

15.07. Execution of Agreement. This Agreement may be executed and delivered in any number of counterparts and by way of electronic signature and delivery, each such counterpart, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party. The Parties understand that the Consenting ABL Lenders are engaged in a wide range of financial services and businesses. In furtherance of the foregoing, the Parties acknowledge and agree that, to the extent a Consenting ABL Lender expressly indicates on its signature page hereto that it is executing this Agreement on behalf of specific trading desk(s) and/or business group(s) of the Consenting ABL Lender, the obligations set forth in this Agreement shall only apply to such trading desk(s) and/or business group(s) and shall not apply to any other trading desk or business group of the Consenting ABL Lender so long as they are not acting at the direction or for the benefit of such Consenting ABL Lender or such Consenting ABL Lender's investment in the Company Parties; provided, that the foregoing shall not diminish or otherwise affect the obligations and liability therefor of any legal entity that (i) executes this Agreement or (ii) on whose behalf this Agreement is executed by a Consenting ABL Lender.

15.08. Rules of Construction. This Agreement is the product of negotiations among the Company Parties and the Consenting Stakeholders, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof. The Company Parties and the Consenting Stakeholders were each represented by counsel during the negotiations and drafting of this Agreement and continue to be represented by counsel.

15.09. Successors and Assigns; Third Parties. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors and permitted assigns, as applicable. There are no third-party beneficiaries under this Agreement, and the rights or obligations of any Party under this Agreement may not be assigned, delegated, or transferred to any other person or Entity.

15.10. Notices. All notices hereunder shall be deemed given if in writing and delivered, by electronic mail, courier, or registered or certified mail (return receipt requested), to the following addresses (or at such other addresses as shall be specified by like notice):

(a) if to a Company Party, to:

Invacare Corporation
One Invacare Way
Elyria, Ohio 44035
Attention: Anthony LaPlaca, General Counsel and
Chief Administrative Officer
E-mail address: ALaPlaca@invacare.com
with copies to:

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Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654
Attention: Ryan Blaine Bennett

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Yusuf Salloum
E-mail address: rbennett@kirkland.com
yusuf.salloum@kirkland.com

and

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Erica D. Clark
E-mail address: erica.clark@kirkland.com

and

McDonald Hopkins LLC
600 Superior Avenue, East
Suite 2100
Cleveland, Ohio 44114
Attention: Shawn Riley
David Agay
E-mail address: sriley@mcdonaldhopkins.com
dagay@mcdonaldhopkins.com

(b) if to the Consenting Term Loan Lender or a Consenting Secured Noteholder, to:

Highbridge Capital Management, LLC
277 Park Avenue
New York, NY 10172
Attn: Damon Meyer
Jonathan Segal
Ian Scime
Jason Hempel
E-mail address: damon.meyer@highbridge.com;
jonathan.segal@highbridge.com;
ian.scime@highbridge.com;
jason.hempel@highbridge.com

and

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attn: Damian Schaible

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Kenneth Steinberg
Jonah Peppiatt

E-mail address: damian.schaible@davispolk.com
kenneth.steinberg@davispolk.com
jonah.peppiatt@davispolk.com

(c) if to the Noteholder Ad Hoc Group, to:

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Brown Rudnick LLP
Seven Times Square
New York, NY 10036
Attn: Robert J. Stark
Bennett S. Silverberg
E-mail address: RStark@brownrudnick.com
BSilverberg@brownrudnick.com

(d) if to a Consenting ABL Lender, to:

Blank Rome LLP
One Logan Square
130 North 18th Street
Philadelphia, Pennsylvania 19103
Attn: Regina Stango Kelbon
Ira L. Herman
E-mail address: regina.kelbon@blankrome.com
ira.herman@blankrome.com

(e) if to Azurite, to:

Azurite Management LLC
25101 Chagrin Blvd 300
Beachwood Ohio 44122
Attn: Steven H Rosen

and

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Attn: George A Davis
Adam J. Goldberg
E-mail address: george.davis@lw.com;
adam.goldberg@lw.com

Any notice given by delivery, mail, or courier shall be effective when received.

15.11. Independent Due Diligence and Decision Making. Each Consenting Stakeholder hereby confirms that its decision to execute this Agreement has been based upon its independent investigation of the operations, businesses, financial and other conditions, and prospects of the Company Parties.

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15.12. Enforceability of Agreement. Each of the Parties to the extent enforceable waives any right to assert that the exercise of termination rights under this Agreement is subject to the automatic stay provisions of the Bankruptcy Code, and expressly stipulates and consents hereunder to the prospective modification of the automatic stay provisions of the Bankruptcy Code for purposes of exercising termination rights under this Agreement, to the extent the Bankruptcy Court determines that such relief is required.

15.13. Waiver. If the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason, the Parties fully reserve any and all of their rights.

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Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce its terms or the payment of damages to which a Party may be entitled under this Agreement.

15.14. Specific Performance. It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party, and each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief (without the posting of any bond and without proof of actual damages) as a remedy of any such breach, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.

15.15. Several, Not Joint, Claims. Except where otherwise specified, the agreements, representations, warranties, and obligations of the Parties under this Agreement are, in all respects, several and not joint.

15.16. Severability and Construction. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect if essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable.

15.17. Remedies Cumulative. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at Law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.

15.18. Capacities of Consenting Stakeholders. Each Consenting Stakeholder has entered into this Agreement on account of all Company Claims/Interests that it holds (directly or through discretionary accounts that it manages or advises).

15.19. Survival. Notwithstanding (i) any Transfer of any Company Claims/Interests in accordance with this Agreement or (ii) the termination of this Agreement in accordance with its terms, the agreements and obligations of the applicable Parties in the Confidentiality Agreements, in Section 7.01(q) and in Section 12.06 shall survive such Transfer and/or termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof and thereof. For the avoidance of doubt, the Parties acknowledge and agree that if this Agreement is terminated, any and all releases set forth in the Plan shall remain in full force and effect.

15.20. Email Consents. Where a written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this Agreement, pursuant to Section 3.02, Section 13, or otherwise, including a written approval by the Company Parties or the applicable Required Consenting Stakeholders, such written consent, acceptance, approval, or waiver shall be deemed to have occurred if, by agreement between counsel to the Parties submitting and receiving such consent, acceptance, approval, or waiver, it is conveyed in writing (including electronic mail) between each such counsel without representations or warranties of any kind on behalf of such counsel.

15.21. Accession. After the date hereof, additional subsidiaries and affiliates of Invacare Corporation may become Company Parties by agreeing in writing to be bound by the terms of this Agreement by executing a

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counterpart signature page to this Agreement and delivering such signature page in accordance with Section 15.07 of this Agreement.

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15.22. The Company Parties shall submit drafts to counsel to Highbridge of any press releases and public documents that constitute disclosure of the existence or terms of this Agreement or any amendment to the terms of this Agreement prior to making any such disclosure, and shall afford them a reasonable opportunity under the circumstances to comment on such documents and disclosures and shall incorporate any such reasonable comments in good faith. Except as required by Law, no Party or its advisors shall (a) use the name of any Consenting Stakeholders in any public manner (including in any press release) with respect to this Agreement, the Restructuring Transactions or any of the Definitive Documents or (b) disclose to any Entity (including, for the avoidance of doubt, any other Consenting Stakeholder), other than advisors to the Company Parties, (i) the principal amount or percentage of any Company Claims/Interests held by any Consenting Stakeholders without such Consenting Stakeholder's prior written consent (it being understood and agreed that each Consenting Stakeholder's signature page to this Agreement shall be redacted to remove the name of such Consenting Stakeholder and the amount and/or percentage of Company Claims/Interests held by such Consenting Stakeholder to the extent this Agreement is filed on the docket maintained in the Chapter 11 Cases or otherwise made publicly available); *provided*, *however*, that (x) if such disclosure is required by Law, the disclosing Party shall afford the relevant Consenting Stakeholder a reasonable opportunity to review and comment in advance of such disclosure and the Company Parties shall take all reasonable measures to limit such disclosure and (y) the foregoing shall not prohibit the disclosure of the aggregate percentage or aggregate principal amount of Company Claims/Interests held by the Consenting Stakeholders of the same class, collectively. Notwithstanding the provisions in this Section 15.21, (1) any Party may disclose the identities of the other Parties in any action to enforce this Agreement or in any action for damages as a result of any breaches hereof, and (2) any Party may disclose, to the extent expressly consented to in writing in advance by a Consenting Stakeholder, such Consenting Stakeholder's identity and individual holdings.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

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EXHIBIT A

Company Parties

Debtor Entities

1. Invacare Corporation (Ohio)
2. Adaptive Switch Laboratories, Inc. (Texas)
3. Freedom Designs, Inc. (California)

Guarantor/Obligor Subsidiaries

1. Carroll Healthcare General Partner, Inc. (Ontario, Canada)
2. Carroll Healthcare Inc. (Ontario, Canada)
3. Invacare A/S (Denmark)
4. Invacare AS (Norway)
5. Invacare Australia Pty. Ltd.(Australia)
6. Invacare B.V. (Netherlands)
7. Invacare Canada General Partner Inc. (Canada)
8. Invacare Canada L.P. (Ontario, Canada)
9. Invacare Credit Corporation (Ohio)
10. Invacare France Operations SAS (France)
11. Invacare Holding AS (Norway)
12. Invacare Holdings C.V. (Netherlands)
13. Invacare Holdings, LLC (Ohio)
14. Invacare Holdings S.a.r.l. (Luxembourg)
15. Invacare Holdings Two B.V. (Netherlands)
16. Invacare Holdings Two S.a.r.l. (Luxembourg)

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17. Invacare Limited (UK)

18. Invacare New Zealand (New Zealand)

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19. Invacare Poirier SAS (France)

20. Invacare UK Operations Limited (UK)

21. Invamex Holdings LLC (Delaware)

22. Medbloc, Inc. (Delaware)

23. Motion Concepts L.P. (Ontario, Canada)

24. Perpetual Motion Enterprises Limited (Ontario, Canada)

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<u>**EXHIBIT B**</u>

Restructuring Term Sheet

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EXHIBIT C

Backstop Commitment Agreement

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<u>EXHIBIT D</u>

Form of DIP ABL Credit Agreement

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EXHIBIT E

Form of DIP Term Loan Credit Agreement

[Intentionally Excluded]

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EXHIBIT F

Provision for Transfer Agreement

The undersigned ("**Transferee**") hereby acknowledges that it has read and understands the Restructuring Support Agreement, dated as of __________ (the "**Agreement**"),[2] by and among Invacare Corporation and its affiliates and subsidiaries bound thereto and the Consenting Stakeholders, including the transferor to the Transferee of any Company Claims/Interests (each such transferor, a "**Transferor**"), and agrees to be bound by the terms and conditions thereof to the extent the Transferor was thereby bound, and shall be deemed a "Consenting Stakeholder" and a ["Consenting [__] Lender"] ["Consenting [__] Noteholder"] under the terms of the Agreement.

The Transferee specifically agrees to be bound by the terms and conditions of the Agreement and makes all representations and warranties contained therein as of the date of the Transfer, including the agreement to be bound by the vote of the Transferor if such vote was cast before the effectiveness of the Transfer discussed herein.

Date Executed:

____
Name:
Title:
Address:
E-mail address(es):

Aggregate Amounts Beneficially Owned or Managed on Account of:	
[___] Notes	
[___] Term Loan	
Interests	

[2] Capitalized terms used but not otherwise defined herein shall having the meaning ascribed to such terms in the Agreement.

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Exhibit 10.2

BACKSTOP COMMITMENT AGREEMENT

AMONG

INVACARE CORPORATION

EACH OF THE COMPANY PARTIES LISTED ON SCHEDULE 1 HERETO

AND

THE BACKSTOP PARTIES PARTY HERETO

DATED AS OF JANUARY 31, 2023

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BACKSTOP COMMITMENT AGREEMENT[1]

THIS BACKSTOP COMMITMENT AGREEMENT (this "**Agreement**"), dated as of January 31, 2023, is made by and among (i) Invacare Corporation (including as debtor in possession and as reorganized pursuant to the Plan, as applicable, "**Invacare**" or the "**Company**"), and its directly- and indirectly-owned subsidiaries and/or Affiliates listed on Schedule 1 (collectively, the "**Company Parties**") on the one hand; and (ii) each of the Backstop Parties listed on Schedule 2 hereto (collectively, the "**Backstop Parties**" and each, a "**Backstop Party**"), on the other hand. Each Company Party and each Backstop Party is referred to herein, individually, as a "**Party**" and, collectively, as the "**Parties**."

RECITALS

WHEREAS, on January 31, 2023, (the "**Petition Date**"), each of the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended from time to time, the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Court**"), initiating their respective cases (collectively, the "**Chapter 11 Cases**"), which are jointly administered and pending before the Bankruptcy Court.

WHEREAS, each of the Parties has entered into the Restructuring Support Agreement, dated as of January 31, 2023, by and among (i) the Company Parties and (ii) the Consenting Stakeholders (each of the foregoing, as defined in the RSA) (such agreement, along with all exhibits thereto, including the Restructuring Term Sheet attached thereto as Exhibit B (the "**Restructuring Term Sheet**") as may be amended, restated, supplemented or otherwise modified from time to time, the "**RSA**"), which provides for the restructuring of the Debtors' capital structure and financial obligations pursuant to a plan of reorganization (as it may be amended, modified or supplemented from time to time as provided in the RSA, the "**Plan**") in accordance with the RSA;

WHEREAS, in connection with the Chapter 11 Cases, the Debtors have engaged in good faith, arm's-length negotiations with certain parties in interest regarding the terms of the Plan.

WHEREAS, subject to the Bankruptcy Court's entry of an order confirming the Plan (the "**Confirmation Order**"), pursuant to the Plan and this Agreement, prior to or on the effective date of the Plan (the "**Effective Date**"), the Company Parties will conduct a rights offering in accordance with the Rights Offering Procedures and the other terms and conditions set forth in this Agreement whereby it shall (x) offer and sell New Preferred Equity to be issued by New Intermediate Holding Company to Eligible Holders of Unsecured Noteholder Rights and General Unsecured Rights, as applicable, at an aggregate purchase price equal to $60 million ($60,000,000.00) (the "**Aggregate Rights Offering Amount**") and (y) offer for purchase to the Backstop Parties the New Money Preferred Equity at the applicable purchase price based on the Aggregate Rights Offering Amount (the "**Purchase Price**,") as part of their Backstop Party Rights (the foregoing collectively, the "**Rights Offering**").

WHEREAS, pursuant to the Rights Offering Procedures and the Plan, Eligible Holders who elect to participate in the Rights Offering and subscribe for the New Money Preferred Equity shall also receive their pro rata share of the Exchangeable Preferred Equity to be issued pursuant to the Plan based on the amount of their respective participations in the Rights Offering.

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[1] Capitalized terms used but not defined herein have the meanings ascribed to them in the Plan.

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WHEREAS, subject to the terms and conditions contained in this Agreement, each Backstop Party has agreed (on a several and not joint basis) to fully exercise all Backstop Party Rights and Subscription Rights issued to it.

WHEREAS, subject to the terms and conditions contained in this Agreement, New Intermediate Holding Company has agreed to sell to each Backstop Party, and each Backstop Party has agreed to purchase (on a several and not joint basis), its Backstop Commitment Percentage of the Unsubscribed Shares, if any; and

WHEREAS, as consideration for their respective Funding Commitments, the Company Parties have agreed, subject to the terms, conditions and limitations set forth herein, to pay the Backstop Parties the Backstop Commitment Premium (or in the alternative, the Backstop Commitment Termination Premium (if applicable)) and the Expense Reimbursement, and provide the indemnification on the terms set forth herein;

NOW, THEREFORE, in consideration of the mutual promises, agreements, representations, warranties and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Parties hereby agrees as follows:

ARTICLE I

DEFINITIONS

Section 1.1 **Definitions**. Except as otherwise expressly provided in this Agreement, whenever used in this Agreement (including any Exhibits and Schedules hereto), the following terms shall have the respective meanings specified therefor below:

"**Ad Hoc Committee of Noteholders**" has the meaning set forth in the Plan.

"**Administrative Claim**" has the meaning set forth in the Plan.

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person as of the date on which, or at any time during the period for which, the determination of affiliation is being made (including any Related Funds of such Person); *provided* that for purposes of this Agreement, no Backstop Party shall be deemed an Affiliate of the Company Parties or any of their Subsidiaries. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities, by Contract or otherwise.

"**Aggregate Rights Offering Amount**" has the meaning set forth in the Recitals.

"**Agreement**" has the meaning set forth in the Preamble.

"**Allowed**" has the meaning set forth in the Plan.

"**Alternative Restructuring Counterproposal Notice**" has the meaning set forth in Section 7.2.

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"**Alternative Restructuring Proposal**" means any alternative plan, sale or other transaction other than the Plan and the RSA to which each Backstop Party has not consented in its sole discretion.

"**Antitrust Approvals**" means any notification, authorization, approval, consent, filing, application, nonobjection, expiration or termination of applicable waiting period (including any extension thereof), exemption, determination of lack of jurisdiction, waiver, variance, filing, permission, qualification, registration or notification required or, if agreed between the Company Parties and the Required Backstop Parties (in each case, acting reasonably) advisable, under any Antitrust Laws.

"**Antitrust Authorities**" means the United States Federal Trade Commission, the Antitrust Division of the United States Department of Justice, the attorneys general of the several states of the United States and any other Governmental Authority having jurisdiction pursuant to the Antitrust Laws, and "**Antitrust Authority**" means any one of them.

"**Antitrust Laws**" mean the Sherman Act, the Clayton Act, the HSR Act, the Federal Trade Commission Act, each, as amended, and any other Law governing agreements in restraint of trade, monopolization, pre-merger notification, the lessening of competition through merger or acquisition or anti-competitive conduct, and any foreign investment Laws.

"**Applicable Consent**" has the meaning set forth in Section 4.8.

"**Available Shares**" means, collectively, the Unsubscribed Shares that any Backstop Party fails to purchase in accordance with the terms of this Agreement.

"**Azurite**" means Azurite Management LLC.

"**Backstop Amount**" has the meaning set forth in Section 2.4(a)(v).

"**Backstop Commitment**" has the meaning set forth in Section 2.2(b).

"**Backstop Commitment Percentage**" means, with respect to any Backstop Party, such Backstop Party's percentage of the Backstop Commitment as set forth opposite such Backstop Party's name under the column titled "**Backstop Commitment Percentage**" on Schedule 2 (as it may be amended, supplemented or otherwise modified from time to time in accordance with this Agreement). Any reference to "Backstop Commitment Percentage" in this Agreement means the Backstop Commitment Percentage in effect at the time of the relevant determination.

"**Backstop Commitment Premium Share Amount**" means, with respect to a Backstop Party, the number of shares of New Common Equity equal to the product of (i) such Backstop Party's Backstop Commitment Percentage and (ii) the number of shares of New Common Equity issued on account of the Backstop Commitment Premium pursuant to Section 3.2 hereof.

"**Backstop Commitment Termination Premium**" means a nonrefundable aggregate premium in an amount equal to 10% of the dollar value of the Backstop Commitment (or, $6 million ($6,000,000.00)) payable in Cash which shall be payable only upon the occurrence of a Backstop Termination Premium Payment Event.

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"**Backstop Commitment Premium**" has the meaning set forth in Section 3.1.

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"**Backstop Order**" means the order entered by the Bankruptcy Court approving and authorizing the Debtors' entry into this Agreement and other Rights Offering Documents, including the Debtors' obligation to pay the Backstop Commitment Premium, which shall be in form and substance acceptable to the Company Parties and the Required Backstop Parties.

"**Backstop Party**" means each member of the Ad Hoc Committee of Noteholders or other Person that holds a Funding Commitment pursuant to this Agreement, including without limitation, any holder of a Funding Commitment that is a Related Purchaser, Existing Commitment Party Purchaser or a New Purchaser that has joined this Agreement pursuant to a joinder entered into pursuant to Section 2.6(b), Section 2.6(c), or Section 2.6(d), respectively.

"**Backstop Party Default**" means a breach of this Agreement arising if any Backstop Party (x) fails to (i) fully exercise all its Backstop Party Rights pursuant to and in accordance with Section 2.2(a) and Section 2.4 of this Agreement and to pay the applicable aggregate Purchase Price for such Subscription Shares or (ii) deliver and pay the applicable aggregate Purchase Price for such Backstop Party's Backstop Commitment Percentage of any Unsubscribed Shares by the Subscription Escrow Funding Date in accordance with Section 2.4, (y) denies or disaffirms such Backstop Party's obligations pursuant to this Agreement or (z) materially breaches or ceases to be party to the RSA.

"**Backstop Party Replacement**" has the meaning set forth in Section 2.3(a).

"**Backstop Party Replacement Period**" has the meaning set forth in Section 2.3(a).

"**Backstop Party Rights**" means those certain rights of the Backstop Parties to purchase the Subscription Shares at the applicable Purchase Price in accordance with the Rights Offering Procedures, which New Intermediate Holding Company will issue to the Eligible Holders of Unsecured Notes Claims and Eligible Holders of Allowed General Unsecured Claims on account of such claims as set forth in the Plan.

"**Backstop Termination Premium Payment Event**" means the occurrence, either prior to or within three months after termination of this Agreement, of the following events: (i) (x) the Company Parties exercise their termination rights pursuant to Section 7.1 or (y) the Company Parties accept or enter into a definitive agreement with respect to an Alternative Restructuring Proposal pursuant to Section 7.2, (ii) (x) the proceeds of such transaction related to an Alternative Restructuring Proposal or transaction in connection with which the Debtors exercised their termination rights under Section 7.1 (the "Specified Transaction") provides for recoveries for claims under Classes 1-4 under the Plan (including, for the avoidance of doubt, the Term Loan Claims and the Secured Notes Claims (as defined in the Plan)) that are equal or greater than those otherwise provided for under the Plan and (y) such Specified Transaction does not result in any non-de minimis new or increased risks to the recoveries of any holder of Term Loan Claims or Secured Notes Claims under the Plan, as determined in good faith by the Debtors and the Backstop Parties, and (iii) the Specified Transaction is consummated; provided that the Backstop Termination Premium Payment Event shall not occur if this Agreement has been terminated due to a breach by the Backstop Parties.

"**Bankruptcy Code**" has the meaning set forth in the Recitals.

"**Bankruptcy Court**" has the meaning set forth in the Recitals.

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"**Bankruptcy Rules**" has the meaning set forth in the Plan.

"**Business Day**" has the meaning set forth in the Plan.

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"**Bylaws**" means the amended and restated bylaws of Reorganized Invacare and New Intermediate Holding Company as of the Closing Date, which shall be consistent with the terms set forth in the RSA and otherwise be in form and substance satisfactory to the Required Backstop Parties.

"**Canadian Defined Benefit Pension Plan**" means a Canadian Pension Plan which contains a "defined benefit provision," as defined in subsection 147.1(1) of the Income Tax Act (Canada).

"**Canadian Pension Plans**" means (i) a "registered pension plan," as that term is defined in subsection 248(1) of the Income Tax Act (Canada), or (ii) a pension plan under other Canadian applicable law, in each case which is or was sponsored, administered or contributed to, or required to be contributed to by, any Company Party or under which any Company Party has any actual or potential liability.

"**Cash**" has the meaning set forth in the Plan.

"**Certificate of Designation**" means the Certificate of Designation of New Intermediate Holding Company or similar document or instrument setting forth the rights, benefits and privileges in respect to the New Preferred Equity.

"**Certificate of Incorporation**" means the amended and restated certificate of incorporation of Reorganized Invacare and New Intermediate Holding Company as of the Closing Date, which shall be consistent with the Plan and RSA and otherwise be in form and substance satisfactory to the Required Backstop Parties.

"**Chapter 11 Cases**" has the meaning set forth in the Recitals.

"**Claim**" has the meaning set forth in the Plan.

"**Closing**" has the meaning set forth in Section 2.5(a).

"**Closing Date**" has the meaning set forth in Section 2.5(a).

"**Company Disclosure Schedules**" means the disclosure schedules delivered by the Company Parties to the Backstop Parties on the date of this Agreement.

"**Company Party**" has the meaning set forth in the Recitals.

"**Company Plan**" means any employee benefit plan, as defined in Section 3(3) of ERISA and in respect of which any Company Party or any ERISA Affiliate is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA or has any liability, including a Multiemployer Plan.

"**Company SEC Documents**" has the meaning set forth in Section 4.11.

"**Complete Business Day**" means on any Business Day, the time from 12:00 a.m. to 11:59 p.m. (inclusive) on such Business Day.

"**Confirmation Order**" has the meaning set forth in the Recitals.

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“**<u>Consenting Unsecured Noteholders</u>**” has the meaning set forth in the Plan.

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"**Contract**" means any legally binding agreement, contract or instrument, including any loan, note, bond, mortgage, indenture, guarantee, deed of trust, license, franchise, commitment, lease, franchise agreement, letter of intent, memorandum of understanding or other obligation, and any amendments thereto, whether written or oral, but excluding the Plan.

"**Contracted Related Parties**" means any Related Party that is a party to this Agreement or the RSA.

"**Debtors**" has the meaning set forth in the Plan.

"**Defaulting Backstop Party**" means in respect of a Backstop Party Default that is continuing, the applicable defaulting Backstop Party.

"**Definitive Documents**" has the meaning set forth in the Plan.

"**DIP ABL Credit Agreement**" has the meaning set forth in the Plan.

"**DIP Credit Agreement**" means any of the DIP Term Credit Agreement and the DIP ABL Credit Agreement, as applicable.

"**DIP Facilities**" has the meaning set forth in the Plan.

"**DIP Orders**" has the meaning set forth in the Plan.

"**DIP Term Loan Credit Agreement** has the meaning set forth in the Plan.

"**Disclosure Statement**" has the meaning set forth in the Plan.

"**Disclosure Statement Order**" has the meaning set forth in the Plan, which shall also be in form and substance reasonably acceptable to the Required Backstop Parties and the Company Parties.

"**Effective Date**" has the meaning set forth in the Plan.

"**Entity**" has the meaning set forth in the Plan.

"**Environmental Laws**" means all applicable laws (including common law), rules, regulations, codes, ordinances, orders in council, Orders, decrees, treaties, directives, judgments or legally binding agreements promulgated or entered into by or with any Governmental Unit, relating in any way to the environment, preservation or reclamation of natural resources, the generation, management, transportation, storage, use, Release or threatened Release of, or exposure to, any Hazardous Material or to health and safety matters.

"**Environmental Liability**" means any liability, obligation, loss, claim, action, order or cost, contingent or otherwise, resulting from or based upon (a) any actual or alleged violation of any Environmental Law or permit, license or approval issued thereunder, (b) the generation, use, handling, transportation, storage, or treatment of any Hazardous Materials, (c) exposure to any Hazardous Materials or (d) the Release or threatened Release of any Hazardous Materials.

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"**ERISA**" has the meaning set forth in the Plan.

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that, together with the Company Parties, is treated as a single employer under Section 414(b) or

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(c) of the IRC, or, solely for purposes of Section 302 of ERISA and Section 412 of the IRC, is treated as a single employer under Section 414 of the IRC.

"**Event**" means any event, development, occurrence, circumstance, effect, condition, result, state of facts or change.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Exchangeable Preferred Equity**" has the meaning set forth in the Plan.

"**Existing Commitment Party Purchaser**" has the meaning set forth in Section 2.6(c).

"**Exit Facilities**" has the meaning set forth in the Plan.

"**Exit Facilities Documents**" has the meaning set forth in the Plan.

"**Exit Term Loan Facility**" has the meaning set forth in the Plan.

"**Exit ABL Facility**" has the meaning set forth in the Plan.

"**Expense Reimbursement**" has the meaning set forth in Section 3.3.

"**Fiduciaries**" has the meaning set forth in Section 7.1.

"**Fiduciary Out Notice**" has the meaning set forth in Section 7.1.

"**Filing Party**" has the meaning set forth in Section 6.14(a).

"**Final Order**" has the meaning set forth in the Plan.

"**Final Outside Date**" has the meaning set forth in Section 10.4(e).

"**Funding Amount**" has the meaning set forth in Section 2.4(a)(v).

"**Funding Commitment**" has the meaning set forth in Section 2.2(c).

"**Funding Notice**" has the meaning set forth in Section 2.4(a).

"**GAAP**" has the meaning set forth in Section 4.10.

"**General Unsecured Claim**" has the meaning set forth in the Plan.

"**Governmental Authority**" means any transnational, domestic or foreign federal, state, provincial or local, governmental authority, quasi-governmental, regulatory or administrative agency, self-regulatory authority, department, court, commission, board, bureau, agency or official, including any political subdivision thereof.

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"**Governmental Unit**" has the meaning set forth in the Plan.

"**Hazardous Materials**" means all pollutants, contaminants, wastes, chemicals, materials, substances and constituents, exposure to which or release of which can pose a hazard to human health or the environment or are listed, regulated or defined as hazardous, toxic, pollutants or contaminants under any Environmental Laws, including materials defined as

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"hazardous substances" under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq., and any radioactive substances or petroleum or petroleum distillates, asbestos or asbestos containing materials, per- and polyfluoroalkyl substances, polychlorinated biphenyls or radon gas.

"**Highbridge**" has the meaning set forth in the RSA.

"**Holder**" has the meaning set forth in the Plan.

"**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"**Indemnified Claim**" has the meaning set forth in Section 9.2.

"**Indemnified Person**" has the meaning set forth in Section 9.1.

"**Indemnifying Party**" has the meaning set forth in Section 9.1.

"**Initial Backstop Parties**" means each Backstop Party that is a party to this Agreement as of the date of this Agreement.

"**Initial Backstop Parties Advisors**" means (i) Brown Rudnick LLP, Norton Rose, LLP and GLC Advisors & Co., LLC in their capacities as legal and financial advisors, respectively, to the Ad Hoc Committee of Noteholders, certain members of which are Initial Backstop Parties, (ii) any other professionals retained by the Ad Hoc Committee of Noteholders in connection with the Rights Offering or the Chapter 11 Cases or the Debtors and (iii) Latham & Watkins LLP and one local counsel as counsel to Azurite.

"**Plan**" means the Plan that was filed by the Debtors with the Bankruptcy Court (without reference to any modifications, amendments, or supplements to such Plan).

"**Intellectual Property**" means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including copyrights, copyright licenses, domain names, trade secrets, patents, patent licenses, trademarks, trademark licenses, trade names, technology, know-how and processes, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"**Intended Tax Treatment**" has the meaning set forth in Section 3.4.

"**IRC**" has the meaning set forth in the Plan.

"**Joint Filing Party**" has the meaning set forth in Section 6.14(b).

"**Kirkland & Ellis**" means Kirkland & Ellis LLP.

"**Knowledge**" means the actual knowledge, after reasonable inquiry of their direct reports, of the chief executive officer, chief financial officer, chief operating officer and general counsel of such Person. As used herein, "actual knowledge" means information that is personally known by the listed individual(s).

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"**Law**" means any law (statutory or common), statute, regulation, rule, code or ordinance enacted, adopted, issued or promulgated by any Governmental Unit.

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“**Legal Proceedings**” has the meaning set forth in Section 4.14.

“**Legend**” has the meaning set forth in Section 6.13.

“**Lien**” has the meaning set forth in the Plan.

“**Losses**” has the meaning set forth in Section 9.1.

“**Management Incentive Plan**” has the meaning set forth in the Plan.

“**Material Adverse Effect**” means any Event after January 1, 2022, which individually, or together with all other Events, has had or would reasonably be expected to have a material and adverse effect on (a) the business, assets, liabilities, finances, properties, results of operations or condition (financial or otherwise) of the Company Parties, taken as a whole, or New Intermediate Holding Company, or (b) the ability of the Company Parties, taken as a whole, or New Intermediate Holding Company, to perform their respective obligations under, or to consummate the transactions contemplated by, this Agreement, the RSA, or the other Definitive Documents, including the Rights Offering, in each case, except to the extent such Event results from, arises out of, or is attributable to, the following (either alone or in combination): (i) any change after the date hereof in global, national or regional political conditions (including acts of war, terrorism or natural disasters) or in the general business, market, financial or economic conditions affecting the industries, regions and markets in which the Company Parties operate; (ii) any changes after the date hereof in applicable Law or GAAP, or in the interpretation or enforcement thereof; (iii) the execution, announcement or performance of this Agreement, the RSA, or the other Definitive Documents or the transactions contemplated hereby or thereby, including, without limitation, the Restructuring Transactions; (iv) changes in the market price or trading volume of the claims or equity or debt securities of the Company Parties (but not the underlying facts giving rise to such changes unless such facts are otherwise excluded pursuant to the clauses contained in this definition); (v) the filing or pendency of the Chapter 11 Cases; (vi) acts of God, including any natural (including weather-related) or man-made event or disaster, epidemic, pandemic or disease outbreak (including the COVID-19 virus or any strain, mutation or variation thereof); (vii) any action taken at the express written request of the Backstop Parties or taken by the Backstop Parties, including any breach of this Agreement by the Backstop Parties; (viii) any failure by the Company Parties to meet any internal or published projection for any period (but not the underlying facts giving rise to such failure unless such facts are otherwise excluded pursuant to other clauses contained in this definition); (ix) any objections in the Bankruptcy Court to (A) this Agreement, the other Definitive Documents or the transactions contemplated hereby or thereby or (B) the reorganization of the Company Parties, the Plan or the Disclosure Statement; or (x) any order of the Bankruptcy Court or any actions or omissions of the Debtors required thereby; *provided* that the exceptions set forth in clauses (i), (ii) and (vi) of this definition shall apply to the extent that such Event is disproportionately adverse to the Company Parties, taken as a whole, as compared to other companies comparable in size and scale to the Company Parties operating in the industries in which the Company Parties operate, but in each case, solely to the extent of such disproportionate impact.

“**Material Contracts**” means (a) all “plans of acquisition, reorganization, arrangement, liquidation or succession” and “material contracts” (as such terms are defined in Items 601(b)(2) and 601(b)(10) of Regulation S-K under the Exchange Act or required to be discussed on a current report on Form 8-K) to which any Company Party is a party and (b) any Contracts to which any Company Party is a party that is likely to reasonably involve consideration of more than $10 million, in the aggregate, over a 12 month period.

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“**<u>Management Incentive Plan</u>**” has the meaning set forth in the Plan.

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“**MIP Award**” means an award of New Common Equity pursuant to the Management Incentive Plan.

“**MNPI**” means material nonpublic information.

“**Multiemployer Plan**” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which the Company Parties are making or accruing an obligation to make contributions, have within any of the preceding six plan years made or accrued an obligation to make contributions, or otherwise have any actual or contingent liability or obligation, including on account of an ERISA Affiliate.

“**New Common Equity**” has the meaning set forth in the Plan.

“**New Intermediate Holding Company**” shall have the meaning set forth in the Plan.

“**New Organizational Documents**” means the amended and restated or new charters, bylaws, operating agreements, shareholder agreements, or other formation or organizational documents for each of Reorganized Invacare, New Intermediate Holding Company, and any of the Company Parties, as applicable, and shall include the Certificate of Designation.[2]

“**New Preferred Equity**” has the meaning set forth in the Plan.

“**New Purchaser**” has the meaning set forth in Section 2.6(d).

“**Order**” means any judgment, order, award, injunction, writ, permit, license or decree of any Governmental Unit or arbitrator of applicable jurisdiction.

“**Outside Date**” has the meaning set forth in Section 10.4(e).

“**Party**” has the meaning set forth in the Preamble.

“**PBGC**” means the Pension Benefit Guaranty Corporation established pursuant to Section 4002 of ERISA, or any successor thereto.

“**Permitted Liens**” means those Liens permitted under Section 6.02 of the DIP Term Loan Credit Agreement and any Liens granted as security for the Exit Facilities.

“**Person**” means a person as such term is defined in Section 101(41) of the Bankruptcy Code.

“**Petition Date**” means January 31, 2023.

“**Plan**” has the meaning set forth in Recitals.

“**Plan Equity Value**” means the value of the New Common Stock to be issued by Reorganized Invacare pursuant to the Plan, which value shall be determined and disclosed in the Plan Supplement.

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[2] The determination of the type of entity Reorganized Invacare and New Intermediate Holding Company will be shall be made prior to the filing of, and be disclosed in, the Plan Supplement as will the jurisdiction in which New Intermediate Holding Company will be organized.

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"**Plan Supplement**" has the meaning set forth in the Plan.

"**Pre-Closing Period**" has the meaning set forth in Section 6.3.

"**Purchase Price**" has the meaning set forth in the Recitals.

"**Real Property**" means, collectively, all right, title and interest in and to any and all parcels of or interests in real property owned in fee simple or leased by the Company Parties, together with all easements, hereditaments and appurtenances relating thereto, and all improvements and appurtenant fixtures incidental to the ownership or lease thereof.

"**Registration Rights Agreement**" has the meaning set forth in Section 8.1(e).

"**Related Fund**" means, with respect to a Backstop Party, any Affiliates (including at the institutional level) of such Backstop Party or any fund, account (including any separately managed accounts) or investment vehicle that is controlled, managed, advised or sub-advised by such Backstop Party, an Affiliate of such Backstop Party or by the same investment manager, advisor or subadvisor as such Backstop Party or an Affiliate of such Backstop Party.

"**Related Party**" means, with respect to any Person, (i) any former, current or future director, officer, agent, Representative, Affiliate, employee, general or limited partner, member, controlling persons, manager or stockholder of such Person and (ii) any former, current or future director, officer, agent, Representative, Affiliate, employee, general or limited partner, member, controlling persons, manager or stockholder of any of the foregoing, in each case solely in their respective capacity as such.

"**Related Purchaser**" has the meaning set forth in Section 2.6(b).

"**Release**" means any spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing, emanating or migrating in, into, onto or through the environment.

"**Reorganized Debtor**" has the meaning set forth in the Plan.

"**Reorganized Invacare**" has the meaning set forth in the Plan.

"**Replacement Backstop Parties**" has the meaning set forth in Section 2.3(a).

"**Reportable Event**" means any reportable event as defined in Section 4043(c) of ERISA or the regulations issued thereunder, other than those events as to which the 30-day notice period referred to in Section 4043(c) of ERISA has been waived, with respect to a Company Plan (other than a Company Plan maintained by an ERISA Affiliate that is considered an ERISA Affiliate only pursuant to subsection (m) or (o) of Section 414 of the IRC).

"**Representatives**" means, with respect to any Person, such Person's directors, officers, members, partners, managers, employees, agents, investment bankers, attorneys, accountants, advisors and other representatives.

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“**Required Backstop Parties**” means, as of the date of determination, the Backstop Parties holding a majority of the aggregate amount of Backstop Commitments of all Backstop Parties (excluding any Defaulting Backstop Parties and their corresponding Backstop Commitments).

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"**Required Consenting Unsecured Noteholders**" has the meaning set forth in the RSA.

"**Restructuring Term Sheet**" has the meaning set forth in the Recitals.

"**Restructuring Transactions**" has the meaning set forth in the Plan.

"**Rights Offering**" has the meaning set forth in the Plan.

"**Rights Offering Documents**" has the meaning set forth in the Plan, which, in each case, shall also be in form and substance acceptable to the Required Backstop Parties.

"**Rights Offering Expiration Time**" means the time and the date on which the applicable rights offering subscription form must be duly delivered to the Rights Offering Subscription Agent in accordance with the Rights Offering Procedures, together with the aggregate Purchase Price for the Subscription Shares subscribed for.

"**Rights Offering Participants**" means those Persons who duly subscribe for Subscription Shares in accordance with the Rights Offering Procedures.

"**Rights Offering Procedures**" has the meaning set forth in the Plan, which shall also be in form and substance reasonably acceptable to the Required Backstop Parties.

"**Rights Offering Record Date**" has the meaning set forth in the Rights Offering Procedures.

"**Rights Offering Subscription Agent**" means Epiq Corporate Restructuring LLC or another subscription agent appointed by the Company Parties and reasonably satisfactory to the Required Backstop Parties.

"**Rights Offering Shares**" means, collectively, (x) the Subscription Shares (including all Unsubscribed Shares) issued by New Intermediate Holding Company pursuant to and in accordance with the Rights Offering Procedures (and, in the case of the Unsubscribed Shares, this Agreement). For the avoidance of doubt, the product of (i) the number of Rights Offering Shares multiplied by (ii) the Purchase Price shall equal the Aggregate Rights Offering Amount (or the Adjusted Aggregate Rights Offering Amount, if applicable).

"**RSA**" has the meaning set forth in the Recitals.

"**Sanctions**" means economic sanctions administered or enforced by the United States Government (including without limitation, sanctions enforced by OFAC and the Department of State), the United Nations Security Council, the European Union, Foreign Affairs, Trade and Development Canada, Public Safety Canada, or Her Majesty's Treasury of the United Kingdom.

"**SEC**" has the meaning set forth in the Plan.

"**Securities Act**" has the meaning set forth in the Plan.

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"**Significant Terms**" means, collectively, (i) the definitions of "Purchase Price", "Required Backstop Parties" and "Significant Terms" and (ii) the terms of Section 11.7 and Section 10.3(g).

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"**Single Employer Plan**" means any Company Plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the IRC or Section 302 of ERISA and in respect of which any Company Party or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA or has any liability.

"**Subscription Amount**" has the meaning set forth in Section 2.4(a)(ii).

"**Subscription Commitment**" has the meaning set forth in Section 2.2(a).

"**Subscription Escrow Account**" has the meaning set forth in Section 2.4(a)(vi).

"**Subscription Escrow Funding Date**" has the meaning set forth in Section 2.4(b).

"**Subscription Shares**" means the shares of New Preferred Equity (including all Unsubscribed Shares) issued by New Intermediate Holding Company in connection with the Backstop Party Rights pursuant to and in accordance with the Rights Offering Procedures.

"**Subsidiary**" means, with respect to any Person, any corporation, partnership, joint venture or other legal entity as to which such Person (either alone or through or together with any other subsidiary or Affiliate), (a) owns, directly or indirectly, more than fifty percent (50%) of the stock or other equity interests, (b) has the power to elect a majority of the board of directors or similar governing body thereof or (c) has the power to direct, or otherwise control, the business and policies thereof.

"**Subsidiary Interests**" has the meaning set forth in Section 4.1.

"**Takeover Statute**" means any restrictions contained in any "fair price," "moratorium," "control share acquisition," "business combination" or other similar anti-takeover statute or regulation.

"**Taxes**" means all taxes, assessments, duties, levies or other similar mandatory governmental charges paid to a Governmental Unit in the nature of a tax, including all federal, state, local, foreign and other income, franchise, profits, gross receipts, capital gains, capital stock, transfer, property, sales, use, value-added, occupation, excise, severance, windfall profits, stamp, payroll, social security, withholding and other taxes, assessments, duties, levies or other similar mandatory governmental charges of any kind whatsoever paid to a Governmental Unit (whether payable directly or by withholding and whether or not requiring the filing of a return), all estimated taxes, deficiency assessments, additions to tax, penalties and interest thereon.

"**Total Outstanding Shares**" means the total number of shares of New Preferred Equity outstanding immediately following the Closing, as provided in the Plan.

"**Transfer**" means sell, transfer, assign, pledge, hypothecate, participate, donate or otherwise encumber or dispose of, directly or indirectly (including through derivatives, options, swaps, pledges, forward sales or other transactions in which any Person receives the right to own or acquire any current or future interest in) a Funding Commitment, a Backstop Party Right, an Unsecured Notes Claim, New Preferred Equity or New Common Equity or the act of any of the aforementioned actions.

"**Unsecured Notes Claims**" has the meaning set forth in the Plan.

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"**Unsubscribed Shares**" means the Subscription Shares that have not been duly and timely subscribed for by the Rights Offering Participants in accordance with the Rights Offering Procedures and the Plan.

"**willful or intentional breach**" means a breach of this Agreement that is a consequence of an act undertaken by the breaching party with the knowledge that the taking of such act would, or would reasonably be expected to, cause a breach of this Agreement.

Section 1.2 **Construction**. In this Agreement, unless the context otherwise requires:

(a) references to Articles, Sections, Exhibits and Schedules are references to the articles and sections or subsections of, and the exhibits and schedules attached to, this Agreement;

(b) references in this Agreement to "writing" or comparable expressions include a reference to a written document transmitted by means of electronic mail, in portable document format (pdf), facsimile transmission or comparable means of communication;

(c) words expressed in the singular number shall include the plural and vice versa; words expressed in the masculine shall include the feminine and neuter gender and vice versa;

(d) the words "hereof," "herein," "hereto" and "hereunder," and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole, including all Exhibits and Schedules attached to this Agreement, and not to any provision of this Agreement;

(e) the term this "Agreement" shall be construed as a reference to this Agreement as the same may have been, or may from time to time be, amended, modified, varied, novated or supplemented;

(f) "include," "includes" and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words;

(g) references to "day" or "days" are to calendar days;

(h) references to "the date hereof" means the date of this Agreement;

(i) unless otherwise specified, references to a statute mean such statute as amended from time to time and include any successor legislation thereto and any rules or regulations promulgated thereunder in effect from time to time; and

(j) references to "dollars" or "$" refer to the currency of the United States of America, unless otherwise expressly provided.

In the event of an inconsistency between the RSA and this Agreement with respect to consents and approvals, this Agreement shall control; *provided* that the foregoing shall not limit any additional consent, approval or consultation rights granted in the RSA or the Plan.

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ARTICLE II

BACKSTOP COMMITMENT

Section 1.1 **The Rights Offering**. On and subject to the terms and conditions hereof, including entry of the Backstop Order, the Company Parties shall, and shall cause New Intermediate Holding Company to, conduct the Rights Offering pursuant to, and in accordance with, the Rights Offering Procedures, this Agreement, and the Plan.

Section 1.2 **The Subscription Commitment; The Backstop Commitment**.

(a) On and subject to the terms and conditions hereof, each Backstop Party agrees, severally and not jointly, to fully and timely exercise, in accordance with Section 2.4, and to cause its Related Funds to fully and timely exercise, in accordance with Section 2.4, all Backstop Party Rights that are properly issued to it and to duly purchase, and to cause its Related Funds to duly purchase, on the Effective Date for the applicable aggregate Purchase Price all Subscription Shares issuable to it in the Rights Offering in connection with such Backstop Party Rights (the "**Subscription Commitment**").

(b) On and subject to the terms and conditions hereof, each Backstop Party agrees, severally and not jointly, to purchase, and the Company Parties agree to sell, and to cause New Intermediate Holding Company to sell, to such Backstop Party, on the Effective Date for the applicable aggregate Purchase Price, the number of Unsubscribed Shares equal to (i) such Backstop Party's Backstop Commitment Percentage multiplied by (ii) the aggregate number of Unsubscribed Shares (rounded among the Backstop Parties solely to avoid fractional shares of New Preferred Equity as the Backstop Parties may determine in their sole discretion) (the "**Backstop Commitment**"); *provided*, however, that, notwithstanding anything in the foregoing to the contrary, Azurite shall initially be allocated and have the obligation to purchase the Initial Azurite Allocation of any Unsubscribed Shares and the obligation to purchase any Unsubscribed Shares in excess of the Initial Azurite Allocation shall be allocated to and purchased by all of the Backstop Parties (other than Azurite) based on their respective Backstop Commitment Percentages, subject to the other terms and conditions of this Agreement. As used in the immediately preceding sentence, "**Initial Azurite Allocation**" shall mean the difference between (x) $3,000,000 and (y) the Purchase Price of all Subscription Shares which Azurite is obligated to purchase pursuant to its Subscription Commitment. For the avoidance of doubt, after Azurite receives the Initial Azurite Allocation, it shall have no further right or obligation to purchase Unsubscribed Shares as a Backstop Party.

Section 1.3 **Backstop Party Default.**

(a) Within five (5) Business Days after receipt of written notice from the Company to all Backstop Parties of a Backstop Party Default, which notice shall be given promptly to all Backstop Parties substantially concurrently following the occurrence of such Backstop Party Default (such five (5) Business Day period, which may be extended with the consent of the Required Backstop Parties and the Company Parties, the "**Backstop Party Replacement Period**"), the Backstop Parties and their respective Related Funds (other than any Defaulting Backstop Party) shall have the right, but not the obligation, to make arrangements for one or more of the Backstop Parties (other than any Defaulting Backstop Party) to purchase all or any portion of the Available Shares (such purchase, a "**Backstop Party Replacement**") on the terms and subject to the conditions set forth in this Agreement and in such amounts as may be agreed upon by all of the Backstop Parties electing to purchase all

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or any portion of the Available Shares, or, if no such agreement is reached, based upon the applicable Backstop Commitment Percentage of any such Backstop Parties and their respective Related Purchasers (other than any Defaulting Backstop Party) (such Backstop Parties, the "**Replacement Backstop Parties**"). Any

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such Available Shares purchased by a Replacement Backstop Party shall be included, among other things, in the determination of (x) the Unsubscribed Shares to be purchased by such Replacement Backstop Party for all purposes hereunder, (y) the Backstop Commitment Percentage of such Replacement Backstop Party for all purposes hereunder as adjusted to reflect the Unsubscribed Shares to be purchased by such Replacement Backstop Party (the "**Adjusted Backstop Commitment Percentage**") and (z) the Backstop Commitment of such Replacement Backstop Party for purposes of the definition of the "Required Backstop Parties." If a Backstop Party Default occurs, (i) the Outside Date shall be delayed and (ii) each Backstop Party shall support an extension of the milestones, in each case only to the extent necessary to allow for the Backstop Party Replacement to be completed within the Backstop Party Replacement Period. For the avoidance of doubt, pursuant to the Plan, the allocation of Exchangeable Preferred Equity which each Backstop Party shall receive pursuant to the Plan in connection with its purchase of New Money Preferred Equity in the Rights Offering shall be based upon the total amount of New Money Preferred Equity which it purchases pursuant to its Subscription Commitment, Backstop Commitment or its agreement to purchase Available Shares as a Replacement Backstop Party.

(b) Notwithstanding anything in this Agreement to the contrary, if a Backstop Party is a Defaulting Backstop Party, (x) it shall not be entitled to any of the Backstop Commitment Premium, Backstop Commitment Termination Premium, or any expense reimbursement applicable solely to such Defaulting Backstop Party (including the Expense Reimbursement) provided, or to be provided, under or in connection with this Agreement, and (y) it and its Affiliates, equity holders, members, partners, general partners, managers and its and their respective Representatives and controlling persons shall not be entitled to any indemnification pursuant to Article IX hereof. All distributions of New Common Equity distributable to a Defaulting Backstop Party on account of the Backstop Commitment Premium or payments of cash in respect of the Backstop Commitment Termination Premium, as applicable, (i) shall be re-allocated contractually and turned over as liquidated damages to those non-Defaulting Backstop Parties that have elected to subscribe for their full Adjusted Backstop Commitment Percentage, or (ii) if Available Shares are not purchased by the non-Defaulting Backstop Parties, forfeited and retained by the Company Parties, as applicable. Notwithstanding anything to the contrary herein, No Backstop Commitment Premium or Backstop Commitment Termination Premium shall be payable to any of the Backstop Parties (including, for avoidance of doubt, a Backstop Party who is not a Defaulting Backstop Party) in the event of any Backstop Party Default unless all of the Available Shares are purchased and actually funded by one or more Replacement Backstop Parties in accordance with Section 2.3.

(c) Nothing in this Agreement shall be deemed to require a Backstop Party to purchase more than its Subscription Commitment and its Backstop Commitment.

(d) For the avoidance of doubt, notwithstanding anything to the contrary set forth in Section 10.6, but subject to Section 11.10, no provision of this Agreement shall relieve any Defaulting Backstop Party from any liability hereunder, or limit the availability of the remedies set forth in Section 11.9, in connection with any such Defaulting Backstop Party's Backstop Party Default under this Article II or otherwise.

Section 1.4 **Subscription Escrow Account Funding**. (a) Promptly, and in any event no later than the seventh (7th) Business Day following the Rights Offering Expiration Time, the Rights Offering Subscription Agent shall deliver to each Backstop Party a written notice (the "**Funding Notice**") of:

(i) the number of Subscription Shares elected to be purchased by the Rights Offering Participants in the Rights Offering and the aggregate Purchase Price therefor;

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(ii) the number of Subscription Shares to be issued and sold by New Intermediate Holding Company to such Backstop Party on account of the Subscription Commitment and the aggregate Purchase Price therefor (as it relates to each Backstop Party, such Backstop Party's "**Subscription Amount**");

(iii) [Reserved];

(iv) the aggregate number of Unsubscribed Shares, if any, and the aggregate Purchase Price required for the purchase thereof;

(v) the number of Unsubscribed Shares (based upon such Backstop Party's Backstop Commitment Percentage) to be issued and sold by New Intermediate Holding Company to such Backstop Party and the aggregate Purchase Price therefor (as it relates to each Backstop Party, such Commitment Party's "**Backstop Amount**" and, together with the Subscription Amount, the "**Funding Amount**"); and

(vi) the account information (including wiring instructions) for the escrow account to which such Backstop Party shall deliver and pay its Funding Amount (the "**Subscription Escrow Account**").

(a) No later than three (3) Business Days prior to the expected Effective Date (such date, the "**Subscription Escrow Funding Date**"), each Backstop Party shall deliver and pay its Funding Amount by wire transfer in immediately available funds in U.S. dollars into the Subscription Escrow Account in satisfaction of such Backstop Party's Funding Commitment. The Subscription Escrow Account shall be established with an escrow agent reasonably satisfactory to the Required Backstop Parties and the Company Parties pursuant to an escrow agreement in form and substance reasonably satisfactory to the Required Backstop Parties and the Company Parties. If this Agreement is terminated in accordance with its terms, the funds held in the Subscription Escrow Account shall be released, and each Backstop Party shall receive from the Subscription Escrow Account the Cash amount actually funded to the Subscription Escrow Account by such Backstop Party, without any interest, promptly following such termination but in any event within seven (7) Business Days following such termination. The Company Parties shall promptly direct the Rights Offering Subscription Agent to provide any written backup, information and documentation relating to the information contained in the Funding Notice as any Backstop Party may reasonably request.

Section 1.5 **Closing.**

(a) Subject to Article VIII, unless otherwise mutually agreed in writing between the Company Parties and the Required Backstop Parties, the closing of the Rights Offering, including the Backstop Commitments (the "**Closing**"), shall take place at the offices of Kirkland & Ellis, located at 601 Lexington Avenue, New York, NY 10022 at 9:00 a.m., New York City time, on the Effective Date (provided that all of the conditions set forth in Article VIII shall have been satisfied or waived in accordance with this Agreement (other than conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions)). The date on which the Closing actually occurs shall be referred to herein as the "**Closing Date**."

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(b) At the Closing, the funds held in the Subscription Escrow Account shall be released to New Intermediate Holding Company and utilized as set forth in, and in accordance with, the Plan and the Confirmation Order.

(c) At the Closing, the issuance of the Rights Offering Shares will be made by New Intermediate Holding Company and Reorganized Invacare to each Backstop Party (or to its

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designee in accordance with Section 2.7) against payment of such Backstop Party's Funding Amount (which shall be funded in advance pursuant to Section 2.4(b)), in satisfaction of such Backstop Party's Funding Commitment. To the extent requested by the Required Backstop Parties and permitted by The Depository Trust Company, the Company Parties shall use commercially reasonable efforts to cause all New Preferred Equity and New Common Equity on account of the Backstop Commitment Premium to be delivered into the account of a Backstop Party through the facilities of The Depository Trust Company; *provided*, *however*, that to the extent The Depository Trust Company does not permit the New Preferred Equity or New Common Equity to be deposited through its facilities, such securities will be delivered in book-entry form in a share registry held by a transfer agent reasonably satisfactory to the Required Backstop Parties and the Company Parties to the account of the Backstop Parties. Notwithstanding anything to the contrary in this Agreement, all New Preferred Equity and New Common Equity on account of the Backstop Commitment Premium will be delivered with all issue, stamp, transfer, sales and use, or similar transfer Taxes or duties that are due and payable (if any) in connection with such delivery duly paid by the Company Parties.

Section 1.6 **Transfer of Backstop Commitments.**

(a) (i) No Backstop Party (or any permitted transferee thereof) may Transfer all or any portion of its Funding Commitments to any Company Party or any of the Company Parties' Affiliates or to any other Person other than as set forth in this Section 2.6; and (ii) notwithstanding any other provision of this Agreement, the Funding Commitments may not be Transferred later than the earlier of (x) the third (3rd) Business Day following the Rights Offering Expiration Time and (y) the date on which the Company Parties have caused the Rights Offering Subscription Agent to send the Funding Notice.

(b) Each Backstop Party may Transfer all or any portion of its Funding Commitment to any Related Fund (each, a "**Related Purchaser**"), *provided* that such Backstop Party shall deliver to the Company Parties, counsel to the Initial Backstop Parties, and the Rights Offering Subscription Agent a joinder to this Agreement, substantially in the form attached hereto as Exhibit A, executed by such Related Fund, and a joinder to the RSA, substantially in the form attached as Exhibit C thereto, executed by such Related Fund. A Transfer of Funding Commitment made pursuant to this Section 2.6(b) shall relieve such transferring Backstop Party from its obligations under this Agreement with respect to such Transfer.

(c) Each Backstop Party may Transfer all or any portion of its Funding Commitment to any other Backstop Party or such other Backstop Party's Related Fund (each, an "**Existing Commitment Party Purchaser**"), *provided* that (A) to the extent such Existing Commitment Party Purchaser is not a Backstop Party hereunder, prior to or concurrently with such Transfer such Backstop Party shall deliver to the Company Parties, counsel to the Initial Backstop Parties, and the Rights Offering Subscription Agent a joinder to this Agreement, substantially in the form attached hereto as Exhibit B-1, executed by such Existing Backstop Party Purchaser, and a joinder to the RSA, substantially in the form attached as Exhibit C thereto, executed by such Existing Backstop Party Purchaser, and (B) to the extent such Existing Commitment Party Purchaser is already a Backstop Party hereunder, such Backstop Party shall deliver to the Company Parties, counsel to the Initial Backstop Parties, and the Rights Offering Subscription Agent an amendment to this Agreement, substantially in the form attached hereto as Exhibit B-2, executed by such Backstop Party and such Existing Commitment Party Purchaser. A Transfer of Funding Commitment made pursuant to this Section 2.6(c) shall relieve such transferring Backstop Party from its obligations under this Agreement with respect to such Transfer.

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(d) Subject to Section 2.6(e), each Backstop Party shall have the right to Transfer all or any portion of its Funding Commitment to any Person that is not an Existing

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Commitment Party Purchaser or a Related Fund (each of the Persons to whom such a Transfer is made, a "**New Purchaser**"), *provided* that (i) such Transfer shall be subject to the reasonable consent of the Required Backstop Parties (such consent shall be deemed to have been given after five (5)Business Days following notification in writing to counsel to the Initial Backstop Parties of a proposed Transfer by such Backstop Party unless (A) any written objection is provided by any of the Backstop Parties to the Backstop Party which desires to effectuate a transfer prior to the expiration of such five (5) Business Day period or (B) any of the Backstop Parties requests customary financial information regarding the creditworthiness of the New Purchaser during such five (5) Business Day period (it being understood that such consent shall not be deemed to have been given until each of the other Backstop Parties receives such customary financial information on the creditworthiness of the New Purchaser as is reasonably satisfactory to the other Backstop Parties); (ii) such Transfer shall be subject to the reasonable prior written consent of the Company Parties (such consent shall be deemed to have been given after five (5) Business Days following written notification of a proposed Transfer by such Backstop Party to the Company Parties, unless (y) any written objection (email being sufficient) is provided by the Company Parties to such Backstop Party prior to the expiration of such five (5) Complete Business Day period or (z) the Company Parties request customary financial information regarding the creditworthiness of the New Purchaser during such five (5) Complete Business Day period (it being understood that such consent shall not be deemed to have been given until the Company Parties receive such customary financial information on the creditworthiness of the New Purchaser as is reasonably satisfactory to the Company Parties); and (iii) prior to and in connection with such Transfer such Backstop Party shall deliver to the Company Parties, counsel to the Initial Backstop Parties, and the Rights Offering Subscription Agent a joinder to this Agreement, substantially in the form attached hereto as Exhibit C, executed by such New Purchaser, and a joinder to the RSA, substantially in the form attached as Exhibit C thereto, executed by such New Purchaser; *provided* that the Company Parties shall be deemed to have consented to such proposed Transfer to the extent such New Purchaser deposits in the Subscription Escrow Account on or before the date of such Transfer a Funding Amount sufficient to satisfy such transferring Backstop Party's obligations under this Agreement, subject to the satisfaction of subclause (iii) above. Such Transfer shall be subject to the reasonable written consent of Highbridge (as defined in the RSA) (such consent shall be deemed to have been given after five (5) Business Days following written notification of a proposed Transfer by such Backstop Party to Highbridge, unless (y) any written objection is provided by Highbridge to such Backstop Party prior to the expiration of such five (5) Complete Business Day period or (z) Highbridge requests customary financial information regarding the creditworthiness of the New Purchaser during such five (5) Complete Business Day period (it being understood that such consent shall not be deemed to have been given until Highbridge receives such customary financial information on the creditworthiness of the New Purchaser as is reasonably satisfactory to Highbridge). A Transfer of Funding Commitments made pursuant to this Section 2.6(d) shall not relieve such transferring Backstop Party from its obligations under this Agreement with respect to such Transfer unless the Company Parties otherwise agree in writing to release such Backstop Party from its obligations under this Agreement with respect to such Transfer in the Company Parties' sole discretion.

(e) Any Transfer of Funding Commitments made (or attempted to be made) in violation of this Agreement shall be deemed null and void *ab initio* and of no force or effect, regardless of any prior notice provided to the Parties or any Backstop Party, and shall not create (or be deemed to create) any obligation or liability of any other Backstop Party or any Company Party to the purported transferee or limit, alter or impair any agreements, covenants, or obligations of the proposed transferor under this Agreement. After the Closing Date, nothing in this Agreement shall limit or restrict in any way the ability of any Backstop Party (or any permitted transferee thereof) to Transfer any of the New Common Equity, New Preferred Equity or any interest therein.

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Section 1.7 **Designation Rights**. Each Backstop Party shall have the right to designate by written notice to the Company Parties, counsel to the Initial Backstop Parties and the Rights Offering Subscription Agent no later than five (5) Business Days prior to the Closing Date that some or all of the Rights Offering Shares or the Backstop Commitment Premium that it is obligated to purchase or has the right to receive hereunder be issued in the name of, and delivered to a Related Fund of such Backstop Party upon receipt by Invacare of payment therefor in accordance with the terms hereof (it being understood that payment by either the Related Fund or the Backstop Party shall satisfy the applicable payment obligations of the Backstop Party), which notice of designation shall (a) be addressed to the Rights Offering Subscription Agent and signed by such Backstop Party and each such Related Fund, (b) specify the number of Rights Offering Shares or shares of New Common Equity issuable on account of the Backstop Commitment Premium, as applicable, to be delivered to or issued in the name of such Related Fund and (c) contain a confirmation by each such Related Fund of the accuracy of the representations set forth in Sections 5.4 through 5.6 as applied to such Related Fund; *provided* that no such designation pursuant to this Section 2.7 shall relieve such Backstop Party from its obligations under this Agreement.

Section 1.8 **Notification of Aggregate Number of Exercised Backstop Party Rights**. Upon request from counsel to the Initial Backstop Parties from time to time prior to the Rights Offering Expiration Time (and any permitted extensions thereto), the Company Parties shall promptly notify, or cause the Rights Offering Subscription Agent to promptly notify, the Backstop Parties of the aggregate number of Backstop Party Rights known by the Company Parties or the Rights Offering Subscription Agent to have been exercised pursuant to the Rights Offering as of the most recent practicable time before such request.

ARTICLE III

BACKSTOP COMMITMENT PREMIUM AND EXPENSE REIMBURSEMENT

Section 1.1 **Premium Payable by the Company Parties**. Subject to Section 3.2, as consideration for the Funding Commitment and the other agreements of the Backstop Parties in this Agreement, the Company Parties shall pay or cause to be paid a nonrefundable aggregate premium of $12 million ($12,000,000.00) at Plan Equity Value (the "**Backstop Commitment Premium**"), payable in New Common Equity, to the Backstop Parties on the Effective Date. The Backstop Commitment Premium shall be payable, in accordance with Section 3.2, to the Backstop Parties (including any Replacement Backstop Party, but excluding any Defaulting Backstop Party) or their designees in proportion to their respective Backstop Commitment Percentages at the time the payment of the Backstop Commitment Premium is made. Under no circumstances shall a reduction in the Aggregate Rights Offering Amount result in a reduction of the Backstop Commitment Premium.

Section 1.2 **Payment of Premium**. The Backstop Commitment Premium shall be fully earned by the Backstop Parties upon execution of this Agreement, and non-avoidable upon entry of the Backstop Order and shall be paid by the Company Parties, free and clear of any withholding or deduction for any applicable Taxes, on the Effective Date as set forth above. For the avoidance of doubt, to the extent payable in accordance with the terms of this Agreement, the Backstop Commitment Premium will be payable regardless of the amount of Unsubscribed Shares (if any) actually purchased; *provided* that, notwithstanding anything to the contrary herein, the Backstop Commitment Premium shall not be payable to any of the Backstop Parties (including, for avoidance, a Backstop Party who is not a Defaulting Backstop Party) in the event of any Backstop Party Default unless all of the Available Shares are purchased and actually funded by one or more Replacement Backstop Parties in

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accordance with Section 2.3. The Company Parties shall satisfy their obligation to pay the Backstop Commitment Premium on the Effective Date by issuing the number of additional shares of New Common Equity (in each case

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rounded among the Backstop Parties solely to avoid fractional shares of New Common Equity as the Required Backstop Parties may determine in their sole discretion) to each Backstop Party (or its designee pursuant to Section 2.7) equal to such Backstop Party's Backstop Commitment Premium Share Amount; *provided* that the Backstop Commitment Termination Premium shall be payable in Cash upon the occurrence of a Backstop Termination Premium Payment Event (to the extent provided in and in accordance with Section 10.6). For the avoidance of doubt, (i) in no event shall both the Backstop Commitment Premium and the Backstop Commitment Termination Premium be payable by the Debtors and (ii) except to the extent that it is a Defaulting Backstop Party, Azurite shall be entitled to receive five percent (5%) of any Backstop Commitment Premium or any Backstop Commitment Termination Premium paid hereunder; *provided* that, notwithstanding anything to the contrary herein, no Backstop Commitment Premium or Backstop Commitment Termination Premium shall be payable to Azurite (including, for the avoidance of doubt, if Azurite is not a Defaulting Backstop Party) in the event of any Backstop Party Default unless all of the Available Shares are purchased and actually funded by one or more Replacement Backstop Parties in accordance with Section 2.3.

Section 1.3 **Expense Reimbursement.**

Whether or not the transactions contemplated hereunder are consummated, the Company Parties agree to pay in accordance with Section 3.3(b), all of the reasonable and documented prepetition and postpetition out of pocket fees and expenses incurred by the Initial Backstop Parties Advisors before, on or after the date hereof until the termination of this Agreement in accordance with its terms that have not otherwise been paid pursuant to the RSA or in connection with the Chapter 11 Cases, including: (A) the reasonable and documented prepetition and postpetition fees and expenses of the Initial Backstop Parties Advisors in connection with the transactions contemplated by this Agreement and the RSA; (B) all filing fees or other costs or fees associated with the matters contemplated by Section 5.10 and Section 6.14 (including, without limitation, all filing fees, if any, required by the HSR Act or any other Antitrust Law) in connection with the transactions contemplated by this Agreement and all reasonable and documented out-of-pocket expenses of the Initial Backstop Parties Advisors related thereto; and (C) all reasonable and documented out-of-pocket fees and expenses incurred in connection with any required regulatory filings in connection with the transactions contemplated by this Agreement (including, without limitation, filings done on Schedule 13D, Schedule 13G, Form 3 or Form 4, in each case, promulgated under the Exchange Act), in each case, that have been paid or are payable by the Initial Backstop Parties Advisors (such payment obligations set forth in clauses (A), (B), and (C) above, collectively, the "**Expense Reimbursement**"). The Expense Reimbursement shall, pursuant to the Backstop Order, constitute allowed administrative expenses of the Debtors' estates under Sections 503(b) and 507 of the Bankruptcy Code, which, for the avoidance doubt, shall be *pari passu* with all other administrative expenses of the Debtors' estates. Notwithstanding anything to the contrary in this Agreement, the Debtors or Reorganized Debtors, as applicable, shall not accrue additional Expense Reimbursement obligations from and after the closing or termination of this Agreement pursuant to Section 10, other than in connection with enforcement of any provisions of this Agreement that survive termination; *provided* that the obligation to pay such Expense Reimbursements shall survive closing or such termination until paid; *provided further* that the obligation to pay such Expenses Reimbursements shall survive termination of this Agreement in the event of the occurrence of a Backstop Termination Premium Payment Event.

(a) The Expense Reimbursement as described in Section 3.3(a) above shall be paid in Cash in accordance with the terms herein. The Expense Reimbursement accrued through the date on which the Backstop Order is entered shall be paid within five (5) Business Days of the Debtors' receipt of invoices therefor (which

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shall not include time details or otherwise be required to conform to the requirements for fee applications submitted by estate professionals). The Expense Reimbursement accrued thereafter shall be payable by the Debtors promptly when

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due. Unless otherwise ordered by the Bankruptcy Court, no recipient of any payment hereunder shall be required to file with respect thereto any interim or final fee application with the Bankruptcy Court with respect to such payment.

(b) For the avoidance of doubt, nothing herein shall alter or modify the Company Parties' obligations under the DIP Orders or the RSA.

Section 1.4 **Tax Treatment**. The parties hereto agree that, for U.S. federal income tax purposes, the Backstop Commitment Premium and the Backstop Commitment Termination Premium shall be treated as a "put premium" paid to the Backstop Parties (the "**Intended Tax Treatment**"). Each party shall file all tax returns consistent with, and take no position inconsistent with such treatment (whether in audits, tax returns or otherwise) unless required to do so pursuant to a "determination" within the meaning of Section 1313(a) of the IRC.

Section 1.5 **Integration; Administrative Expense**. The provisions for the payment of the Backstop Commitment Premium, the Backstop Commitment Termination Premium and Expense Reimbursement, and the indemnification provided herein, are an integral part of the transactions contemplated by this Agreement and without these provisions the Backstop Parties would not have entered into this Agreement. The Backstop Order and the Plan shall provide that the Backstop Commitment Premium, the Backstop Commitment Termination Premium, the Expense Reimbursement, and any indemnification provided herein shall constitute Allowed Administrative Claims of the Company Parties' estates under Sections 503(b) and 507 of the Bankruptcy Code. In addition and as a result thereof, the proposed Confirmation Order and the Plan filed by the Company Parties contemplate that any New Common Equity issued as payment of the Backstop Commitment Premium shall be issuable under Section 1145 of the Bankruptcy Code.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE COMPANY PARTIES AND NEW INTERMEDIATE HOLDING COMPANY

Except as (a) set forth in the corresponding section of the Company Disclosure Schedules, or (b) as disclosed in (i) the Company SEC Documents or otherwise publicly available on the SEC's Electronic Data-Gathering, Analysis and Retrieval system, (ii) the Company Disclosure Schedules or (iii) any Proofs of Claim on the Claims Register, in each case prior to the date hereof, each of the Company Parties, jointly and severally, hereby represent and warrant to the Backstop Parties as set forth below. Except for representations, warranties and agreements that are expressly limited as to their date, each representation, warranty and agreement is made as of the date hereof. Further, Invacare and the Company Parties shall cause New Intermediate Holding Company to satisfy the representations and warranties contained in this Article IV, *mutatis mutandis*, as of the date of New Intermediate Holding Company's formation and as of the Closing Date and from and after the date of its formation, New Intermediate Holding Company shall be deemed to be a Company Party for purposes of these representations and warranties regardless of whether it is specifically mentioned therein.

Section 1.1 **Organization and Qualification**. Each Company Party (a) is a duly organized and validly existing corporation, limited liability company or limited partnership, as the case may be, and, if applicable, in

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good standing (or the equivalent thereof) under the Laws of the jurisdiction of its incorporation or organization (except where the failure to be in good standing (or the equivalent) would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect), (b) has the requisite corporate or other applicable power

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and authority to own, lease and operate its property and assets and to transact the business in which it is currently engaged and presently proposes to engage in all material respects and (c) is duly qualified and is authorized to do business and is in good standing (or the equivalent thereof) in each jurisdiction in which it owns or leases property or in which the conduct of its business or the ownership of its properties requires such qualification or authorization, except where the failure to be so qualified, authorized or in good standing has not had, and would not reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect.

Section 1.2 **Corporate Power and Authority**. Each Company Party has the requisite corporate power and authority (a) to enter into, execute and deliver this Agreement and any other agreements contemplated herein or in the Plan and (b) subject to entry of the Backstop Order, to perform their obligations hereunder and (c) subject to entry of the Backstop Order and the Confirmation Order, to consummate the transactions contemplated herein and in the Plan, to enter into, execute and deliver each of the Definitive Documents and to perform its obligations thereunder. Subject to the receipt of the foregoing Orders, as applicable, the execution and delivery of this Agreement and each of the other Definitive Documents and the consummation of the transactions contemplated hereby and thereby have been or will be duly authorized by all requisite corporate action on behalf of the Company Parties, and no other corporate proceedings on the part of the Company Parties are or will be necessary to authorize this Agreement or any of the other Definitive Documents or to consummate the transactions contemplated hereby or thereby.

Section 1.3 **Execution and Delivery; Enforceability**. Subject to entry of the Backstop Order, this Agreement will have been, and subject to entry of both the Backstop Order and the Confirmation Order, each other Definitive Document will be, duly executed and delivered by each of the Company Parties party thereto. Upon entry of the Backstop Order and, as applicable, the Confirmation Order, and assuming due and valid execution and delivery hereof by the Backstop Parties, the Company Parties' obligations hereunder will constitute the valid and legally binding obligations of the Company Parties enforceable against the Company Parties in accordance with their respective terms. Upon entry of the Confirmation Order and assuming due and valid execution and delivery of this Agreement and the other Definitive Documents by the Backstop Parties, each of the obligations hereunder and thereunder will constitute the valid and legally binding obligations of the Company Parties, enforceable against the Company Parties, in accordance with their respective terms.

Section 1.4 **Authorized and Issued Capital Shares**. On the Closing Date, (i) the total issued capital stock of New Intermediate Holding Company and Reorganized Invacare will be consistent with the terms of the Plan and Disclosure Statement; (ii) no New Common Equity will be held by New Intermediate Holding Company in its treasury; and (iii) no warrants to purchase New Common Equity will be issued and outstanding.

(a) As of the Closing Date, the Total Outstanding Shares of New Intermediate Holding Company and Reorganized Invacare will have been duly authorized and validly issued and will be fully paid and non-assessable, and will not be subject to any preemptive rights (other than any rights set forth in the New Organizational Documents).

(b) Except as set forth in this Agreement, the Plan and the New Organizational Documents, and except for a sufficient number of shares of New Common Equity reserved for issuance pursuant to the Plan, the Exit Facilities Documents or the Management Incentive Plan, as of the Closing Date, no shares of capital stock or other equity securities or voting interest in New Intermediate Holding Company or Reorganized Invacare will have been issued, reserved for issuance or outstanding.

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(c) Except as described in this Agreement and except as set forth in the Plan, the Registration Rights Agreement, if applicable, the New Organizational Documents, or the Exit Facilities Documents, upon the Closing, none of the Company Parties or New Intermediate Holding Company will be party to or otherwise bound by or subject to any outstanding option, warrant, call, right, security, commitment, Contract, arrangement or undertaking (including any preemptive right) that (i) obligates any Company Party or New Intermediate Holding Company to issue, deliver, sell or transfer, or repurchase, redeem or otherwise acquire, or cause to be issued, delivered, sold or transferred, or repurchased, redeemed or otherwise acquired, any shares of the capital stock of, or other equity or voting interests in any Company Party or New Intermediate Holding Company or any security convertible or exercisable for or exchangeable into any capital stock of, or other equity or voting interest in any Company Party or New Intermediate Holding Company, (ii) obligates any Company Party or New Intermediate Holding Company to issue, grant, extend or enter into any such option, warrant, call, right, security, commitment, Contract, arrangement or undertaking, (iii) restricts the Transfer of any shares of capital stock of any Company Party or New Intermediate Holding Company (other than any restrictions included in the Exit Facilities or any corresponding pledge agreement) or (iv) relates to the voting of any shares of capital stock of any Company Party or New Intermediate Holding Company.

Section 1.5 **Issuance**. Subject to entry of the Backstop Order and the Confirmation Order, (x) the Rights Offering Shares to be issued in connection with the consummation of the Rights Offering and pursuant to the terms hereof in exchange for the Aggregate Rights Offering Amount therefor (or the Adjusted Aggregate Rights Offering Amount, if applicable), and (y) the New Common Equity to be issued in connection with the Backstop Commitment Premium, will, when issued and delivered on the Closing Date, be duly and validly authorized, issued and delivered and shall be fully paid and nonassessable, and free and clear of all Taxes, Liens (other than Transfer restrictions imposed hereunder or under the New Organizational Documents or by applicable Law), preemptive rights, subscription and similar rights (other than any rights set forth in the New Organizational Documents, the Registration Rights Agreement, if applicable, the Plan, the RSA, and other than transfer restrictions pursuant to applicable securities laws).

Section 1.6 **Federal Reserve Regulations**. No part of the proceeds of the purchase of Rights Offering Shares will be used (a) to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock, or (b) for any other purpose, in each case, in violation of or inconsistent with any of the provisions of any regulation of the Board of Governors, including, without limitation, Regulations T, U and X thereto. The terms "margin stock" and "purpose of buying or carrying" shall have the meanings assigned to them in the aforementioned Regulation U.

Section 1.7 **No Conflict**. Assuming the consents described in Section 4.8 are obtained, the execution and delivery by the Company Parties of this Agreement, the Plan and the other Definitive Documents, the compliance by the Company Parties with the provisions hereof and thereof and the consummation of the transactions contemplated herein and therein will not (a) conflict with, or result in a breach, modification or violation of, any of the terms or provisions of, or constitute a default under (with or without notice or lapse of time, or both), or result, except to the extent contemplated by the Plan, in the acceleration of, or the creation of any Lien under, or cause any payment or consent to be required under any Contract to which any Company Party will be bound as of the Closing Date after giving effect to the Plan or to which any of the property or assets of any Company Party will be subject as of the Closing Date after giving effect to the Plan, (b) result in any violation of the provisions of the New Organizational Documents or any of the organizational documents of any

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Company Party, or (c) result in any violation of any Law or Order applicable to any Company or any of their properties, except in each of the cases described in this Section 4.7, which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

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Section 1.8 **Consents and Approvals**. No consent, approval, authorization, Order, registration or qualification of or with any Governmental Authority having jurisdiction over any Company Party or New Intermediate Holding Company or any of their respective properties (each, an "**Applicable Consent**") is required for the execution and delivery by any Company Party or New Intermediate Holding Company of this Agreement, the Plan and the other Definitive Documents, the compliance by any Company Party or New Intermediate Holding Company with the provisions hereof and thereof and the consummation of the transactions contemplated herein and therein, except for (a) the entry of the Backstop Order authorizing each of Invacare and the other Debtors to execute and deliver this Agreement and perform its obligations hereunder, (b) the entry of the Confirmation Order authorizing Invacare and the other Debtors to perform each of their respective obligations under the Plan, (c) the entry of the Disclosure Statement Order, (d) entry by the Bankruptcy Court, or any other court of competent jurisdiction, of Orders as may be necessary in the Chapter 11 Cases from time to time, (e) filings, notifications, authorizations, approvals, consents, clearances or termination or expiration of all applicable waiting periods under any Antitrust Laws in connection with the transactions contemplated by this Agreement, (f) such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or "Blue Sky" Laws in connection with the purchase of the Unsubscribed Shares by the Backstop Parties, the issuance of the Backstop Party Rights, the issuance of the Rights Offering Shares pursuant to the exercise of the Backstop Party Rights, the issuance of New Common Equity and New Preferred Equity, as applicable, in satisfaction of Unsecured Notes Claims and General Unsecured Claims pursuant to the Plan and the issuance of New Common Equity as payment of the Backstop Commitment Premium and (g) any Applicable Consents that, if not made or obtained, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 1.9 **Arm's-Length**. The Company Parties agree that (a) each of the Backstop Parties is acting solely in the capacity of an arm's-length contractual counterparty with respect to the transactions contemplated hereby (including in connection with determining the terms of the Rights Offering) and not as a financial advisor or a fiduciary to, or an agent of any Company Party and (b) no Backstop Party is advising any Company Party as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction.

Section 1.10 **Financial Statements**. The audited financial statements as of and for the period ended December 31, 2021 (i) were prepared in accordance with U.S. generally accepted accounting principles ("**GAAP**") consistently applied throughout the period covered thereby, except as otherwise expressly indicated therein, including the notes thereto, and (ii) fairly present in all material respects the consolidated financial position of Invacare and its consolidated subsidiaries as of the respective dates thereof and the consolidated results of their operations for the respective periods then ended in accordance with GAAP consistently applied during the periods referred to therein, except as otherwise expressly indicated therein, including the notes thereto

Section 1.11 **Company SEC Documents and Disclosure Statements**. Since January 1, 2022, the Company Parties have filed all required reports, schedules, forms and statements with the SEC (the "**Company SEC Documents**"). As of their respective dates, and giving effect to any amendments or supplements thereto filed prior to the date of this Agreement, each of the Company SEC Documents that have been filed as of the date of this Agreement complied in all material respects with the requirements of the Securities Act or the Exchange Act applicable to such Company SEC Documents. No Company SEC Document that has been filed prior to the date of this Agreement, after giving effect to any amendments or supplements thereto and to any subsequently filed Company SEC Documents, in each case filed prior to the date of this Agreement, contained any untrue statement

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of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Disclosure Statement as

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approved by the Bankruptcy Court will conform in all material respects with Section 1125 of the Bankruptcy Code.

Section 1.12 **Absence of Certain Changes**. Since January 1, 2022, except for the Chapter 11 Cases and any adversary proceedings or contested motions in connection therewith, no event, development, occurrence or change has occurred or exists that constitutes, individually or in the aggregate, a Material Adverse Effect.

Section 1.13 **No Violation; Compliance with Laws**. (a) Neither Invacare nor New Intermediate Holding Company is in violation of its charter or Bylaws and (b) no other Company Party is in violation of its respective articles of association, charter, bylaws or similar organizational document. To the Company Parties' Knowledge, none of the Company Parties is in violation of any Law or Order, except for any such violations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 1.14 **Legal Proceedings**. Except as set forth on the Company Disclosure Schedules, and other than the Chapter 11 Cases and any adversary proceedings or contested motions commenced in connection therewith, there are no material legal, governmental, administrative, judicial or regulatory investigations, audits, actions, suits, claims, arbitrations, demands, demand letters, claims, notices of noncompliance or violations, or proceedings ("**Legal Proceedings**") pending or, to the Knowledge of the Company Parties, threatened in writing to which New Intermediate Holding Company or any Company Party is a party or to which any property of New Intermediate Holding Company or any Company Party is the subject, in each case that would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 1.15 **Labor Relations**. Except as, in the aggregate, would not reasonably be expected to have a Material Adverse Effect: (a) there are no strikes or other labor disputes against any of the Company Parties pending or, to the knowledge of the Company Parties, threatened; and (b) no claims of unfair labor practices, charges or grievances pending against any Company Parties, or to the knowledge of Invacare, threatened against any of them by any Person.

Section 1.16 **Intellectual Property**. Except as could not reasonably be expected to have a Material Adverse Effect, each of the Company Parties owns, licenses or possesses the right to use, all of the rights to Intellectual Property that are reasonably necessary for the operation of its business as currently conducted, and, without conflict with the rights of any Person. Invacare or each Company Party do not, in the operation of their businesses as currently conducted, infringe upon any Intellectual Property rights held by any Person except for such infringements, individually or in the aggregate, which could not reasonably be expected to have a Material Adverse Effect. No claim or litigation regarding any of the Intellectual Property owned by Invacare or any Company Party is pending or, to the knowledge of Invacare, threatened in writing against Invacare or any Company Party, which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 1.17 **Title to Real and Personal Property**.

(a) Each Company Party has, and New Intermediate Holding Company will have, good title to, or valid leasehold interests in, all Real Property, and its other personal property related to its business, in each case, (i) free and clear of all Liens except for Permitted Liens, (ii) except for minor defects in title that do not interfere with its ability to conduct its business as currently conducted or as proposed to be conducted or to utilize

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such properties for their intended purposes, in each case, except as could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

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(b) Each Company Party is in compliance with all obligations under all leases (as may be amended from time to time) to which it is a party that have not been rejected in the Chapter 11 Cases, except where the failure to comply has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 1.18 **No Undisclosed Relationships**. Other than contracts or other direct or indirect relationships between or among any of the Company Parties, or contracts or relationships that are immaterial in amount or significance, there are no direct or indirect relationships existing as of the date hereof between or among the Company Parties, on the one hand, and any director, officer or greater than five percent (5%) stockholder of the Company Parties, on the other hand, that is required by the Exchange Act to be described in the Company Party's filings with the SEC and that is not so described, filed, or incorporated by reference in such filings, except for the transactions contemplated by this Agreement.

Section 1.19 **[Reserved]**.

Section 1.20 **Environmental**. Except with respect to any matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, none of Invacare or any Company Party (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has, to the knowledge of Invacare, become subject to any Environmental Liability, (iii) has received written notice of any claim with respect to any Environmental Liability or (iv) has, to the knowledge of Invacare, any basis to reasonably expect that Invacare or any Company Party will become subject to any Environmental Liability.

Section 1.21 **Tax Matters**. Except in each case as to matters that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect:

(a) Subject to the Bankruptcy Code, the terms of the applicable Orders and any required approval by the Bankruptcy Court, each Company Party (i) has filed or caused to be filed all federal, state, provincial and other Tax returns that are required to be filed and (ii) has paid or caused to be paid all Taxes shown to be due and payable on said returns and all other Taxes, fees or other charges imposed on it or on any of its property by any Governmental Unit (other than (A) any returns or amounts that are not yet due or (B) amounts the validity of which are currently being contested in good faith by appropriate proceedings and with respect to which any reserves required in conformity with GAAP have been provided on the books of the applicable Company Party).

(b) Other than in connection with (i) the Chapter 11 Cases, or (ii) Taxes being contested in good faith by appropriate proceedings for which adequate provisions have been made (to the extent required in accordance with GAAP), (A) there is no outstanding audit, assessment or written claim concerning any Tax liability of any Company Party, (B) no Company Party has received any written notices from any taxing authority relating to any outstanding tax issue that could affect any Company Party after the Effective Date; and (C) there are no Liens with respect to Taxes upon any of the assets or properties of any Company Party, other than Permitted Liens.

(c) All Taxes that any Company Party was required by law to withhold or collect in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party

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have been duly withheld or collected, and have been timely paid to the proper authorities to the extent due and payable.

(d) None of the Company Parties are parties to any Tax sharing, allocation or indemnification agreement or arrangement that would have a continuing effect after the Effective

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Date (other than such agreements or arrangements that form part of a larger commercial agreement or arrangement, the primary subject matter of which is not Tax, and agreements or arrangements wholly between the Company Parties and their subsidiaries).

(e) No Company Party has been requested in writing, and, to the Knowledge of the Company Parties, there are no claims against any Company Party, to pay any liability for Taxes of any Person (other than the Company Parties or their direct or indirect subsidiaries) that is material to any Company Party, arising from the application of Treasury Regulation Section 1.1502-6 or any analogous provision of state, local or foreign law, or as a transferee or successor.

(f) No Company Party has been either a "distributing corporation" or a "controlled corporation" in a distribution occurring during the last five years in which the parties to such distribution treated the distribution as one to which Section 355 of the IRC is applicable.

Section 1.22 **Employee Benefit Plans.**

(a) Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect: (i) neither a Reportable Event nor a failure to meet the minimum funding standards under Section 412 of the IRC or Section 302 of ERISA or applicable pension standards legislation has occurred during the five-year period prior to the date on which this representation is made with respect to any Single Employer Plan or Canadian Pension Plan, and each Single Employer Plan and Canadian Pension Plan has complied with the applicable provisions of ERISA, the IRC, or applicable law; (ii) no termination of a Single Employer Plan or Canadian Pension Plan has occurred, and no Lien in favor of the PBGC or a Single Employer Plan or Canadian Pension Plan has arisen on the assets of any Company Party or any other ERISA Affiliate, during such five-year period; (iii) the present value of all accrued benefits under each Single Employer Plan or Canadian Pension Plan (based on those assumptions used to fund such Single Employer Plans and Canadian Pension Plans) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Single Employer Plan or Canadian Pension Plan allocable to such accrued benefits; (iv) no Company Party or any other ERISA Affiliate has had a complete or partial withdrawal from any Multiemployer Plan that has resulted or would reasonably be expected to result in a liability under ERISA; (v) no Company Party or any other ERISA Affiliate would become subject to any liability under ERISA if such Company Party or such ERISA Affiliate were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made; and (vi) no Multiemployer Plan is insolvent or is in endangered or critical status (within the meaning of Section 432 of the IRC or Section 305 of ERISA). No Canadian Pension Plan is a Canadian Multiemployer Plan.

(b) Each Company Party and its Subsidiaries have not incurred, and do not reasonably expect to incur, any liability under ERISA or the IRC with respect to any Single Employer Plan that is subject to Title IV of ERISA or Section 412 of the IRC or Section 302 of ERISA and that is maintained or contributed to by an ERISA Affiliate (other than the Company Party and its Subsidiaries) merely by virtue of being treated as a single employer under Title IV of ERISA with the sponsor of such plan that would reasonably be likely to have a Material Adverse Effect.

Section 1.23 **Internal Control Over Financial Reporting**. The Company Parties have established and maintain a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f)

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promulgated under the Exchange Act) that complies in all material respects with the requirements of the Exchange Act and has been designed to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

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Section 1.24 **Disclosure Controls and Procedures**. The Company Parties maintain disclosure controls and procedures (within the meaning of Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act) that are designed to ensure that information required to be disclosed by the Company Parties in the reports that they file and submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management of the Company Parties as appropriate to allow timely decisions regarding required disclosure.

Section 1.25 **Material Contracts**. Other than as a result of a rejection motion filed by any Company Party in the Chapter 11 Cases, all Material Contracts are valid, binding and enforceable by and against each applicable Company Party, and to the Knowledge of each Company Party, each other party thereto (except where the failure to be valid, binding or enforceable would not constitute a Material Adverse Effect), and, no written notice to terminate, in whole or a material portion thereof, any Material Contract has been delivered to any Company Party (except where such termination would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect). Other than as a result of the filing of the Chapter 11 Cases, none of the Company Parties nor, to the Knowledge any Company Party, any other party to any Material Contract, is in default or breach under the terms thereof, in each case, except for such instances of default or breach that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 1.26 **PATRIOT Act, OFAC and FCPA.**

(a) Each of the Company Parties is in compliance in all material respects with applicable Sanctions, including without limitation regulations of the United States Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), Title III of the USA Patriot Act and other applicable anti-terrorism laws and regulations, and the FCPA and other applicable anti-corruption laws and regulations, and have instituted and maintain policies and procedures reasonably designed to ensure compliance with such laws and regulations.

(b) To the knowledge of Invacare, none of the Company Parties has, in the three years prior to the date hereof, committed a material violation of Sanctions, Title III of the USA Patriot Act or other applicable anti-terrorism laws and regulations, or the FCPA or other applicable anti-corruption laws and regulations

(c) None of the Company Parties, nor to the knowledge of Invacare, any director, officer, employee or agent of any Company Party, in each case, (i) is an individual or entity currently on OFAC's list of Specially Designated Nationals and Blocked Persons, the "Consolidated Canadian Autonomous Sanctions List", or any other list of targets identified or designated pursuant to any Sanctions, (ii) is located, organized or resident in a country or territory that is the subject of Sanctions, or (iii) is otherwise the Subject or target of Sanctions, or 50% or more in the aggregate owned or controlled by any such Person or Persons.

Section 1.27 **[Reserved]**.

Section 1.28 **[Reserved]**.

Section 1.29 **No Broker's Fees**. None of the Company Parties is a party to any Contract with any Person (other than this Agreement) that would give rise to a valid claim against the Backstop Parties for a brokerage commission, finder's fee or like payment in connection with the Rights Offering or the sale of the Unsubscribed Shares.

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Section 1.30 **Takeover Statutes**. No Takeover Statute is applicable to this Agreement, the Backstop Commitment and the other transactions contemplated by this Agreement.

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Section 1.31 **Investment Company Act**. None of the Company Parties is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended.

Section 1.32 **Insurance**. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (a) all premiums due and payable in respect of insurance policies maintained by each Company Party have been paid, (b) the insurance maintained by or on behalf of each Company Party is adequate and (c) as of the date hereof, to the Knowledge of each of the Company Parties, no Company Party has received notice from any insurer or agent of such insurer with respect to any insurance policies of any Company Party of cancellation or termination of such policies, other than such notices which are received in the ordinary course of business or for policies that have expired on their terms.

Section 1.33 **No Undisclosed Material Liabilities**. Except as set forth on the Disclosure Statement, there are no liabilities or obligations of any Company Party of any kind whatsoever, whether accrued, contingent, absolute, determined or determinable, and there is no existing condition, situation or set of circumstances that would reasonably be expected to result in such a liability or obligation other than: (a) liabilities or obligations disclosed and provided for in the audited financial statements; (b) liabilities or obligations incurred in the ordinary course of business consistent with past practices since the date of the most recent balance sheet presented in the audited financial statements; (c) liabilities or obligations that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and (d) liabilities or obligations that would not be required to be set forth or reserved for on a balance sheet of the Company Parties (and the notes thereto) prepared in accordance with GAAP consistently applied and in accordance with past practice; it being understood that for purposes of this clause section, any contract, agreement or understanding with any Person providing for a payment (in Cash or otherwise) in excess of $5.0 million in connection with any of the transactions contemplated under the Plan, the RSA or this Agreement (other than any contract, agreement, understanding or other transaction specifically contemplated by this Agreement, the Plan, the RSA, the Management Incentive Plan, any DIP Credit Agreement and any other Definitive Documents) shall not be deemed to have been incurred in the ordinary course of business or deemed to be non-material, and shall otherwise be deemed to be required to be set forth on the Company Parties' balance sheet for purposes of clause (d) above notwithstanding such clause.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF THE BACKSTOP PARTIES

Each Backstop Party represents and warrants as to itself only (unless otherwise set forth herein, as of the date of this Agreement and as of the Closing Date) as set forth below.

Section 1.1 **Incorporation**. Such Backstop Party is validly existing and in good standing (or the equivalent thereof) under the Laws of the jurisdiction of its incorporation or organization, and this Agreement is a legal, valid, and binding obligation of such Backstop Party, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable Laws relating to or limiting such Backstop Party's rights generally or by equitable principles relating to enforceability.

Section 1.2 **Corporate Power and Authority**. Such Backstop Party has (or will have, at the relevant time) all requisite corporate or other power and authority to enter into, execute, and deliver this Agreement and

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to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement.

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Section 1.3 **Execution and Delivery**. This Agreement and each other Definitive Document to which such Backstop Party is a party (a) has been, or prior to its execution and delivery will be, duly and validly executed and delivered by such Backstop Party and (b) upon entry of the Backstop Order and, as applicable, the Confirmation Order and assuming due and valid execution and delivery hereof and thereof by the Company and the other Company Parties (as applicable), will constitute a legal, valid, and binding obligation of such Commitment Party, enforceable against such Commitment Party in accordance with their respective terms, except as enforcement may be limited by applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

Section 1.4 **No Registration**. Such Backstop Party understands that (a) any Unsubscribed Shares issued to such Backstop Party in satisfaction of the Backstop Party Rights have not been registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends on, among other things, the bona fide nature of the investment intent and the accuracy of such Backstop Party's representations as expressed herein or otherwise made pursuant hereto, and (b) that such shares cannot be sold unless subsequently registered under the Securities Act or an exemption from registration is available.

Section 1.5 **Purchasing Intent**. Such Backstop Party is not acquiring the Unsubscribed Shares with the view to, or for resale in connection with, any distribution thereof not in compliance with applicable securities Laws, and such Backstop Party has no present intention of selling, granting any participation in, or otherwise distributing the same, except in compliance with applicable securities Laws.

Section 1.6 **Sophistication; Evaluation**. Such Backstop Party is an "accredited investor" within the meaning of Rule 501(a) of the Securities Act or a "qualified institutional buyer" within the meaning of Rule 144A of the Securities Act. Such Backstop Party understands that the Unsubscribed Shares are being offered and sold to such Backstop Party in reliance upon specific exemptions from the registration requirements of United States federal and state securities laws and that the Company Parties are relying upon the truth and accuracy of, and such Backstop Party's compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Backstop Party set forth herein in order to determine the availability of such exemptions and the eligibility of such Backstop Party to acquire the Unsubscribed Shares. Such Backstop Party has such knowledge and experience in financial and business matters such that it is capable of evaluating the merits and risks of its investment in the Unsubscribed Shares. Such Backstop Party understands and is able to bear any economic risks associated with such investment (including the necessity of holding such shares for an indefinite period of time). Except for the representations and warranties of the Company Parties expressly set forth in this Agreement, such Backstop Party has independently evaluated the merits and risks of its decision to enter into this Agreement and disclaims reliance on any representations or warranties, either express or implied, by or on behalf of the Company Parties.

Section 1.7 **Unsecured Notes Claims.**

(a) As of the date hereof, such Backstop Party and its Affiliates are, collectively, the beneficial owner or record owner of, or the nominee, investment manager, or advisor for beneficial holders of, the aggregate principal amount of Unsecured Notes Claims;

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(b) As of the date hereof, such Backstop Party or its applicable Affiliates has the full power to vote and consent to matters concerning all of its Unsecured Notes Claims referable to it as contemplated by this Agreement subject to applicable Law; and

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(c) Other than as permitted under the RSA and this Agreement, such Backstop Party has not entered into any Contract to Transfer, in whole or in part, any portion of its right, title or interest in such Unsecured Notes Claims where such Transfer would prohibit such Backstop Party from complying with the terms of this Agreement or the RSA.

Section 1.8 **Intentionally Omitted.**

Section 1.9 **No Conflict**. The entry into and performance by each Backstop Party of, and the transactions contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its articles of association, memorandum of association, or other constitutional documents.

Section 1.10 **Consents and Approvals**. No consent, approval, authorization, Order, registration or qualification of or with any Governmental Authority having jurisdiction over such Backstop Party or any of its properties is required for the execution and delivery by such Backstop Party of this Agreement and each other Definitive Document to which such Backstop Party is a party, the compliance by such Backstop Party with the provisions hereof and thereof and the consummation of the transactions (including the purchase by such Backstop Party of its Backstop Commitment Percentage of the Unsubscribed Shares or its portion of the Rights Offering Shares) contemplated herein and therein, except (a) Antitrust Approvals, if any, including but not limited to any filings required pursuant to the HSR Act, in each case, in connection with the transactions contemplated by this Agreement, and (b) any consent, approval, authorization, Order, registration or qualification which, if not made or obtained, would not reasonably be expected, individually or in the aggregate, to have a material adverse effect on such Backstop Party's performance of its obligations under this Agreement.

Section 1.11 **Legal Proceedings**. Other than the Chapter 11 Cases and any adversary proceedings or contested motions commenced in connection therewith, there are no Legal Proceedings pending or, to the Knowledge of such Backstop Party, threatened to which the Backstop Party is a party or to which any property of the Backstop Party is the subject, that would reasonably be expected to prevent, materially delay, or materially impair the ability of such Backstop Party to consummate the transactions contemplated hereby.

Section 1.12 **Sufficiency of Funds**. Such Backstop Party has, or will have as of the Closing, sufficient available funds to fulfill its obligations under this Agreement and the other Definitive Documents. For the avoidance of doubt, such Backstop Party acknowledges that its obligations under this Agreement and the other Definitive Documents are not conditioned in any manner upon its obtaining financing.

Section 1.13 **No Broker's Fees**. Such Backstop Party is not a party to any Contract with any Person (other than the Definitive Documents and any Contract giving rise to the Expense Reimbursement hereunder) that would give rise to a valid claim against Invacare or any Company Party for a brokerage commission, finder's fee or like payment in connection with the Rights Offering or the sale of the Unsubscribed Shares.

ARTICLE VI

ADDITIONAL COVENANTS

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Section 1.1 **Approval Orders**. The Company Parties shall use their commercially reasonable efforts to, (a) obtain the entry of the Backstop Order and (b) cause the Backstop Order to become a Final Order (and request that such Order be effective immediately upon entry by the Bankruptcy Court pursuant to a waiver of Bankruptcy Rules 3020 and 6004(h), as applicable), in

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each case, as soon as reasonably practicable but no later than 90 days after the Petition Date, and in a manner consistent with the RSA and this Agreement.

Section 1.2 **Definitive Documents**. Without limitation to the RSA (including the consent rights therein), and except as expressly provided otherwise in this Agreement, (i) the Definitive Documents listed in Section 3.01 of the RSA that are to be acceptable to the Required Consenting Unsecured Noteholders shall also be in form and substance acceptable to the Required Backstop Parties and the Company Parties; and (ii) the Definitive Documents listed in Section 3.01 of the RSA that are to be acceptable to the Required Consenting Unsecured Noteholders shall also be in form and substance reasonably acceptable to the Required Backstop Parties and the Company Parties.

Section 1.3 **Conduct of Business**. Except as set forth in this Agreement or the RSA or with the prior written consent of the Required Backstop Parties (requests for which, including related information, shall be directed to the counsel and financial advisors to the Backstop Parties), during the period from the date of this Agreement to the earlier of (a) the Closing Date and (b) the date on which this Agreement is terminated in accordance with its terms (the "**Pre-Closing Period**"), each of the Company Parties (and New Intermediate Holding Company, to the extent applicable) shall carry on its business in the ordinary course, consistent with past practice and the RSA, to: (i) preserve intact its business; (ii) keep available the services of its officers and employees; (iii) preserve its material relationships with customers, suppliers, licensors, licensees, distributors and others having material business dealings with the each of the Company Parties in connection with their business; and (iv) maintain in effect all of its foreign, federal, state and local licenses, permits, consents, franchises, approvals and authorizations (except where the failure to do so would not individually, or in the aggregate, have a Material Adverse Effect).

Section 1.4 **Access to Information; Cleansing**. Subject to applicable Law, upon a minimum of two (2) Business Days' advance written notice to the Company Parties during the Pre- Closing Period, the Company Parties shall afford the Initial Backstop Parties and their Representatives, (i) reasonable access (without any material disruption to the conduct of the Company Parties' business) during normal business hours to the Company Parties' books and records, (ii) reasonable access to the management and advisors of the Company Parties for the purposes of evaluating the Company Parties' assets, liabilities, operations, businesses, finances, strategies, prospects, and affairs, and (iii) timely and reasonable responses to all reasonable diligence requests, *provided* that all rights provided for in this Section 6.4 shall be subject to the terms of any agreements between the Company Parties and third parties that may be affected by the exercise of the foregoing rights. All requests for information and access made in accordance with this Section 6.4 shall be directed to Kirkland & Ellis, as counsel for the Company Parties, or such other Person as may be designated in writing by the Company Parties' executive officers. To the extent that information provided in connection with this Agreement (including this Section 6.4) constitutes MNPI, the Company Parties and the Required Backstop Parties shall negotiate in good faith and mutually agree to a "cleansing" non- disclosure agreement to address such information.

Section 1.5 **Commitments of the Company Parties and Backstop Parties**. During the Pre-Closing Period, (i) each of the Company Parties, with respect to subsections (a)-(k) of this below Section 6.5, agrees to, and agrees to cause each of its direct and indirect subsidiaries to, and (ii) each of the Backstop Parties, with respect to subsections (a), (d), (e) and (i) of this below Section 6.5, agrees to:

(a) support and take all steps reasonably necessary and desirable to consummate the Restructuring Transactions in accordance with this Agreement and the RSA (including the milestones therein);

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(b) to the extent any legal or structural impediment arises that would prevent, hinder, impede, or delay the consummation of the Restructuring Transactions, take all steps reasonably necessary and desirable to address any such impediment, and negotiate in good faith any appropriate additional or alternative provisions or agreements to address any such impediment;

(c) use commercially reasonable efforts to obtain any and all required governmental, regulatory, and/or third-party approvals for the Restructuring Transactions;

(d) negotiate in good faith and use commercially reasonable efforts to take all steps reasonably necessary to (i) consummate the Restructuring Transactions and (ii) execute and implement this Agreement and the other Definitive Documents;

(e) not file or seek authority to file any pleading inconsistent with this Agreement, the RSA (including the consent rights set forth therein), or the Restructuring Transactions;

(f) timely file a formal objection to any motion, application, or pleading filed with the Bankruptcy Court seeking the entry of an order for relief that: (i) is materially inconsistent with the RSA, this Agreement, or any other Definitive Document; or (ii) would, or would be reasonably expected to, frustrate the purposes of the RSA, this Agreement, or any other Definitive Document, including by preventing the consummation of the Restructuring Transactions;

(g) [Reserved];

(h) oppose and object to any motion, application, adversary proceeding, or cause of action filed with the Bankruptcy Court by any party seeking the entry of an order (i) directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code); (ii) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code; (iii) dismissing the Chapter 11 Cases; or (iv) modifying or terminating the Company Parties' exclusive right to file and/or solicit acceptances of a plan of reorganization, as applicable;

(i) oppose any objections filed with the Bankruptcy Court to this Agreement, the Plan, any other Definitive Document, or the Restructuring Transactions;

(j) inform counsel to the Initial Backstop Parties within two (2) Business Days after becoming aware of (i) any matter or circumstance, that they know or believe is likely, to be a material impediment to the implementation or consummation of the Restructuring Transactions; (ii) a breach of this Agreement (including a breach by any Company Party; or any representation or statement made or deemed to be made by any Company Party under this Agreement which is or proves to have been incorrect or misleading in any material respect when made or deemed to be made; and

(k) upon reasonable request of any Backstop Party, reasonably and promptly inform counsel to such party of: (i) the status and progress of the Restructuring Transactions contemplated by this Agreement, including progress in relation to the negotiations of the Definitive Documents; and (ii) the status of obtaining any necessary authorizations (including any consents) from each Backstop Party, any competent judicial body, governmental authority, banking, taxation, supervisory, regulatory body, or any stock exchange.

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Section 1.6 **Additional Commitments of the Company Parties and the Backstop Parties**. Except as permitted or contemplated by the Plan or the RSA, during the Pre-Closing

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Period, (i) each of the Company Parties and New Intermediate Holding Company, in each case with respect to subsections (a)-(h) of this below Section 6.6, shall not, and shall cause each of its direct and indirect subsidiaries to not, directly or indirectly, and (ii) each of the Backstop Parties, with respect to subsections (a)-(e) of this below Section 6.6, shall not:

(a) without the reasonable consent of the Parties, object to, delay, impede, or take any other action or inaction that is reasonably avoidable and would interfere with, delay, or impede the acceptance, implementation, or consummation of this Agreement, the Plan or the Restructuring Transactions;

(b) take any action or inaction that is inconsistent in any material respect with, or is intended or could reasonably be expected to frustrate or impede approval, implementation, and consummation of the Restructuring Transactions, the RSA, or this Agreement;

(c) file any motion or pleading, with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is materially inconsistent with this Agreement, the RSA (including the consent rights set forth therein), or the Restructuring Transactions;

(d) execute or file any Definitive Document with the Bankruptcy Court (including any modifications or amendments thereto) that, in whole or in part, is materially inconsistent with this Agreement, the RSA (including the consent rights set forth therein), or the Restructuring Transactions;

(e) take any other action or inaction in contravention of the RSA, this Agreement, or any other Definitive Document, or to the material detriment of the Restructuring Transactions;

(f) without the consent (not to be unreasonably withheld, conditioned, or delayed) of the Required Backstop Parties, transfer any material asset or right of any Company Party or any material asset or right used in the business of the Company Parties to any Entity outside the ordinary course of business;

(g) without the consent (not to be unreasonably withheld, conditioned, or delayed) of the Required Backstop Parties, take any action or inaction that would cause a change to the tax status of any Company Party that would have a Material Adverse Effect; or

(h) without the consent (not to be unreasonably withheld, conditioned, or delayed) of the Required Backstop Parties, engage in any merger, consolidation, material disposition, material acquisition, investment, dividend, incurrence of indebtedness, or other similar transaction outside of the ordinary course of business other than the Restructuring Transactions.

Section 1.7 **Cooperation and Support.**

(a) Without in any way limiting any other respective obligation of any Company Party or any Backstop Party in this Agreement, each Party shall, consistent with the RSA, take or cause to be taken all actions, and do or cause to be done all things, reasonably necessary, proper or advisable in order to consummate and make effective the transactions contemplated by this Agreement, the RSA, and the Plan.

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(b) The Company Parties shall provide draft copies of all material pleadings and documents that any Company Party intends to file with or submit to the Bankruptcy Court or any governmental authority (including any regulatory authority), as applicable, and draft copies

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of all press releases that any Company Party intends to issue regarding this Agreement, the RSA, or the Restructuring Transactions, to counsel to the Initial Backstop Parties at least three (3) Business Days prior to the date when such Company Party intends to file, submit or issue such document to the extent reasonably practicable (or such shorter period as may be necessary in light of exigent circumstances).

(c) Nothing contained in this Section 6.7 shall limit the ability of any Backstop Party to consult with any Company Party or any other party in interest in the Chapter 11 Cases, to appear and be heard, or to file objections, concerning any matter arising in the Chapter 11 Cases to the extent not inconsistent with the RSA or this Agreement or any applicable confidentiality agreement, and such acts are not for the purpose of delaying, interfering, or impeding, directly or indirectly, the Restructuring Transactions.

Section 1.8 **Intentionally Omitted**

Section 1.9 **Blue Sky**. The Company Parties shall, on or before the Closing Date, take such action as the Company Parties shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Unsubscribed Shares issued hereunder for sale to the Backstop Parties at the Closing Date pursuant to this Agreement under applicable securities and "Blue Sky" Laws of the states of the United States (or to obtain an exemption from such qualification) and any applicable foreign jurisdictions, and shall provide evidence of any such action so taken to the Backstop Parties on or prior to the Closing Date. The Company Parties shall timely make all filings and reports relating to the offer and sale of the Unsubscribed Shares issued hereunder required under applicable securities and "Blue Sky" Laws of the states of the United States following the Closing Date. The Company Parties shall pay all fees and expenses in connection with satisfying its obligations under this Section 6.9.

Section 1.10 **No Integration; No General Solicitation**. Neither the Company Parties nor any of their affiliates (as defined in Rule 501(b) of Regulation D promulgated under the Securities Act) will, directly or through any agent, sell, offer for sale, solicit offers to buy or otherwise negotiate in respect of, any security (as defined in the Securities Act) that is or will be integrated with the sale of the Unsubscribed Shares, the New Preferred Equity and New Common Equity in a manner that would require registration of any such securities to be issued by New Intermediate Holding Company or Reorganized Invacare on the Effective Date under the Securities Act. No Company Party or any of its affiliates or any other Person acting on its or its behalf will solicit offers for, or offer or sell, any Unsubscribed Shares by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D promulgated under the Securities Act or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act.

Section 1.11 **DTC Eligibility**. To the extent permitted by The Depository Trust Company, the Company Parties shall use commercially reasonable efforts to promptly make all New Preferred Equity and New Common Equity deliverable to the Backstop Parties eligible for deposit with The Depository Trust Company, except as otherwise requested by the Required Backstop Parties.

Section 1.12 **Use of Proceeds**. Invacare will apply the proceeds from the exercise of the Backstop Party Rights and the sale of the Unsubscribed Shares for the purposes identified in the Plan and the Confirmation Order.

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Section 1.13 **Share Legend**. Each certificate or book-entry annotation evidencing all Unsubscribed Shares that are issued in connection with this Agreement shall be stamped or otherwise imprinted with a legend (the "**Legend**") in substantially the following form:

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“THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON [DATE OF ISSUANCE], HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY OTHER APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION THEREUNDER.”

In the event that any such Unsubscribed Shares are uncertificated, such Unsubscribed Shares shall be subject to a restrictive notation substantially similar to the Legend in the stock ledger or other appropriate records maintained by New Intermediate Holding Company or its transfer agent and the term “**Legend**” shall include such restrictive notation.

New Intermediate Holding Company or Reorganized Invacare, as applicable, shall cause the removal of the Legend (or restrictive notation, as applicable) set forth above from the certificates evidencing any such shares (or the stock ledger or other appropriate records, in the case of uncertified shares) at any time after the restrictions described in such Legend cease to be applicable, including, as applicable, when such shares may be sold under Rule 144 of the Securities Act without volume or manner of sale restrictions; *provided* that New Intermediate Holding Company or Reorganized Invacare may reasonably request such opinions, certificates or other evidence that such restrictions or conditions no longer apply as a condition to removing the Legend. For the avoidance of doubt, the (i) Subscription Shares and (ii) New Common Equity issued in satisfaction of the Backstop Commitment Premium shall not include the Legend.

Section 1.14 **Antitrust Approval.**

(a) Each Party agrees to use best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary to consummate and make effective the transactions contemplated by this Agreement, the Plan and the other Definitive Documents, including (i) if applicable, filing, or causing to be filed, the Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated by this Agreement with the Antitrust Division of the United States Department of Justice and the United States Federal Trade Commission and any filings (or, if required by any Antitrust Authority, any drafts thereof) under any other Antitrust Laws that are necessary to consummate and make effective the transactions contemplated by this Agreement as soon as reasonably practicable (and with respect to any filings required pursuant to the HSR Act, no later than fifteen (15) Business Days following the later of (x) the date hereof or (y) a date reasonably determined by the Required Backstop Parties (not to be later than twenty-five (25) Business Days following the date hereof)) and (ii) promptly furnishing documents or information reasonably requested by any Antitrust Authority and supplying to any Governmental Authority as promptly as practicable any additional information or documents that may be requested pursuant to any Law or by such Governmental Unit and taking, or causing to be taken, all other actions and doing, or causing to be done, all other things necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement. The Company Parties agree to pay all fees of a Governmental Authority incurred by any Part in connection with the filings and other actions contemplated by this Section 6.14.

Each Backstop Party, including its Affiliates, and its direct and indirect subsidiaries, agrees to take, or cause to be taken, any and all steps and to make, or cause to be made, any and all undertakings necessary to resolve such objections, if any, that a Governmental Authority or Antitrust Authority may assert under any Antitrust Law

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with respect to any transaction contemplated by this Agreement, the Plan or the other Definitive Documents, and to avoid or eliminate each and every impediment under any Antitrust Law that may be asserted by any

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Governmental Authority or Antitrust Authority with respect to any transaction contemplated by this Agreement, the Plan or the other Definitive Documents, in each case, so as to enable the Closing to occur as promptly as practicable, including, without limitation, (x) proposing, negotiating, committing to and effecting, by consent decree, hold separate order, or otherwise, the sale, divestiture or disposition of any businesses, assets, equity interests, product lines or properties of any Backstop Party (including its Affiliates, and its direct and indirect subsidiaries), or any equity interest in any joint venture held any by any Backstop Party (including its Affiliates, and its direct and indirect subsidiaries), (y) creating, terminating, or divesting relationships, ventures, contractual rights or obligations of any Backstop Party (including its Affiliates, and its direct and indirect subsidiaries), and (z) otherwise taking or committing to take any action that would limit any Backstop Party's (including its Affiliates', and its direct and indirect subsidiaries') freedom of action with respect to, or its ability to retain or hold, directly or indirectly, any businesses, assets, equity interests, product lines or properties of any Backstop Party (including its Affiliates, and its direct and indirect subsidiaries) or any equity interest in any joint venture held by any Backstop Party (including its Affiliates, and its direct and indirect subsidiaries), in each case as may be required in order to obtain all approvals, consents, clearances, expirations or terminations of waiting periods, registrations, permits, authorizations and other confirmations required directly or indirectly under any Antitrust Law or to avoid the commencement of any action to prohibit any transaction contemplated by this Agreement, the Plan or the other Definitive Documents under any Antitrust Law, or, in the alternative, to avoid the entry of, or to effect the dissolution of, any injunction, temporary restraining order or other order in any action or proceeding seeking to prohibit any transaction contemplated by this Agreement, the Plan or the other Definitive Documents or delay the Closing.

The Company Parties and each Backstop Party subject to an obligation pursuant to the Antitrust Laws, if applicable, to notify any transaction contemplated by this Agreement, the Plan or the other Definitive Documents that has notified the Company Parties in writing of such obligation (each such Backstop Party, a "**Filing Party**") agree to reasonably cooperate with each other as to the appropriate time of filing such notification and its content. Where applicable in connection with this Agreement, the Company Parties and each Filing Party shall, to the extent permitted by applicable Law: (A) promptly notify each other of, and if in writing, furnish each other with copies of (or, in the case of material oral communications, advise each other orally of) any communications from or with an Antitrust Authority; (B) not participate in any meeting with an Antitrust Authority unless it consults with each other Filing Party and the Company Parties, as applicable, in advance and, to the extent permitted by the Antitrust Authority and applicable Law, give each other Filing Party and the Company Parties, as applicable, a reasonable opportunity to attend and participate thereat; (C) furnish each other Filing Party and the Company Parties, as applicable, with copies of all correspondence and communications between such Filing Party or the Company Parties and the Antitrust Authority; (D) furnish each other Filing Party with such necessary information and reasonable assistance as may be reasonably necessary in connection with the preparation of necessary filings or submission of information to the Antitrust Authority; and (E) not withdraw its filing, if any, under the HSR Act without the prior written consent of the Required Backstop Parties and the Company Parties. Any such disclosures, rights to participate or provisions of information by one party to the other parties may be made on a counsel-only basis to the extent required under applicable Law or as appropriate to protect confidential business information, and any materials provided pursuant to this Section 6.14 may be redacted (i) to remove references concerning valuation; (ii) to the extent necessary to comply with contractual arrangements; and (iii) to the extent necessary to address reasonable privilege and confidentiality concerns.

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(b) Should a Filing Party be subject to an obligation under the Antitrust Laws to jointly notify with one or more other Filing Parties (each, a "**Joint Filing Party**") any transaction contemplated by this Agreement, the Plan or the other Definitive Documents, such Joint Filing Party shall promptly notify each other Joint Filing Party of, and if in writing, furnish

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each other Joint Filing Party with copies of (or, in the case of material oral communications, advise each other Joint Filing Party orally of) any communications from or with an Antitrust Authority.

(c) The Company Parties and each Filing Party shall use their best efforts to obtain all authorizations, approvals, consents, or clearances under any applicable Antitrust Laws or to cause the termination or expiration of all applicable waiting periods under any Antitrust Laws in connection with the transactions contemplated by this Agreement at the earliest possible date after the date of filing. The communications contemplated by this Section 6.14 may be made by the Company Parties or a Filing Party on an outside counsel-only basis or subject to other agreed upon confidentiality safeguards.

Section 1.15 **Rights Offering**. The Company Parties and New Intermediate Holding Company shall effectuate the Rights Offering in accordance with the Plan and the Rights Offering Procedures in all material respects.

ARTICLE VII

ADDITIONAL PROVISIONS REGARDING FIDUCIARY OBLIGATIONS

Section 1.1 **Fiduciary Out**. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require any Company Party or the board of directors, board of managers, or similar governing body of any Company Party (the aforementioned parties collectively as to the Company Parties, "**Fiduciaries**"), in each case, acting in their capacity as such, to take any action or to refrain from taking any action to the extent such Fiduciary determines, after consulting with counsel, that taking or failing to take such action would be inconsistent with applicable Law or its fiduciary obligations under applicable Law; *provided* that counsel to the Company Parties shall give notice not later than two (2) Business Days following such determination (with email being sufficient) (a "**Fiduciary Out Notice**"), to counsel to the Initial Backstop Parties following a determination made in accordance with this Section 7.1 to take or not take action, in each case in a manner that would result in a breach of this Agreement. This Section 7.1 shall not be deemed to amend, supplement or otherwise modify, or constitute a waiver of any Party's rights to terminate this Agreement pursuant to Article X or Section 7.1 of this Agreement that may arise as a result of any such action or inaction.

Section 1.2 **Alternative Transactions**. From the date of this Agreement until the Closing Date, (i) each Company Party and its respective board of directors (or committees thereof, but not any individual director), officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives, each acting in their capacity as such, shall have the right, consistent with their fiduciary duties, to respond to any inbound indications of interest, but will no longer solicit Alternative Restructuring Proposals (or inquiries or indications of interest with respect thereto); and (ii) if any Company Party or the board of directors of any of the Company Parties determines, in the exercise of its fiduciary duties, to accept or pursue an Alternative Restructuring Proposal, the Company Parties shall notify (with email being sufficient) counsel to the Initial Backstop Parties within two (2) Business Days following such determination (an "**Alternative Restructuring Proposal Notice**"). Upon receipt of such Alternative Restructuring Proposal Notice, the Required Backstop Parties shall have the right to terminate this Agreement; *provided* that any such notice terminating this Agreement pursuant to Section 7.2 must notify the Company Parties that the Required Backstop Parties do not support the applicable Alternative Restructuring Proposal. The Company Parties' advisors shall provide the Initial Backstop Parties Advisors and any other party determined by the Company Parties, with (x) regular updates as to the

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status and progress of any Alternative Restructuring Proposals and (y) reasonable responses to any reasonable information requests related to any Alternative Restructuring Proposals or the Company Parties' actions taken

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pursuant to this Section 7.2. Nothing in this Agreement shall (a) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions, or (b) prevent any Company Party from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement.

ARTICLE VIII

CONDITIONS TO THE OBLIGATIONS OF THE PARTIES

Section 1.1 **Conditions to the Obligations of the Backstop Parties**. The obligations of each Backstop Party to consummate the transactions contemplated hereby shall be subject to (unless waived by the Required Parties) the satisfaction of the following conditions prior to or at the Closing:

(a) Orders. The Bankruptcy Court shall have entered the Backstop Order, Disclosure Statement Order, and Confirmation Order, and in each case, consistent in all material respects with the RSA; each such Order shall be a Final Order; such Order shall be in full force and effect, and not subject to a stay.

(b) Plan. Each Company Party shall have complied, in all material respects, with the terms of the Plan that are to be performed by each Company Party on or prior to the Effective Date and the conditions to the occurrence of the Effective Date (other than any conditions relating to the occurrence of the Closing) set forth in the Plan shall have been satisfied or waived in accordance with the terms of the Plan.

(c) Rights Offering. The Rights Offering shall have been conducted, in all respects, in accordance with the Backstop Order, the Rights Offering Procedures and this Agreement, and the Rights Offering Expiration Time shall have occurred.

(d) Effective Date. The Effective Date shall have occurred, or shall be deemed to have occurred concurrently with the Closing, in accordance with the terms and conditions in the Plan and in the Confirmation Order.

(e) Registration Rights Agreement; New Organizational Documents.

(i) If applicable, a registration rights agreement shall have terms that are customary for a transaction of this nature and shall be in form and substance reasonably acceptable to the Required Backstop Parties and the Company Parties (the "**Registration Rights Agreement**"). The Registration Rights Agreement, if applicable, shall have been executed and delivered by the Company, shall otherwise have become effective with respect to the Backstop Parties and the other parties thereto, and shall be in full force and effect.

(ii) The New Organizational Documents, in the form and substance acceptable to the Company Parties and reasonably acceptable to the Required Backstop Parties, shall have been duly approved and adopted and shall be in full force and effect.

(f) Expense Reimbursement. The Company Parties shall have paid (or such amounts shall be paid concurrently with the Closing) all Expense Reimbursement invoiced through the Closing Date pursuant to Section 3.3.

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(g) Consents. All governmental and third-party notifications, filings, consents, waivers and approvals required for the consummation of the transactions contemplated by this Agreement and the Plan shall have been made or received.

(h) Antitrust Approvals. All waiting periods imposed by any Governmental Authority or Antitrust Authority in connection with the transactions contemplated by this Agreement shall have terminated or expired and all authorizations, approvals, consents or clearances under the Antitrust Laws in connection with the transactions contemplated by this Agreement shall have been obtained.

(i) No Legal Impediment to Issuance. No Law or Order shall have been enacted, adopted or issued by any Governmental Unit that prohibits the implementation of the Plan or the transactions contemplated by this Agreement.

(j) Representations and Warranties.

(i) The representations and warranties of the Company Parties contained in Sections 4.1, 4.2, 4.3, 4.4, 4.5, 4.26, and 4.31 shall be true and correct in all respects on and as of the Closing Date after giving effect to the Plan with the same effect as if made on and as of the Closing Date after giving effect to the Plan (except for such representations and warranties made as of a specified date, which shall be true and correct only as of the specified date).

(ii) The representations and warranties of the Company Parties contained in Section 4.14 shall be true and correct in all material respects on and as of the Closing Date, or will be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date after giving effect to the Plan (except for such representations and warranties made as of a specified date, which shall be true and correct in all material respects only as of the specified date).

(iii) The representations and warranties of the Company Parties contained in this Agreement other than those referred to in clauses (i) and (ii) above shall be true and correct (disregarding all materiality or Material Adverse Effect qualifiers other than with respect to Section 4.12) on and as of the Closing Date after giving effect to the Plan with the same effect as if made on and as of the Closing Date or will be true and correct in all material respects on and as of the Closing Date (except for such representations and warranties made as of a specified date, which shall be true and correct only as of the specified date), except where the failure to be so true and correct does not constitute, individually or in the aggregate, a Material Adverse Effect.

(k) Covenants. The Company Parties shall have performed and complied, in all material respects, with all of their respective covenants and agreements contained in this Agreement that contemplate, by their terms, performance or compliance prior to the Closing Date.

(l) Material Adverse Effect. Since January 1, 2022, except for the Chapter 11 Cases and any adversary proceedings or contested motions in connection therewith, and other than as disclosed in (i) the Company SEC Documents or otherwise publicly available on the SEC's Electronic Data-Gathering, Analysis and Retrieval system, or (ii) the Company Disclosures Schedules, there shall not have occurred, and there shall not

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exist, any event, development, occurrence or change that constitutes, individually or in the aggregate, a Material Adverse Effect.

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(m) Officer's Certificate. The Backstop Parties shall have received on and as of the Closing Date a certificate of the chief executive officer or chief financial officer of Invacare confirming that the conditions set forth in Sections 8.1(j), (k), and (l) have been satisfied.

(n) Exit Facilities. The Exit ABL Facilities, Exit Secured Convertible Notes, and Exit Term Loan Facility shall be in effect with the terms set forth in the Restructuring Term Sheet, as in effect on the date hereof.

(o) RSA. The RSA shall not have terminated in accordance with the terms thereof.

(p) Backstop Commitment Premium. The Company Parties shall have paid (or such amounts shall be paid concurrently with the Closing) to each Backstop Party its Backstop Commitment Premium Share Amount as set forth in Section 3.2.

(q) Funding Notice. The Backstop Parties shall have received the Funding Notice in accordance with the terms of this Agreement.

(r) DIP Financing. An Event of Default shall not have occurred and be continuing under the DIP Term Loan Credit Agreement on account of which the agent and lenders thereunder shall have terminated the commitments and declared the loans to be immediately due and payable..

Section 1.2 **Certificate of Incorporation; Certificate of Designation**. Upon the Closing, (i) the rights, preferences and privileges of the New Preferred Equity and the New Common Equity will be as stated in the New Organizational Documents of the applicable issuer in accordance with the Plan and as provided by law.

Section 1.3 **Waiver of Conditions to Obligations of Backstop Parties**. All or any of the conditions set forth in Sections 8.1(b), (c), (e), (g), (h), (i), (j), (k), (l), (m), (n), (o) and (q) may only be waived in whole or in part with respect to all Backstop Parties by a written instrument executed by the Required Backstop Parties in their sole discretion and if so waived, all Backstop Parties shall be bound by such waiver. Any of the conditions not listed in the preceding sentence may only be waived in whole or in part with respect to all Backstop Parties by a written instrument executed by all Backstop Parties.

Section 1.4 **Conditions to the Obligations of the Company Parties**. The obligations of the Company Parties to consummate the transactions contemplated hereby with any Backstop Party is subject to (unless waived by the Company Parties in writing) the satisfaction of each of the following conditions:

(a) Orders. The Bankruptcy Court shall have entered the Backstop Order, Disclosure Statement Order, and Confirmation Order, in each case, in form and substance acceptable to the Company Parties and consistent in all material respects with the RSA and the Definitive Documents; each such Order shall be a Final Order; such Order shall be in full force and effect, and not subject to a stay.

(b) Effective Date. The Effective Date shall have occurred or shall be deemed to have occurred concurrently with the Closing, in accordance with the terms and conditions in the Plan and in the Confirmation Order.

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(c) Rights Offering. The Rights Offering Expiration Time shall have occurred, and the Company Parties shall have received the Aggregate Rights Offering Amount

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(or the Adjusted Aggregated Rights Offering Amount, if applicable) in full in Cash pursuant to the Rights Offering.

(d) Antitrust Approvals. All waiting periods imposed by any Governmental Authority or Antitrust Authority in connection with the transactions contemplated by this Agreement shall have terminated or expired and all authorizations, approvals, consents or clearances under the Antitrust Laws in connection with the transactions contemplated by this Agreement shall have been obtained.

(e) No Legal Impediment to Issuance. No Law or Order shall have been enacted, adopted or issued by any Governmental Unit that prohibits the implementation of the Plan or the transactions contemplated by this Agreement.

(f) Representations and Warranties. The representations and warranties of the Backstop Parties contained in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same effect as if made on and as of the Closing Date (except for such representations and warranties made as of a specified date, which shall be true and correct in all material respects only as of the specified date).

(g) Consents. All governmental and third-party notifications, filings, consents, waivers and approvals required for the consummation of the transactions contemplated by this Agreement and the Plan shall have been made or received.

(h) Covenants. The Backstop Parties shall have performed and complied, in all material respects, with all of their respective covenants and agreements contained in this Agreement that contemplate, by their terms, performance or compliance prior to the Closing Date.

(i) Exit Facilities. The Exit Facilities shall be in effect with the terms set forth in the Restructuring Term Sheet, as in effect on the date hereof.

(j) RSA. The RSA shall not have terminated in accordance with the terms thereof.

ARTICLE IX

INDEMNIFICATION AND CONTRIBUTION

Section 1.1 **Indemnification Obligations**. Following the entry of the Backstop Order, but effective as of the date hereof, the Company Parties (the "**Indemnifying Parties**," and each, an "**Indemnifying Party**") shall, jointly and severally, indemnify and hold harmless each Backstop Party and its Affiliates, equity holders, members, partners, general partners, managers and its and their respective Representatives and controlling persons (each, an "**Indemnified Person**") from and against any and all losses, claims, damages, liabilities and costs and expenses (other than Taxes of the Backstop Parties except to the extent otherwise provided for in this Agreement) (collectively, "**Losses**") that any such Indemnified Person may incur or to which any such Indemnified Person may become subject arising out of or in connection with this Agreement, the Plan, and the transactions contemplated hereby and thereby, including the Backstop Commitment, the Rights Offering, the Expense Reimbursement, the payment of the Backstop Commitment Premium or the Backstop Commitment Termination Premium or the use of the proceeds of the Rights Offering, or any claim, challenge, litigation, investigation or proceeding relating to any of the foregoing, regardless of whether any Indemnified Person is a party thereto, whether or not such proceedings

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are brought by the Company Parties, the Reorganized Company Parties, their respective equity holders, Affiliates, creditors or any other

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Person, and reimburse each Indemnified Person upon demand for reasonable documented out-of-pocket (with such documentation subject to redaction to preserve attorney client and work product privileges) legal or other third-party expenses incurred in connection with investigating, preparing to defend or defending, or providing evidence in or preparing to serve or serving as a witness with respect to, any lawsuit, investigation, claim or other proceeding relating to any of the foregoing (including in connection with the enforcement of the indemnification obligations set forth herein), irrespective of whether or not the transactions contemplated by this Agreement or the Plan are consummated or whether or not this Agreement is terminated; *provided* that the foregoing indemnity will not, as to any Indemnified Person, apply to Losses (a) as to a Defaulting Backstop Party or its Related Parties, or (b) to the extent they are found by a final, non-appealable judgment of a court of competent jurisdiction to arise from the willful misconduct, bad faith or gross negligence of such Indemnified Person. The Indemnified Persons are express third-party beneficiaries of this Article IX.

Section 1.2 **Indemnification Procedure**. Promptly after receipt by an Indemnified Person of notice of the commencement of any claim, challenge, litigation, investigation or proceeding (an "**Indemnified Claim**"), such Indemnified Person will, if a claim is to be made hereunder against the Indemnifying Party in respect thereof, notify the Indemnifying Party in writing of the commencement thereof; *provided* that (a) the omission to so notify the Indemnifying Party will not relieve the Indemnifying Party from any liability that it may have hereunder except to the extent it has been materially prejudiced by such failure and (b) the omission to so notify the Indemnifying Party will not relieve the Indemnifying Party from any liability that it may have to such Indemnified Person otherwise than on account of this Agreement. In case any such Indemnified Claims are brought against any Indemnified Person and it notifies the Indemnifying Party of the commencement thereof, the Indemnifying Party will be entitled to participate therein, and, at its election by providing written notice to such Indemnified Person, the Indemnifying Party will be entitled to assume the defense thereof or participation therein, with counsel reasonably acceptable to such Indemnified Person; *provided*, further, that if the parties (including any impleaded parties) to any such Indemnified Claims include both such Indemnified Person and the Indemnifying Party and based on advice of such Indemnified Person's counsel there are legal defenses available to such Indemnified Person that are different from or additional to those available to the Indemnifying Party, such Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such Indemnified Claims. Upon receipt of notice from the Indemnifying Party to such Indemnified Person of its election to so assume the defense of such Indemnified Claims with counsel reasonably acceptable to the Indemnified Person, the Indemnifying Party shall not be liable to such Indemnified Person for expenses incurred by such Indemnified Person in connection with the defense thereof or participation therein (other than reasonable documented out-of-pocket costs of investigation) unless (i) such Indemnified Person shall have employed separate counsel (in addition to any local counsel) in connection with the assertion of legal defenses in accordance with the proviso to the immediately preceding sentence (it being understood, however, that the Indemnifying Party shall not be liable for the expenses of more than one separate counsel representing the Indemnified Persons who are parties to such Indemnified Claims (in addition to one local counsel in each jurisdiction in which local counsel is required)), (ii) the Indemnifying Party shall not have employed counsel reasonably acceptable to such Indemnified Person to represent such Indemnified Person within a reasonable time after the Indemnifying Party has received notice of commencement of the Indemnified Claims from, or delivered on behalf of, the Indemnified Person, (iii) after the Indemnifying Party assumes the defense of the Indemnified Claims, the Indemnified Person determines in good faith that the Indemnifying Party has failed or is failing to defend such claim and provides written notice of such determination, and such failure is not reasonably cured

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within ten (10) Business Days following receipt of such notice by the Indemnifying Party, or (iv) the Indemnifying Party shall have authorized in writing the employment of counsel for such Indemnified Person.

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Section 1.3 **Settlement of Indemnified Claims**. The Indemnifying Party shall not be liable for any settlement of any Indemnified Claims effected by such Indemnified Person without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld, conditioned or delayed). If any settlement of any Indemnified Claims is consummated with the written consent of the Indemnifying Party or if there is a final judgment for the plaintiff in any such Indemnified Claims, the Indemnifying Party agrees to indemnify and hold harmless each Indemnified Person from and against any and all Losses by reason of such settlement or judgment to the extent such Losses are otherwise subject to indemnification by the Indemnifying Party hereunder in accordance with, and subject to the limitations of, this Article IX. Notwithstanding anything in this Article IX to the contrary, if at any time an Indemnified Person shall have requested the Indemnifying Party to reimburse such Indemnified Person for legal or other expenses in connection with investigating, responding to or defending any Indemnified Claims as contemplated by this Article IX, the Indemnifying Party shall be liable for any settlement of any Indemnified Claims effected without its written consent if (a) such settlement is entered into more than thirty (30) days after receipt by the Indemnifying Party of such request for reimbursement and (b) the Indemnifying Party shall not have reimbursed such Indemnified Person in accordance with such request prior to the date of such settlement. The Indemnifying Party shall not, without the prior written consent of an Indemnified Person (which consent shall be granted or withheld, conditioned or delayed in the Indemnified Person's sole discretion), effect any settlement of any pending or threatened Indemnified Claims in respect of which indemnity or contribution has been sought hereunder by such Indemnified Person unless (i) such settlement includes an unconditional release of such Indemnified Person in form and substance satisfactory to such Indemnified Person from all liability on the claims that are the subject matter of such Indemnified Claims and (ii) such settlement does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

Section 1.4 **Contribution**. If for any reason the foregoing indemnification is unavailable to any Indemnified Person or insufficient to hold it harmless from Losses that are subject to indemnification pursuant to Section 9.1, then the Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Person as a result of such Loss in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnifying Party, on the one hand, and such Indemnified Person, on the other hand, but also the relative fault of the Indemnifying Party, on the one hand, and such Indemnified Person, on the other hand, as well as any relevant equitable considerations. It is hereby agreed that the relative benefits to the Indemnifying Party, on the one hand, and all Indemnified Persons, on the other hand, shall be deemed to be in the same proportion as (a) the total value received or proposed to be received by the Company Parties pursuant to the issuance and sale of the Rights Offering Shares in the Rights Offering contemplated by this Agreement and the Plan bears to (b) the Backstop Commitment Premium paid or proposed to be paid to the Backstop Parties. Subject to Section 10.6, the Indemnifying Parties also agree that no Indemnified Person shall have any liability based on their comparative or contributory negligence or otherwise to the Indemnifying Parties, any Person asserting claims on behalf of or in right of any of the Indemnifying Parties, or any other Person in connection with an Indemnified Claim.

Section 1.5 **Treatment of Indemnification Payments**. All amounts paid by an Indemnifying Party to an Indemnified Person under this Article IX shall, to the extent permitted by applicable Law, be treated for all Tax purposes as adjustments to the Backstop Commitment Premium or the Backstop Commitment Termination Premium of such Indemnified Person, as the case may be, or, to the extent arising after the Closing Date, the Purchase Price of the Rights Offering Shares subscribed for by such Indemnified Person in the Rights Offering, or the Unsubscribed Shares purchased by such Indemnified Person, as applicable. The provisions of this Article IX are an integral part of the transactions contemplated by this Agreement and without these provisions the Backstop

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Parties would not have entered into this Agreement. The obligations of the Company Parties under this Article IX shall constitute allowed administrative

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expenses of the Company Parties' estates under Sections 503(b) and 507 of the Bankruptcy Code and are payable without further Order of the Bankruptcy Court, and that the Company Parties may comply with the requirements of this Article IX without further Order of the Bankruptcy Court.

Section 1.6 **No Survival**. All representations, warranties, covenants and agreements made in this Agreement shall not survive the Closing Date except for covenants and agreements that by their express terms are to be satisfied after the Closing Date, which covenants and agreements shall survive until satisfied in accordance with their terms. Notwithstanding the foregoing, the indemnification and other obligations of each of the Company Parties pursuant to this Article IX and the other obligations set forth in Section 10.6 shall survive the Closing Date until the latest date permitted by applicable Law and, if applicable, be assumed by each of the Reorganized Company Parties.

ARTICLE X

TERMINATION

Section 1.1 **Consensual Termination**. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing Date by mutual written consent of the Company Parties and the Required Backstop Parties.

Section 1.2 **Automatic Termination**. Except as otherwise provided in this Article X, this Agreement shall terminate automatically without further action or notice by any Party if any of the following occurs:

(a) (i) any of the Chapter 11 Cases shall have been dismissed or converted to a chapter 7 case without the consent of the Required Backstop Parties or (ii) a chapter 11 trustee with plenary powers or an examiner with enlarged powers relating to the operation of the businesses of the Debtors beyond those set forth in Section 1106(a)(3) and (4) of the Bankruptcy Code shall have been appointed in any of the Chapter 11 Cases or the Debtors shall file a motion or other request for such relief.

Section 1.3 **Termination by the Company Parties**. This Agreement may be terminated by the Company Parties upon written notice to each Backstop Party upon the occurrence of any of the following Events, subject to the rights of the Company Parties to fully and unconditionally waive, in writing, on a prospective or retroactive basis the occurrence of such Event:

(a) the termination of the RSA as to the Company Parties in accordance with its terms;

(b) the occurrence of any Company Party Termination Event set forth in Section 12.02 of the RSA,

(c) the Bankruptcy Court denies entry of the Backstop Order;

(d) subject to the right of the Backstop Parties to arrange a Backstop Party Replacement in accordance with Section 2.3(a) (which will be deemed to cure any breach by the replaced Backstop Party pursuant to this Section 10.3(d)), (i) any Backstop Party shall have (x) breached any representation, warranty, covenant or other agreement made by such Backstop Party in this Agreement or any such representation or warranty shall have

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become inaccurate and such breach or inaccuracy would or would reasonably be expected to, individually or in the aggregate, cause a condition set forth in Section 8.4(f) or Section 8.4(h) not to be satisfied or

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(y) materially breached or ceased to be a party to the RSA, (ii) the Company Parties shall have delivered written notice of such breach or inaccuracy to such Backstop Party, and (iii) such breach or inaccuracy is not cured by such Backstop Party by the earlier of the tenth (10th) Business Day after receipt of such notice and the third (3rd) Business Day prior to the Outside Date; *provided* that this Agreement shall continue in full force and effect with respect to the Company Parties and the non-breaching Backstop Parties;

(e) the Company Parties determine in good faith, based upon advice of counsel, that proceeding with the Restructuring Transactions would be inconsistent with the exercise of the fiduciary duties of the board of directors or similar governing body of the Company or applicable law; *provided* that the Company provides notice of such determination to the Backstop Parties within two (2) Business Days after the date thereof;

(f) the Backstop Order or the Confirmation Order is reversed, dismissed or vacated;

(g) the Closing Date has not occurred by 11:59 p.m., New York City time on June 2, 2023, unless prior thereto the Effective Date occurs and the Rights Offering has been consummated; *provided* that the Company Parties shall not have the right to terminate this Agreement pursuant to this Section 10.3(g) if they are then in willful or intentional breach of this Agreement;

(h) if the Company Parties shall not receive the Aggregate Rights Offering Amount pursuant to the Rights Offering and this Agreement (subject to the right of the Backstop Parties to arrange a Backstop Party Replacement in accordance with Section 2.3(a)); *provided* that any termination pursuant to this Section 10.3(h) shall not relieve or otherwise limit the liability of any Defaulting Backstop Party hereto for any breach or violation of its obligations under this Agreement or any documents or instruments delivered in connection herewith; or

(i) any applicable Law or final and non-appealable Order shall have been enacted, adopted or issued by any Governmental Unit that prohibits the implementation of the Plan or the Rights Offering or the transactions contemplated by this Agreement or the other Definitive Documents; *provided*, that this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation set out in this Agreement.

Section 1.4 **Termination by the Required Backstop Parties**. This Agreement may be terminated by the Required Backstop Parties upon written notice to the Company Parties if, subject to the rights of the Required Backstop Parties to fully and unconditionally waive, in writing, on a prospective or retroactive basis the occurrence of such Event:

(a) the RSA has been terminated as to the Company Parties in accordance with its terms, except as a result of a breach of the RSA by the parties constituting the Required Backstop Parties;

(b) the termination of the RSA as to more than 66.67% of Consenting Unsecured Noteholders that are parties thereto in accordance with its terms;

(c) (i) the Bankruptcy Court has not entered or denies entry of the Backstop Order on or prior to one hundred and five (105) days after the Petition Date; or (ii) the Bankruptcy Court has not entered the Confirmation Order on or prior to one hundred and five (105) days after the Petition Date;

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(d) the Backstop Order or the Confirmation Order is reversed, dismissed, vacated, or is modified or amended in any material respect after entry without the prior written consent of the Required Backstop Parties (and a revised Backstop Order or Confirmation Order reasonably acceptable to the Required Backstop Parties is not entered within five (5) Business Days thereafter); *provided*, that this termination right may not be exercised by any Party that sought or requested such reversal, dismissal, vacation, modification or amendment;

(e) the Closing Date has not occurred by 11:59 p.m., New York City time on June 2, 2023 (as it may be extended pursuant to this Section 10.4(e) or Section 2.3(a), the "**Outside Date**"), *provided* that the Outside Date may be waived or extended with the prior written consent of the Required Backstop Parties up to June 30, 2023 (the "**Final Outside Date**"), and the Final Outside Date may be waived or extended only with the prior written consent of each Backstop Party (excluding any Defaulting Backstop Party);

(f) Any Company Party shall have materially breached any representation, warranty, covenant or other agreement made by such Company Party in this Agreement or any such representation or warranty shall have become inaccurate and such breach or inaccuracy would, individually or in the aggregate, cause a condition set forth in Sections 8.1(j), 8.1(k) or 8.1(l) not to be satisfied, (i) any Backstop Party shall have delivered written notice of such breach or inaccuracy to the Company Parties, and (ii) if such breach or inaccuracy is capable of being cured, such breach or inaccuracy is not cured by Invacare or the other Company Parties by the earlier of (x) the tenth (10th) Business Day after receipt of such notice, and (y) the third (3rd) Business Day prior to the Outside Date;

(g) Since January 1, 2022, except for the Chapter 11 Cases and any adversary proceedings or contested motions in connection therewith, and other than as disclosed in (i) the Company SEC Documents or otherwise publicly available on the SEC's Electronic Data-Gathering, Analysis and Retrieval system, or (ii) the Company Disclosures Schedules, there shall have occurred any event, development, occurrence or change that constitutes, individually or in the aggregate, a Material Adverse Effect; or

(h) any applicable Law or final and non-appealable Order shall have been enacted, adopted or issued by any Governmental Unit that prohibits the implementation of the Plan or the Rights Offering or the transactions contemplated by this Agreement or the other Definitive Documents and that remains in effect for ten (10) Business Days after a delivery of a written notice to the Company Parties by the Backstop Parties; *provided*, that this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation set out in this Agreement.

Section 1.5 **[Reserved]**.

Section 1.6 **Effect of Termination.**

(a) Upon termination of this Agreement pursuant to this Article X, this Agreement shall forthwith become void and of no force or effect and there shall be no further obligations or liabilities on the part of the Parties; *provided* that (i) subject to Section 2.3(b), the obligations of the Company Parties to pay the Expense Reimbursement pursuant to Article III, to satisfy their indemnification obligations pursuant to Article IX, and, subject to the occurrence of a Termination Premium Payment Event, to pay the Backstop Commitment Termination Premium in Cash pursuant to Section 3.2 shall survive the termination of this Agreement and shall remain in full

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force and effect, in each case, until such obligations have been satisfied, and (ii) this Section 10.6 and Article XI shall survive the termination of this Agreement in accordance with their terms.

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(b) Notwithstanding anything to the contrary contained herein, if this Agreement is terminated pursuant to (x) Section 7.1 or Section 7.2, (y) Section 10.3(a), Section 10.3(b) Section 10.3(f), Section 10.3(g) (*provided* that the Required Backstop Parties have not extended or have stated in writing that they are willing to extend the Outside Date beyond such date), or Section 10.3(i), or (z) Section 10.4(a) , Section 10.4(b) Section 10.4(d, Section 10.4(e) Section 10.4(f), Section 10.4(g) or Section 10.4(h), then, as promptly as practicable and in any event no later than two (2) Business Days following such termination, the Company Parties shall pay or cause to be paid to the Backstop Parties that are not (x) Defaulting Backstop Parties or (y) Backstop Parties whose breach of this Agreement caused its termination, (i) solely in the event of the occurrence of a Backstop Termination Premium Payment Event, the Backstop Commitment Termination Premium (*pro rata* in accordance with their Backstop Commitment Percentages, excluding the Backstop Commitment Percentage of any Defaulting Backstop Party); *provided* that, notwithstanding the foregoing and anything to the foregoing herein, the Backstop Commitment Premium shall not be payable to any of the Backstop Parties (including, for avoidance, a Backstop Party who is not a Defaulting Backstop Party) in the event of any Backstop Party Default unless all of the Available Shares are purchased and actually funded by one or more Replacement Backstop Parties in accordance with Section 2.3, and (ii) any filing fees or other similar costs, fees or expenses associated with the matters contemplated by Section 6.14, as well as the Expense Reimbursement pursuant to Section 3.3 (in each case, excluding any such fees or other expenses referenced in this clause (ii) of any (A) Defaulting Backstop Party or (B) Backstop Party whose breach of this Agreement caused its termination); *provided* that any invoices shall not be required to contain individual time detail. Subject to Section 11.10, nothing in this Section 10.6 shall relieve any Party from liability for its breach of this Agreement.

(c) The automatic stay applicable under section 362 of the Bankruptcy Code shall not prohibit a Party from taking any action or delivering any notice necessary to effectuate the termination of this Agreement pursuant to and in accordance with the terms hereof.

ARTICLE XI

GENERAL PROVISIONS

Section 1.1 **Notices**. All notices and other communications in connection with this Agreement shall be in writing and shall be deemed given if delivered personally, sent via electronic facsimile (with confirmation), mailed by registered or certified mail (return receipt requested) or delivered by an express courier (with confirmation) to the Parties at the following addresses (or at such other address for a Party as may be specified by like notice):

(a) If to Invacare or any Company Party, to:

Invacare Corporation
One Invacare Way
Elyria, Ohio 44035
Attention: Anthony LaPlaca, General Counsel and
Chief Administrative Officer
Email: ALaPlaca@invacare.com

with copies to (which shall not constitute notice) to:

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Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654

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Attention: Ryan Blaine Bennett, P.C. (ryan.bennett@kirkland.com) and Yusuf Salloum (yusuf.salloum@kirkland.com)

and

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Erica D. Clark (erica.clark@kirkland.com)

and

McDonald Hopkins LLC
600 Superior Avenue, East
Suite 2100
Cleveland, Ohio 44114
Attention: Shawn Riley (sriley@mcdonaldhopkins.com)

(b) If to the Consenting Term Loan Lender or a Consenting Secured Noteholder, to:

Highbridge Capital Management, LLC
277 Park Avenue
New York, NY 10172
Attn: Damon Meyer
Jonathan Segal
Ian Scime
Jason Hempel
E-mail address: damon.meyer@highbridge.com;
jonathan.segal@highbridge.com;
ian.scime@highbridge.com;
jason.hempel@highbridge.com

and

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
Attn: Damian S. Schaible
Kenneth J. Steinberg
Jonah A. Peppiatt
E-mail address: damian.schaible@davispolk.com
kenneth.steinberg@davispolk.com
jonah.peppiatt@davispolk.com

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(c) If to the Ad Hoc Committee of Noteholders, to:

Brown Rudnick LLP
Seven Times Square
New York, NY 10036
Attn: Robert J. Stark
Bennett S. Silverberg
E-mail address: RStark@brownrudnick.com
BSilverberg@brownrudnick.com

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(d) If to a Consenting ABL Lender, to:

Blank Rome LLP
130 North 18th Street
Philadelphia, Pennsylvania 19103
Attn: Michael C. Graziano
E-mail address: michael.graziano@blankrome.com

(e) If to Azurite, to:

Azurite Management LLC
25101 Chagrin Blvd 300
Beachwood Ohio 44122
Attn: Steven H Rosen

and

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Attention: George A Davis; Adam J. Goldberg
E-mail: george.davis@lw.com; adam.goldberg@lw.com

Section 1.2 **Assignment; Third-Party Beneficiaries**. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned by any Party (whether by operation of Law or otherwise) without the prior written consent of the Company Parties and the Required Backstop Parties, other than an assignment by a Backstop Party expressly permitted by Section 2.3 or Section 2.6 and any purported assignment in violation of this Section 11.2 shall be void *ab initio* and of no force or effect. Except as expressly provided in Article IX with respect to the Indemnified Persons, and Section 2.6(d) with respect to Highbridge, this Agreement (including the documents and instruments referred to in this Agreement) is not intended to and does not confer upon any Person any rights or remedies under this Agreement other than the Parties.

Section 1.3 **Prior Negotiations; Entire Agreement.**

(a) This Agreement (including the exhibits, the schedules, and the other documents and instruments referred to herein and in the RSA) constitutes the entire agreement of the Parties and supersedes all prior agreements, arrangements or understandings, whether written or oral, among the Parties with respect to the subject matter of this Agreement, except that the Parties hereto acknowledge that any confidentiality agreements heretofore executed between or among the Parties and the RSA (including the Restructuring Term Sheet) will each continue in full force and effect.

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(b) Notwithstanding anything to the contrary in the Plan (including any amendments, supplements or modifications thereto) or the Confirmation Order (and any amendments, supplements or modifications thereto) or an affirmative vote to accept the Plan submitted by any Backstop Party, nothing contained in the Plan (including any amendments, supplements or modifications thereto) or Confirmation Order (including any amendments,

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supplements or modifications thereto) shall alter, amend or modify the rights of the Backstop Parties under this Agreement unless such alteration, amendment or modification has been made in accordance with Section 11.7.

Section 1.4 **Governing Law; Venue**. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH (a) THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD FOR ANY CONFLICTS OF LAW PRINCIPLES THAT WOULD APPLY THE LAWS OF ANY OTHER JURISDICTION, AND TO THE EXTENT APPLICABLE, THE BANKRUPTCY CODE. THE PARTIES CONSENT AND AGREE THAT ANY ACTION TO ENFORCE THIS AGREEMENT OR ANY DISPUTE, WHETHER SUCH DISPUTES ARISE IN LAW OR EQUITY, ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE AGREEMENTS, INSTRUMENTS AND DOCUMENTS CONTEMPLATED HEREBY SHALL BE BROUGHT EXCLUSIVELY IN THE BANKRUPTCY COURT (OR, SOLELY TO THE EXTENT THE BANKRUPTCY COURT DECLINES JURISDICTION OVER SUCH ACTION OR DISPUTE, IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR ANY NEW YORK STATE COURT SITTING IN NEW YORK CITY). THE PARTIES CONSENT TO AND AGREE TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE BANKRUPTCY COURT (OR, SOLELY TO THE EXTENT THE BANKRUPTCY COURT DECLINES JURISDICTION OVER SUCH ACTION OR DISPUTE, IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR ANY NEW YORK STATE COURT SITTING IN NEW YORK CITY). EACH OF THE PARTIES HEREBY WAIVES AND AGREES NOT TO ASSERT IN ANY SUCH DISPUTE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY CLAIM THAT (i) SUCH PARTY IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF THE BANKRUPTCY COURT, (ii) SUCH PARTY OR SUCH PARTY'S PROPERTY IS IMMUNE FROM ANY LEGAL PROCESS ISSUED BY THE BANKRUPTCY COURT OR (iii) ANY LITIGATION OR OTHER PROCEEDING COMMENCED IN THE BANKRUPTCY COURT IS BROUGHT IN AN INCONVENIENT FORUM (OR, IN EACH CASE, SOLELY TO THE EXTENT THE BANKRUPTCY COURT DECLINES JURISDICTION OVER SUCH ACTION OR DISPUTE, IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR ANY NEW YORK STATE COURT SITTING IN NEW YORK CITY). THE PARTIES HEREBY AGREE THAT MAILING OF PROCESS OR OTHER PAPERS IN CONNECTION WITH ANY SUCH ACTION OR PROCEEDING TO AN ADDRESS PROVIDED IN WRITING BY THE RECIPIENT OF SUCH MAILING, OR IN SUCH OTHER MANNER AS MAY BE PERMITTED BY LAW, SHALL BE VALID AND SUFFICIENT SERVICE THEREOF AND HEREBY WAIVE ANY OBJECTIONS TO SERVICE ACCOMPLISHED IN THE MANNER HEREIN PROVIDED.

Section 1.5 **Waiver of Jury Trial**. EACH PARTY HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY JURISDICTION IN ANY ACTION, SUIT OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE AMONG THE PARTIES UNDER THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE.

Section 1.6 **Counterparts**. This Agreement may be executed in any number of counterparts, all of which will be considered one and the same agreement and will become effective when counterparts have been signed by each of the Parties and delivered to each other Party (including via facsimile or other electronic transmission), it being understood that each Party need not sign the same counterpart. Any facsimile or electronic signature shall be treated in all respects as having the same effect as having an original signature.

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Section 1.7 **Waivers and Amendments; Rights Cumulative; Consent**. This Agreement may be amended, restated, modified or changed only by a written instrument (with email being sufficient) signed by the Company Parties and the Required Backstop Parties;

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provided that (a) any Backstop Party's prior written consent shall be required for any amendment that would, directly or indirectly: (i) increase such Backstop Party's Purchase Price in respect of its Rights Offering Shares, (ii) modify such Backstop Party's *pro rata* share of the Backstop Commitment Percentage, Backstop Commitment Premium, or Backstop Commitment Termination Premium relative to the other Backstop Parties' (at the time of such amendment) *pro rata* share of the same, or (i) otherwise disproportionately and materially adversely affects such Backstop Party; and (b) the prior written consent of each Backstop Party shall be required for any amendment that would, directly or indirectly modify a Significant Term. Notwithstanding the foregoing, Schedule 2 shall be revised as necessary without requiring a written instrument signed by the Company Parties and the Required Backstop Parties to reflect conforming changes in the composition of the Backstop Parties and Backstop Commitment Percentages as a result of Transfers permitted and consummated in compliance with the terms and conditions of this Agreement. The terms and conditions of this Agreement (other than the conditions set forth in Section 8.1 and Section 8.4, the waiver of which shall be governed solely by Article VIII) may be waived (A) by the Company Parties only by a written instrument executed by the Company Parties and (B) by the Required Backstop Parties only by a written instrument executed by the Required Backstop Parties. No delay on the part of any Party in exercising any right, power or privilege pursuant to this Agreement will operate as a waiver thereof, nor will any waiver on the part of any Party of any right, power or privilege pursuant to this Agreement, nor will any single or partial exercise of any right, power or privilege pursuant to this Agreement, preclude any other or further exercise thereof or the exercise of any other right, power or privilege pursuant to this Agreement. The rights and remedies provided pursuant to this Agreement are cumulative and are not exclusive of any rights or remedies which any party hereto otherwise may have at law or in equity.

Section 1.8 **Headings**. The headings in this Agreement are for reference purposes only and will not in any way affect the meaning or interpretation of this Agreement.

Section 1.9 **Specific Performance**. The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions, including pursuant to an order of the Bankruptcy Court or other court of competent jurisdiction, without the necessity of posting a bond to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity. Unless otherwise expressly stated in this Agreement, no right or remedy described or provided in this Agreement is intended to be exclusive or to preclude a Party from pursuing other rights and remedies to the extent available under this Agreement, at law or in equity.

Section 1.10 **Damages**. Notwithstanding anything to the contrary in this Agreement, none of the Parties will be liable for, and none of the Parties shall claim or seek to recover, any punitive, special, indirect or consequential damages or damages for lost profits in connection with the breach or termination of this Agreement.

Section 1.11 **No Reliance**. No Backstop Party or any of its Related Parties shall have any duties or obligations to the other Backstop Parties in respect of this Agreement, the Plan or the transactions contemplated hereby or thereby, except those expressly set forth herein. Without limiting the generality of the foregoing, (a) no Backstop Party or any of its Related Parties shall be subject to any fiduciary or other implied duties to the other Backstop Parties, (b) no Backstop Party or any of its Related Parties shall have any duty to take any discretionary action or exercise any discretionary powers on behalf of any other Backstop Party, (c) no Backstop Party or any of its Related Parties shall have any duty to the other Backstop Parties to obtain, through the exercise of diligence

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or otherwise, to investigate, confirm, or disclose to the other Backstop Parties any information relating to the Company Parties that may have been communicated to or

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obtained by such Backstop Party or any of its Affiliates in any capacity, (d) no Backstop Party may rely, and confirms that it has not relied, on any due diligence investigation that any other Backstop Party or any Person acting on behalf of such other Backstop Party may have conducted with respect to the Company Parties or any of their Affiliates or any of their respective securities, and (e) each Backstop Party acknowledges that no other Backstop Party is acting as a placement agent, initial purchaser, underwriter, broker or finder with respect to its Unsubscribed Shares or Backstop Commitment Percentage of its Backstop Commitment.

Section 1.12 **Settlement Discussions**. This Agreement and the transactions contemplated herein are part of a proposed settlement of a dispute between the Parties. Nothing herein shall be deemed an admission of any kind. Pursuant to Section 408 of the U.S. Federal Rule of Evidence and any applicable state rules of evidence, this Agreement and all negotiations relating thereto shall not be admissible into evidence in any Legal Proceeding, except to the extent filed with, or disclosed to, the Bankruptcy Court in connection with the Chapter 11 Cases (other than a Legal Proceeding to approve or enforce the terms of this Agreement). The Parties agree that any valuations of any Company Party's assets or estates, whether implied or otherwise, arising from this Agreement shall not be binding for any other purpose, including determining recoveries under the Plan, and that this Agreement does not limit the Parties' rights regarding valuation in the Chapter 11 Cases.

Section 1.13 **No Recourse**. Notwithstanding anything that may be expressed or implied in this Agreement, and notwithstanding the fact that certain of the Parties may be partnerships or limited liability companies, each Party covenants, agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any Party's Affiliates or any of the respective Related Parties of such Party or of the Affiliates of such Party (in each case other than the Parties to this Agreement and each of their respective successors and permitted assignees under this Agreement), whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any applicable Law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any of such Related Parties, as such, for any obligation or liability of any Party under this Agreement or any documents or instruments delivered in connection herewith for any claim based on, in respect of or by reason of such obligations or liabilities or their creation; *provided*, *however*, that nothing in this Section 11.13 shall relieve or otherwise limit the liability of any Party hereto or any of their respective successors or permitted assigns for any breach or violation of its obligations under this Agreement or such other documents or instruments. For the avoidance of doubt, none of the Parties will have any recourse, be entitled to commence any proceeding or make any claim under this Agreement or in connection with the transactions contemplated hereby except against any of the Parties or their respective successors and permitted assigns, as applicable.

Section 1.14 **Severability**. In the event that any one or more of the provisions contained in this Agreement are held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein will not be in any way impaired thereby, it being intended that all of the rights and privileges of the parties hereto will be enforceable to the fullest extent permitted by law.

Section 1.15 **Enforceability of Agreement**. Each of the Parties waives any right to assert that the exercise of termination rights under this Agreement is subject to the automatic stay provisions of the Bankruptcy Code, and expressly stipulates and consents hereunder to the prospective modification of the automatic stay

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provisions of the Bankruptcy Code for purposes of exercising termination rights under this Agreement, to the extent the Bankruptcy Court determines that such relief is required.

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[Signature Pages Follow]

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IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first above written.

INVACARE CORPORATION

By: /s/ Kathleen P. Leneghan

Name: Kathleen P. Leneghan
Title: Senior Vice President and
Chief Financial Officer

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ADAPTIVE SWITCH LABORATORIES, INC.

By: /s/ Kathleen P. Leneghan

Name: Kathleen P. Leneghan
Title: President

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FREEDOM DESIGNS, INC.

By: /s/ Kathleen P. Leneghan

Name: Kathleen P. Leneghan
Title: President

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BACKSTOP PARTY:

Endurant Capital Management LP,

in its capacity as investment advisor or manager for various fund entities which beneficially own the convertible notes

By: /s/ Chris Ronan

Name: Chris Ronan
Title: COO/CFO

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BACKSTOP PARTY:

DG Capital Management, LLC,

in its capacity as investment advisor or manager for various fund entities which beneficially own the convertible notes

By: /s/ Dov Gertzulin

Name: Dov Gertzulin
Title: Managing Member

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BACKSTOP PARTY:

Silverback Asset Management, LLC,

in its capacity as investment advisor or manager for various fund entities which beneficially own the convertible notes

By: /s/ Laura Kleber

Name: Laura Kleber
Title: CCO

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BACKSTOP PARTY:

TENOR CAPITAL MANAGEMENT COMPANY, L.P.,

in its capacity as investment advisor or manager for various fund entities which beneficially own the convertible notes

By: /s/ Daniel Kochav

Name: Daniel Kochav
Title: Partner

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BACKSTOP PARTY:

DAVIDSON KEMPNER CAPITAL MANAGEMENT LP,

in its capacity as investment advisor or manager for various fund entities which beneficially own the convertible notes

By: /s/ Conor Bastable

Name: Conor Bastable
Title: Managing Member

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BACKSTOP PARTY:

AZURITE MANAGEMENT LLC,

in its capacity as investment advisor or manager for various fund entities which beneficially own the convertible notes

By: /s/ Steven Rosen

Name: Steven Rosen
Title: Manager

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SCHEDULE 1

COMPANY PARTIES

1. Invacare Corporation (Ohio)
2. Adaptive Switch Laboratories, Inc. (Texas)
3. Freedom Designs, Inc. (California)

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SCHEDULE 2

[Backstop Party Commitments on file with the Debtors.]

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EXHIBIT A

FORM OF JOINDER FOR RELATED PURCHASER

Joinder to Backstop Commitment Agreement (this "**Joinder**") dated as of [____________], by and among [____________] (the "Transferor") and [____________] (the "**Transferee**").

W I T N E S S E T H:

WHEREAS, Invacare Corporation ("**Invacare**" or the "**Company**"), the Company Parties, certain of their directly- and indirectly-owned subsidiaries and the Backstop Parties party thereto have heretofore executed and delivered a Backstop Commitment Agreement, dated as of January 31, 2023 (as amended, supplemented, restated or otherwise modified from time to time, the "**Agreement**");

WHEREAS, pursuant to Section 2.6(b) of the Agreement, each Backstop Party shall have the right to Transfer all or any portion of its Backstop Commitment to any Related Purchaser, subject to the terms and conditions set forth in the Agreement; and

WHEREAS, Transferor desires to sell to Transferee and Transferee desires to purchase from Transferor the Backstop Commitment Percentage set forth beneath its signature in the signature page hereto (the "**Subject Transfer**");

NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the receipt of which is hereby acknowledged, the Transferor and the Transferee covenant and agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement. The "**General Provisions**" set forth in Article XI of the Agreement shall be deemed to apply to this Joinder and are incorporated herein by reference, *mutatis mutandis*.
2. Agreement to Transfer. The Transferor hereby agrees to Transfer to the Transferee, pursuant and subject to the terms and conditions set forth in the Agreement and the Backstop Order, the Backstop Commitment Percentage as set forth beneath its signature in the signature page hereto (and Schedule 2 to the Agreement shall be deemed to have been revised in accordance with the Agreement).
3. Agreement to be Bound. The Transferee hereby agrees (a) to become a party to the Agreement as a Backstop Party and Party and as such will have all the rights and be subject to all of the obligations and agreements of a Backstop Party under the Agreement, (b) to purchase, pursuant and subject to the terms and conditions set forth in the Agreement and the Backstop Order, such number of Unsubscribed Shares as corresponds to the Backstop Commitment Percentage. The Backstop Commitment Percentage Transferred to the Transferee pursuant to the Subject Transfer as of the date hereof is set forth on the signature page hereto (and Schedule 2 to the Agreement shall be deemed to

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have been revised in accordance with the Agreement); *provided*, *however*, that such Transferee's Backstop Commitment Percentage may be modified after the date hereof, subject to the terms of the Agreement and the Backstop Order.

4. Release of Obligations of Transferor. Upon consummation of the Subject Transfer, the Transferor shall be deemed to relinquish its rights and be released from its obligations under the Agreement with respect to the Subject Transfer.

5. Representations and Warranties of the Transferor. The Transferor hereby represents and warrants that the Subject Transfer does not violate any of the provisions contained in Section 2.6(e) of the Agreement.

6. Representations and Warranties of the Transferee. The Transferee hereby (a) represents and warrants that the Transferee is a Related Purchaser of the Transferor and (b) makes, to each of the other Parties, as to itself only and (unless otherwise set forth therein) as of the date hereof and as of the Closing Date, the representations and warranties set forth in Article V of the Agreement; *provided*, *however*, for purposes of any representation concerning Unsecured Notes Claims, the Transferee is only hereby making representations with respect to any such Claims that it actually holds on the date hereof (which may be none, in which case it makes no such representations).

7. Governing Law. This Joinder shall be governed by and construed in accordance with the laws of the State of New York without regard for any conflict of law principles that would apply the laws of any other jurisdiction, and, to the extent applicable, the Bankruptcy Code.

8. Notice. All notices and other communications given or made to the Transferee in connection with the Agreement shall be made in accordance with Section 11.1 of the Agreement, to the address set forth under the Transferee's signature in the signature pages hereto (and the Agreement shall be deemed to have been updated to include such notice information for the Transferee).

[*Signature pages follow*]

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IN WITNESS WHEREOF, each of the undersigned parties has caused this Joinder to be executed as of the date first written above.

TRANSFEROR:

[ ]

By: ______________________________

Name:

Title:

Address:

Email:

Facsimile:

Backstop Commitment Percentage:

TRANSFEREE:

[ ]

By: ______________________________

Name:

Title:

Address:

Email:

Facsimile:

Backstop Commitment Percentage:

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EXHIBIT B-1

FORM OF JOINDER FOR EXISTING COMMITMENT PARTY PURCHASER

Joinder to Backstop Commitment Agreement (this "**Joinder**") dated as of [____________], by and among [____________] (the "**Transferor**") and [____________] (the "**Transferee**").

W I T N E S S E T H:

WHEREAS, Invacare Corporation ("**Invacare**" or the "**Company**"), the Company Parties, certain of their directly- and indirectly-owned subsidiaries and the Backstop Parties party thereto have heretofore executed and delivered a Backstop Commitment Agreement, dated as of January 31, 2023 (as amended, supplemented, restated or otherwise modified from time to time, the "**Agreement**");

WHEREAS, pursuant to Section 2.6(c) of the Agreement, each Backstop Party shall have the right to Transfer all or any portion of its Backstop Commitment to any Existing Commitment Party Purchaser, subject to the terms and conditions set forth in the Agreement; and

WHEREAS, Transferor desires to sell to Transferee and Transferee desires to purchase from Transferor the Backstop Commitment Percentage set forth beneath its signature in the signature page hereto (the "**Subject Transfer**");

NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the receipt of which is hereby acknowledged, the Transferor and the Transferee covenant and agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement. The "**General Provisions**" set forth in Article XI of the Agreement shall be deemed to apply to this Joinder and are incorporated herein by reference, *mutatis mutandis*.

2. Agreement to Transfer. The Transferor hereby agrees to Transfer to the Transferee, pursuant and subject to the terms and conditions set forth in the Agreement and the Backstop Order, the Backstop Commitment Percentage as set forth beneath its signature in the signature page hereto (and Schedule 2 to the Agreement shall be deemed to have been revised in accordance with the Agreement).

3. Agreement to be Bound. The Transferee hereby agrees (a) to become a party to the Agreement as a Backstop Party and Party and as such will have all the rights and be subject to all of the obligations and agreements of a Backstop Party under the Agreement, (b) to purchase, pursuant and subject to the terms and conditions set forth in the Agreement and the Backstop Order, such number of Unsubscribed Shares as corresponds to the Backstop Commitment Percentage. The Backstop Commitment Percentage Transferred to the Transferee pursuant to the Subject Transfer as of the date hereof is set forth on the signature page hereto (and Schedule 2 to the Agreement shall be deemed to

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have been revised in accordance with the Agreement); *provided*, *however*, that such Transferee's Backstop Commitment Percentage may be modified after the date hereof, subject to the terms of the Agreement and the Backstop Order.

4. Release of Obligations of Transferor. Upon consummation of the Subject Transfer, the Transferor shall be deemed to relinquish its rights and be released from its obligations under the Agreement with respect to the Subject Transfer.

5. Representations and Warranties of the Transferor. The Transferor hereby represents and warrants that the Subject Transfer does not violate any of the provisions contained in Section 2.6(e) of the Agreement.

6. Representations and Warranties of the Transferee. The Transferee hereby (a) represents and warrants that the Transferee is an Existing Commitment Party Purchaser (and not prior to the date hereof a Backstop Party) and (b) makes, to each of the other Parties, as to itself only and (unless otherwise set forth therein) as of the date hereof and as of the Closing Date, the representations and warranties set forth in Article V of the Agreement; *provided*, *however*, for purposes of any representation concerning Unsecured Notes Claims, the Transferee is only hereby making representations with respect to any such Claims that it actually holds on the date hereof (which may be none, in which case it makes no such representations).

7. Governing Law. This Joinder shall be governed by and construed in accordance with the laws of the State of New York without regard for any conflict of law principles that would apply the laws of any other jurisdiction, and, to the extent applicable, the Bankruptcy Code.

8. Notice. All notices and other communications given or made to the Transferee in connection with the Agreement shall be made in accordance with Section 11.1 of the Agreement, to the address set forth under the Transferee's signature in the signature pages hereto (and the Agreement shall be deemed to have been updated to include such notice information for the Transferee).

[*Signature pages follow*]

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IN WITNESS WHEREOF, each of the undersigned parties has caused this Joinder to be executed as of the date first written above.

TRANSFEROR:

[ ]

By: ____________________________

Name:

Title:

Address:

Email:

Facsimile:

Backstop Commitment Percentage:

TRANSFEREE:

[ ]

By: ____________________________

Name:

Title:

Address:

Email:

Facsimile:

Backstop Commitment Percentage:

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EXHIBIT B-2

FORM OF AMENDMENT FOR EXISTING COMMITMENT PARTY PURCHASER

Amendment to Backstop Commitment Agreement (this "**Amendment**") dated as of [____________], by and among [____________] (the "**Transferor**") and [____________] (the "**Transferee**").

W I T N E S S E T H:

WHEREAS, Invacare Corporation ("**Invacare**" or the "**Company**"), the Company Parties, certain of their directly- and indirectly-owned subsidiaries and the Backstop Parties party thereto have heretofore executed and delivered a Backstop Commitment Agreement, dated as of January 31, 2023 (as amended, supplemented, restated or otherwise modified from time to time, the "**Agreement**");

WHEREAS, pursuant to Section 2.6(c) of the Agreement, each Backstop Party shall have the right to Transfer all or any portion of its Backstop Commitment to any Existing Commitment Party Purchaser, subject to the terms and conditions set forth in the Agreement; and

WHEREAS, Transferor desires to sell to Transferee and Transferee desires to purchase from Transferor the Backstop Commitment Percentage set forth beneath its signature in the signature page hereto (the "**Subject Transfer**");

NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the receipt of which is hereby acknowledged, the Transferor, the Transferee, and the Company Parties covenant and agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement. The "**General Provisions**" set forth in Article XI of the Agreement shall be deemed to apply to this Amendment and are incorporated herein by reference, *mutatis mutandis*.

2. Agreement to Transfer. The Transferor hereby agrees to Transfer to the Transferee, pursuant and subject to the terms and conditions set forth in the Agreement and the Backstop Order, the Backstop Commitment Percentage as set forth beneath its signature in the signature page hereto (and Schedule 2 to the Agreement shall be deemed to have been revised in accordance with the Agreement).

3. Agreement to be Bound. The Transferee hereby agrees to purchase, pursuant and subject to the terms and conditions set forth in the Agreement and the Backstop Order, such number of Unsubscribed Shares as corresponds to the Backstop Commitment Percentage. The Backstop Commitment Percentage Transferred to the Transferee pursuant to the Subject Transfer as of the date hereof is set forth on the signature page hereto (and Schedule 2 to the Agreement shall be deemed to have been revised in accordance with the Agreement); *provided*, *however*, that such Transferee's Backstop Commitment

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Percentage may be decreased after the date hereof, subject to the terms of the Agreement and the Backstop Order.

4. Release of Obligations of Transferor. Upon consummation of the Subject Transfer, the Transferor shall be deemed to relinquish its rights and be released from its obligations under the Agreement with respect to the Subject Transfer. Representations and Warranties of the Transferor. The Transferor hereby represents and warrants that the Subject Transfer does not violate any of the provisions contained in Section 2.6(e) of the Agreement.

5. Representations and Warranties of the Transferee. The Transferee hereby (a) represents and warrants that the Transferee is an Existing Commitment Party Purchaser (and prior to the date hereof a Backstop Party) and (b) makes, to each of the other Parties, as to itself only and (unless otherwise set forth therein) as of the date hereof and as of the Closing Date, the representations and warranties set forth in Article V of the Agreement; *provided*, *however*, for purposes of any representation concerning Unsecured Notes Claims, the Transferee is only hereby making representations with respect to any such Claims that it actually holds on the date hereof (which may be none, in which case it makes no such representations).

6. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York without regard for any conflict of law principles that would apply the laws of any other jurisdiction, and, to the extent applicable, the Bankruptcy Code.

7. Notice. All notices and other communications given or made to the Transferee in connection with the Agreement shall be made in accordance with Section 11.1 of the Agreement, to the address set forth under the Transferee's signature in the signature pages hereto (and the Agreement shall be deemed to have been updated to include such notice information for the Transferee).

[*Signature pages follow*]

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IN WITNESS WHEREOF, each of the undersigned parties has caused this Amendment to be executed as of the date first written above.

TRANSFEROR:

[ ]

By: ______________________________

Name:

Title:

Address:

Email:

Facsimile:

Backstop Commitment Percentage:

TRANSFEREE:

[ ]

By: ______________________________

Name:

Title:

Address:

Email:

Facsimile:

Backstop Commitment Percentage:

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Acknowledged and Agreed to:

INVACARE CORPORATION, and each of the
Company Parties listed on Schedule 1 of the Agreement

By: ______________________

Name:

Title:

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EXHIBIT C

FORM OF JOINDER FOR NEW PURCHASER

Joinder to Backstop Commitment Agreement (this "**Joinder**") dated as of [____________], by and among [____________] (the "**Transferor**") and [____________] (the "**Transferee**").

W I T N E S S E T H:

WHEREAS, Invacare Corporation ("**Invacare**" or the "**Company**"), the Company Parties, certain of their directly- and indirectly-owned subsidiaries and the Backstop Parties party thereto have heretofore executed and delivered a Backstop Commitment Agreement, dated as of January 31, 2023 (as amended, supplemented, restated or otherwise modified from time to time, the "**Agreement**");

WHEREAS, pursuant to Section 2.6(d) of the Agreement, each Backstop Party shall have the right to Transfer all or any portion of its Backstop Commitment to any New Purchaser, subject to the terms and conditions set forth in the Agreement;

WHEREAS, Transferor desires to sell to Transferee and Transferee desires to purchase from Transferor the Backstop Commitment Percentage set forth beneath its signature in the signature page hereto (the "**Subject Transfer**");

WHEREAS, the Subject Transfer has been consented to (or has been deemed consented to pursuant to Section 2.6(d) of the Agreement) by the Required Backstop Parties; and

WHEREAS, the Subject Transfer has been consented to (or has been deemed consented to pursuant to Section 2.6(d) of the Agreement) by the Company Parties;

NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the receipt of which is hereby acknowledged, the Transferor and the Transferee covenant and agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement. The "**General Provisions**" set forth in Article XI of the Agreement shall be deemed to apply to this Joinder and are incorporated herein by reference, mutatis mutandis.

2. Agreement to Transfer. The Transferor hereby agrees to Transfer to the Transferee, pursuant and subject to the terms and conditions set forth in the Agreement and the Backstop Order, the Backstop Commitment Percentage as set forth beneath its signature in the signature page hereto (and Schedule 2 to the Agreement shall be deemed to have been revised in accordance with the Agreement).

3. Agreement to be Bound. The Transferee hereby agrees (a) to become a party to the Agreement as a Backstop Party and Party and as such will have all the rights and be subject to all of the obligations and agreements of a Backstop Party under the Agreement, (b) to purchase, pursuant and subject to the terms and conditions set forth in the Agreement and the Backstop Order, such number of Unsubscribed Shares as corresponds

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to the Backstop Commitment Percentage. The Backstop Commitment Percentage Transferred to the Transferee pursuant to the Subject Transfer as of the date hereof is set forth on the signature page hereto (and Schedule 2 to the Agreement shall be deemed to have been revised in accordance with the Agreement); *provided*, *however*, that such Transferee's Backstop Commitment Percentage may be modified after the date hereof, subject to the terms of the Agreement and the Backstop Order.

4. Release of Obligations of Transferor. Upon consummation of the Subject Transfer, the Transferor shall be deemed to relinquish its rights and be released from its obligations under the Agreement with respect to the Subject Transfer.

5. Representations and Warranties of the Transferor. The Transferor hereby represents and warrants that (a) the Subject Transfer has been consented to (or has been deemed consented to pursuant to Section 2.6(d) of the Agreement) by the Required Backstop Parties; (b) the Subject Transfer has been consented to (or has been deemed consented to pursuant to Section 2.6(d) of the Agreement) by the Company Parties; and (c) the Subject Transfer does not violate any of the provisions contained in Section 2.6(e) of the Agreement.

6. Representations and Warranties of the Transferee. The Transferee hereby makes, to each of the other Parties, as to itself only and (unless otherwise set forth therein) as of the date hereof and as of the Closing Date, the representations and warranties set forth in Article V of the Agreement; *provided*, *however*, for purposes of any representation concerning Unsecured Notes Claims, the Transferee is only hereby making representations with respect to any such Claims that it actually holds on the date hereof (which may be none, in which case it makes no such representations).

7. Governing Law. This Joinder shall be governed by and construed in accordance with the laws of the State of New York without regard for any conflict of law principles that would apply the laws of any other jurisdiction, and, to the extent applicable, the Bankruptcy Code.

8. Notice. All notices and other communications given or made to the Transferee in connection with the Agreement shall be made in accordance with Section 11.1 of the Agreement, to the address set forth under the Transferee's signature in the signature pages hereto (and the Agreement shall be deemed to have been updated to include such notice information for the Transferee).

[*Signature pages follow*]

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IN WITNESS WHEREOF, each of the undersigned parties has caused this Joinder to be executed as of the date first written above.

TRANSFEROR:

[ ]

By: ____________________________

Name:

Title:

Address:

Email:

Facsimile:

Backstop Commitment Percentage:

TRANSFEREE:

[ ]

By: ____________________________

Name:

Title:

Address:

Email:

Facsimile:

Backstop Commitment Percentage:

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Exhibit 99.1

INVESTOR CONTACT: Lois Lee
loislee@invacare.com
440-329-6435

INVACARE CORPORATION TAKES ACTION TO STRENGTHEN ITS FINANCIAL POSITION AND DRIVE LONG-TERM GROWTH THROUGH VOLUNTARY PREARRANGED CHAPTER 11 CASES THAT DO NOT INCLUDE ITS INTERNATIONAL OPERATIONS

Refinancing action will reduce net debt by approximately 65%

Global manufacturing and delivery of products to continue uninterrupted to meet robust customer demand

Strong sequential improvement achieved in preliminary 4Q22 financial results

Executed strategic actions accelerating a renewed focus on core businesses

ELYRIA, OH (February 1, 2023) - Invacare Corporation (NYSE: IVC) ("Invacare" or "the company"), a leading manufacturer and distributor of medical equipment used in non-acute care settings, today announced actions to strengthen the company and position it for long-term success.

To facilitate its financial restructuring, the company has entered into a Restructuring Support Agreement (the "RSA" or "Agreement") with substantially all of its debt holders, including its term loan lender, all of the holders of convertible senior secured notes, and holders of a majority of its convertible senior unsecured notes. The Agreement provides for a significant reduction of the company's debt balance and a substantial new money investment, which will enhance the company's liquidity, thereby enabling it to invest for future growth. Specifically, the transactions agreed to in the RSA contemplates a substantial reduction of the company's funded debt by approximately $240 million. In addition, the RSA includes a backstop for a rights offering to holders of claims on account of the company's unsecured notes and holders of general unsecured claims, providing the company with $60 million of equity capital to repay certain of its debt obligations and facilitate the company's transformation plan.

To effectuate the transactions contemplated by the Agreement, Invacare and two of its U.S. based subsidiaries commenced voluntary Chapter 11 cases in the United States Bankruptcy Court for the Southern District of Texas (the "Court"). Invacare's other businesses throughout the rest of the world remain strong and are not included in these filings. The company does not anticipate these filings to impact its ability to manufacture and deliver products to its customers globally.

Geoff Purtill, president and chief executive officer at Invacare commented, "The actions announced today mark a big step forward for Invacare. Having the full support of our secured term loan lender and a majority of our convertible noteholders will enable the prearranged filings to proceed efficiently. The company expects to emerge with significantly less debt on its balance sheet and will secure additional liquidity to support long-term growth. Global demand is strong, and by increasing our financial flexibility, we will be able to focus on continuing to

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design, manufacture and distribute products that help Make Life's Experiences Possible®. We have a clear vision for the future, and we are working expeditiously towards our goals."

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"Invacare has the right leadership, vision and the financial commitment from the sponsorship group to succeed, and we are confident that this Chapter 11 process will result in a comprehensive recapitalization transaction that will not only stabilize liquidity but also de-lever the balance sheet and better position Invacare for future growth," said Steven Rosen, chief executive officer of Azurite Management, the largest shareholder of Invacare.

Upon emergence from Chapter 11, the company expects to be financially positioned to seize opportunities and capitalize on a significant upward shift in market demand. The company intends to deliver improved profitability and free cash flow in 2023 and beyond, while building on its legacy as a leader and innovator in the lifestyle and mobility & seating markets.

Additional Information about the Restructuring Support Agreement and the Financial Restructuring

The RSA will be implemented through a plan of reorganization, which will be filed with the Court. The RSA provides for a $70 million debtor-in-possession term loan financing facility which includes new money funding of $35 million (the "DIP Facility"). Upon approval by the Court, the DIP Facility will provide the company with the stability and liquidity needed to continue operations in the ordinary course of business during the reorganization.

The company also has a commitment from a prepetition secured lender for a senior secured first lien term loan facility in an aggregate principal amount of up to $85 million and a commitment for senior first lien secured convertible notes in an aggregate principal amount not to exceed $41.5 million, which will be outstanding when it emerges from Chapter 11.

Capacity for additional exit financing will be available to the company in the form of two revolving credit facilities with combined availability of up to $70 million.

Invacare has filed a number of customary "first day" motions for Court approval to facilitate a smooth transition into Chapter 11 and support operations during its cases. The company has requested and expects the authority to continue payment of employee wages and benefits without interruption, as well as the continued support of its customer programs and product warranties. The company expects operations to continue and to pay its suppliers in the ordinary course of business for all authorized goods delivered and services rendered after the filing date.

Court filings and other information related to the proceedings are available on a separate website administrated by the company's claims agent, Epiq at http://dm.epiq11.com/Invacare. Stakeholders with questions about the process may call Epiq at 1-855-795-2124 (U.S.) or +1-503-974-1666 (International).

Advisors

Kirkland & Ellis LLP, McDonald Hopkins LLC, and Jackson Walker LLP are serving as legal counsel, Miller Buckfire is serving as investment banker, and Huron Consulting Group is serving as financial advisor to the company. C Street Advisory Group, LLC is serving as strategic communications advisor to the company. Brown Rudnick LLP is serving as legal counsel and GLC Advisors & Co., LLC is serving as investment banker to the ad hoc committee of unsecured notes.

Strong Sequential Improvement Achieved in Preliminary 4Q22 Financial Results

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In the fourth quarter of 2022, the company continued to experience strong demand for its lifestyle and mobility & seating products and elevated open orders compared to the end of 2021. As guided in its 3Q22 earnings release, the company anticipated sequential improvement in its key financial metrics. Based on preliminary unaudited 4Q22 results, the company anticipates reporting the following results for 4Q22 as compared to 3Q22:

- Reported net sales growth of 6% to $181 million as compared to $170 million, with growth in all regions and in all major product categories;
- Gross margins, excluding the respiratory charges in 3Q22, improved substantially by 310 basis points to 26.6%;
- Net Loss and Adjusted EBITDA significantly improved driven by revenue growth; gross margin expansion due to pricing actions, favorable product mix and lower freight costs; and lower SG&A expense and;
- Europe returned to profitability, confirming the 3Q22 operating loss for the segment was out of the ordinary.

Strategic Actions Executed, Including the Monetization of Respiratory Assets, Accelerating a Renewed Focus on Core Businesses

As part of its global transformation plan to accelerate a return to profitability and focus on its core lifestyle and mobility & seating product lines, the company took further decisive action to exit non-core businesses.

On January 30, 2023, the company completed the sale of its respiratory assets to Ventec Systems, a subsidiary of React Health. The company also completed the sale of its Top End™ sports and recreation wheelchair division to Top End Sports, LLC on January 27, 2023. These divestitures will enable the company to put its full focus on strengthening its core businesses and driving sustainable growth.

Commenting on the company's progress, Mr. Purtill stated "Delivering strong sequential improvements in all key financial metrics is testament to the actions we have undertaken to strengthen the business and yield positive results. As a global company, we remain focused on continuing to execute actions to enhance service to our customers. By focusing on our core businesses, we anticipate driving improved financial performance over the short- and long-term."

About Invacare Corporation

Invacare Corporation (NYSE:IVC) ("Invacare" or the "company") is a leading manufacturer and distributor in its markets for medical equipment used in non-acute care settings. At its core, the company designs, manufactures and distributes medical devices that help people to move, rest, and perform essential hygiene. The company provides clinically complex medical device solutions for congenital (e.g., cerebral palsy, muscular dystrophy, spina bifida), acquired (e.g., stroke, spinal cord injury, traumatic brain injury, post-acute recovery, pressure ulcers) and degenerative (e.g., ALS, multiple sclerosis, elderly, bariatric) ailments. The company's products are important parts of care for people with a wide range of challenges, from those who are active and involved in work or school each day and may need additional mobility support, to those who are cared for in residential care settings, at home and in rehabilitation centers. The company sells its products principally to home medical equipment providers with retail and e-commerce channels, residential care operators, distributors and government health services in North

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America, Europe, and Asia/Pacific. For more information about the company and its products, visit Invacare's website at www.invacare.com.

Preliminary Estimates

The estimated results in this press release represent the company's preliminary estimates of certain financial results for the three months ended December 31, 2022, based on currently available information. The company has not yet finalized its results for this period and its consolidated financial statements as of and for the three months ended December 31, 2022 are not currently available. The company's actual results remain subject to the completion of the quarter-end closing process. As a result, the company's actual results could be different from those set forth herein and the differences could be material. Therefore, a reader should not place undue reliance on these preliminary estimates of the company's results. The preliminary estimates of the company's results included herein have been prepared by, and are the responsibility of, the company's management. The company's independent auditors have not audited, reviewed or compiled such preliminary estimates of the company's results.

Forward-Looking Statements

Certain statements contained in this press release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. Forward-looking statements include words or phrases such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "could," "may," "might," "should," "will" and similar words. Forward-looking statements are based on management's current expectations, beliefs, assumptions and estimates and may include, for example, statements regarding the voluntary cases commenced by the company and certain of its subsidiaries under Chapter 11 of the U.S. Bankruptcy Code in the Court (the "Chapter 11 Cases"), the DIP Facility, the company's ability to consummate and complete a plan of reorganization and its ability to complete a plan of reorganization and continue operating in the ordinary course while the Chapter 11 Cases are pending, the company's expected position upon emergence from bankruptcy, the company's expected profitability and liquidity and the company's preliminary results. These statements are subject to significant risks, uncertainties, and assumptions that are difficult to predict and could cause actual results to differ materially and adversely from those expressed or implied in the forward-looking statements, including risks and uncertainties regarding the company's ability to successfully complete a restructuring under Chapter 11, including: consummation of a plan of reorganization; potential adverse effects of the Chapter 11 Cases on the company's liquidity and results of operations; the company's ability to obtain timely approval by the Court with respect to the motions filed in the Chapter 11 Cases; objections to the company's recapitalization process, DIP Facility, or other pleadings filed that could protract the Chapter 11 Cases; employee attrition and the company's ability to retain senior management and other key personnel due to the distractions and uncertainties; the company's ability to comply with the restrictions imposed by the terms and conditions of the DIP Facility and other financing arrangements; the company's ability to maintain relationships with suppliers, customers, employees and other third parties and regulatory authorities as a result of the Chapter 11 Cases; the effects of the Chapter 11 Cases on the company and on the interests of various constituents, including holders of the company's common shares; the Court's rulings in the Chapter 11 Cases, including the approvals of the terms and conditions of any plan of reorganization and the DIP Facility, and the outcome of the Chapter 11 Cases generally; the length of time that the company will operate under Chapter 11 protection and the continued availability of operating capital during the pendency of the Chapter 11 Cases; risks associated

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with third party motions in the Chapter 11 Cases, which may interfere with the company's ability to consummate a plan of reorganization or an alternative restructuring; increased administrative and legal costs related to the Chapter 11 process; and other litigation and inherent risks involved in a bankruptcy process.

Forward-looking statements are also subject to the risk factors and cautionary language described from time to time in the reports the company files with the U.S. Securities and Exchange Commission, including those in the company's most recent Annual Report on Form 10-K and any updates thereto in the company's Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. These risks and uncertainties may cause actual future results to be materially different than those expressed in such forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

Media Contact C Street Advisory Group
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Discussion Materials

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Forward Looking Statements

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I. Situation Overview

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Situation Overview

Recent Performance	• In Q4 2022, the Company's operating performance improved sequentially with Preliminary Adjusted EBITDA (unaudited) for 4Q22 approximately breakeven as compared to loss in 3Q22. Europe delivered positive operating income in 4Q22. Sequential improvement driven by reported sales growth in each segment and product categories, gross margin expansion and lower SG&A expense • Europe, for first period of 2023, achieved the sales forecast with operating income favorable by $1MM. January in NA is pressured by payment holds as the Company prepares for a chapter 11 filing
Highbridge Financing	• In 2022, the Company pursued a financing / refinancing transaction to reduce past-due accounts payable; the process culminated in the Highbridge transaction, which provided the Company with $66.5MM on July 26, 2022, and $18.5MM on October 3, 2022 • The capital received by the Company as part of the Highbridge transaction was partially offset by numerous factors, including the timing of the closing, the Company's increasing balance of past-due accounts payable and associated product shipment delays, fees and expenses associated with the financing and repayment / extinguishment of the European ABL and North American ABLs. Net of these uses, the Company added $29.6MM of cash to its balance sheet of which $20.5MM was used to pay down accounts payable • On December 23, 2022, Highbridge funded an additional $5.5MM
Prepetition Strategic Initiatives	• Since the beginning of the 2022, the Company has been working with multiple turnaround financial advisors to develop specific strategies for various regions. The Company has effectuated numerous initiatives outlined by its turnaround financial advisors during 2022 and is accelerating changes planned in 2024 and 2025 into 2023 • The IT contract has been terminated for cause and the Company is re-insourcing IT services. In light of footprint changes, the Company is evaluating if there are less expensive options for North America • In 2021, the Company conducted an extensive and comprehensive marketing process led by an investment bank which ultimately did not lead to a transaction ▸ During the process, which included the marketing of the entire Company as well as certain divisions and regions, the Company received multiple indications of interest, but various organizational and operational factors complicated the Company's ability to execute a transaction

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II. Transformation Overview

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Transformation Workstreams Overview

Workstream	Status Update and Next Steps
(1) Product Profitability	**EMEA:** 1. Initiatives from plan at implementation stage tied to specific product lines / countries. Targets aligned with country leads and execution roles assigned 2. Weekly order intake report introduced to monitor price & volume development, and the execution of pricing / portfolio rationalizations. Additionally, the progress of initiatives is reviewed in a newly introduced monthly sales business review with category managers/ leads and country sales managers 3. 2023 pricing actions in plan incorporated in AOP23 4. Regarding planned portfolio rationalization, actions are incorporated into AOP2023. Minor timing delays driven by inventory levels and customer obligations, especially with Nordics tenders **NA:** Significant pricing actions assumed in the business plan driven by product mix and margin improvements, partially offset by competitive market pressure
(2) Footprint	**EMEA:** 1. Project Griffin: transfer of beds production from facility in Sweden to Portugal 2. Evaluating outsourcing of products currently made in-house 3. UK freight cost optimization: cost analysis commenced with first initiatives implemented. Currently defining financial tracking methodology and setting up structure to identify further potential 4. Decentralized distribution centers to support Manufacturing Centers of Excellence in Europe **NA:** 1. Additional facilities and supply chain optimization plans and actions anticipated
(3) Category Exits	**EMEA:** 1. Scooters: complete analysis of profitability of the Scooter category led to a rationalization and simplification of the product offering as well as pricing actions in some markets to improve contribution margin 2. Walking Aids: category phase-out plan for Central and South European region defined (exit by end of 2Q23). Nordics exit to take place in accordance to contractual obligations until FY26 **NA:** 1. Respiratory: completed on 1/30 2. Walking Aids: submitted tender to VA. Feedback expected by the end of 1Q23 3. Scooter category deleted from sale in NA due to poor profitability

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Transformation Workstreams Overview (Cont'd)

Workstream	Status Update and Next Steps
(4) Organization effectiveness	**Global** 1. Newly defined organizational structure as basis for a global and more efficient target operating model ("TOM") developed — Introduction of global category management as cross functional driver of product efficiency — Increased collaboration within supply chain and operations between EMEA and NA to share best practices — Mid-term plans to globalize functions, e.g. QA/RA, finance help-desk, data analytics 2. Introduced monthly, global HC reporting with partial automation (pending HRIS implementation), (ii) introduced tracking process of actual savings against AOP/plan
(5) Asset Monetization	**EMEA:** 1. Italy facility: conditional offer to purchase, subject to buyer obtaining legal confirmation from municipality on site expansion 2. Switzerland: exit Witterswil by March FY23 3. UK/IE: exit Irish sites June FY23, evaluating alternatives to supply Ireland 4. Sweden: exit planning for four warehouse leases underway 5. Sale & leaseback assessments ongoing at various sites. Highbridge term loan agreement may require a mandatory repayment of proceeds subject to further negotiations **NA:** 1. Assessing sale & leaseback for additional company-owned facilities
(6) Procurement	**EMEA:** 1. Supplier Relationship Management ("SRM") & Supplier Partnership Program ("SPP") initiatives ongoing in FY23 2. Continued supplier optimization in FY23 3. Support and focus on Griffin and Sterling footprint workstreams to search and establish new supplier relations **NA:** 1. SRM & SPP initiatives in FY23 2. Supplier base reductions for FY23 as a result of chapter 11 filing 3. Product line projects for beds ongoing: LTC, VA Bed Ends, VAVE steel gauge, actuators/electronics 4. Payment issues expected to improve in FY23

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North America – Progress and Plan Updates

Progress to Date

Key Actions	Outcomes
1 Re-evaluated the operational and financial feasibility to move bed manufacturing	Bed manufacture to remain in Sanford and expanding into contract manufacturing to improve efficiency
2 Evaluated the operational and financial feasibility of moving Taylor Woods Distribution Center into Taylor Street	Determined that the consolidation is operationally feasible but will require reconfiguring the Taylor Street layout to optimize space usage and operational efficiency
3 Implementation planning and execution of approved footprint moves	Several teams are working on planning for and executing footprint moves.

Summary of Key Updates

1. **Bed manufacturing to include contract manufacturing. Assessing additional supply chain and facilities optimization actions in NA**

1. IVC has divested Top End and the Respiratory business units. Evaluation of sale or winddown of other non-core operations

2. All-Pro DC will be consolidated into Sanford

3. Taylor Woods will be consolidated into Taylor Street

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North America – Business Exits Overview

	Workstream	Description & Rationale	Timing	Risks
1	**Project Independence**	Although "Independence" reportedly generates positive external margin, exiting / selling would allow IVC to focus on core offerings and simplify and consolidate the network. A buyer has not been found and the work to exit is also a distraction to the remaining activities, so we are evaluating a merge into other existing company operations	• End of June 2023 for a decision on retain, sell or shut down	• Shutting down is a distraction to the rest of the business
2	**Project Marathon** Top End	Top End generates minimal sales and operations are break- even potentially cash burning; exit / sale eliminates the negative cash drain of the business and simplifies and allows for further network consolidation	• Divested 1/27/23	
3	**Project Element** Respiratory	Strategic decision made to exit / sell respiratory in order to streamline operations and focus on core lifestyle and mobility & seating categories	• Full business divestiture including spare parts and services closed on 1/30/23 • Proceeds of net $11.5M, after fees	• Warranty and regulatory obligations required to be maintained for certain number of years and vary by region • TSA requires 90 day period to maintain services

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III. 4-Year Financial Projections

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IVC Group – 4-Year Financial Projection

	FY 2022E	FY 2023P	FY 2024P	FY 2025P	FY 2026P
REVENUE					
Net Sales, External	$ 741.7	$ 727.0	$ 749.6	$ 792.0	$ 840.7
TOTAL REVENUE	$ 741.7	$ 727.0	$ 749.6	$ 792.0	$ 840.7
COST OF SALES					
Standard Costs		$ 424.7	$ 441.0	$ 455.8	$ 471.9
Non-Standard Costs		80.6	60.8	62.9	67.0
TOTAL COST OF SALES	$ 566.3	$ 505.3	$ 501.9	$ 518.7	$ 538.9
GROSS PROFIT	$ 175.4	$ 221.7	$ 247.8	$ 273.3	$ 301.8
SALES, GENERAL & ADMINISTRATIVE EXPENSES					
TOTAL SALES, GENERAL & ADMINISTRATIVE EXPENSES	$ 226.8	$ 213.9	$ 213.2	$ 215.7	$ 220.3
OPERATING PROFIT[1]	$ (51.4)	$ 7.8	$ 34.6	$ 57.6	$ 81.5
% Margin	*-6.9%*	*1.1%*	*4.6%*	*7.3%*	*9.7%*
Other Non-Operating Expenses		11.3	5.5	2.7	6.6
Net Interest Expense		23.5	15.2	15.0	14.8
Income Taxes		6.5	7.9	10.4	11.0
TOTAL NON-OPERATING Expenses	$ 49.7	$ 41.3	$ 28.6	$ 28.1	$ 32.3
NET INCOME	$ (101.1)	$ (33.4)	$ 6.0	$ 29.5	$ 49.2
Depreciation & Amortization	15.5	15.1	15.2	15.2	15.1
EBITDA	$ (35.9)	$ 22.9	$ 49.7	$ 72.8	$ 96.7
% Margin	*-4.8%*	*3.1%*	*6.6%*	*9.2%*	*11.5%*
Adjustments to EBITDA					
One-Time Charges Related to Respiratory Business Unit Exit	8.7	-	-	-	-
Stock Compensation	2.1	-	-	-	-
ADJUSTED EBITDA[2]	$ (25.2)	$ 22.9	$ 49.7	$ 72.8	$ 96.7
% Margin	*-3.4%*	*3.1%*	*6.6%*	*9.2%*	*11.5%*

Notes: Unaudited estimated financials for FY2022. E = Estimate; P = Projected.
(1) Operating Profit is equal to Gross Profit less Sales, General & Administrative Expenses.
(2) "Adjusted EBITDA" is a non-GAAP financial measure, which is defined as earnings before interest, taxes, depreciation and amortization and calculated as net income (loss) plus: income taxes, interest expense-net, net gain or loss on debt convertible debt derivatives, net loss (gain) on debt extinguishment including debt finance charges and fees, asset write-downs related to intangible assets, net gain on sale of businesses, and depreciation and amortization, as further adjusted to exclude charges related to exit of product lines, charges related to restructuring activities and stock compensation expense (benefit).

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IVC Group – 4-Year Financial Projection (Cont'd)

FREE CASH FLOW	FY 2022E	FY 2023P	FY 2024P	FY 2025P	FY 2026P
Net Income	**$ (101.1)**	**$ (33.4)**	**$ 6.0**	**$ 29.5**	**$ 49.2**
Depreciation & Amortization	15.5	12.3	15.2	15.2	15.1
Other Adjustments	13.8	3.5	4.2	4.2	4.2
Changes in Net Working Capital					
Accounts Receivable	23.9	(2.7)	(2.9)	(4.8)	(6.6)
Inventory	20.0	8.3	2.7	0.9	(2.5)
Accounts Payable	(18.9)	0.1	(1.1)	2.2	11.4
Other	(8.4)	11.1	1.5	(1.0)	(6.7)
Total Cash Provided/(Used) by Operations	**$ (55.3)**	**$ (1.0)**	**$ 25.5**	**$ 46.2**	**$ 64.1**
Purchases of property and equipment/Other	**(3.8)**	(7.1)	(12.7)	(14.5)	(7.9)
Proceeds from sale of property and equipment	-	-	-	-	-
Free Cash Flow	**$ (59.0)**	**$ (8.0)**	**$ 12.9**	**$ 31.7**	**$ 56.2**

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NA & Corporate – 4-Year Financial Projection

	FY 2023P	FY 2024P	FY 2025P	FY 2026P
REVENUE				
Net Sales, External	$ 262.1	$ 273.8	$ 295.0	$ 320.0
TOTAL REVENUE	$ 262.1	$ 273.8	$ 295.0	$ 320.0
COST OF SALES				
Standard Costs	$ 141.4	$ 157.4	$ 164.2	$ 172.0
Non-Standard Costs	41.2	23.3	24.3	27.3
TOTAL COST OF SALES	$ 182.6	$ 180.7	$ 188.5	$ 199.3
GROSS PROFIT	$ 79.6	$ 93.1	$ 106.5	$ 120.6
% Margin	*30.4%*	*34.0%*	*36.1%*	*37.7%*
SALES, GENERAL & ADMINISTRATIVE EXPENSES				
TOTAL SALES, GENERAL & ADMINISTRATIVE EXPENSES	$ 108.3	$ 107.5	$ 109.7	$ 114.2
OPERATING PROFIT	$ (28.7)	$ (14.4)	$ (3.2)	$ 6.5
% Margin	*-10.9%*	*-5.3%*	*-1.1%*	*2.0%*
Other Non-Operating Expenses	8.3	2.3	2.2	6.0
Net Interest Expense	20.8	14.9	14.6	14.4
Income Taxes	1.4	1.3	2.5	1.4
TOTAL NON-OPERATING Expenses	$ 30.5	$ 18.5	$ 19.3	$ 21.8
NET INCOME	$ (59.2)	$ (32.9)	$ (22.4)	$ (15.3)
Depreciation & Amortization	8.5	8.5	8.5	8.5
ADJUSTED EBITDA	$ (20.2)	$ (5.9)	$ 5.3	$ 15.0
% Margin	*-7.7%*	*-2.2%*	*1.8%*	*4.7%*

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NA & Corporate – 4-Year Financial Projection (Cont'd)

		FY 2023P		FY 2024P		FY 2025P		FY 2026P
FREE CASH FLOW								
Net Income	$	**(34.1)**	$	**(32.9)**	$	**(22.4)**	$	**(15.3)**
Depreciation & Amortization		5.7		8.5		8.5		8.5
Other Adjustments		0.8		1.8		1.8		1.8
Changes in Net Working Capital								
Accounts Receivable		(0.8)		(1.9)		(4.5)		(4.1)
Inventory		5.4		0.6		1.2		(0.8)
Accounts Payable		(1.0)		1.6		0.8		1.3
Other		1.1		(1.0)		(0.6)		0.6
Total Cash Provided/(Used) by Operations	$	**(23.0)**	$	**(23.2)**	$	**(15.1)**	$	**(8.0)**
Purchases of property and equipment/Other		(3.6)		(13.0)		(11.4)		(2.6)
Free Cash Flow	$	**(26.5)**	$	**(36.1)**	$	**(26.5)**	$	**(10.6)**

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EMEA – 4-Year Financial Projection

	FY 2023P	FY 2024P	FY 2025P	FY 2026P
REVENUE				
Net Sales, External	$ 428.3	$ 435.2	$ 451.8	$ 470.2
TOTAL REVENUE	$ 428.3	$ 435.2	$ 451.8	$ 470.2
COST OF SALES				
Standard Costs	$ 265.1	$ 258.4	$ 263.6	$ 268.6
Non-Standard Costs	33.1	35.4	36.2	37.0
TOTAL COST OF SALES	$ 298.2	$ 293.8	$ 299.8	$ 305.6
GROSS PROFIT	$ 130.1	$ 141.3	$ 152.0	$ 164.6
% Margin	*30.4%*	*32.5%*	*33.6%*	*35.0%*
SALES, GENERAL & ADMINISTRATIVE EXPENSES				
TOTAL SALES, GENERAL & ADMINISTRATIVE EXPENSES	$ 96.1	$ 96.1	$ 96.6	$ 96.9
OPERATING PROFIT	$ 33.9	$ 45.3	$ 55.4	$ 67.8
% Margin	*7.9%*	*10.4%*	*12.3%*	*14.4%*
Other Non-Operating Expenses	2.9	3.2	0.6	0.6
Net Interest Expense	0.1	0.1	0.1	0.1
Income Taxes	4.8	6.2	7.4	8.8
TOTAL NON-OPERATING Expenses	$ 7.9	$ 9.5	$ 8.1	$ 9.6
NET INCOME	$ 26.0	$ 35.7	$ 47.3	$ 58.2
Depreciation & Amortization	6.0	6.1	6.1	6.1
ADJUSTED EBITDA	$ 40.0	$ 51.4	$ 61.5	$ 73.8
% Margin	*9.3%*	*11.8%*	*13.6%*	*15.7%*

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EMEA – 4-Year Financial Projection (Cont'd)

	FY 2023P	FY 2024P	FY 2025P	FY 2026P
FREE CASH FLOW				
Net Income	**$ 26.0**	**$ 35.7**	**$ 47.3**	**$ 58.2**
Depreciation & Amortization	6.0	6.1	6.1	6.1
Other Adjustments	2.5	2.4	2.4	2.4
Changes in Net Working Capital				
Accounts Receivable	(2.2)	(0.7)	0.2	(1.8)
Inventory	1.2	3.5	0.6	(0.6)
Accounts Payable	1.1	(4.0)	0.8	9.4
Other	9.1	2.7	(0.4)	(7.2)
Total Cash Provided/(Used) by Operations	**$ 43.7**	**$ 45.7**	**$ 57.1**	**$ 66.4**
Purchases of property and equipment	(3.7)	(4.7)	(4.6)	(4.5)
Free Cash Flow	**$ 40.1**	**$ 41.0**	**$ 52.6**	**$ 61.9**

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APAC – 4-Year Financial Projection

	FY 2023P	FY 2024P	FY 2025P	FY 2026P
REVENUE				
Net Sales, External	$ 36.6	$ 40.7	$ 45.1	$ 50.5
TOTAL REVENUE	$ 36.6	$ 40.7	$ 45.1	$ 50.5
COST OF SALES				
Standard Costs	$ 18.1	$ 25.2	$ 28.0	$ 31.3
Non-Standard Costs	6.4	2.1	2.4	2.7
TOTAL COST OF SALES	$ 24.5	$ 27.3	$ 30.4	$ 34.0
GROSS PROFIT	$ 12.1	$ 13.3	$ 14.8	$ 16.5
% Margin	*33.1%*	*32.7%*	*32.7%*	*32.7%*
SALES, GENERAL & ADMINISTRATIVE EXPENSES				
TOTAL SALES, GENERAL & ADMINISTRATIVE EXPENSES	$ 9.5	$ 9.6	$ 9.4	$ 9.2
OPERATING PROFIT	$ 2.6	$ 3.7	$ 5.4	$ 7.3
% Margin	*7.0%*	*9.1%*	*11.9%*	*14.5%*
Other Non-Operating Expenses	-	-	-	-
Net Interest Expense	0.2	0.2	0.2	0.2
Income Taxes	0.3	0.4	0.5	0.8
TOTAL NON-OPERATING Expenses	$ 0.5	$ 0.6	$ 0.8	$ 1.0
NET INCOME	$ 2.1	$ 3.1	$ 4.6	$ 6.4
Depreciation & Amortization	0.5	0.6	0.6	0.6
ADJUSTED EBITDA	$ 3.1	$ 4.3	$ 5.9	$ 7.9
% Margin	*8.5%*	*10.5%*	*13.1%*	*15.6%*

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APAC – 4-Year Financial Projection (Cont'd)

FREE CASH FLOW	FY 2023P	FY 2024P	FY 2025P	FY 2026P
Net Income	**$ 2.1**	**$ 3.1**	**$ 4.6**	**$ 6.4**
Depreciation & Amortization	0.5	0.6	0.6	0.6
Other Adjustments	0.1	0.1	0.1	0.1
Changes in Net Working Capital				
Accounts Receivable	0.2	(0.3)	(0.6)	(0.7)
Inventory	1.8	(1.4)	(0.9)	(1.1)
Accounts Payable	0.1	1.2	0.6	0.7
Other	1.0	(0.2)	(0.1)	(0.1)
Total Cash Provided/(Used) by Operations	**$ 5.7**	**$ 3.0**	**$ 4.2**	**$ 5.7**
Purchases of property and equipment	(0.8)	(0.8)	(0.8)	(0.8)
Proceeds from sale of property and equipment	-	-	-	-
Free Cash Flow	**$ 4.9**	**$ 2.2**	**$ 3.4**	**$ 4.9**

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Cover	Jan. 27, 2023
Document Information [Line Items]	
Document Period End Date	Jan. 27, 2023
Entity Registrant Name	INVACARE CORPORATION
Entity Incorporation, State or Country Code	OH
Entity File Number	001-15103
Entity Central Index Key	0000742112
Entity Tax Identification Number	95-2680965
Title of 12(b) Security	Common Shares, without par value
Trading Symbol	IVC
Security Exchange Name	NYSE
Amendment Flag	false
Document Type	8-K
Written Communications	false
Soliciting Material	false
Pre-commencement Tender Offer	false
Pre-commencement Issuer Tender Offer	false
Entity Emerging Growth Company	false
Entity Information [Line Items]	
Entity Registrant Name	INVACARE CORPORATION
Entity Incorporation, State or Country Code	OH
Entity File Number	001-15103
Entity Tax Identification Number	95-2680965
City Area Code	(440)
Local Phone Number	329-6000
Entity Addresses [Line Items]	
Entity Address, Address Line One	One Invacare Way
Entity Address, City or Town	Elyria
Entity Address, State or Province	OH
Entity Address, Postal Zip Code	44035

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        "label": "Address Type [Domain]",
        "terseLabel": "Address Type [Domain]"
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        "terseLabel": "Document [Domain]"
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        "terseLabel": "Document Information, Document [Axis]"
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        "terseLabel": "Document Information [Line Items]"
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    "dei_DocumentPeriodEndDate": {
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      "en-us": {
       "role": {
        "documentation": "For the EDGAR submission types of Form 8-K: the date of the report, the date of the earliest event reported; for the EDGAR submission types of Form N-1A: the filing date; for all other submission types: the end of the reporting or transition period.  The format of the date is YYYY-MM-DD.",
        "label": "Document Period End Date",
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 "lang": {
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    "documentation": "The type of document being provided (such as 10-K, 10-Q, 485BPOS, etc). The document type is limited to the same value as the supporting SEC submission type, or the word 'Other'.",
    "label": "Document Type",
    "terseLabel": "Document Type"
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    "label": "Entity Address, Address Line One",
    "terseLabel": "Entity Address, Address Line One"
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    "label": "Entity Address, Postal Zip Code",
    "terseLabel": "Entity Address, Postal Zip Code"
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 "xbrltype": "normalizedStringItemType"
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    "label": "Entity Addresses, Address Type [Axis]",
    "terseLabel": "Entity Addresses, Address Type [Axis]"
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"dei_EntityCentralIndexKey": {
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    "label": "Entity Central Index Key",
    "terseLabel": "Entity Central Index Key"
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"dei_EntityDomain": {
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 "lang": {
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   "role": {
    "documentation": "All the names of the entities being reported upon in a document. Any legal structure used to conduct activities or to hold assets. Some examples of such structures are corporations, partnerships, limited liability companies, grantor trusts, and other trusts. This item does not include business and geographical segments which are included in the geographical or business segments domains.",
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    "label": "Entity Incorporation, State or Country Code",
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      "label": "Entity Registrant Name",
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      "label": "Entity Tax Identification Number",
      "terseLabel": "Entity Tax Identification Number"
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