As filed with the Securities and Exchange Commission on July 6, 2015

Registration No. 333-204942

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2
to
FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Ollie's Bargain Outlet Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	5331	80-0848819
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

6295 Allentown Boulevard
Suite 1
Harrisburg, Pennsylvania 17112
(717) 657-2300
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

John Swygert
Executive Vice President and Chief Financial Officer
6295 Allentown Boulevard
Suite 1
Harrisburg, Pennsylvania 17112
(717) 657-2300
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

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

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

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

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ Smaller reporting company ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Amount to be Registered(1)	Proposed maximum offering price per share	Proposed maximum aggregate offering price(2)	Amount of registration fees(3)
Common stock, par value $0.001 per share	10,263,750	$15.00	$153,956,250	$17,890

(1) Includes additional shares of common stock that the underwriters have the option to purchase.
(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(a) promulgated under the Securities Act of 1933, as amended.
(3) Of this amount, $17,430 of the registration fee has previously been paid.

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

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is neither an offer to sell these securities nor a solicitation of an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated July 6, 2015

PRELIMINARY PROSPECTUS

8,925,000 Shares

Ollie's Bargain Outlet Holdings, Inc.

Common stock

This is an initial public offering of common stock by Ollie's Bargain Outlet Holdings, Inc. We are selling 8,925,000 shares of our common stock. The estimated initial public offering price is between $13.00 and $15.00 per share.

Currently, no public market exists for the shares. We have applied to list our common stock on the NASDAQ Global Market under the symbol "OLLI."

We are an "emerging growth company" as defined under the federal securities laws and, as such, will be subject to reduced public company reporting requirements. See "Summary—Implications of being an emerging growth company."

Investing in our common stock involves a high degree of risk. See "Risk factors" beginning on page 15 of this prospectus.

	PER SHARE	TOTAL
Initial public offering price	$	$
Underwriting discount(1)	$	$
Proceeds, before expenses, to us	$	$

(1) We refer you to "Underwriting (Conflicts of Interest)" beginning on page 127 of this prospectus for additional information regarding underwriter compensation.

We have granted to the underwriters an option for a period of 30 days to purchase up to 1,338,750 additional shares of common stock from us at the initial public offering price less underwriting discounts and commissions.

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

The underwriters expect to deliver the shares of Ollie's Bargain Outlet Holdings, Inc.'s common stock to investors on or about , 2015.

J.P. Morgan **Jefferies** **BofA Merrill Lynch**

Credit Suisse **Piper Jaffray**

KeyBanc Capital Markets **RBC Capital Markets**

, 2015.

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You should rely only on the information contained in this prospectus or in any free writing prospectus we may authorize to be delivered or made available to you. Neither we nor the underwriters (or any of our or their respective affiliates) have authorized anyone to provide any information other than that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. Neither we nor the underwriters (or any of our or their respective affiliates) take any responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. We and the underwriters (or any of our or their respective affiliates) are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. Persons outside the United States who come into possession of this prospectus and any free writing prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside the United States. See "Underwriting (Conflicts of Interest)." You should assume that the information appearing in this prospectus and any free writing prospectus is only accurate as of its date. Our business, financial condition, results of operations and prospects may have changed since that date.

Trademarks and trade names

We own or have the rights to use various trademarks, service marks and trade names referred to in this prospectus, including, among others, Ollie's®, Ollie's Bargain Outlet®, Ollie's Army®, Real Brands! Real Bargains!®, Good Stuff Cheap® and their respective logos. Solely for convenience, we refer to trademarks, service marks and trade names in this prospectus without the TM, SM and ® symbols. Such references are not intended to indicate, in any way, that we will not assert, to the fullest extent permitted by law, our rights to our trademarks, service marks and trade names. Other trademarks, service marks or trade names appearing in this prospectus are the property of their respective owners. We do not intend our use or display of other parties' trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by, these other parties.

Presentation of financial and other information

We operate on a fiscal calendar used in the retail industry which results in a given fiscal year consisting of a 52- or 53-week period ending on the Saturday closest to January 31 of the following year. Our audited financial statements included elsewhere in this prospectus are as of and for the years ended January 31, 2015 and February 1, 2014. References to "fiscal year 2014" and "fiscal year 2013" refer to the reported fiscal years ended January 31, 2015 and February 1, 2014, respectively. References to "fiscal year 2015" refer to the 52-week period ending January 30, 2016. Our unaudited financial statements included elsewhere in this prospectus are as of and for the 13 weeks ended May 2, 2015 and May 3, 2014. References to "first quarter 2015" and "first quarter 2014" refer to the 13 weeks ended May 2, 2015 and May 3, 2014, respectively.

Prior to fiscal year 2013, we operated on a fiscal calendar which resulted in a given fiscal year consisting of a 52- or 53-week period ending on the Saturday closest to December 31 of that year. On September 28, 2012, affiliates of CCMP Capital Advisors LLC (collectively referred to as "CCMP"), along with certain members of management, acquired Ollie's Holdings, Inc. and its sole operating subsidiary, Ollie's Bargain Outlet, Inc. through a newly formed entity, Ollie's Bargain Outlet Holdings, Inc. (f/k/a Bargain Holdings, Inc.) (the "CCMP Acquisition"). In connection with the CCMP Acquisition, as part of the purchase price allocation, assets acquired and liabilities assumed were adjusted to their estimated fair value as of the closing date of the CCMP Acquisition. Ollie's Holdings, Inc. is the predecessor to Ollie's Bargain Outlet Holdings, Inc., and the periods on and prior to September 28, 2012 are referred to as the predecessor periods. The periods on and following September 29, 2012 are referred to as the successor periods. We refer to the period from January 1, 2012 through September 28, 2012 as "predecessor period 2012" and the period from September 29, 2012 through February 2, 2013 as "successor period 2012." References to "fiscal year 2011" and "fiscal year 2010" are to the fiscal years ended December 31, 2011 and January 1, 2011, respectively.

Each of fiscal years 2014, 2013, 2011 and 2010 consisted of 52-week periods. Successor period 2012 consisted of an 18-week period and predecessor period 2012 consisted of a 39-week period. As a result of the application of purchase accounting in connection with the CCMP Acquisition impacting the successor periods, fiscal years 2014 and 2013 and successor period 2012 may not be comparable to predecessor period 2012 and fiscal years 2011 and 2010. Each of first quarters 2015 and 2014 consisted of 13–week periods.

Market and industry information

Market data and industry information used throughout this prospectus are based on management's knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon management's review of independent industry surveys, forecasts and publications and other publicly available information prepared by a number of third party sources, as well as market analysis and reports prepared by Jeff Green Partners, a retail real estate feasibility consultant that provides market analysis and strategic

planning and consulting services. All of the market data and industry information used in this prospectus involves a number of assumptions and limitations which we believe to be reasonable, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, neither we nor the underwriters can guarantee the accuracy or completeness of this information, and neither we nor the underwriters have independently verified this information. While we believe the estimated market position, market opportunity and market size information included in this prospectus are generally reliable, such information, which is derived in part from management's estimates and beliefs, is inherently uncertain and imprecise. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk factors," "Cautionary note regarding forward-looking statements" and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

Summary

This summary highlights information appearing elsewhere in this prospectus. This summary is not complete and does not contain all of the information that you should consider before making a decision to participate in the offering. You should carefully read the entire prospectus, including the information presented under "Risk factors," "Management's discussion and analysis of financial condition and results of operations" and the financial statements and notes included elsewhere in this prospectus, before making an investment decision. Unless the context requires otherwise, references to "our company," "we," "us," "our" and "Ollie's" refer to Ollie's Bargain Outlet Holdings, Inc. and its subsidiaries. References to comparable store sales are to net sales of "comparable stores" during a fiscal period. Stores become "comparable stores" beginning on the first day of the sixteenth full fiscal month following the store's opening. See "Management's discussion and analysis of financial condition and results of operations—How we assess the performance of our business—Comparable store sales." Four-wall EBITDA for our stores, as used herein, is store net income before depreciation and amortization expenses and excluding any impact for interest expense, income tax expense and general and administrative expenses. Calculations of compound annual growth rate ("CAGR") from fiscal year 2010 to fiscal year 2014 presented herein are calculated beginning on January 1, 2010, the first day of fiscal year 2010, and ending on January 31, 2015, the last day of fiscal year 2014. Store-level cash-on-cash returns, as described herein, are calculated by dividing four-wall EBITDA for a store by our net cash investment in that store.

Our company

We are a highly differentiated and fast-growing, extreme value retailer of brand name merchandise at drastically reduced prices. Known for our assortment of "Good Stuff Cheap," we offer customers a broad selection of brand name products, including housewares, food, books and stationery, bed and bath, floor coverings, toys and hardware. Our differentiated go-to market strategy is characterized by a unique, fun and engaging treasure hunt shopping experience, compelling customer value proposition and witty, humorous in-store signage and advertising campaigns. These attributes have driven our rapid growth and strong and consistent store performance.

Mark Butler, our Chairman, President and Chief Executive Officer, co-founded Ollie's in 1982, based on the idea that "everyone in America loves a bargain." Since opening our first store in Mechanicsburg, PA, we have expanded throughout the Eastern half of the United States. From the time Mr. Butler assumed his current position as President and Chief Executive Officer in 2003, we have grown from operating 28 stores in three states to 187 stores in 16 states as of June 30, 2015. Our no-frills, "semi-lovely" warehouse style stores average approximately 34,000 square feet and generate consistently strong financial returns across all vintages, geographic regions, population densities, demographic groups, real estate formats and regardless of any co-tenant. Our business model has resulted in positive financial performance during strong and weak economic cycles. Since 1998, 100% of our stores have generated positive four-wall EBITDA on a trailing 12-month basis, and prior to that, we believe all of our stores were profitable in each fiscal year since opening our first store in 1982. We expect to open between 25 and 30 new stores in fiscal year 2015 and believe there is opportunity for more than 950 Ollie's locations across the United States based on internal estimates and third party research conducted by Jeff Green Partners, a retail real estate feasibility consultant that provides market analysis and strategic planning and consulting services.

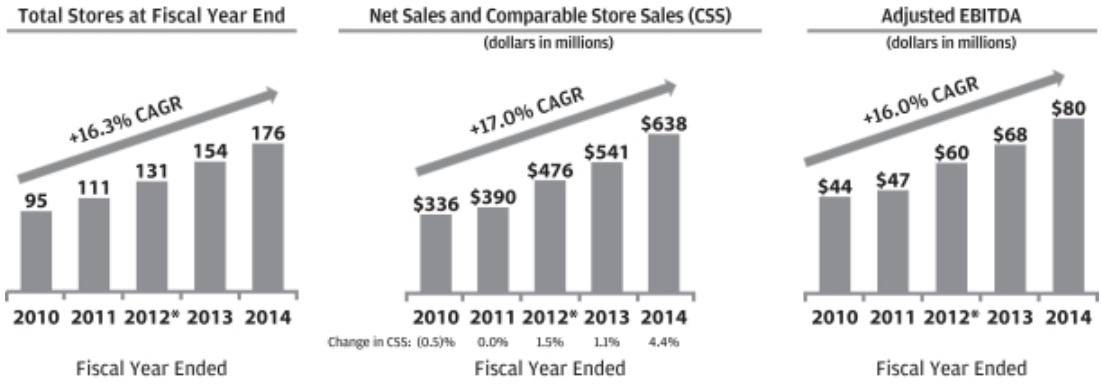
Our constantly changing merchandise assortment is procured by a highly experienced merchant team, who leverage deep, long-standing relationships with hundreds of major manufacturers, wholesalers, distributors, brokers and retailers. These relationships enable our merchant team to find and select only the best buys from a broad range of brand name and closeout product offerings and to pass drastically reduced prices along to our customers. As we grow, we believe our increased scale will provide us with even greater access to brand name

products because many large manufacturers favor large buyers capable of acquiring an entire deal. Our merchant team augments these deals with directly sourced products including Ollie's own private label brands and other products exclusive to Ollie's.

Our business model has produced consistently strong growth and financial performance. From fiscal year 2010 to fiscal year 2014:

- Our store base expanded from 95 stores to 176 stores, a CAGR of 16.3%, and we entered 8 new states.
- New stores opened from fiscal year 2010 to fiscal year 2013 produced average cash-on-cash returns of 61% in their first 12 months of operations.
- Comparable store sales grew at an average rate of 1.7% per year.
- Net sales increased from $335.7 million to $638.0 million, a CAGR of 17.0%.
- Adjusted EBITDA increased from $43.7 million to $80.3 million, a CAGR of 16.0%.
- Net income increased from $19.1 million to $26.9 million.

For a reconciliation of Adjusted EBITDA, a non-GAAP financial measure, to net income, see "—Summary historical consolidated financial and other data."



**Represents successor period 2012 and predecessor period 2012, as adjusted to eliminate the impact of the four-week period ended January 28, 2012 and to reflect a 53-week period. See "Summary – Summary historical consolidated financial and other data."*

Our competitive strengths

We believe the following strengths differentiate us from our competitors and serve as the foundation for our current and future growth:

"Good Stuff Cheap"—Ever changing product assortment at drastically reduced prices. Our stores offer something for everyone across a diverse range of merchandise categories at prices up to 70% below department and specialty stores (the "fancy stores") and up to 20-50% below mass market retailers. Our product assortment frequently changes based on the wide variety of deals available from the hundreds of brand name suppliers we have relationships with. We augment these opportunistic deals on brand name merchandise with directly sourced unbranded products or those under our own private label brands such as

Sarasota Breeze, Steelton Tools and American Way and exclusively licensed recognizable brands and celebrity names such as Magnavox, Marcus Samuelsson Signature Cookware and Kasey Kahne Car Care. Brand name and closeout merchandise represented 70% and non-closeout goods and private label products collectively represented 30% of our fiscal year 2014 merchandise purchases. Our treasure hunt shopping environment and slogan “when it’s gone, it’s gone” help to instill a “shop now” sense of urgency that encourages frequent customer visits.

Highly experienced and disciplined merchant team. Our merchant team maintains strong, long-standing relationships with a diverse group of suppliers, allowing us to procure branded merchandise at compelling values for our customers. This team is led by five senior merchants, including Mark Butler, and has over 104 years of combined industry experience and 87 combined years of experience at Ollie’s. We have been doing business with our top 15 suppliers for an average of 12 years, and no single supplier accounted for more than 5% of our purchases during fiscal year 2014. Our well-established relationships with our suppliers together with our scale, buying power, financial credibility and responsiveness often makes Ollie’s the first call for available deals. Our direct relationships with our suppliers have increased as we have grown and we continuously strive to broaden our supplier network. These factors provide us with increased access to goods, which enables us to be more selective in our deal-making and which we believe helps us provide compelling value and assortment of goods to our customers and fuels our continued profitable growth.

Distinctive brand and engaging shopping experience. Our distinctive and often self-deprecating humor and highly recognizable caricatures are used in our stores, flyers, mailers, website and email campaigns. We attempt to make our customers laugh as we poke fun at ourselves and current events. We believe this approach creates a strong connection to our brand and sets us apart from other, more traditional retailers. Our “semi-lovely” stores feature these same brand attributes together with witty signage in a warehouse format that create a fun, relaxed and engaging shopping environment. We believe that by disarming our customers by getting them to giggle a bit, they are more likely to look at and trust our products for what they are—extremely great bargains. We offer a “30-day no hard time guarantee” as a means to overcome any skepticism associated with our cheap prices and to build trust and loyalty, because if our customers are not happy, we are not happy. We welcome customers to bring back their merchandise within that timeframe for a “no hard time” full refund. We also make it easy for our customers to browse our stores by displaying our products on easily accessible fixtures and by keeping the stores clean and well-lit. We believe our humorous brand image, compelling values and welcoming stores resonate with our customers and define Ollie’s as a unique and comfortable destination shopping location.

Extremely loyal “Ollie’s Army” customer base. Our best customers are members of our Ollie’s Army customer loyalty program, which stands at 5.2 million members as of May 15, 2015. Over 55% of our sales in fiscal year 2014 were from Ollie’s Army members, and we have consistently grown our base of loyal members at a 37.2% CAGR from fiscal year 2006 to May 2015. Ollie’s Army members spend approximately 37% more per shopping trip at Ollie’s, typically shop more frequently than non-members, and are willing to drive upwards of 25 minutes to shop at our stores. We identify our target customer as “anyone between the ages of 25-70 with a wallet or a purse” seeking a great bargain. Our consumer research supports this approach, revealing that we appeal to a broad demographic spanning a wide range of household incomes, with more than 60% of Ollie’s Army members having an average household income over $50,000.

Strong and consistent store model built for growth. We employ a proven new store model that generates strong cash flow, consistent financial results and attractive returns on investment regardless of the economic environment. Our highly flexible real estate approach has proven successful across all vintages, geographic regions, population densities, demographic groups, real estate formats and regardless of any co-tenant. Our new store model targets a cash-on-cash return of 55% in the first 12 months of operations. New stores opened from

fiscal year 2010 to fiscal year 2013 produced average cash-on-cash returns of 61% in their first 12 months of operations. Since 2010, our new stores have generated an average of $3.9 million in net sales in their first 12 months of operations and produced an average payback period of less than two years. We believe that our consistent store performance, recently opened distribution center in Commerce, GA and disciplined approach to site selection support the portability and predictability of our new unit growth strategy.

Highly experienced and passionate founder-led management team. Our leadership team, directed by our co-founder, Chairman, President and Chief Executive Officer, Mark Butler, has guided our organization through its expansion and positioned us for continued growth. Mark Butler has assembled a talented and dedicated team of executives with an average of 24 years of retail experience, including an average 11 years of experience at Ollie's. Our senior executives possess extensive experience across a broad range of disciplines, including merchandising, marketing, real estate, finance, store operations, supply chain management and information technology. We believe by encouraging equity ownership and fostering a strong team culture, we have aligned the interests of our employees with those of our shareholders. As a result, no member of the executive management team (any Vice President or higher classification) has ever chosen to leave Ollie's to work for another company. We believe these factors result in a cohesive team focused on sustainable long-term growth.

Our growth strategy

We plan to continue to drive growth in sales and profitability by executing on the following strategies:

Grow our store base. We believe our compelling value proposition and the success of our stores across a broad range of geographic regions, population densities and demographic groups creates a significant opportunity to profitably increase our store count. Our internal estimates and third party research conducted by Jeff Green Partners indicate the potential for more than 950 national locations. Our new store real estate model is flexible and focuses predominately on second generation sites ranging in size from 25,000 to 35,000 square feet. We believe there is an ample supply of suitable low-cost, second generation real estate to allow us to infill within our existing markets as well as to expand into new, contiguous geographies. This approach leverages our distribution infrastructure, field management team, store management, marketing investments and brand awareness. We expect our new store openings to be the primary driver of our continued, consistent growth in sales and profitability.

Increase our offerings of great bargains. We will continue to enhance our supplier relationships and develop additional sources to acquire brand name and closeout products for our customers. Our strong sourcing relationships with leading major manufacturers and our purchasing scale provide us with significant opportunities to expand our ever changing assortment of brand name and closeout merchandise at extreme values. We plan to further invest in our merchandising team in order to expand and enhance our sourcing relationships and product categories, which we expect will drive shopping frequency and increase customer spending.

Leverage and expand Ollie's Army. We intend to recruit new Ollie's Army members and increase their frequency of store visits and spending by enhancing our distinctive, fun and recognizable marketing programs, building brand awareness, rewarding member loyalty and utilizing more sophisticated data driven targeted marketing. We believe these strategies, coupled with a larger store base, will enable us to increase the amount of sales driven by loyal Ollie's Army customers seeking the next great deal.

Our recapitalization

On May 27, 2015, we amended the credit agreements governing our senior secured asset-based revolving credit facility (the "Revolving Credit Facility") and our senior secured term loan facility (the "Term Loan Facility," and,

collectively with the Revolving Credit Facility, the "Senior Secured Credit Facilities") to, among other things, increase the size of the Revolving Credit Facility from $75.0 million to $125.0 million and to permit a dividend to holders of our outstanding common stock. We also drew $50.0 million of borrowings under our Revolving Credit Facility, the proceeds of which were used to pay an aggregate cash dividend of $48.8 million to holders of our common stock and of which the balance was used to pay $1.1 million of bank fees and $0.1 million of legal and other expenses related to the Recapitalization. We refer to these transactions collectively as the "Recapitalization."

Our private equity sponsor

We were acquired by affiliates of CCMP Capital Advisors, LLC (collectively referred to as "CCMP") along with certain members of management in September 2012 (the "CCMP Acquisition"). CCMP is a leading global private equity firm specializing in buyout and growth equity investments in companies ranging from $250 million to more than $2 billion in size. CCMP's founders have invested over $16 billion since 1984, which includes their activities at J.P. Morgan Partners, LLC (a private equity division of JPMorgan Chase & Co.) and its predecessor firms. CCMP was formed in August 2006 when the buyout and growth equity investment professionals of J.P. Morgan Partners, LLC separated from JPMorgan Chase & Co. to commence operations as an independent firm. The foundation of CCMP's investment approach is to leverage the combined strengths of its deep industry expertise and proprietary operating resources to create value by investing in four targeted industries– Industrials, Consumer/Retail, Energy and Healthcare.

Immediately following this offering, CCMP is expected to own approximately 60.6% of our outstanding common stock, or 59.2% if the underwriters exercise their option to purchase additional shares in full. As a result, CCMP will be able to exert significant voting influence over fundamental and significant corporate matters and transactions. See "Risk factors—Risks related to our common stock and this offering—CCMP and our Chief Executive Officer will collectively own a substantial majority of our outstanding common stock following this offering. CCMP will effectively control our company, and its interests may be different from or conflict with those of our other stockholders" and "Principal stockholders."

Implications of being an emerging growth company

As a company with less than $1.0 billion in revenue during our last fiscal year, we qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). An emerging growth company may take advantage of specified reduced reporting and other regulatory requirements for up to five years that are otherwise applicable generally to public companies. These provisions include, among other matters:

- a requirement to present only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure;
- an exemption from the auditor attestation requirement on the effectiveness of our system of internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes-Oxley Act");
- an exemption from the adoption of new or revised financial accounting standards until they would apply to private companies;
- an exemption from compliance with any new requirements adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer;

- an exemption from the requirement to seek non-binding advisory votes on executive compensation and golden parachute arrangements; and
- reduced disclosure about executive compensation arrangements.

We will remain an emerging growth company for five years unless, prior to that time, we (i) have more than $1.0 billion in annual revenue, (ii) have a market value for our common stock held by non-affiliates of more than $700 million as of the last day of our second fiscal quarter of the fiscal year a determination is made that we are deemed to be a “large accelerated filer,” as defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or (iii) issue more than $1.0 billion of non-convertible debt over a three-year period. We have availed ourselves of the reduced reporting obligations with respect to audited financial statements and related Management’s Discussion and Analysis of Financial Condition and Results of Operations and executive compensation disclosure in this prospectus, and expect to continue to avail ourselves of the reduced reporting obligations available to emerging growth companies in future filings with the Securities and Exchange Commission (the “SEC”).

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended (the “Securities Act”) for complying with new and revised accounting standards. An emerging growth company can, therefore, delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we are choosing to “opt out” of that extended transition period and, as a result, we plan to comply with new and revised accounting standards on the relevant dates on which adoption of those standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new and revised accounting standards is irrevocable.

As a result of our decision to avail ourselves of certain provisions of the JOBS Act, the information that we provide may be different than what you may receive from other public companies in which you hold an equity interest. In addition, it is possible that some investors will find our common stock less attractive as a result of our elections, which may cause a less active trading market for our common stock and more volatility in our stock price.

Summary risk factors

Investing in our common stock involves a number of risks, including the following:

- We may not be able to execute our opportunistic buying, adequately manage our supply of inventory or anticipate customer demand, which could have a material adverse effect on our business, financial condition and results of operations.
- Our ability to generate revenues is dependent on consumer confidence and spending, which may be subject to factors beyond our control, including changes in economic and political conditions.
- We face intense competition which could limit our growth opportunities and adversely impact our financial performance.
- If we fail to open new profitable stores on a timely basis or successfully enter new markets, our financial performance could be materially adversely affected.
- Our success depends on our executive officers, our merchant team and other key personnel. If we lose key personnel or are unable to hire additional qualified personnel, it could have a material adverse effect on our business, financial condition and results of operations.

- If we are not successful in managing our inventory balances, it could have a material adverse effect on our business, financial condition and results of operations.
- We may not be successful in the implementation of our long-term business strategy, which could materially adversely affect our business, results of operations, cash flows and financial condition.
- Our business requires that we lease substantial amounts of space. If we are not able to continue to lease space on favorable terms, this could have a material adverse effect on our business, financial condition and results of operations.
- The loss of, or disruption in the operations of, our centralized distribution centers could materially adversely affect our business and operations.
- Fluctuations in comparable store sales and results of operations, including on a quarterly basis, could cause our business performance to decline substantially.
- We will incur increased costs and obligations as a result of being a public company.
- CCMP and our Chief Executive Officer will collectively own a substantial majority of our outstanding common stock following this offering. CCMP will effectively control our company, and its interests may be different from or conflict with those of our other stockholders.

Corporate information

We were incorporated in Delaware on August 27, 2012 under the name “Bargain Holdings, Inc.” On March 23, 2015, we changed our name to “Ollie’s Bargain Outlet Holdings, Inc.” Our principal executive offices are located at 6295 Allentown Boulevard, Suite 1, Harrisburg, Pennsylvania 17112, and our telephone number is (717) 657-2300. Our corporate website address is www.ollies.us. Our website and the information contained on, or that can be accessed through, the website is not deemed to be incorporated by reference in, and is not considered part of, this prospectus. You should not rely on any such information in making your decision whether to purchase our common stock.

The offering

Issuer	Ollie's Bargain Outlet Holdings, Inc.
Common stock offered by us	8,925,000 shares of common stock.
Common stock to be outstanding after this offering	57,124,490 shares of common stock (58,463,240 shares if the underwriters' option to purchase additional shares is exercised in full).
Underwriters' option to purchase additional shares of common stock	The underwriters have an option to purchase a maximum of 1,338,750 additional shares of common stock from us. The underwriters can exercise this option at any time within 30 days from the date of this prospectus.
Voting rights	Each share of our common stock will have one vote per share on all matters submitted to a vote of stockholders. See "Description of capital stock."
Use of proceeds	We estimate the net proceeds to us from the sale of our common stock in this offering, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately $113.4 million ($130.9 million if the underwriters exercise in full their option to purchase additional shares) based on an assumed initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus. We intend to use the net proceeds of this offering to repay $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities (as defined herein). See "Use of proceeds."
Conflicts of Interest	The net proceeds from this offering will be used to repay $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities, out of which $50.0 million will be used to repay borrowings under the Revolving Credit Facility. Because an affiliate of KeyBanc Capital Markets Inc. is a lender under our Revolving Credit Facility and will receive 5% or more of the net proceeds of this offering, KeyBanc Capital Markets Inc. is deemed to have a "conflict of interest" under Rule 5121 of the Financial Industry Regulatory Authority, Inc., or FINRA. As a result, this offering will be conducted in accordance with FINRA Rule 5121. Pursuant to that rule, the appointment of a "qualified independent underwriter" is not required in connection with this offering as the members primarily responsible for managing the public offering do not have a conflict of interest, are not affiliates of any member that has a conflict of interest and meet the requirements of paragraph (f)(12)(E) of FINRA Rule 5121. See "Use of Proceeds" and "Underwriting (Conflicts of Interest)—Conflicts of Interest."

Dividend policy	We do not anticipate paying any dividends on our common stock for the foreseeable future; however, we may change this policy in the future. See “Dividend policy.”
Controlled company exemption	After completion of this offering, we will be considered a “controlled company” for the purposes of the NASDAQ listing requirements. See “Management—Director independence and controlled company exemption.”
Risk factors	Investing in our common stock involves a high degree of risk. See the “Risk factors” section of this prospectus beginning on page 14 for a discussion of factors you should carefully consider before deciding to purchase shares of our common stock.
Listing	We intend to apply to have our common stock listed on the NASDAQ under the symbol “OLLI.”

Except as otherwise indicated, the number of shares of common stock to be outstanding after this offering is based on 57,124,490 shares outstanding as of June 30, 2015 and excludes:

- 6,747,625 shares of common stock issuable upon the exercise of stock options issued and outstanding under our 2012 Equity Incentive Plan (the “2012 Plan”) at a weighted average exercise price of $7.22 per share; and
- 5,250,000 shares of common stock reserved for issuance under our 2015 Equity Incentive Plan (the “2015 Plan”).

Unless otherwise indicated, all information in this prospectus:

- assumes an initial public offering price of $14.00 per share, the midpoint of the range set forth on cover of this prospectus;
- assumes no exercise of the underwriters’ option to purchase additional shares of our common stock;
- reflects a 115-for-1 stock split of our common stock effectuated on June 17, 2015 (the “Stock Split”);
- reflects the reclassification of our Class A and Class B common stock into a single class of common stock, which will be effectuated by the filing of our second amended and restated certificate of incorporation prior to the effectiveness of the registration statement of which this prospectus forms a part (the “Reclassification”); and
- otherwise gives effect to our second amended and restated certificate of incorporation and our amended and restated bylaws, which will be in effect prior to the consummation of this offering.

Summary historical consolidated financial and other data

The following tables set forth Ollie's Bargain Outlet Holdings, Inc.'s summary historical consolidated financial and other data for the periods ending on and as of the dates indicated. We derived the consolidated statement of income data and consolidated statement of cash flow data for fiscal years 2014 and 2013 from our audited consolidated financial statements and related notes thereto included elsewhere in this prospectus. We derived the consolidated statement of income data and consolidated statement of cash flow data for successor period 2012 (described below), predecessor period 2012 (described below), fiscal year 2011 and fiscal year 2010 from our audited consolidated financial statements and related notes thereto not included in this prospectus. We derived the consolidated statement of income data and consolidated statement of cash flow data for first quarters 2015 and 2014 and our consolidated balance sheet data as of May 2, 2015 from our unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this prospectus.

Prior to fiscal year 2013, we operated on a fiscal calendar which resulted in a given fiscal year consisting of a 52- or 53- week period ending on the Saturday closest to December 31 of that year. In connection with the CCMP Acquisition, as part of the purchase price allocation, assets acquired and liabilities assumed were adjusted to their estimated fair value as of September 28, 2012, the closing date of the CCMP Acquisition. The periods on and prior to September 28, 2012, are referred to as the predecessor periods. The periods on and following September 29, 2012 are referred to as the successor periods. We refer to the period from January 1, 2012 through September 28, 2012 as "predecessor period 2012" and the period from September 29, 2012 through February 2, 2013 as "successor period 2012." References to "fiscal year 2011" and "fiscal year 2010" are to the fiscal years ended December 31, 2011 and January 1, 2011, respectively.

Each of fiscal years 2014, 2013, 2011 and 2010 consisted of 52-week periods. Successor period 2012 consisted of an 18-week period and predecessor period 2012 consisted of a 39-week period. As a result of the application of purchase accounting in connection with the CCMP Acquisition impacting the successor periods, fiscal years 2014 and 2013 and successor period 2012 may not be comparable to predecessor period 2012 and fiscal years 2011 and 2010. Each of first quarters 2015 and 2014 consisted of 13-week periods.

The summary unaudited pro forma as adjusted data for the periods presented and the unaudited pro forma as adjusted balance sheet data as of May 2, 2015 have been prepared to give pro forma effect to the Recapitalization, as further adjusted to give effect to the sale of our common stock in this offering and the application of net proceeds therefrom, as described in "Use of proceeds."

Our historical results are not necessarily indicative of future results of operations. The consolidated income data and consolidated statement of cash flow data for the first quarters 2015 and 2014 and our consolidated balance sheet data as of May 2, 2015 are not necessarily indicative of the results expected for fiscal year 2015 or for any future period. You should read the information set forth below together with "Presentation of financial and other information," "Selected historical consolidated financial data," "Management's discussion and analysis of financial condition and results of operations," "Capitalization" and our financial statements and the related notes thereto included elsewhere in this prospectus.

	Successor					Predecessor		
	First quarter		Fiscal year		Successor period (1)	Predecessor period (1)	Fiscal year	
	2015	2014	2014	2013	2012	2012	2011	2010
	(dollars in thousands, except share and per share amounts)							
Consolidated Statement of Income Data:								
Net sales	$162,470	$ 134,395	$ 637,975	$ 540,718	$ 183,644	$ 316,135	$389,862	$335,657
Cost of sales	98,427	78,980	384,465	323,908	113,376	187,811	234,785	196,313
Gross profit	64,043	55,415	253,510	216,810	70,268	128,324	155,077	139,344
Selling, general and administrative expenses	45,871	39,954	178,832	153,807	53,440	100,233	109,545	97,275
Depreciation and amortization expenses	1,695	1,724	6,987	8,011	3,423	3,846	4,732	4,270
Pre-opening expenses	990	1,720	4,910	4,833	665	3,521	7,125	3,691
Loss of assets and costs related to flood (2)	—	—	—	—	—	—	896	—
Operating income	15,487	12,017	62,781	50,159	12,740	20,724	32,779	34,108
Interest expense, net	4,574	4,993	19,103	19,341	5,832	4,425	6,157	2,340
Income before income taxes	10,913	7,024	43,678	30,818	6,908	16,299	26,622	31,768
Income tax expense	4,252	2,696	16,763	11,277	3,303	7,286	9,933	12,658
Net income	$ 6,661	$ 4,328	$ 26,915	$ 19,541	$ 3,605	$ 9,013	$ 16,689	$ 19,110
Earnings per common share:								
Basic	$ 0.14	$ 0.09	$ 0.56	$ 0.40				
Diluted	$ 0.13	$ 0.09	$ 0.55	$ 0.40				
Weighted average common shares outstanding:								
Basic	48,196,500	48,203,515	48,202,480	48,519,420				
Diluted	49,545,105	48,203,515	48,609,350	48,519,420				
Unaudited Pro Forma Data:								
Pro forma as adjusted earnings per common share: (3)								
Basic	$ 0.12		$ 0.50					
Diluted	$ 0.12		$ 0.50					
Pro forma as adjusted weighted average common shares outstanding: (3)								
Basic	57,121,500		57,127,480					
Diluted	58,470,105		57,534,350					
Consolidated Statement of Cash Flows Data:								
Net cash (used in) provided by:								
Operating activities	$ (14,501)	$ (7,045)	$ 31,842	$ 19,713	$ 25,161	$ (6,152)	$ 19,029	$ 4,417
Investing activities	(2,503)	(6,639)	(14,007)	(9,554)	(696,505)	(6,948)	(9,490)	(8,513)
Financing activities	(895)	4,269	(8,049)	(2,593)	675,944	2,503	(3,791)	4,058
Other Financial Data:								
EBITDA (4)	$ 17,725	$ 14,109	$ 71,566	$ 59,650	$ 16,528	$ 25,381	$ 38,621	$ 38,964
EBITDA margin (4)	10.9%	10.5%	11.2%	11.0%	9.0%	8.0%	9.9%	11.6%
Adjusted EBITDA (4)	$ 19,716	$ 17,073	$ 80,300	$ 68,225	$ 23,310	$ 37,012	$ 47,130	$ 43,724
Adjusted EBITDA margin (4)	12.1%	12.7%	12.6%	12.6%	12.7%	11.7%	12.1%	13.0%
Capital expenditures	$ 2,503	$ 6,654	$ 14,110	$ 9,597	$ 1,350	$ 6,948	$ 9,490	$ 8,513
Selected Operating Data:								
Number of new stores (5)	5	7	22	23	4	16	17	15
Store closings (2)	—	—	—	—	—	—	(1)	—
Number of stores open at end of period	181	161	176	154	131	127	111	95
Average net sales per store (6)	$ 913	$ 849	$ 3,815	$ 3,744	$ 1,413	$ 2,647	$ 3,777	$ 3,822
Comparable store sales change (7)	8.8%	(3.0)%	4.4%	1.1%	(1.5)%	3.9%	0.0%	(0.5)%

	As of May 2, 2015		
	Actual	Pro forma(8)	Pro forma as adjusted(9)
	(dollars in thousands)		
Consolidated Balance Sheet Data:			
Cash	$ 4,053	$ 4,053	$ 4,053
Total assets	925,135	926,287	925,163
Total debt (10)	320,606	370,606	257,702
Total liabilities	500,609	550,609	437,067
Total stockholders' equity	424,526	375,678	488,096

(1) Successor period 2012 consists of the 18-week period from September 29, 2012 to February 2, 2013, and Predecessor period 2012 consists of the 39-week period from January 1, 2012 to September 28, 2012. For the month ended January 28, 2012, net sales were $23.3 million, cost of sales was $14.1 million, net loss was $0.3 million, EBITDA (as defined below) was $0.4 million, Adjusted EBITDA (as defined below) was $0.8 million and capital expenditures were $0.5 million. For the month ended February 2, 2013, net sales were $32.4 million, cost of sales were $19.6 million, net loss was $0.6 million, EBITDA loss was $0.3 million, Adjusted EBITDA was $1.2 million and capital expenditures were $0.8 million.

(2) Represents loss of assets and costs directly attributed to a significant flood that occurred in one of our store locations in September 2011. Such costs (including damaged inventory, fixed assets and related costs associated with clean-up) were expensed as incurred. The store location was closed for the remainder of fiscal year 2011, re-opened in fiscal year 2012 and is included in the new store count for fiscal year 2012.

(3) We present certain information on a pro forma as adjusted basis to give pro forma effect to the Recapitalization, as further adjusted to give effect to the sale by us of 8,925,000 shares of our common stock in this offering, assuming no exercise of the underwriters' option to purchase additional shares, at an assumed initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated expenses and the application of the net proceeds to be received by us from this offering as described in "Use of proceeds."

Pro forma as adjusted net income reflects the pro forma effect of the Recapitalization, as further adjusted to give effect to (i) the net decrease in interest expense, net resulting from the repayment of $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities with the net proceeds from this offering, as described in "Use of proceeds," and (ii) increases in income tax expense due to higher income before income taxes resulting from a decrease in interest expense, net as a result of the repayment of $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities as described in (i) above as if each of these events had occurred on February 2, 2014. Pro forma as adjusted basic earnings per common share consists of pro forma as adjusted net income divided by the pro forma as adjusted basic weighted average common shares outstanding. Pro forma as adjusted diluted earnings per common share consists of pro forma as adjusted net income divided by the pro forma as adjusted diluted weighted average common shares outstanding.

The table below provides a summary of net income used in the calculation of basic and diluted earnings per common share on a pro forma as adjusted basis for the periods presented (dollars in thousands):

	First quarter 2015	Fiscal year 2014
Net income	$ 6,661	$ 26,915
Reduction of interest expense	756	2,993
Tax effect of the above adjustments	(295)	(1,149)
Pro forma as adjusted net income	$ 7,122	$ 28,759

Pro forma as adjusted weighted average common shares outstanding used in the calculation of pro forma as adjusted basic and diluted earnings per common share gives effect to the sale by us of 8,925,000 shares of our common stock in this offering, assuming no exercise of the underwriters' option to purchase additional shares, as if this event had occurred on February 2, 2014.

The table below provides a summary of the weighted average common shares outstanding used in the calculation of basic and diluted earnings per common share on a pro forma as adjusted basis:

	First quarter 2015	Fiscal year 2014
Weighted average common shares outstanding—basic	48,196,500	48,202,480
Common shares sold in this offering	8,925,000	8,925,000
Pro forma as adjusted weighted average common share outstanding—basic	57,121,500	57,127,480
Incremental shares from the assumed exercise of outstanding stock options	1,348,605	406,870
Pro forma as adjusted weighted average common shares outstanding—diluted	58,470,105	57,534,350

(4) We report our financial results in accordance with U.S. generally accepted accounting principles, or GAAP. To supplement this information, we also use non-GAAP financial measures in this prospectus, including EBITDA, EBITDA margin, Adjusted EBITDA and Adjusted EBITDA margin. EBITDA is calculated as net income before interest expense, income taxes and depreciation and amortization expenses. EBITDA margin represents EBITDA divided by net sales.

Adjusted EBITDA is calculated as EBITDA as further adjusted for non-cash stock based compensation expense, pre-opening expenses, acquisition expenses, purchase accounting and other expenses detailed in the table below. Adjusted EBITDA margin represents Adjusted EBITDA divided by net sales.

EBITDA and Adjusted EBITDA eliminate the effects of items that we do not consider indicative of our operating performance. EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are supplemental measures of operating performance that do not represent and should not be considered as alternatives to net income (loss), as determined by GAAP, and our calculation of EBITDA, Adjusted EBITDA and Adjusted EBITDA margin may not be comparable to similar metrics reported by other companies. Our presentation of such measures should not be construed as an inference that our future results will be unaffected by these items.

Management believes that such financial measures, when viewed with our results of operations in accordance with GAAP and our reconciliation of Adjusted EBITDA to net income, provide additional information to investors about certain material non-cash items and items that may not reflect our core operating performance. By providing these non-GAAP financial measures, we believe we are enhancing investors' understanding of our business, our results of operations and our core profitability, as well as assisting investors in evaluating how well we are executing strategic initiatives. We believe EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are used by investors as supplemental measures to evaluate the overall operating performance of companies in our industry.

Management uses EBITDA, Adjusted EBITDA and other similar measures:

- as a measurement used in comparing our operating performance on a consistent basis;
- to calculate incentive compensation for our employees;
- for planning purposes, including the preparation of our internal annual operating budget, which is based on our forecasted performance; and
- to evaluate the performance and effectiveness of our operational strategies.

EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of the limitations are:

- EBITDA and Adjusted EBITDA do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt;
- EBITDA and Adjusted EBITDA do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect the cash requirements for such replacements;
- EBITDA and Adjusted EBITDA do not reflect our tax expense or the cash requirements to pay our taxes; and
- Adjusted EBITDA does not reflect the non-cash component of our employee compensation, which is an element of our equity incentive compensation.

To address these limitations, we reconcile EBITDA and Adjusted EBITDA to the most directly comparable GAAP measure, net income. Further, we also review GAAP measures and evaluate individual measures that are not included in EBITDA and Adjusted EBITDA.

The following table provides a reconciliation of our net income to Adjusted EBITDA for the periods presented:

	Successor					Predecessor		
	First quarter		Fiscal year		Successor period	Predecessor period	Fiscal year	
	2015	2014	2014	2013	2012	2012	2011	2010
	(dollars in thousands)							
Net income	$ 6,661	$ 4,328	$26,915	$19,541	$ 3,605	$ 9,013	$16,689	$19,110
Interest expense, net	4,574	4,993	19,103	19,341	5,832	4,425	6,157	2,340
Depreciation and amortization expenses (a)	2,238	2,092	8,785	9,491	3,788	4,657	5,842	4,856
Income tax expense	4,252	2,696	16,763	11,277	3,303	7,286	9,933	12,658
EBITDA	17,725	14,109	71,566	59,650	16,528	25,381	38,621	38,964
Non-cash stock based compensation expense	1,087	900	3,761	3,440	1,115	195	50	617
Pre-opening expenses (b)	990	1,720	4,910	4,833	665	3,521	7,125	3,691
Acquisition expenses (c)	—	—	—	—	1,655	7,327	—	—
Purchase accounting (d)	(86)	(101)	(383)	(208)	3,347	—	—	—
Debt financing expenses (e)	—	445	446	510	—	—	—	—
Deferred compensation expense	—	—	—	—	—	309	69	94
Loss of assets and costs related to flood (f)	—	—	—	—	—	—	896	—
Former management fees (g)	—	—	—	—	—	279	369	358
Adjusted EBITDA	$19,716	$17,073	$80,300	$68,225	$ 23,310	$ 37,012	$47,130	$43,724

(a) Includes depreciation and amortization relating to our distribution centers, which is included within cost of sales on our consolidated statements of income. See note 2 to the audited financial statements included elsewhere in this prospectus.

(b) Represents expenses of opening new stores and distribution centers. For new stores, pre-opening expenses includes grand opening advertising costs, payroll expenses, travel expenses, employee training costs, rent expenses and store setup costs. For distribution centers, pre-opening expenses primarily includes inventory transportation costs, employee travel expenses and occupancy costs.

(c) Represents various fees and expenses related to the CCMP Acquisition.

(d) Includes purchase accounting impact from the inventory fair value step-up and unfavorable lease liabilities related to the CCMP Acquisition.

(e) Represents fees and expenses related to amendments to our Senior Secured Credit Facilities.

(f) Represents expenses and income related to a significant flood in one of our store locations in September 2011.

(g) Represents management fees payable to our prior private equity sponsor and terminated in connection with the CCMP Acquisition.

(5) Represents number of stores opened during the period presented.

(6) Represents the weighted average of total net sales divided by the number of stores open, in each case at the end of each week in a fiscal year or fiscal quarter, respectively.

(7) Comparable store sales represent net sales of “comparable stores” during a fiscal period. Stores become “comparable” beginning on the first day of the sixteenth full fiscal month following the store’s opening. Comparable store sales growth represents the percentage change in comparable store sales from the prior fiscal period. See “Management’s discussion and analysis of financial condition and results of operations—How we assess the performance of our business—Comparable store sales.”

(8) Pro forma information gives effect to our Recapitalization.

(9) We present certain information on a pro forma as adjusted basis to give pro forma effect to the Recapitalization, as further adjusted to give effect to the sale by us of 8,925,000 shares of our common stock in this offering, assuming no exercise of the underwriters’ option to purchase additional shares, at an assumed initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated expenses and the application of the net proceeds to be received by us from this offering as described in “Use of proceeds.”

Pro forma as adjusted balance sheet data reflects the pro forma effect of the Recapitalization, as further adjusted to give effect to (i) the repayment of $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities with the net proceeds from this offering, as described in “Use of proceeds,” (ii) the write-off of deferred financing costs and unamortized original issue discount of $1.1 million and $0.5 million, respectively, as a result of the repayment of $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities as described in (i) above and (iii) the balance sheet income tax effect of $0.6 million related to the write-off described in (ii) above as if each of these events had occurred on May 2, 2015.

(10) Represents total outstanding indebtedness, net of $2.6 million of unamortized original issue discount. See note 4 to our unaudited condensed consolidated financial statements included elsewhere in this prospectus.

Risk factors

Investing in our common stock involves a high degree of risk. You should carefully consider the following risk factors, as well as other information in this prospectus, before deciding whether to invest in the shares of our common stock. The occurrence of any of the events described below could have a material adverse effect on our business, financial condition or results of operations. In the case of such an event, the trading price of our common stock may decline and you may lose all or part of your investment.

Risks related to our business and industry

We may not be able to execute our opportunistic buying, adequately manage our supply of inventory or anticipate customer demand, which could have a material adverse effect on our business, financial condition and results of operations.

Our business is dependent on our ability to strategically source a sufficient volume and variety of brand name merchandise at opportunistic pricing. We do not have significant control over the supply, design, function, cost or availability of many of the products that we offer for sale in our stores. Additionally, because a substantial amount of our store products are sourced by us from suppliers on a closeout basis or with significantly reduced prices for specific reasons, we are not always able to purchase specific merchandise on a recurring basis. We do not have long-term contracts with our suppliers and therefore, we have no contractual assurances of pricing or access to products, and any supplier could discontinue sales to us at any time or offer us less favorable terms on future transactions. We generally make individual purchase decisions for products that become available, and these purchases may be for large quantities that we may not be able to sell on a timely or cost-effective basis. Due to economic uncertainties, some of our suppliers may cease operations or may otherwise become unable to continue supplying discounted or closeout merchandise on terms or in quantities acceptable to us.

We also compete with other retailers, wholesalers and jobbers for discounted or closeout merchandise to sell in our stores. Although we work with a range of suppliers, to the extent that certain of our suppliers are better able to manage their inventory levels and reduce the amount of their excess inventory, the amount of discount or closeout merchandise available to us could also be materially reduced, potentially compromising profit margin goals for procured merchandise. Shortages or disruptions in the availability of brand name or unbranded products of a quality acceptable to our customers and us could have a material adverse effect on our business, financial condition and results of operations and also may result in customer dissatisfaction. In addition, we may significantly overstock products that prove to be undesirable and be forced to take significant markdowns. We cannot assure that our merchant team will continue to identify the appropriate customer demand and take advantage of appropriate buying opportunities, which could have a material adverse effect on our business, financial condition and results of operations.

Our ability to generate revenues is dependent on consumer confidence and spending, which may be subject to factors beyond our control, including changes in economic and political conditions.

The success of our business depends, to a significant extent, upon the level of consumer confidence and spending. A number of factors beyond our control affect the level of customer confidence and spending on merchandise that we offer, including, among other things:

- energy and gasoline prices;
- disposable income of our customers;
- discounts, promotions and merchandise offered by our competitors;
- personal debt levels of our customers;
- negative reports and publicity about the discount retail industry;

- unemployment levels;
- minimum wages;
- general economic and industry conditions;
- food prices;
- interest rates;
- the state of the housing market;
- customer confidence in future economic conditions;
- fluctuations in the financial markets;
- tax rates and policies;
- outbreak of viruses or widespread illness; and
- natural disasters, war, terrorism and other hostilities.

Reduced customer confidence and spending cut backs may result in reduced demand for our merchandise, including discretionary items, and may force us to take inventory markdowns. Reduced demand also may require increased selling and promotional expenses. Adverse economic conditions and any related decrease in customer demand for our merchandise could have a material adverse effect on our business, financial condition and results of operations.

Many of the factors identified above also affect commodity rates, transportation costs, costs of labor, insurance and healthcare, the strength of the U.S. dollar, lease costs, measures that create barriers to or increase the costs associated with international trade, changes in other laws and regulations and other economic factors, all of which may impact our cost of goods sold and our selling, general and administrative expenses, which could have a material adverse effect on our business, financial condition and results of operations.

We face intense competition which could limit our growth opportunities and adversely impact our financial performance.

We compete with a highly fragmented group of competitors including discount, closeout, mass merchant, department, grocery, drug, convenience, hardware, variety, online and other specialty stores. We compete with these retailers with respect to price, store location, supply and quality of merchandise, assortment and presentation and customer service. This competitive environment subjects us to the risk of an adverse impact to our financial performance because of the lower prices, and thus the lower margins, that are required to maintain our competitive position. A number of different competitive factors outside of our control could impact our ability to compete effectively, including:

- entry of new competitors in our markets;
- increased operational efficiencies of competitors;
- online retail capabilities by our competitors;
- competitive pricing strategies, including deep discount pricing by a broad range of retailers during periods of poor customer confidence, low discretionary income or economic uncertainty;
- continued and prolonged promotional activity by our competitors;
- liquidation sales by our competitors that have filed or may file in the future for bankruptcy;
- geographic expansion by competitors into markets in which we currently operate; and
- adoption by existing competitors of innovative store formats or retail sales methods.

A number of our competitors also have greater financial and operational resources, greater brand recognition, longer operating histories and broader geographic presences than us. We remain vulnerable to the marketing power and high level of customer recognition of these larger competitors and to the risk that these competitors or others could attract our customer base, including members of Ollie's Army.

In addition, if any of our competitors were to consolidate their operations, such consolidation may result in competitors with greatly improved financial resources, improved access to merchandise, greater market penetration and other improvements in their competitive positions, as well as result in the provision of a wider variety of products and services at competitive prices by these consolidated companies, which could adversely affect our financial performance.

We cannot guarantee that we will continue to be able to successfully compete against existing or future competitors. Our inability to respond effectively to competitive pressures, improved performance by our competitors and changes in the retail markets could result in lost market share and have a material adverse effect on our business, financial condition and results of operations.

We may not be able to retain the loyalty of our customers, particularly Ollie's Army members, which could have a material adverse effect on our business, financial condition and results of operations.

We depend on our loyal customer base, particularly members of Ollie's Army, for our consistent sales and sales growth. Competition for customers has intensified as competitors have moved into, or increased their presence in, our geographic markets and from the use of mobile and web-based technology that facilitates online shopping and real-time product and price comparisons. We expect this competition to continue to increase. Our competitors may be able to offer consumers promotions or loyalty program incentives that could attract Ollie's Army members or divide their loyalty among several retailers. If we are unable to retain the loyalty of our customers, our net sales could decrease and we may not be able to grow our store base as planned, which could have a material adverse effect on our business, financial condition and results of operations.

If we fail to open new profitable stores on a timely basis or successfully enter new markets, our financial performance could be materially adversely affected.

Our primary growth strategy is to open new profitable stores and expand our operations into new geographic regions. We opened 22 and 23 new stores in fiscal years 2014 and 2013, respectively, and we plan to open 25 to 30 stores in fiscal year 2015 as we continue to backfill in existing markets and expand into contiguous geographies. Our ability to timely open new stores depends in part on several factors, including the availability of attractive rents and store locations; the absence of occupancy delays; the ability to negotiate acceptable lease terms; our ability to obtain permits and licenses; our ability to hire and train new personnel, especially store managers, in a cost effective manner; our ability to adapt our distribution and other operational and management systems to a changing network of stores; the availability of capital funding for expansion; our ability to respond to demographic shifts in areas where our stores are located and general economic conditions.

We may not anticipate all of the challenges imposed by the expansion of our operations into new geographic markets. Some new stores may be located in areas with different competitive and market conditions, customer tastes and discretionary spending patterns than our existing markets. We may face a higher cost of entry, alternative customer demands, reduced brand recognition and minimal operating experience in these areas. Although we are extremely sensitive to cannibalizing existing stores, opening new stores in our established markets may also result in inadvertent oversaturation, sales volume transfer from existing stores to new stores and reduced comparable store sales, thus adversely affecting our overall financial performance. We may not manage our expansion effectively, and our failure to achieve or properly execute our expansion plans could limit our growth or have a material adverse effect on our business, financial condition and results of operations.

Our success depends on our executive officers, our merchant team and other key personnel. If we lose key personnel or are unable to hire additional qualified personnel, it could have a material adverse effect on our business, financial condition and results of operations.

Our future success depends to a significant degree on the skills, experience and efforts of our executive officers, our merchant team and other key personnel. The loss of services of any of our executive officers, particularly Mark Butler, our co-founder, Chairman, President and Chief Executive Officer, could materially adversely affect our business and operations. Competition for skilled and experienced management in the retail industry is intense, and our future success will also depend on our ability to attract and retain qualified personnel, including our merchant team who is responsible for purchasing and negotiating the terms of our merchandise. Failure to attract and retain new qualified personnel could have a material adverse effect on our business, financial condition and results of operations.

Factors such as inflation, cost increases and energy prices could have a material adverse effect on our business, financial condition and results of operations.

Future increases in costs, such as the cost of merchandise, shipping rates, freight costs and store occupancy costs, may reduce our profitability, given our pricing model. These cost increases may be the result of inflationary pressures which could further reduce our sales or profitability. Increases in other operating costs, including changes in energy prices, wage rates and lease and utility costs, may increase our cost of goods sold or selling, general and administrative expenses. Our low price model and competitive pressures in our industry may have the effect of inhibiting our ability to reflect these increased costs in the prices of our products and therefore reduce our profitability and have a material adverse effect on our business, financial condition and results of operations.

If we are not successful in managing our inventory balances, it could have a material adverse effect on our business, financial condition and results of operations.

Our inventory balance represented approximately 77.7% of our total assets exclusive of goodwill, trade name and other intangible assets, net, as of May 2, 2015. Efficient inventory management is a key component of our profitability and ability to generate revenue. To be successful, we must maintain sufficient inventory levels and an appropriate product mix to meet our customers' demands without allowing those levels to increase to such an extent that the costs to store and hold the goods adversely impact our results of operations. If our buying decisions do not accurately correspond to customer preferences, if we inappropriately price products or if our expectations about customer spending levels are inaccurate, we may have to take unanticipated markdowns to dispose of any excess inventory, which could have a material adverse effect on our business, financial condition and results of operations. We continue to focus on ways to reduce these risks, but we cannot assure you that we will be successful in our inventory management. If we are not successful in managing our inventory balances, it could have a material adverse effect on our business, financial condition and results of operations.

We may not be successful in the implementation of our long-term business strategy, which could materially adversely affect our business, results of operations, cash flows and financial condition.

Our success depends, to a significant degree, on our ability to successfully implement our long-term business strategy. Our ability to successfully implement our business strategies depends upon a significant number of factors, including but not limited to our ability to:

- expand our store base and increase our customers;
- access an adequate supply of quality brand name and closeout merchandise from suppliers at competitive prices;

- achieve profitable sales and to make adjustments as market conditions change;
- customer acceptance of our marketing and merchandise strategies;
- respond to competitive pressures in our industry;
- attract and retain store-level and management-level associates;
- the extent to which our management team can properly respond to the dynamics and demands of our market;
- maintain our relationships with our suppliers and customers;
- achieve positive cash flow, particularly during our peak inventory build-ups in advance of the holiday sales season; and
- adapt to any revised or new strategic initiatives and organizational structure.

Any failure to achieve any or all of our business strategies could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to attract, train and retain highly qualified managerial personnel and sales associates in our stores and our distribution centers, our sales, financial performance and business operations may be materially adversely affected.

We focus on providing our customers with a memorable and engaging shopping experience. To grow our operations and meet the needs and expectations of our customers, we must attract, train and retain a large number of highly qualified store management personnel and sales associates, while controlling labor costs. Our ability to control labor costs is subject to numerous external factors, including competition for and availability of qualified personnel in a given market, unemployment levels within those markets, governmental bodies such as the Equal Employment Opportunity Commission and the National Labor Relations Board, prevailing wage rates, minimum wage laws, the impact of legislation governing labor and employee relations or benefits, such as the Affordable Care Act, health insurance costs and our ability to maintain good relations with our associates. We compete with other retail businesses for many of our store management personnel and sales associates in hourly and part-time positions. These positions have historically had high turnover rates, which can lead to increased training and retention costs. We also rely on associates in our distribution centers to ensure the efficient processing and delivery of products from our suppliers to our stores. If we are unable to attract and retain quality sales associates and management personnel, it could have a material adverse effect on our business, financial condition and results of operations.

Our business requires that we lease substantial amounts of space and there can be no assurance that we will be able to continue to lease space on terms as favorable as the leases negotiated in the past.

We do not own any real estate. We lease all of our store locations, our corporate headquarters and our distribution facilities in York, PA and Commerce, GA. Our stores are leased from third parties, with typical initial lease terms of five to seven years with options to renew for three successive five-year periods. We believe that we have been able to negotiate favorable rental rates over the last few years due in large part to the general state of the economy, the increased availability of vacant big box retail sites and our careful identification of favorable lease opportunities. While we will continue to seek out advantageous lease opportunities, there is no guarantee that we will continue to be able to find low-cost second generation sites or obtain favorable lease terms. Many of our lease agreements have defined escalating rent provisions over the initial term and any extensions. Increases in our occupancy costs and difficulty in identifying economically suitable new store locations could have significant negative consequences, which include:

- requiring that a greater portion of our available cash be applied to pay our rental obligations, thus reducing cash available for other purposes and reducing profitability;

- increasing our vulnerability to general adverse economic and industry conditions; and
- limiting our flexibility in planning for, or reacting to changes in, our business or in the industry in which we compete.

We depend on cash flow from operations to pay our lease expenses and to fulfill our other cash needs. If our business does not generate sufficient cash flow from operating activities to fund these expenses and needs and sufficient funds are not otherwise available to us, we may not be able to service our lease expenses, grow our business, respond to competitive challenges or fund our other liquidity and capital needs, which could harm our business. Additional sites that we lease may be subject to long-term non-cancelable leases if we are unable to negotiate our current standard lease terms. If an existing or future store is not profitable, and we decide to close it, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. Moreover, even if a lease has an early cancellation clause, we may not satisfy the contractual requirements for early cancellation under that lease. In addition, if we are not able to enter into new leases or renew existing leases on terms acceptable to us, this could have a material adverse effect on our business, financial condition and results of operations.

The loss of, or disruption in the operations of, our centralized distribution centers could materially adversely affect our business and operations.

With few exceptions, our entire inventory is shipped directly from suppliers to our two distribution centers in York, PA, and Commerce, GA, where the inventory is then processed, sorted and shipped to our stores. We depend in large part on the orderly operation of this receiving and distribution process, which depends, in turn, on adherence to shipping schedules and effective management of our distribution centers. Increases in transportation costs (including increases in fuel costs), supplier-side delays, reductions in the capacity of carriers, changes in shipping companies, labor strikes or shortages in the transportation industry and unexpected delivery interruptions also have the potential to derail our orderly distribution process. We also may not anticipate changing demands on our distribution system, including the effect of expanding operations in our distribution center in Commerce, GA. In addition, events beyond our control, such as disruptions in operations due to fire or other catastrophic events or labor disagreements, may result in delays in the delivery of merchandise to our stores. While we maintain business interruption insurance, in the event our distribution centers are shut down for any reason, such insurance may not be sufficient, and any related insurance proceeds may not be timely paid to us. In addition, our new store locations receiving shipments may be further away from our distribution centers which may increase transportation costs and may create transportation scheduling strains. Any repeated, intermittent, or long-term disruption in the operations of our distribution centers would hinder our ability to provide merchandise to our stores and could have a material adverse effect on our business, financial condition and results of operations.

Our new store growth is dependent upon our ability to successfully expand our distribution network capacity, and failure to achieve or sustain these plans could affect our performance adversely.

We maintain distribution centers in York, PA and Commerce, GA to support our existing stores and our growth objectives. We continuously assess ways to maximize the productivity and efficiency of our existing distribution facilities and evaluate opportunities for additional distribution centers. Should we open additional distribution centers, delays in such openings could adversely affect our future operations by slowing store growth, which could, in turn, reduce sales growth. In addition, any distribution related construction or expansion projects entail risks which could cause delays and cost overruns, such as, shortages of materials, shortages of skilled labor or work stoppages, unforeseen construction, scheduling, engineering, environmental or geological problems, weather interference, fires or other casualty losses and unanticipated cost increases. The completion date and ultimate cost of future projects could differ significantly from initial expectations due to construction related or other reasons. We cannot guarantee that any project will be completed on time or within established budgets.

We do not compete in the growing online retail marketplace, which could have a material adverse effect on our business, financial condition and results of operations.

Our long-term business strategy does not presently include the development of online retailing capabilities. To the extent that we implement online operations, we would incur substantial expenses related to such activities and be exposed to additional cybersecurity risks. Further, any development of an online retail marketplace is a complex undertaking, and there is no guarantee that any resources we apply to this effort will result in increased revenues or operating performance. With the growing acceptance of online shopping and the increased proliferation of mobile computing devices, however, competition from other retailers in the online retail marketplace is expected to increase. Certain of our competitors and a number of pure online retailers have established robust online operations. Increased competition from online retailers and our lack of online retail presence may reduce our customers' desire to purchase goods from us and could have a material adverse effect on our business, financial condition and results of operations.

Our success depends upon our marketing, advertising and promotional efforts. If we are unable to implement them successfully, or if our competitors are more effective than we are, it could have a material adverse effect on our business, financial condition and results of operations.

We use marketing and promotional programs to attract customers to our stores and to encourage purchases by our customers. Although we use various media for our promotional efforts, including regular and Ollie's Army mailers, email campaigns, radio and television advertisements and sports marketing, we primarily advertise our in-store offerings through printed flyers. In fiscal year 2014, approximately 70% of our advertising spend was for the printing and distribution of flyers. If the efficacy of printed flyers as an advertising medium declines, or if we fail to successfully develop and implement new marketing, advertising and promotional strategies, such as an effective social media strategy, our competitors may be able to attract the interest of our customers, which could reduce customer traffic in our stores. Changes in the amount and degree of promotional intensity or merchandising strategy by our competitors could cause us to have difficulties in retaining existing customers and attracting new customers. If the efficacy of our marketing or promotional activities declines or if such activities of our competitors are more effective than ours, or if for any other reason we lose the loyalty of our customers, including our Ollie's Army members, it could have a material adverse effect on our business, financial condition and results of operations.

If we fail to protect our brand names, competitors may adopt trade names that dilute the value of our brand name.

We may be unable or unwilling to strictly enforce our trademarks in each jurisdiction in which we do business. Also, we may not always be able to successfully enforce our trademarks against competitors or against challenges by others. Our failure to successfully protect our trademarks could diminish the value and efficacy of our brand recognition and could cause customer confusion, which could have a material adverse effect on our business, financial condition and results of operations.

Because our business is seasonal, with the highest volume of net sales during the holiday season, adverse events during our fourth quarter could materially adversely affect our business, operations, cash flow and financial condition.

We generally recognize our highest volume of net sales in connection with the holiday sales season, which occurs in the fourth quarter of our fiscal year. In anticipation of the holiday sales season, we purchase substantial amounts of seasonal inventory and hire many part-time associates. Because a significant percentage of our net sales and operating income are generated in our fourth fiscal quarter, we have limited ability to compensate for shortfalls in our fourth fiscal quarter sales or earnings by changing our operations or strategies in other fiscal quarters. Adverse events, such as deteriorating economic conditions, higher

unemployment, higher gas prices, public transportation disruptions, or unanticipated adverse weather conditions could result in lower-than-planned sales during the holiday sales season. If our fourth fiscal quarter sales results were substantially below expectations, we would realize less cash from operations, and may be forced to mark down our merchandise, especially our seasonal merchandise, which could have a material adverse effect on our business, financial condition and results of operations.

Fluctuations in comparable store sales and results of operations, including fluctuations on a quarterly basis, could cause our business performance to decline substantially.

Our results of operations have fluctuated in the past, including on a quarterly basis, and can be expected to continue to fluctuate in the future.

Our comparable store sales and results of operations are affected by a variety of factors, including:

- national and regional economic trends in the United States;
- changes in gasoline prices;
- changes in our merchandise mix;
- changes in pricing;
- changes in the timing of promotional and advertising efforts;
- holidays or seasonal periods; and
- weather.

If our future comparable store sales fail to meet expectations, then our cash flow and profitability could decline substantially, which could have a material adverse effect on our business, financial condition and results of operations.

We rely on manufacturers in foreign countries for merchandise and a significant amount of our domestically-purchased merchandise is manufactured abroad. Our business may be materially adversely affected by risks associated with international trade.

We purchase merchandise directly from suppliers outside of the United States. In fiscal year 2014, substantially all of our private label inventory purchases were direct imports. Our direct imports represented 13% of our total merchandise purchases in fiscal year 2014. Additionally, a significant amount of our domestically-purchased merchandise is manufactured abroad. Our ability to identify qualified suppliers and to access products in a timely and efficient manner is a significant challenge, especially with respect to goods sourced outside of North America. Global sourcing and foreign trade involve numerous factors and uncertainties beyond our control including increased shipping costs, increased import duties, more restrictive quotas, loss of most favored nation trading status, currency, work stoppages, transportation delays, port of entry issues, economic uncertainties such as inflation, foreign government regulations, political unrest, natural disasters, war, terrorism, trade restrictions, political instability, the financial stability of vendors, merchandise quality issues, and tariffs. Moreover, negative press or reports about internationally manufactured products may sway public opinion, and thus customer confidence, away from the products sold in our stores. These and other issues affecting our international vendors could have a material adverse effect on our business, financial condition and results of operations.

We are subject to governmental regulations, procedures and requirements. A significant change in, or noncompliance with, these regulations could have a material adverse effect on our business, financial condition and results of operations.

We routinely incur significant costs in complying with federal, state, local laws and regulations. The complexity of the regulatory environment in which we operate and the related cost of compliance are increasing due to expanding and additional legal and regulatory requirements and increased enforcement efforts. New laws or regulations, including those dealing with healthcare reform, product safety, consumer credit, privacy and information security and labor and employment, among others, or changes in existing laws and regulations, particularly those governing the sale of products and food safety and quality (including changes in labeling or disclosure requirements), federal or state wage requirements, employee rights, health care, social welfare or entitlement programs such as health insurance, paid leave programs, or other changes in workplace regulation, may result in significant added expenses or may require extensive system and operating changes that may be difficult to implement and/or could materially increase our cost of doing business. Untimely compliance or noncompliance with applicable regulations or untimely or incomplete execution of a required product recall can result in the imposition of penalties, including loss of licenses or significant fines or monetary penalties, class action litigation or other litigation, in addition to reputational damage. Additionally, changes in tax laws, the interpretation of existing laws, or our failure to sustain our reporting positions on examination could materially adversely affect our effective tax rate and could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to maintain or upgrade our information technology systems or if we are unable to convert to alternate systems in an efficient and timely manner, our operations may be disrupted or become less efficient.

We depend on a variety of information technology systems for the efficient functioning of our business. We rely on certain hardware, telecommunications and software vendors to maintain and periodically upgrade many of these systems so that we can continue to support our business. Various components of our information technology systems, including hardware, networks, and software, are licensed to us by third party vendors. We rely extensively on our information technology systems to process transactions, summarize results and manage our business. Additionally, because we accept debit and credit cards for payment, we are subject to the Payment Card Industry Data Security Standard (the “PCI Standard”), issued by the Payment Card Industry Security Standards Council. The PCI Standard contains compliance guidelines with regard to our security surrounding the physical and electronic storage, processing and transmission of cardholder data. We expect to be in compliance with the PCI Standard by the end of fiscal year 2015, however, complying with the PCI Standard and implementing related procedures, technology and information security measures requires significant resources and ongoing attention. Costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology such as those necessary to achieve compliance with the PCI Standard or with maintenance or adequate support of existing systems could also disrupt or reduce the efficiency of our operations. Any material interruptions or failures in our payment-related systems could have a material adverse effect on our business, financial condition and results of operations.

If our information technology systems are damaged or cease to function properly, we may have to make a significant investment to fix or replace them. If there are amendments to the PCI Standard, the cost of re-compliance could also be substantial and we may suffer loss of critical data and interruptions or delays in our operations as a result. In addition, we may have to upgrade our existing information technology systems from time to time, in order for such systems to withstand the increasing needs of our expanding business. Any material interruption experienced by our information technology systems could have a material adverse effect on our business, financial condition and results of operations. Costs and potential interruptions associated with the implementation of new or upgraded systems and technology or with maintenance or adequate support of our existing systems could disrupt or reduce the efficiency of our business.

Any disruptions to our information technology systems or breaches of our network security could interrupt our operations, compromise our reputation, expose us to litigation, government enforcement actions and costly response measures and could have a material adverse effect on our business, financial condition and results of operations.

We rely on the integrity, security and successful functioning of our information technology systems and network infrastructure across our operations, including point-of-sale processing at our stores. In connection with sales, we transmit encrypted confidential credit and debit card information.

We are not fully compliant with the PCI Standard and there can be no assurance that in the future we will be able to operate our facilities and our customer service and sales operations in accordance with PCI or other industry recommended or contractually required practices. We intend to obtain compliance with the PCI Standard by the end of fiscal year 2015 and will incur additional expenses to attain and maintain PCI compliance. Even if we are compliant with such standards, we still may not be able to prevent security breaches.

We also have access to, collect or maintain private or confidential information regarding our customers, associates and suppliers, as well as our business. The protection of our customer, associates, supplier and company data is critical to us. The regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements across our business. In addition, customers have a high expectation that we will adequately protect their personal information from cyber-attack or other security breaches. We have procedures in place to safeguard such data and information. However, a significant breach of customer, employee, supplier, or company data could attract a substantial amount of negative media attention, damage our customer and supplier relationships and our reputation, and result in lost sales, fines and/or lawsuits.

An increasingly significant portion of our sales depends on the continuing operation of our information technology and communications systems, including but not limited to our point-of-sale system and our credit card processing systems. Our information technology, communication systems and electronic data may be vulnerable to damage or interruption from earthquakes, acts of war or terrorist attacks, floods, fires, tornadoes, hurricanes, power loss and outages, computer and telecommunications failures, computer viruses, loss of data, unauthorized data breaches, usage errors by our associates or our contractors or other attempts to harm our systems, including cyber-security attacks or other breaches of cardholder data. Some of our systems are not fully redundant, and our disaster recovery planning cannot account for all eventualities. The occurrence of a natural disaster, intentional sabotage or other unanticipated problems could result in lengthy interruptions in our service. Any errors or vulnerabilities in our systems, or damage to or failure of our systems, could result in interruptions in our services and non-compliance with certain regulations, which could have a material adverse effect on our business, financial condition and results of operations.

The cost of compliance with product safety regulations and risks related to product liability claims and product recalls could damage our reputation, increase our cost of doing business and could have a material adverse effect on our business, financial condition and results of operations.

New federal or state legislation, including new product safety laws and regulations, may negatively impact our operations. Future changes in product safety legislation or regulations may lead to product recalls and the disposal or write-off of merchandise. While we work to comply in all material respects with applicable legislation and regulations, and to execute product recalls in a timely manner, if our merchandise, including food and consumable products and flooring, does not meet applicable governmental safety standards or our customers' expectations regarding quality or safety, we could experience lost sales and increased costs, be exposed to legal and reputational risk and face fines or penalties which could materially adversely affect our

financial results. We also purchase a material portion of our products on a closeout basis. Some of these products are obtained through brokers or intermediaries rather than through manufacturers. The closeout nature of a portion of our products sometimes makes it more difficult for us to investigate all aspects of these products. Furthermore, customers have asserted claims, and may in the future assert claims that they have sustained injuries from merchandise offered by us, and we may be subject to lawsuits relating to these claims. There is a risk that these claims may exceed, or fall outside the scope of, our insurance coverage. Even with adequate insurance and indemnification from third-party suppliers, such claims, even if unsuccessful or not fully pursued, could significantly damage our reputation and customer confidence in our products. If this occurs, it may be difficult for us to regain lost sales, which could have a material adverse effect on our business, financial condition and results of operations.

We face litigation risks from customers, associates and other third parties in the ordinary course of business.

Our business is subject to the risk of litigation by customers, current and former associates, suppliers, stockholders, intellectual property rights holders, government agencies and others through private actions, class actions, administrative proceedings, regulatory actions, or other litigation. The outcome of litigation, particularly class action lawsuits and regulatory actions, is difficult to assess or quantify. Plaintiffs in these types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. The cost to defend future litigation may be significant and may negatively affect our operating results if changes to our business operations are required. There may also be negative publicity associated with litigation that could decrease customer acceptance of merchandise offerings, regardless of whether the allegations are valid or whether we are ultimately found liable. As a result, litigation may adversely affect our business, financial condition, results of operations or liquidity.

Our indebtedness may limit our ability to invest in the ongoing needs of our business and if we are unable to comply with our financial covenants, it could have a material adverse effect on our liquidity and our business, financial condition and results of operations.

On a pro forma basis giving effect to the Recapitalization, as of May 2, 2015, we had $370.6 million of outstanding indebtedness under our Senior Secured Credit Facilities, consisting of a $125.0 million Revolving Credit Facility of which $50.0 million was borrowed on May 27, 2015, and $320.6 million of outstanding indebtedness under our Term Loan Facility, net of unamortized original issue discount of $2.6 million. We may, from time to time, incur additional indebtedness.

The agreements governing our Senior Secured Credit Facilities place certain conditions on us, including that they:

- increase our vulnerability to adverse general economic or industry conditions;
- limit our flexibility in planning for, or reacting to, changes in our business or the industries in which we operate;
- make us more vulnerable to increases in interest rates, as borrowings under our Senior Secured Credit Facilities are at variable rates;
- limit our ability to obtain additional financing in the future for working capital or other purposes;
- require us to utilize our cash flow from operations to make payments on our indebtedness, reducing the availability of our cash flow to fund working capital, capital expenditures, development activity and other general corporate purposes; and
- place us at a competitive disadvantage compared to our competitors that have less indebtedness.

Our Senior Secured Credit Facilities place certain limitations on our ability to incur additional indebtedness. However, subject to the qualifications and exceptions in our Senior Secured Credit Facilities, we may be permitted to incur substantial additional indebtedness and may incur obligations that do not constitute indebtedness under the terms of the Senior Secured Credit Facilities. Our Senior Secured Credit Facilities also place certain limitations on, among other things, our ability to enter into certain types of transactions, financing arrangements and investments, to make certain changes to our capital structure and to guarantee certain indebtedness. Our Senior Secured Credit Facilities also place certain restrictions on the payment of dividends and distributions and certain management fees. These restrictions limit or prohibit, among other things, our ability to:

- pay dividends on, redeem or repurchase our stock or make other distributions;
- incur or guarantee additional indebtedness;
- sell stock in our subsidiaries;
- create or incur liens;
- make acquisitions or investments;
- transfer or sell certain assets or merge or consolidate with or into other companies;
- make certain payments or prepayments of indebtedness subordinated to our obligations under our Senior Secured Credit Facilities; and
- enter into certain transactions with our affiliates.

Failure to comply with certain covenants or the occurrence of a change of control under our Senior Secured Credit Facilities could result in the acceleration of our obligations under the Senior Secured Credit Facilities, which would materially adversely affect our liquidity, capital resources and results of operations.

Under certain circumstances, our Senior Secured Credit Facilities require us to comply with certain financial covenants regarding our fixed charge coverage ratio. Changes with respect to these financial covenants may increase our interest rate and failure to comply with these covenants could result in a default and an acceleration of our obligations under the Senior Secured Credit Facilities, which could have a material adverse effect on our liquidity and our business, financial condition and results of operations. See “Description of certain indebtedness.”

We may be unable to generate sufficient cash flow to satisfy our significant debt service obligations, which could have a material adverse effect on our business, financial condition and results of operations.

Our ability to make principal and interest payments on and to refinance our indebtedness will depend on our ability to generate cash in the future and is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. If our business does not generate sufficient cash flow from operations, in the amounts projected or at all, or if future borrowings are not available to us in amounts sufficient to fund our other liquidity needs, our business financial condition and results of operations could be materially adversely affected. If we cannot generate sufficient cash flow from operations to make scheduled principal and interest payments in the future, we may need to refinance all or a portion of our indebtedness on or before maturity, sell assets, delay capital expenditures or seek additional equity. The terms of our existing or future debt agreements, including our Senior Secured Credit Facilities, may also restrict us from affecting any of these alternatives. Further, changes in the credit and capital markets, including market disruptions and interest rate fluctuations, may increase the cost of financing, make it more difficult to obtain favorable terms, or restrict our access to these sources of future liquidity. If we are unable to refinance any of our indebtedness

on commercially reasonable terms or at all or to effect any other action relating to our indebtedness on satisfactory terms or at all, it could have a material adverse effect on our business, financial condition and results of operations.

Natural disasters, whether or not caused by climate change, unusual weather condition, epidemic outbreaks, terrorist acts and political events could disrupt business and result in lower sales and otherwise adversely affect our financial performance.

The occurrence of one or more natural disasters, such as tornadoes, hurricanes, fires, floods and earthquakes, unusual weather conditions, epidemic outbreaks such as Ebola or measles, terrorist attacks or disruptive political events in certain regions where our stores are located could adversely affect our business and result in lower sales. Severe weather, such as heavy snowfall or extreme temperatures, may discourage or restrict customers in a particular region from traveling to our stores, thereby reducing our sales and profitability. If severe weather conditions occur during the second or fourth quarter of our fiscal year, the adverse impact to our sales and profitability could be even greater than at other times during the year because we generate a larger portion of our sales and profits during this period. Natural disasters including tornadoes, hurricanes, floods and earthquakes may damage our stores or other operations, which may materially adversely affect our consolidated financial results. To the extent these events also impact one or more of our key suppliers or result in the closure of one or both of our centralized distribution centers or our corporate headquarters, we may be unable to maintain inventory balances, maintain delivery schedules or provide other support functions to our stores. This could have a sustained material adverse effect on our business, financial condition and results of operations.

Our current insurance program may expose us to unexpected costs and negatively affect our financial performance.

Our insurance coverage reflects deductibles, self-insured retentions, limits of liability and similar provisions that we believe are prudent based on the dispersion of our operations. However, there are types of losses we may incur but against which we cannot be insured or which we believe are not economically reasonable to insure, such as losses due to acts of war, employee and certain other crime, wage and hour and other employment-related claims, including class actions, and some natural disasters. If we incur these losses and they are material, our business could suffer. Certain material events may result in sizable losses for the insurance industry and adversely impact the availability of adequate insurance coverage or result in excessive premium increases. To offset negative insurance market trends, we may elect to self-insure, accept higher deductibles or reduce the amount of coverage in response to these market changes. In addition, we self-insure a significant portion of expected losses under our worker’s compensation, general liability and group health insurance programs. Unanticipated changes in any applicable actuarial assumptions and management estimates underlying our recorded liabilities for these losses, including expected increases in medical and indemnity costs, could result in materially different expenses than expected under these programs, which could have a material adverse effect on our results of operations and financial condition. Although we continue to maintain property insurance for catastrophic events at our store support center, distribution centers and stores, we are not self-insured for other property losses. With the enactment of the Affordable Care Act, we may experience an increase in participation in our group health insurance programs, which may lead to a greater number of medical claims. If we experience a greater number of these losses than we anticipate, it could have a material adverse effect on our business, financial condition and results of operations.

Inventory shrinkage could have a material adverse effect on our business, financial condition and results of operations.

We are subject to the risk of inventory loss and theft. Although our inventory shrinkage rates have not been material, or fluctuated significantly in recent years, we cannot assure you that actual rates of inventory loss and theft in the

future will be within our estimates or that the measures we are taking will effectively reduce the problem of inventory shrinkage. Although some level of inventory shrinkage is an unavoidable cost of doing business, if we were to experience higher rates of inventory shrinkage or incur increased security costs to combat inventory theft, it could have a material adverse effect on our business, financial condition and results of operations.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our operating results could be adversely affected.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in "Management's discussion and analysis of financial condition and results of operations." The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Our operating results may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our operating results to fall below the expectations of securities analysts and investors, resulting in a decline in our stock price. Significant assumptions and estimates used in preparing our consolidated financial statements include those related to inventory valuation, impairment of goodwill and intangible assets, impairment of long-lived assets, stock-based compensation expense and accounting for income taxes including deferred tax assets and liabilities.

Changes to accounting rules or regulations could have a material adverse effect on our business, financial condition and results of operations.

Changes to existing accounting rules or regulations may impact our future results of operations or cause the perception that we are more highly leveraged. Other new accounting rules or regulations and varying interpretations of existing accounting rules or regulations have occurred and may occur in the future. For instance, accounting regulatory authorities have indicated that they may begin to require lessees to capitalize operating leases in their financial statements in the next few years. If adopted, such change would require us to record significant lease obligations on our consolidated balance sheet and make other changes to our financial statements. This and other future changes to accounting rules or regulations could have a material adverse effect on our business, financial condition and results of operations.

Risks related to our common stock and this offering

We will incur increased costs and obligations as a result of being a public company.

As a privately held company, we were not required to comply with certain corporate governance and financial reporting practices and policies required of a publicly traded company. As a publicly traded company, we will incur significant legal, accounting, insurance and other expenses that we have not incurred as a private company, particularly after we are no longer an emerging growth company as defined under the JOBS Act. After this offering, we will be required to file with the SEC annual and quarterly information and other reports that are specified in Section 13 of the Exchange Act. We will also be required to ensure that we have the ability to prepare financial statements that are fully compliant with all SEC reporting requirements on a timely basis. In addition, we will become subject to other reporting and corporate governance requirements, including the requirements of the NASDAQ, and certain provisions of the Sarbanes-Oxley Act, and the regulations promulgated thereunder, which will impose significant compliance obligations upon us. As a public company, we will, among other things:

- prepare and distribute periodic public reports and other stockholder communications in compliance;

- comply with our obligations under the federal securities laws and applicable NASDAQ rules;
- create or expand the roles and duties of our board of directors (the “Board”) and committees of the Board;
- institute more comprehensive financial reporting and disclosure compliance functions;
- enhance our investor relations function;
- establish new internal policies, including those relating to disclosure controls and procedures; and
- involve and retain to a greater degree outside counsel and accountants in the activities listed above.

These changes will require a significant commitment of additional resources and many of our competitors already comply with these obligations. We may not be successful in complying with these obligations and the significant commitment of resources required for complying with them could have a material adverse effect on our business, financial condition and results of operations. These laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our Board, our Board committees or as our executive officers.

In addition, if we fail to implement the requirements with respect to our internal accounting and audit functions, our ability to report our results of operations on a timely and accurate basis could be impaired and we could suffer adverse regulatory consequences or violate the NASDAQ listing standards. There could also be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements, which could have a material adverse effect on our business, financial condition and results of operations.

The changes necessitated by becoming a public company require a significant commitment of resources and management supervision that has increased and may continue to increase our costs and might place a strain on our systems and resources. As a result, our management’s attention might be diverted from other business concerns. If we fail to maintain an effective internal control environment or to comply with the numerous legal and regulatory requirements imposed on public companies, we could make material errors in, and be required to restate, our financial statements. Any such restatement could result in a loss of public confidence in the reliability of our financial statements and sanctions imposed on us by the SEC. If we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and potentially civil litigation.

Our management team currently manages a private company and the transition to managing a public company will present new challenges.

Following the completion of this offering, we will be subject to various regulatory requirements, including those of the SEC and the NASDAQ. These requirements include record keeping, financial reporting and corporate governance rules and regulations. We do not have the resources typically found in a public company. Our internal infrastructure may not be adequate to support our increased reporting obligations, and we may be unable to hire, train or retain necessary staff and may be reliant on engaging outside consultants or professionals to overcome our lack of experience or employees. If our internal infrastructure is inadequate, we are unable to engage outside consultants or are otherwise unable to fulfill our public company obligations, it could have a material adverse effect on our business, financial condition and results of operations.

Our internal control over financial reporting does not currently meet the standards required by Section 404 of the Sarbanes-Oxley Act, and failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business, financial condition and results of operations.

As a privately held company, we have not been required to evaluate our internal control over financial reporting in a manner that meets the standards of publicly traded companies required by Section 404 of the Sarbanes-Oxley Act. Section 404 of the Sarbanes-Oxley Act requires annual management assessments of the effectiveness of our internal control over financial reporting, starting with the second annual report that we file with the SEC as a public company, and generally requires in the same report a report by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. However, under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until we are no longer an emerging growth company. We could be an emerging growth company for up to five years subsequent to becoming a public company. Once we are no longer an emerging growth company, our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting on an annual basis. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our controls are documented, designed or operating.

The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation and the incurrence of significant additional expenditures.

To comply with the requirements of being a public company, we have undertaken various actions, and may need to take additional actions, such as implementing new internal controls and procedures and hiring additional accounting or internal audit staff. In connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we may identify deficiencies that we may not be able to remediate in time to meet the deadline imposed by the Sarbanes-Oxley Act for compliance with the requirements of Section 404. In addition, we may encounter problems or delays in completing the implementation of any requested improvements and receiving a favorable attestation in connection with the attestation provided by our independent registered public accounting firm. We will be unable to issue securities in the public markets through the use of a shelf registration statement if we are not in compliance with the applicable provisions of Section 404. Furthermore, failure to achieve and maintain an effective internal control environment could limit our ability to report our financial results accurately and timely and have a material adverse effect on our business, financial condition and results of operations.

We are an emerging growth company, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

As an emerging growth company, as defined in the JOBS Act, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to obtain an assessment of the effectiveness of our internal controls over financial reporting from our independent registered public accounting firm pursuant to Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. To the extent we avail ourselves of these exemptions, our financial statements may not be comparable to companies that comply with such new or revised accounting standards. We cannot predict if investors will find our common stock less attractive because we will rely on these

exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and the market price of our common stock may be more volatile.

We are a "controlled company" within the meaning of the NASDAQ rules and, as a result, we will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

Following this offering, CCMP will continue to control a majority of the voting power of our outstanding common stock. As a result, we are a "controlled company" within the meaning of the corporate governance standards of the NASDAQ. Under these rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of our Board consist of independent directors;
- the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities, or otherwise have director nominees selected by vote of a majority of the independent directors;
- the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- the requirement for an annual performance evaluation of the nominating and corporate governance and compensation committees.

Following this offering, we intend to utilize these exemptions. As a result, we will not have a majority of independent directors, we will not have a nominating and corporate governance committee and our compensation committee will not consist entirely of independent directors or be subject to annual performance evaluations. Additionally, we only are required to have one independent audit committee member upon the listing of our common stock on the NASDAQ, a majority of independent audit committee members within 90 days from the date of listing and all independent audit committee members within one year from the date of listing. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NASDAQ. CCMP, however, is not subject to any contractual obligation to retain its controlling interest, except that CCMP has agreed, subject to certain exceptions, not to sell or otherwise dispose of any shares of our common stock or other capital stock or other securities exercisable or convertible therefor for a period of at least 180 days after the date of this prospectus without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated. Except for this brief period, there can be no assurance as to the period of time during which CCMP will maintain its ownership of our common stock following the offering. As a result, there can be no assurance as to the period of time during which we will be able to avail ourselves of the controlled company exemptions.

CCMP and our Chief Executive Officer will collectively own a substantial majority of our outstanding common stock following this offering. CCMP will effectively control our company, and its interests may be different from or conflict with those of our other stockholders.

After the consummation of this offering, CCMP will beneficially own 60.6% of our outstanding common stock, or 59.2% of our outstanding common stock if the underwriters fully exercise their option to purchase additional shares and Mark Butler, our co-founder, Chairman, President and Chief Executive Officer, will beneficially own 24.5% of our outstanding common stock, or 23.9% of our outstanding common stock if the underwriters fully exercise their option to purchase additional shares. Accordingly, both CCMP and Mr. Butler will be able to exert

a significant degree of influence or actual control over our management and affairs and will control matters requiring stockholder approval, including the election of directors, a merger, consolidation or sale of all or substantially all of our assets, and any other significant transaction. Our principal stockholders' interests might not always coincide with our interests or the interests of our other stockholders. For instance, this concentration of ownership and/or the restrictions imposed by the stockholders agreement may have the effect of delaying or preventing a change in control of us otherwise favored by our other stockholders and could depress our stock price.

CCMP may acquire interests and positions that could present potential conflicts with our and our stockholders' interests.

CCMP makes investments in companies and may, from time to time, acquire and hold interests in businesses that compete directly or indirectly with us. CCMP may also pursue, for its own accounts, acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities might not be available to us. Our organizational documents contain provisions renouncing any interest or expectancy held by our directors affiliated with CCMP in certain corporate opportunities. Accordingly, the interests of CCMP may supersede ours, causing CCMP or its affiliates to compete against us or to pursue opportunities instead of us, for which we have no recourse. Such actions on the part of CCMP and inaction on our part could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Upon the completion of this offering, full-time investment professionals of CCMP will occupy three seats on our Board. Because CCMP could invest in entities that directly or indirectly compete with us, when conflicts arise between the interests of CCMP and the interests of our stockholders, these directors may not be disinterested.

Anti-takeover provisions in our second amended and restated certificate of incorporation and bylaws and under Delaware law could make an acquisition of us more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.

Provisions in our second certificate of incorporation and bylaws, as amended and restated in connection with this offering, may have the effect of delaying or preventing a change of control or changes in our management. Our second amended and restated certificate of incorporation and amended and restated bylaws will include provisions that:

- authorize our Board to issue, without further action by the stockholders, up to 50,000,000 shares of undesignated preferred stock;
- subject to certain exceptions, require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent;
- specify that special meetings of our stockholders can be called only by a majority of our Board or upon the request of the Chief Executive Officer;
- establish an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to our Board;
- establish that our Board is divided into three classes, with each class serving three-year staggered terms;
- prohibit cumulative voting in the election of directors; and
- provide that vacancies on our Board may be filled only by a majority of directors then in office, even though less than a quorum.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board, which is responsible for appointing the members of our management.

In addition, our second amended and restated certificate of incorporation will provide that the provisions of Section 203 of the Delaware General Corporation Law (the "DGCL"), which relate to business combinations with interested stockholders, do not apply to us, until the moment in time, if ever, immediately following the time at which both of the following conditions exist: (i) Section 203 by its terms would, but for the terms of our second amended and restated certificate of incorporation, apply to us and (ii) there occurs a transaction following the consummation of which CCMP no longer owns at least 5% or more of our issued and outstanding common stock entitled to vote. Our second amended and restated certificate of incorporation will provide that, at such time, we will automatically become subject to Section 203 of the DGCL. Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a business combination transaction with an interested stockholder (a stockholder who owns more than 15% of our common stock) for a period of three years after the interested stockholder became such unless the transaction fits within an applicable exemption, such as board approval of the business combination or the transaction that resulted in such stockholder becoming an interested stockholder. These provisions would apply even if the business combination could be considered beneficial by some stockholders. Although we have elected to opt out of the statute's provisions until the above conditions are met, we could elect to be subject to Section 203 in the future.

There is no existing market for our common stock, and we do not know if one will develop to provide you with adequate liquidity.

Prior to this offering, there was no public market for our common stock. An active market for our common stock may not develop following the completion of this offering, or if it does develop, may not be maintained. If an active trading market does not develop, you may have difficulty selling any of our common stock that you buy. The initial public offering price for the shares of our common stock will be determined by negotiations between us and the representatives of the underwriters and may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell shares of our common stock at prices equal to or greater than the initial public offering price. Further, it is possible that in one or more future periods, our results of operations may be below the expectations of public market analysts and investors and, as a result of these factors and other factors, the price of the shares of our common stock may fall.

We expect that our stock price will fluctuate significantly, which could cause the value of your investment in our common stock to decline, and you may not be able to resell your shares at a price at or above the initial public offering price.

Securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. The market volatility, as well as general economic, market or political conditions, could reduce the market price of our common stock regardless of our results of operations. The trading price of our common stock is likely to be volatile and subject to significant price fluctuations in response to many factors, including:

- changes in customer preferences;
- market conditions or trends in our industry or the economy as a whole and, in particular, in the retail environment;
- the timing and expense of new store openings, renewals, remodels and relocations and the relative proportion of our new stores to existing stores;
- the performance and successful integration of any new stores that we open;

- changes in our merchandise mix and supplier base;
- changes in key personnel;
- entry into new geographic markets;
- our levels of comparable store sales;
- announcements by us or our competitors of significant acquisitions, divestitures, strategic partnerships, joint ventures or capital commitments;
- the level of pre-opening expenses associated with new stores;
- inventory shrinkage beyond our historical average rates;
- changes in operating performance and stock market valuations of other retailers;
- investors' perceptions of our prospects and the prospects of the retail industry;
- fluctuations in quarterly operating results, as well as differences between our actual financial and operating results and those expected by investors;
- the public's response to press releases or other public announcements by us or third parties, including our filings with the SEC;
- announcements media reports or other public forum comments related to litigation, claims or reputational charges against us;
- guidance, if any, that we provide to the public, any changes in this guidance or our failure to meet this guidance;
- changes in financial estimates or ratings by any securities analysts who follow our common stock, our failure to meet these estimates or the failure of those analysts to initiate or maintain coverage of our common stock;
- the development and sustainability of an active trading market for our common stock;
- investor perceptions of the investment opportunity associated with our common stock relative to other investment alternatives;
- future sales of our common stock by our officers, directors and significant stockholders;
- other events or factors, including those resulting from system failures and disruptions, earthquakes, hurricanes, war, acts of terrorism, other natural disasters or responses to these events; and
- changes in accounting principles.

These and other factors may cause the market price and demand for shares of our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of our common stock and may otherwise negatively affect the liquidity of our common stock. As a result of these factors, our quarterly and annual results of operations and comparable store sales may fluctuate significantly. Accordingly, results for any one fiscal quarter are not necessarily indicative of results to be expected for any other fiscal quarter or for any year and comparable store sales for any particular future period may decrease. In the future, our results of operations may fall below the expectations of securities analysts and investors. In that event, the price of our common stock would likely decrease. In the past, when the market price of a stock has been volatile, security holders have often instituted class action litigation against the company that issued the stock. If we become

involved in this type of litigation, regardless of the outcome, we could incur substantial legal costs and our management's attention could be diverted from the operation of our business, which could have a material adverse effect on our business, financial condition and results of operations.

Future sales of our common stock in the public market could cause the market price of our common stock to decrease significantly.

Sales of substantial amounts of our common stock in the public market following this offering by our existing stockholders, upon the exercise of outstanding stock options or stock options granted in the future or by persons who acquire shares in this offering may cause the market price of our common stock to decrease significantly. The perception that such sales could occur could also depress the market price of our common stock. Any such sales could also create public perception of difficulties or problems with our business and might also make it more difficult for us to raise capital through the sale of equity securities in the future at a time and price that we deem appropriate.

Upon the completion of this offering, we will have outstanding 57,124,490 shares of common stock, of which:

- 8,925,000 shares are shares that we are selling in this offering and may be resold in the public market immediately after this offering; and
- 48,199,490 shares will be "restricted securities," as defined under Rule 144 under the Securities Act, and eligible for sale in the public market subject to the requirements of Rule 144, of which 48,194,890 shares are subject to lock-up agreements and will become available for resale in the public market beginning 180 days after the date of this prospectus and none of which will become available for resale in the public market immediately following this offering.

In addition, we have reserved 5,250,000 shares of common stock for issuance under our 2015 Plan. See "Executive and director compensation—Equity incentive plans." Upon consummation of this offering, we expect to have an aggregate of 7,330,125 shares of common stock issuable upon exercise of outstanding options under the 2012 Plan and the 2015 Plan (2,089,090 of which will be fully vested).

With limited exceptions as described under the caption "Underwriting (Conflicts of Interest)," the lock-up agreements with the underwriters of this offering prohibit a stockholder from selling, contracting to sell or otherwise disposing of any common stock or securities that are convertible or exchangeable for common stock or entering into any arrangement that transfers the economic consequences of ownership of our common stock for at least 180 days from the date of the prospectus filed in connection with our initial public offering, although J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated may, in their sole discretion and at any time without notice, release all or any portion of the securities subject to these lock-up agreements. Upon a request to release any shares subject to a lock-up, J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated would consider the particular circumstances surrounding the request including, but not limited to, the length of time before the lock-up expires, the number of shares requested to be released, reasons for the request, the possible impact on the market for our common stock and whether the holder of our shares requesting the release is an officer, director or other affiliate of ours. As a result of these lock-up agreements, notwithstanding earlier eligibility for sale under the provisions of Rule 144, none of these shares may be sold until at least 180 days after the date of this prospectus. See "Shares eligible for future sale" and "Underwriting (Conflicts of Interest)."

We have granted customary demand and piggyback registration rights to CCMP, Mark Butler, our co-founder, Chairman, President and Chief Executive Officer, and certain of our other stockholders party to a stockholders agreement with us. Should CCMP, Mr. Butler and any other stockholders exercise their registration rights under our stockholder agreement, the shares registered would no longer be restricted securities and would be freely tradable in the open market. See "Certain relationships and related party transactions—Stockholders agreement."

As restrictions on resale expire or as shares are registered, our share price could drop significantly if the holders of these restricted or newly registered shares sell them or are perceived by the market as intending to sell them. These sales might also make it more difficult for us to raise capital through the sale of equity securities in the future at a time and at a price that we deem appropriate. See “Shares eligible for future sale” for a more detailed description of the shares that will be available for future sales upon completion of this offering.

We are a holding company and rely on dividends and other payments, advances and transfers of funds from our subsidiaries to meet our obligations and pay any dividends.

We have no direct operations and no significant assets other than ownership of 100% of the capital stock of our subsidiaries. Because we conduct our operations through our subsidiaries, we depend on those entities for dividends and other payments to generate the funds necessary to meet our financial obligations, and to pay any dividends with respect to our common stock. Legal and contractual restrictions in our Senior Secured Credit Facilities and other agreements which may govern future indebtedness of our subsidiaries, as well as the financial condition and operating requirements of our subsidiaries, may limit our ability to obtain cash from our subsidiaries. The earnings from, or other available assets of, our subsidiaries might not be sufficient to pay dividends or make distributions or loans to enable us to pay any dividends on our common stock or other obligations. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and cash flows. See “Dividend policy.”

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

The continued operation and expansion of our business will require substantial funding. We do not anticipate that we will pay any dividends to holders of our common stock for the foreseeable future. Any payment of cash dividends will be at the discretion of our Board and will depend on our financial condition, capital requirements, legal requirements, earnings and other factors. Our ability to pay dividends is restricted by the terms of our Senior Secured Credit Facilities and might be restricted by the terms of any indebtedness that we incur in the future. Accordingly, if you purchase shares in this offering, realization of a gain on your investment will depend on the appreciation of the price of the shares of our common stock, which may never occur. Consequently, you should not rely on dividends in order to receive a return on your investment. See “Dividend policy.”

If securities analysts or industry analysts downgrade our shares, publish negative research or reports, or do not publish reports about our business, our share price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us, our business and our industry. If no or few analysts commence coverage of us, the trading price of our stock could decrease. Even if we do obtain analyst coverage, if one or more analysts adversely change their recommendation regarding our shares or our competitors’ stock, our share price would likely decline. If one or more analysts cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline. As a result, the market price for our common stock may decline below the initial public offering price and you may not resell your shares of our common stock at or above the initial public offering price.

If you purchase shares of common stock sold in this offering, you will incur immediate and substantial dilution.

Dilution is the difference between the offering price per share and the pro forma net tangible book value per share of our common stock immediately after the offering. The initial public offering price per share is substantially higher than the pro forma net tangible book value per share immediately after this offering. As a result, you will pay a price per share that substantially exceeds the book value of our assets after subtracting the book value of our liabilities. Based on our pro forma net tangible book value as of May 2, 2015 and assuming an offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this

prospectus, you will incur immediate and substantial dilution in the amount of $(17.33) per share. In addition, you may also experience additional dilution, or potential dilution, upon future equity issuances to investors or to our employees and directors under our 2015 Plan and any other equity incentive plans we may adopt. As a result of this dilution, investors purchasing shares of our common stock in this offering may receive significantly less than the full purchase price that they paid for the stock purchased in this offering in the event of liquidation. See “Dilution.”

Our management will have broad discretion over the proceeds we receive in this offering and might not apply the proceeds in ways that increase the value of your investment.

Our management will have broad discretion to use our net proceeds from this offering, and you will be relying on their judgment regarding the application of these proceeds. Our management might not apply our net proceeds of this offering in ways that increase the value of your investment. We expect to use the net proceeds from this offering to repay outstanding indebtedness under our Senior Secured Credit Facilities, for working capital and for general corporate purposes, which may, in the future, include investments in, or acquisitions of, complementary businesses, services or products. Our management might not be able to yield a significant return, if any, on any investment of these net proceeds. You will not have the opportunity to influence our decisions on how to use our net proceeds from this offering.

Cautionary note regarding forward-looking statements

This prospectus contains forward-looking statements. Forward-looking statements can be identified by words such as “could,” “may,” “might,” “will,” “likely,” “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “continues,” “projects” and similar references to future periods, or by the inclusion of forecasts or projections. Examples of forward-looking statements include, but are not limited to, statements we make regarding the outlook for our future business and financial performance, such as those contained in “Management’s discussion and analysis of financial condition and results of operations.”

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions and the following:

- our failure to adequately manage our inventory or anticipate consumer demand;
- changes in consumer confidence and spending;
- risks associated with intense competition;
- our failure to open new profitable stores, or successfully enter new markets, on a timely basis or at all;
- our ability to manage our inventory balances;
- our failure to hire and retain key personnel and other qualified personnel;
- our inability to obtain favorable lease terms for our properties;
- the loss of, or disruption in the operations of, our centralized distribution centers;
- fluctuations in comparable store sales and results of operations, including on a quarterly basis;
- risks associated with our lack of operations in the growing online retail marketplace;
- our inability to successfully implement our marketing, advertising and promotional efforts;
- the seasonal nature of our business;
- the risks associated with doing business with international manufacturers;
- changes in government regulations, procedures and requirements; and
- our ability to service our indebtedness and to comply with our financial covenants.

See “Risk factors” for a further description of these and other factors. For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this prospectus. Any forward-looking statement made by us in this prospectus speaks only as of the date on which we make it. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

Use of proceeds

We estimate the net proceeds to us from our sale of 8,925,000 shares of common stock by us in this offering will be approximately $113.4 million, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us in connection with this offering. The underwriters also have the option to purchase up to an additional 1,338,750 shares of common stock from us. We estimate the net proceeds to us, if the underwriters exercise their right to purchase the maximum of 1,338,750 additional shares of common stock from us, will be approximately $130.9 million after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us in connection with this offering. This assumes a public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus.

We intend to use the net proceeds from this offering to repay $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities, out of which $50.0 million will be used to repay borrowings under the Revolving Credit Facility and $63.4 million will be used to repay borrowings under our Term Loan Facility.

The outstanding borrowings under our Revolving Credit Facility were used to pay an aggregate cash dividend of $48.8 million to holders of our common stock and an aggregate of $1.2 million of related fees and expenses. Our Term Loan Facility will mature on September 28, 2019 and as of May 2, 2015, bears interest at a rate of 3.75% plus LIBOR, which is subject to a floor of 1.0%. Our Revolving Credit Facility will mature on September 28, 2017 and as of June 30, 2015, the $50.0 million outstanding bears interest at a rate of 2.0%. See “Description of certain indebtedness—Senior secured credit facilities.”

If the underwriters’ option to purchase additional shares from us is exercised in full, we estimate that we will receive additional net proceeds of $17.5 million, which we intend to use to repay additional outstanding indebtedness under our Term Loan Facility.

An affiliate of KeyBanc Capital Markets Inc. is a lender under our Revolving Credit Facility and will receive 5% or more of the net proceeds of this offering. As a result, this offering will be conducted in accordance with FINRA Rule 5121. See “Use of Proceeds” and “Underwriting (Conflicts of Interest)—Conflicts of Interest.”

Assuming no exercise of the underwriters’ option to purchase additional shares, a $1.00 increase (decrease) in the assumed initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by $8.3 million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Dividend policy

We currently intend to retain our earnings to finance the development and growth of our business and operations and do not intend to pay cash dividends on our common stock in the foreseeable future. On May 27, 2015, we paid an aggregate special cash dividend of $48.8 million in connection with the Recapitalization. See “Summary—Our recapitalization.” In fiscal year 2014, we paid an aggregate special cash dividend of $58.0 million to holders of our common stock. See “Risk factors—Risks related to our common stock and this offering—We do not expect to pay any cash dividends for the foreseeable future.” However, in the future, subject to the factors described below and our future liquidity and capitalization, we may change this policy and choose to pay dividends.

We are a holding company which does not conduct any business operations of our own. As a result, our ability to pay cash dividends on our common stock is dependent upon cash dividends and distributions and other transfers from our subsidiaries. The ability of our subsidiaries to pay dividends is currently restricted by the terms of our Senior Secured Credit Facilities and may be further restricted by any future indebtedness we or they incur.

In addition, under Delaware law, our Board may declare dividends only to the extent of our surplus (which is defined as total assets at fair market value minus total liabilities, minus statutory capital) or, if there is no surplus, out of our net profits for the then current and/or immediately preceding fiscal year.

Any future determination to declare dividends will be at the discretion of our Board and will take into account:

- restrictions in our debt instruments, including our Senior Secured Credit Facilities;
- general economic business conditions;
- our net income, financial condition and results of operations;
- our capital requirements;
- our prospects;
- the ability of our operating subsidiaries to pay dividends and make distributions to us;
- legal restrictions; and
- such other factors as our Board may deem relevant.

See “Management’s discussion and analysis of financial condition and results of operations—Liquidity and capital resources.”

Capitalization

The following table sets forth our cash and cash equivalents and our capitalization as of May 2, 2015:

- on an actual basis, including the Stock Split;
- on a pro forma basis to give effect to the Recapitalization and the filing of our second amended and restated certificate of incorporation; and
- on a pro forma as adjusted basis to give further effect to the sale by us of 8,925,000 shares of our common stock in this offering, assuming no exercise of the underwriters' option to purchase additional shares, at an initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated expenses payable by us and the application of the net proceeds to be received by us from this offering as described under "Use of proceeds."

This table should be read in conjunction with "Use of proceeds," "Selected historical consolidated financial data," "Management's discussion and analysis of financial condition and results of operations," "Description of capital stock" and the financial statements and notes thereto appearing elsewhere in this prospectus.

	As of May 2, 2015		
	Actual	Pro forma	Pro forma as adjusted (1)
	(dollars in thousands, except share and per share amounts)		
Cash	$ 4,053	$ 4,053	$ 4,053
Debt:			
Revolving Credit Facility (2)	$ —	$ 50,000	$ —
Term Loan Facility (2)	320,606	320,606	257,702
Total debt	320,606	370,606	257,702
Stockholders' equity:			
Class A common stock, $0.001 par value per share; 85,000,000 shares authorized and 48,203,515 shares issued on an actual basis; and no shares authorized on a pro forma and a pro forma as adjusted basis (3)	48	—	—
Class B common stock, $0.001 par value per share; 8,750,000 shares authorized and no shares issued and outstanding on an actual basis; and no shares authorized on a pro forma and a pro forma as adjusted basis (3)	—	—	—
Common stock, $0.001 par value per share; no shares authorized on an actual basis; 500,000,000 shares authorized and 48,203,515 shares issued on a pro forma basis; and 500,000,000 shares authorized and 57,128,515 shares issued on a pro forma as adjusted basis (3)	—	48	57
Preferred stock, par value $0.001 per share; no shares authorized on an actual basis; 50,000,000 shares authorized and no shares issued on a pro forma and pro forma as adjusted basis	—	—	—
Additional paid-in capital	394,165	375,716	489,124
Retained earnings/(accumulated deficit)	30,399	—	(999)
Treasury stock, Class A common stock; 8,625 shares on an actual, pro forma and pro forma as adjusted basis	(86)	(86)	(86)
Total stockholders' equity	424,526	375,678	488,096
Total capitalization	$745,132	$ 746,284	$ 745,798

(1) Each $1.00 increase or decrease in the public offering price per share would increase or decrease , as applicable, our net proceeds, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, by $8.3 million (assuming no exercise of the underwriters' option to purchase additional shares). Similarly, an increase or decrease of one million shares of common stock sold in this offering by us would increase or decrease, as applicable, our net proceeds, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, by $13.1 million, based on an assumed initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus.

(2) As of May 2, 2015, the Senior Secured Credit Facilities provided for a $75.0 million Revolving Credit Facility, under which we had no borrowings outstanding and approximately $73.4 million of available borrowings and a Term Loan Facility. In connection with the Recapitalization, on May 27, 2015, we amended the credit agreement governing the Revolving Credit Facility to increase the size of the Revolving Credit Facility to $125.0 million and drew $50.0 million of borrowings under the Revolving Credit Facility, the proceeds of which were used to pay an aggregate cash dividend of $48.8 million to holders of our common stock and of which the balance was used to pay $1.1 million of bank fees and $0.1 million of legal and other expenses related to the Recapitalization. As of May 2, 2015, on a pro forma and pro forma as adjusted basis, we have $73.4 million and $123.4 million, respectively, of available borrowings under the Revolving Credit Facility. The aggregate outstanding amount of the Term Loan Facility reflected herein is net of $2.6 million of unamortized original issue discount.

(3) Pursuant to the terms of our second amended and restated certificate of incorporation, all shares of our Class A common stock and Class B common stock will be reclassified into a single class of common stock.

Dilution

If you invest in our common stock, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the net tangible book value per share of our common stock upon the consummation of this offering. Dilution results from the fact that the per share offering price of our common stock is in excess of the book value per share attributable to new investors.

Our pro forma net tangible book value (deficit) as of May 2, 2015, was $(302.7) million, or $(6.28) per share of common stock. Pro forma net tangible book value represents the amount of total tangible assets less total liabilities, and pro forma net tangible book value per share represents pro forma net tangible book value divided by the number of shares of common stock outstanding, in each case, giving effect to the Recapitalization but not this offering.

Pro forma as adjusted net tangible book value (deficit) is our pro forma net tangible book value as adjusted to give effect to (i) the sale of 8,925,000 shares of common stock in this offering, assuming no exercise of the underwriters' option to purchase additional shares, at the assumed initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus and (ii) the application of the net proceeds from this offering. Our pro forma as adjusted net tangible book value (deficit) as of May 2, 2015, would have been $(190.3) million, or $(3.33) per share. This represents an immediate increase in pro forma as adjusted net tangible book value (deficit) of $2.95 per share to our existing investors and an immediate dilution in as pro forma as adjusted net tangible book value (deficit) of $(17.33) per share to new investors.

The following table illustrates this dilution on a per share of common stock basis:

Assumed initial public offering price per share		$ 14.00
Pro forma net tangible book value (deficit) per share as of May 2, 2015, before this offering	$(6.28)	
Increase in pro forma net tangible book value (deficit) per share attributable to new investors	2.95	
Pro forma as adjusted net tangible book value (deficit) per share after this offering		(3.33)
Dilution in net tangible book value (deficit) per share to new investors in this offering		$(17.33)

If the underwriters were to fully exercise their option to purchase additional shares of our common stock, the pro forma as adjusted net tangible book value (deficit) will increase to $(2.96) per share, representing an immediate dilution in net tangible book value (deficit) of $(16.96) per share to new investors in this offering, assuming an initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus.

A $1.00 increase (decrease) in the assumed initial public offering price of $14.00 per share would increase (decrease) our pro forma as adjusted net tangible book value (deficit) by $8.3 million after this offering, the pro forma as adjusted net tangible book value (deficit) per share after this offering by $0.15 and the dilution in net tangible book value (deficit) per share to new investors in this offering by $0.15 assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, as of May 2, 2015, on a pro forma as adjusted basis as described above, the total number of shares of common stock purchased from us, the total cash consideration paid to us, or to be paid, and the average price per share paid, or to be paid, by existing stockholders and by new investors purchasing shares in this offering, at an assumed initial public offering price of $14.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses:

	Shares purchased		Total consideration		Average price per share
	Number	Percent	Amount	Percent	
Existing stockholders	48,194,890	84.4%	$416,352,000	76.9%	$ 8.64
New investors in this offering	8,925,000	15.6	124,950,000	23.1	14.00
Total	57,119,890	100.0%	$541,302,000	100.0%	$ 9.48

If the underwriters were to fully exercise their option to purchase 1,338,750 additional shares of our common stock, the percentage of shares of our common stock held by existing investors would be 82.4%, and the percentage of shares of our common stock held by new investors would be 17.6%.

Except as otherwise indicated, the discussion and tables above assume no exercise of the underwriters' option to purchase additional shares and no exercise of options to purchase shares of our common stock outstanding as of May 2, 2015. In addition, we may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that additional capital is raised through the sale of equity or convertible debt securities, the issuance of such securities could result in further dilution to our stockholders.

Selected historical consolidated financial data

The following tables set forth Ollie's Bargain Outlet Holdings, Inc.'s selected historical consolidated financial and other data for the periods ending on and as of the dates indicated. We derived the consolidated statement of income data and consolidated statement of cash flow data for fiscal years 2014 and 2013 and our consolidated balance sheet data as of January 31, 2015 and February 1, 2014 from our audited consolidated financial statements and related notes thereto included elsewhere in this prospectus. We derived the consolidated statement of income data and consolidated statement of cash flow data for successor period 2012 (described below), predecessor period 2012 (described below), fiscal year 2011 and fiscal year 2010 from our audited consolidated financial statements and related notes thereto not included in this prospectus. We derived the consolidated statement of income data and consolidated statement of cash flow data for first quarters 2015 and 2014 and our consolidated balance sheet data as of May 2, 2015 from our unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this prospectus.

Prior to fiscal year 2013, we operated on a fiscal calendar which resulted in a given fiscal year consisting of a 52- or 53- week period ending on the Saturday closest to December 31 of that year. In connection with the CCMP Acquisition, as part of the purchase price allocation, assets acquired and liabilities assumed were adjusted to their estimated fair value as of September 28, 2012, the closing date of the CCMP Acquisition. The periods on and prior to September 28, 2012 are referred to as the predecessor periods. The periods on and following September 29, 2012, are referred to as the successor periods. We refer to the period from January 1, 2012 through September 28, 2012 as "predecessor period 2012" and the period from September 29, 2012 through February 2, 2013 as "successor period 2012." References to "fiscal year 2011" and "fiscal year 2010" are to the fiscal years ended December 31, 2011 and January 1, 2011, respectively.

Each of fiscal years 2014, 2013, 2011 and 2010 consisted of 52-week periods. Successor period 2012 consisted of an 18-week period and predecessor period 2012 consisted of a 39-week period. As a result of the application of purchase accounting in connection with the CCMP Acquisition impacting the successor periods, fiscal years 2014 and 2013 and successor period 2012 may not be comparable to predecessor period 2012 and fiscal years 2011 and 2010. Each of first quarters 2015 and 2014 consisted of 13-week periods.

Our historical results are not necessarily indicative of future results of operations. The consolidated income data and consolidated statement of cash flow data for the first quarters 2015 and 2014 and our consolidated balance sheet data as of May 2, 2015 are not necessarily indicative of the results expected for fiscal year 2015 or for any future period. You should read the information set forth below together with "Presentation of financial and other information," "Summary—Summary historical consolidated financial and other data," "Management's discussion and analysis of financial condition and results of operations," "Capitalization" and our financial statements and the related notes thereto included elsewhere in this prospectus.

	Successor					Predecessor		
	First quarter		Fiscal year		Successor period (1)	Predecessor period (1)	Fiscal year	
	2015	2014	2014	2013	2012	2012	2011	2010
	(dollars in thousands, except share and per share amounts)							
Consolidated Statement of Income Data:								
Net sales	$ 162,470	$ 134,395	$ 637,975	$ 540,718	$ 183,644	$ 316,135	$389,862	$335,657
Cost of sales	98,427	78,980	384,465	323,908	113,376	187,811	234,785	196,313
Gross profit	64,043	55,415	253,510	216,810	70,268	128,324	155,077	139,344
Selling, general and administrative expenses	45,871	39,954	178,832	153,807	53,440	100,233	109,545	97,275
Depreciation and amortization expenses	1,695	1,724	6,987	8,011	3,423	3,846	4,732	4,270
Pre-opening expenses	990	1,720	4,910	4,833	665	3,521	7,125	3,691
Loss of assets and costs related to flood (2)	—	—	—	—	—	—	896	—
Operating income	15,487	12,017	62,781	50,159	12,740	20,724	32,779	34,108
Interest expense, net	4,574	4,993	19,103	19,341	5,832	4,425	6,157	2,340
Income before income taxes	10,913	7,024	43,678	30,818	6,908	16,299	26,622	31,768
Income tax expense	4,252	2,696	16,763	11,277	3,303	7,286	9,933	12,658
Net income	$ 6,661	$ 4,328	$ 26,915	$ 19,541	$ 3,605	$ 9,013	$ 16,689	$ 19,110
Earnings per common share:								
Basic	$ 0.14	$ 0.09	$ 0.56	$ 0.40				
Diluted	$ 0.13	$ 0.09	$ 0.55	$ 0.40				
Weighted average common shares outstanding:								
Basic	48,196,500	48,203,515	48,202,480	48,519,420				
Diluted	49,545,105	48,203,515	48,609,350	48,519,420				
Consolidated Statement of Cash Flows Data:								
Net cash (used in) provided by:								
Operating activities	$ (14,501)	$ (7,045)	$ 31,842	$ 19,713	$ 25,161	$ (6,152)	$ 19,029	$ 4,417
Investing activities	(2,503)	(6,639)	(14,007)	(9,554)	(696,505)	(6,948)	(9,490)	(8,513)
Financing activities	(895)	4,269	(8,049)	(2,593)	675,944	2,503	(3,791)	4,058

	As of		
	May 2, 2015	January 31, 2015	February 1, 2014
	(dollars in thousands)		
Consolidated Balance Sheet Data:			
Cash	$ 4,053	$ 21,952	$ 12,166
Total assets	925,135	917,131	879,278
Total debt (3)	320,606	321,287	268,479
Total liabilities	500,609	500,296	435,139
Total stockholders' equity	424,526	416,835	444,139

(1) Successor period 2012 consists of the 18-week period from September 29, 2012 to February 2, 2013, and Predecessor period 2012 consists of the 39-week period from January 1, 2012 to September 28, 2012. For the month ended January 28, 2012, net sales were $23.3 million, net loss was $0.3 million, EBITDA was $0.4 million and Adjusted EBITDA was $0.8 million. For the month ended February 2, 2013, net sales were $32.4 million, net loss was $0.6 million, EBITDA loss was $0.3 million and Adjusted EBITDA was $1.2 million.

(2) Represents loss of assets and costs directly attributed to a significant flood that occurred in one of our store locations in September 2011. Such costs (including damaged inventory, fixed assets and related costs associated with clean-up) were expensed as incurred. The store location was closed for the remainder of fiscal year 2011, re-opened in fiscal year 2012 and is included in the new store count for fiscal year 2012.

(3) Represents total outstanding indebtedness net of $2.6 million, $2.8 million and $3.2 million, as of May 2, 2015, January 31, 2015 and February 1, 2014, respectively, of unamortized original issue discount. See note 4 to our unaudited condensed consolidated financial statements and note 5 to our audited consolidated financial statements included elsewhere in this prospectus.

Management's discussion and analysis of financial condition and results of operations

You should read the following discussion together with "Selected historical consolidated financial data," and the financial statements and related notes included elsewhere in this prospectus. The statements in this discussion regarding expectations of our future performance, liquidity and capital resources and other non-historical statements are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in "Risk factors" and "Cautionary note regarding forward-looking statements." Our actual results may differ materially from those contained in or implied by any forward-looking statements.

We operate on a fiscal calendar widely used by the retail industry that results in a given fiscal year consisting of a 52- or 53-week period ending on the Saturday closest to January 31 of the following year. References to "fiscal year 2014" refer to the fiscal year ended January 31, 2015, references to "fiscal year 2013" refer to the fiscal year ended February 1, 2014. Each of fiscal years 2014 and 2013 consisted of a 52-week period. References to "first quarter 2015" and "first quarter 2014" refer to the 13 weeks ended May 2, 2015 and May 3, 2014, respectively.

Overview

Ollie's is a highly differentiated and fast-growing, extreme value retailer of brand name merchandise at drastically reduced prices. Known for our assortment of "Good Stuff Cheap," we offer customers a broad selection of brand name products, including housewares, food, books and stationery, bed and bath, floor coverings, toys and hardware. Our differentiated go-to market strategy is characterized by a unique, fun and engaging treasure hunt shopping experience, compelling customer value proposition and witty, humorous in-store signage and advertising campaigns. These attributes have driven our rapid growth and strong and consistent store performance as evidenced by our store base expansion from 96 stores to 176 stores, net sales growth from $335.7 million to $638.0 million and average net sales per store ranging from $3.7 million to $3.8 million between fiscal year 2010 and fiscal year 2014. Furthermore, our comparable store sales increased from $504.8 million in fiscal year 2013 to $526.9 million in fiscal year 2014, or 4.4%, and our non-comparable store sales increased from $75.2 million in fiscal year 2013 to $111.1 million in fiscal year 2014.

Our growth strategy

Since the founding of Ollie's in 1982, we have grown organically by backfilling existing markets and leveraging our brand awareness, marketing and infrastructure to expand into new markets in contiguous states. In 2003, Mark Butler, our co-founder, assumed his current role as President and Chief Executive Officer. Under Mr. Butler's leadership, we expanded from 28 stores located in three states at the end of fiscal year 2003 to 187 stores located in 16 states as of June 30, 2015. Following the CCMP Acquisition in September 2012, we continued our expansion throughout the Eastern half of the United States.

Our stores are supported by two distribution centers in York, PA and Commerce, GA, which we believe can support between 375 to 400 stores. We have invested in our associates, infrastructure, distribution network and information systems to allow us to continue to rapidly grow our store footprint, including:

- growing our merchant buying team to increase our access to brand name/closeout merchandise;
- adding members to our senior management team;
- opening two new distribution centers since 2011 with a total capacity of approximately 1.6 million square feet; and
- investing in information technology, accounting systems, and warehouse management systems.

Our business model has produced consistent and predictable store growth over the past several years, during both strong and weaker economic cycles. We plan to continue to enhance our competitive positioning and drive growth in sales and profitability by executing on the following strategies:

- growing our store base;
- increasing our offerings of great bargains; and
- leveraging and expanding Ollie's Army.

We have a proven portable, flexible, and highly profitable store model that has produced consistent financial results and returns. Our new store model targets a store size between 25,000 to 35,000 square feet and an average initial cash investment of $1.0 million, which includes store fixtures and equipment, store-level and distribution center inventory (net of payables) and pre-opening expenses. We target new store sales of $3.7 million and an expected cash-on-cash return of approximately 55% in the first 12 months of operations and payback of approximately two years. New stores opened from fiscal year 2010 to fiscal year 2013 produced average cash-on-cash returns of 61% in their first 12 months of operations.

While we are focused on driving comparable store sales and managing our expenses, our revenue and profitability growth will primarily come from opening new stores. The core elements of our business model are procuring great deals, offering extreme values to our customers and creating consistent, predictable store growth and margins. In addition, our new stores generally open strong, immediately contributing to the growth in net sales and profitability of our business. Our new stores traditionally reach normalized sales after three full years of operations. From 2010 to 2014, net sales grew at a CAGR of 17.0%. We plan to achieve continued net sales growth, including comparable stores sales, by adding additional stores to our store base and by continuing to provide quality merchandise at a value for our customers as we scale and gain more access to purchase directly from major manufacturers. We also plan to leverage and expand our Ollie's Army database marketing strategies. In addition, we plan to continue to manage our selling, general and administrative expenses for both our comparable and non-comparable store base by continuing to make process improvements and by maintaining our standard policy of reviewing our operating costs.

Our ability to grow and our results of operations may be impacted by additional factors and uncertainties, such as consumer spending habits, which are subject to macroeconomic conditions and changes in discretionary income. Our customers' discretionary income is primarily impacted by gas prices, wages and consumer trends and preferences, which fluctuate depending on the environment. The potential consolidation of our competitors or other changes in our competitive landscape could also impact our results of operations or our ability, even though we compete with a broad range of retailers.

Our key competitive advantage is our direct buying relationships with many major manufacturers, wholesalers, distributors, brokers and retailers for our brand name and closeout products and unbranded goods. We also augment our product mix with private label brands. As we continue to grow, we believe our increased scale will provide us with even greater access to brand name and closeout products as major manufacturers seek a single buyer to acquire an entire deal.

How we assess the performance of our business

We consider a variety of financial and operating measures in assessing the performance of our business. The key measures we use are number of new stores, net sales, comparable store sales, gross profit and gross margin, selling, general and administrative expenses, pre-opening expenses, operating income and Adjusted EBITDA.

Number of new stores

The number of new stores reflects the number of stores opened during a particular reporting period. Before we open new stores, we make initial capital investments in fixtures, equipment and inventory, which we amortize over time, and we incur pre-opening expenses described below under "—Pre-opening expenses."

We expect to open 25 to 30 new stores in fiscal year 2015, which we expect to be the primary driver of our sales growth. As of May 15, 2015, in fiscal year 2015 we opened five new stores and entered into 22 new, fully executed leases with average initial terms of five to seven years with options to renew for two or three successive five-year periods. Our portable and predictable real estate model focuses on backfilling existing markets and entering new markets in contiguous states. Our new stores often open with higher sales levels as a result of greater advertising and promotional spend in connection with grand opening events, but decline shortly thereafter to our new store model levels. Since 2010, our new stores have generated an average of $3.9 million in net sales in their first full year of operations and produced an average payback period of less than two years.

Net sales

Net sales constitute gross sales net of returns and sales tax. Net sales consist of sales from comparable stores and non-comparable stores, described below under "—Comparable store sales." Growth of our net sales is primarily driven by expansion of our store base in existing and new markets. As we continue to grow, we believe we will have greater access to brand name and closeout merchandise and an increased deal selection, resulting in more potential offerings for our customers. Net sales are impacted by product mix, merchandise mix and availability, as well as promotional activities and the spending habits of our customers. Our broad selection of offerings across diverse product categories supports growth in net sales by attracting new customers, which results in higher spending levels and frequency of shopping visits from our customers, including Ollie's Army members.

The spending habits of our customers are subject to macroeconomic conditions and changes in discretionary income. Our customers' discretionary income is primarily impacted by gas prices, wages, and consumer trends and preferences, which fluctuate depending on the environment. However, because we offer a broad selection of merchandise at extreme values, we believe that we are less impacted than other retailers by economic cycles that correspond with declines in general consumer spending habits and that we benefit from periods of increased consumer spending.

Comparable store sales

Comparable store sales measure performance of a store during the current reporting period against the performance of the same store in the corresponding period of the previous year. Comparable store sales consists of net sales from our stores beginning on the first day of the sixteenth full fiscal month following the store's opening, which is when we believe comparability is achieved. Comparable store sales are impacted by the same factors that impact net sales. As of May 2, 2015 and May 3, 2014, there were 154 and 130 stores, respectively, in our comparable store base. As of January 31, 2015 and February 1, 2014, there were 147 and 128 stores, respectively, in our comparable store base. In fiscal years 2014 and 2013 our comparable stores generated average net sales per store of $3.9 million and $3.8 million, respectively, and Adjusted EBITDA margin of 15.7% and 15.6%, respectively.

Comparable stores include the following:

- stores which have been remodeled while remaining open;
- stores that are closed for five or fewer days in any fiscal month;

- stores that are closed temporarily and relocated within their respective trade areas; and
- stores that have expanded, but are not significantly different in size, within their current locations.

Non-comparable store sales consist of new store sales and sales for stores not open for a full 15 months. Stores that are closed temporarily, but for more than five days in any fiscal month, are included in non-comparable store sales beginning in the fiscal month in which the temporary closure begins until the first full month of operation once the store re-opens, at which time they are included in comparable store sales.

Opening new stores is the primary component of our growth strategy and as we continue to execute on our growth strategy, we expect that a significant portion of our sales growth will be attributable to non-comparable store sales. Accordingly, comparable store sales are only one measure we use to assess the success of our growth strategy.

Gross profit and gross margin

Gross profit is equal to our net sales less our cost of sales. Gross margin is gross profit as a percentage of our net sales. Gross margin is a measure used by management to indicate whether we are selling merchandise at an appropriate gross profit.

In addition, our gross profit and gross margin are impacted by product mix, as some products generally provide higher gross margins, by our merchandise mix and availability, and by our merchandise cost, which can vary.

Our gross profit is variable in nature and generally follows changes in net sales. We regularly analyze the components of gross profit, as well as gross profit as a percentage of sales. Specifically, our product margin and merchandise mix is reviewed by our merchant team and senior management, ensuring strict adherence to internal margin goals. Our disciplined buying approach has produced consistent gross margins and we believe mitigates adverse impacts on gross profit and results of operation.

The components of our cost of sales may not be comparable to the components of cost of sales or similar measures of our competitors and other retailers. As a result, data in this prospectus regarding our gross profit and gross margin may not be comparable to similar data made available by our competitors and other retailers.

Selling, general and administrative expenses

Selling, general and administrative expenses are comprised of payroll and benefits for store, field support and support center associates. Selling, general and administrative expenses also include marketing and advertising, occupancy, utilities, supplies, credit card processing fees, insurance and professional services. The components of our selling, general and administrative expenses remain relatively consistent per store and for each new store opening. Consolidated selling, general and administrative expenses generally increase as we grow our store base and as our net sales increase. We expect to continue to maintain strict discipline while carefully monitoring selling, general and administrative expenses as a percentage of net sales.

The components of our selling, general and administrative expenses may not be comparable to the components of similar measures of other retailers. We expect that our selling, general and administrative expenses will increase in future periods with future growth and in part due to additional legal, accounting, insurance, and other expenses that we expect to incur as a result of being a public company, including compliance with the Sarbanes-Oxley Act and related rules and regulations.

Pre-opening expenses

Pre-opening expenses consists of expenses of opening new stores and distribution centers. For new stores, pre-opening expenses includes grand opening advertising costs, payroll expenses, travel expenses, employee

training costs, rent expenses and store setup costs. For distribution centers, pre-opening expenses primarily includes inventory transportation costs, employee travel expenses and occupancy costs. Pre-opening expenses are expensed as they are incurred, which is typically within 30 to 45 days of opening a new store.

Operating income

Operating income is gross profit less selling, general and administrative expenses, depreciation and amortization and pre-opening expenses. Operating income excludes interest expense, net and income tax expense. We use operating income as an indicator of the productivity of our business and our ability to manage expenses.

Depreciation and amortization expenses

Property and equipment are stated at original cost less accumulated depreciation and amortization. Depreciation and amortization are calculated over the estimated useful lives of the related assets, or in the case of leasehold improvements, the lesser of the useful lives or the remaining term of the lease. Expenditures for additions, renewals, and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed on the straight-line method for financial reporting purposes. Depreciation as it relates to our distribution centers is included within cost of sales on the consolidated statements of income.

EBITDA and Adjusted EBITDA

EBITDA and Adjusted EBITDA are key metrics used by management and our Board to assess our financial performance. EBITDA and Adjusted EBITDA are also frequently used by analysts, investors and other interested parties to evaluate companies in our industry. We use Adjusted EBITDA to supplement GAAP measures of performance to evaluate the effectiveness of our business strategies, to make budgeting decisions, to evaluate our performance in connection with compensation decisions and to compare our performance against that of other peer companies using similar measures.

We define EBITDA as net income before interest expense, income taxes and depreciation and amortization expenses. Adjusted EBITDA represents EBITDA as further adjusted for non-cash stock based compensation expense, pre-opening expenses, acquisition expenses, purchase accounting and other expenses that we do not consider representative of our ongoing operating performance. EBITDA and Adjusted EBITDA are non-GAAP measures and may not be comparable to similar measures reported by other companies. EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our results as reported under GAAP. In the future we may incur expenses or charges such as those added back to calculate Adjusted EBITDA. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by these items. For further discussion of EBITDA and Adjusted EBITDA and for reconciliations of EBITDA and Adjusted EBITDA to net income, the most directly comparable GAAP measure, see “Summary—Summary historical consolidated financial and other data.”

Factors affecting the comparability of our results of operations

Our results over the past two years have been affected by the following events, which must be understood in order to assess the comparability of our period-to-period financial performance and condition.

Historical results

Historical results are not necessarily indicative of the results to be expected for any future period.

CCMP Acquisition adjustments

In connection with the CCMP Acquisition, our subsidiaries entered into the Senior Secured Credit Facilities. The CCMP Acquisition and borrowings and subsequent amendments to our Senior Secured Credit Facilities impacted our fiscal year 2014 and 2013 consolidated statements of operations. We incurred additional interest expense associated with the financing for the acquisition of $7.6 million and $6.6 million, net of tax, in fiscal years 2014 and 2013, respectively. Our consolidated statements of income reflected various non-cash purchase accounting adjustments related to the CCMP Acquisition, net of tax, of $0.4 million and $1.6 million for the fiscal years 2014 and 2013, respectively, and less than $0.1 million and $0.2 million for the first quarters 2015 and 2014, respectively.

Financing transactions and payments to stockholders

On February 26, 2013, the credit agreements governing our Senior Secured Credit Facilities were amended to reduce the interest rate margin applicable to borrowings under the Term Loan Facility, to provide for additional loans under the Term Loan Facility in an aggregate principal amount of $50.0 million and to permit a share repurchase. The proceeds of the increased Term Loan Facility borrowings were net of $2.2 million, of which $1.8 million was recorded as additional original issue discount and $0.4 million was recognized as interest expense on the date of the amendment. We used the proceeds of the additional Term Loan Facility borrowings to repurchase 4,999,625 shares of Class A Common Stock from CCMP, our majority stockholder, for an aggregate purchase price of $46.2 million. We incurred various arrangement fees and legal fees totaling $1.6 million in connection with this amendment, of which $1.1 million was recorded as deferred financing fees and $0.5 million was recognized as selling, general and administrative expense on the date of the amendment. In connection with this amendment, $1.1 million of debt issuance cost and $0.4 million of original issue discount was accelerated on the date of the amendment and included within interest expense.

On April 11, 2014, we entered into a Second Amendment to the Term Loan, which allowed additional borrowings in an aggregate principal amount of $60.0 million. The primary purpose of the additional Term Loan Facility borrowing was to distribute $58.0 million as a special cash dividend to common stockholders as consented by the original Term Loan Facility lenders. The total dividend amount was recorded as a reduction of retained earnings of $23.6 million to reduce the retained earnings balance as of the dividend date to zero and the additional $34.4 million was recorded as a reduction of additional paid-in capital. The proceeds received were net of $2.0 million in fees, of which $1.3 million was recognized as deferred financing fees, $0.4 million was recorded as additional original issue discount, and $0.3 million was recognized as selling, general and administrative expenses. In connection with this amendment, $0.4 million of debt issuance cost and $0.2 million of original issue discount were accelerated on the date of the amendment and included within interest expense.

On May 27, 2015, we amended the credit agreements governing our Senior Secured Credit Facilities to, among other things, increase the size of the Revolving Credit Facility from $75.0 million to $125.0 million and to permit a dividend to holders of our outstanding common stock. We also drew $50.0 million of borrowings under our Revolving Credit Facility, the proceeds of which were used to pay an aggregate cash dividend of $48.8 million to holders of our common stock and of which the balance was used to pay $1.1 million of bank fees and $0.1 million of legal and other expenses related to the Recapitalization.

Store openings

In first quarter 2015, we opened five new stores compared to seven new stores in first quarter 2014. In fiscal year 2014, we opened 22 new stores, including our initial entry into Alabama and Georgia. In fiscal year 2013, we opened 23 new stores and entered two new states, Michigan and Indiana. In connection with these store

openings, we incurred pre-opening expenses of $1.0 million and $1.7 million in first quarters 2015 and 2014, respectively, and $4.6 million and $4.8 million in fiscal years 2014 and 2013, respectively.

Distribution center

In April 2014, we opened our second distribution center, located in Commerce, GA. We incurred certain start-up costs related to the opening of this distribution center, including costs associated with securing the 962,280 square foot site and entering into the lease arrangements. As of May 2, 2015, we were entitled to occupy 554,040 square feet of the facility and are under a lease obligation to incrementally add square footage up to 962,280 square feet through November 2017. During fiscal year 2014, we also incurred additional costs associated with the opening and start-up of the Commerce, GA distribution center. In addition, we incurred $0.3 million of pre-opening expenses primarily consisting of inventory transportation costs, employee travel expenses and occupancy costs. We also made capital expenditures related to the new distribution center of $5.2 million and $0.9 million in fiscal years 2014 and 2013, respectively. In addition, we incurred costs related to hiring and training new associates for this distribution center. We expect to make additional expenditures related to our utilization of this additional space in fiscal year 2015.

Results of operations

The following tables summarize key components of our results of operations for the periods indicated, both in dollars and as a percentage of our net sales.

We derived the consolidated statements of income for the fiscal years 2014 and 2013 from our audited consolidated financial statements and related notes included elsewhere in this prospectus. We derived the consolidated statements of income for the first quarters 2015 and 2014 from our unaudited condensed consolidated financial statements and related notes thereto included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future.

	First quarter		Fiscal year	
	2015	2014	2014	2013
	(dollars in thousands)			
Consolidated statement of income data:				
Net sales	$162,470	$134,395	$ 637,975	$ 540,718
Cost of sales	98,427	78,980	384,465	323,908
Gross profit	64,043	55,415	253,510	216,810
Selling, general and administrative expenses	45,871	39,954	178,832	153,807
Depreciation and amortization expenses	1,695	1,724	6,987	8,011
Pre-opening expenses	990	1,720	4,910	4,833
Operating income	15,487	12,017	62,781	50,159
Interest expense, net	4,574	4,993	19,103	19,341
Income before income taxes	10,913	7,024	43,678	30,818
Income tax expense	4,252	2,696	16,763	11,277
Net income	$ 6,661	$ 4,328	$ 26,915	$ 19,541
Percentage of net sales: (1)				
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	60.6	58.8	60.3	59.9
Gross profit	39.4	41.2	39.7	40.1
Selling, general and administrative expenses	28.2	29.7	28.0	28.4
Depreciation and amortization expenses	1.0	1.3	1.1	1.5
Pre-opening expenses	0.6	1.3	0.8	0.9
Operating income	9.6	8.9	9.8	9.3
Interest expense, net	2.8	3.7	3.0	3.6
Income before income taxes	6.7	5.2	6.8	5.7
Income tax expense	2.6	2.0	2.6	2.1
Net income	4.1%	3.2%	4.2%	3.6%
Select Operating Data:				
Total stores at end of period	181	161	176	154
Average net sales per store (2)	$ 913	$ 849	$ 3,815	$ 3,744
Comparable stores sales growth	8.8%	(3.0)%	4.4%	1.1%

(1) Components may not add to totals due to rounding.

(2) Average net sales per store represents the weighted average of total net sales divided by the number of stores open, in each case at the end of each week in a fiscal year or fiscal quarter.

First quarter 2015 compared to first quarter 2014

Net sales

Net sales increased to $162.5 million in the 13 weeks ended May 2, 2015 from $134.4 million in the 13 weeks ended May 3, 2014, an increase of $28.1 million, or 20.9%. The increase was the result of a comparable store sales increase of $11.2 million, or 8.8% and a non-comparable store sales increase of $16.9 million. The increase in non-comparable store sales was primarily driven by the increase in the number of stores which opened in fiscal year 2014 and the five new stores which opened during the 13 weeks ended May 2, 2015. We plan to open between 20 to 25 additional stores during the remainder of fiscal year 2015.

Comparable store sales increased 8.8% for the 13 weeks ended May 2, 2015 compared to a 3.0% decrease for the 13 weeks ended May 3, 2014. The increase in comparable store sales was primarily driven by increased sales volume and price in certain popular food items, which represent a growing part of our business and a larger portion of our product mix during the 13 weeks ended May 2, 2015. Favorable weather during the 13 weeks ended May 2, 2015 also impacted our sales volumes in summer furniture, seasonal electronics, and lawn and garden departments. In addition, we experienced increases in candy sales due to a special opportunistic purchase of seasonal Easter holiday products as compared to the prior period. Comparable store sales volumes were also favorably impacted by opportunistic sourcing and sale of certain popular products in other categories, including pets and clothing compared to the prior period. As a results of the factors mentioned above, we experienced an increase in transaction volumes compared to last year for the 13 weeks ended May 2, 2015.

Cost of sales

Cost of sales increased to $98.4 million in the 13 weeks ended May 2, 2015 from $79.0 million in the 13 weeks ended May 3, 2014, an increase of $19.4 million, or 24.6%. The increase in cost of sales was primarily the result of an increase in net sales and to a lesser extent of the combined increases in distribution and transportation expenses.

Gross profit and gross margin

Gross profit increased to $64.0 million in the 13 weeks ended May 2, 2015 from $55.4 million in the 13 weeks ended May 3, 2014, an increase of $8.6 million, or 15.6%. Gross margin decreased to 39.4% in the 13 weeks ended May 2, 2015 from 41.2% for the 13 weeks ended May 3, 2014, a decrease of 181 basis points. The decrease in gross margin was primarily the result of the combined increase in distribution and transportation expenses and, to a lesser extent, a slight increase in food department sales, resulting in a slight decrease in the overall gross margin.

Selling, general and administrative expenses

Selling, general and administrative expenses increased to $45.9 million in the 13 weeks ended May 2, 2015 from $40.0 million in the 13 weeks ended May 3, 2014, an increase of $5.9 million, or 14.8%. As a percentage of net sales, selling, general and administrative expenses decreased 150 basis points to 28.2% in the 13 weeks ended May 2, 2015 compared to 29.7% in the 13 weeks ended May 3, 2014. The increase in selling, general and administrative expense was primarily the result of increases in store-related expenses of $5.6 million to support new store growth and consisted primarily of payroll and benefits, occupancy costs and other related expenses. We were able to leverage selling, general and administrative expenses in comparable stores to increase comparable store sales.

Depreciation and amortization

Depreciation and amortization expenses remained at $1.7 million for the 13 weeks ended May 2, 2015 and May 3, 2014. Depreciation and amortization expenses as a percentage of net sales decreased 24 basis points

from 1.3% for the 13 weeks ended May 3, 2014 to 1.0% for the 13 weeks ended May 2, 2015, primarily as a result of certain intangibles and property and equipment recorded in connection with the CCMP Acquisition.

Pre-opening expenses

Pre-opening expenses decreased to $1.0 million in the 13 weeks ended May 2, 2015 from $1.7 million in the 13 weeks ended May 3, 2014, a decrease of $0.7 million, or 42.4%. The decrease was primarily due to the pre-opening expenses related to the opening of the Commerce, GA distribution center during the first quarter of 2014. We also opened seven stores in the first quarter 2014 compared to five stores in the first quarter 2015.

Interest expense, net

Interest expense, net decreased to $4.6 million in the 13 weeks ended May 2, 2015 from $5.0 million in the 13 weeks ended May 3, 2014, a decrease of $0.4 million. The decrease in interest expense is primarily a result of having an outstanding balance in our Revolving Credit Facility for fewer days in the 13 weeks ended May 2, 2015 compared to the 13 weeks ended May 2, 2014.

Income tax expense

Income tax expense for the 13 weeks ended May 2, 2015 was $4.3 million compared to $2.7 million for the 13 weeks ended May 3, 2014, an increase of $1.6 million, or 57.7%. This increase in income tax expense was primarily the result of a $3.9 million increase in pre-tax income. Our effective tax rate was 39.0% during the 13 weeks ended May 2, 2015 compared to 38.4% during the 13 weeks ended May 3, 2014.

Net income

As a result of the foregoing, net income increased to $6.7 million in the 13 weeks ended May 2, 2015 from $4.3 million in the 13 weeks ended May 3, 2014, an increase of $2.3 million, or 53.9%.

Fiscal year 2014 compared to fiscal year 2013

Net sales

Net sales increased to $638.0 million in fiscal year 2014 from $540.7 million in fiscal year 2013, an increase of $97.3 million, or 18.0%. The increase was the result of a comparable store sales increase of $22.1 million and a non-comparable store sales increase of $75.2 million. Our increase in non-comparable store sales was primarily driven by the increase in the number of stores that opened in fiscal year 2013, but were not open for a full 15 months during fiscal year 2014, as well as new stores opened during fiscal year 2014.

Comparable store sales increased 4.4% for fiscal year 2014 compared to a 1.1% increase for fiscal year 2013. The increase in comparable store sales was primarily driven by increased sales volume and price in certain popular food items, which represent a growing part of our business and a larger portion of our product mix in fiscal year 2014. Comparable store sales volumes were also favorably impacted by opportunistic sourcing of products in other categories, including automotive, pets and personal health care compared to the prior fiscal year. We also believe our sales volumes and transaction counts were impacted positively by increased consumer spending related to lower gasoline prices during the second half of the year. As a result of the factors mentioned above, we experienced an increase in average spend per customer transaction due to an increase in average price per item as well as a slight increase in transaction volumes.

Cost of sales

Cost of sales increased to $384.5 million in fiscal year 2014 from $323.9 million in fiscal year 2013, an increase of $60.6 million, or 18.7%. The increase in cost of sales was primarily a result of opening 22 new stores in fiscal year 2014, as well as the opening of our Commerce, GA distribution center in April 2014.

Gross profit and gross margin

Gross profit increased to $253.5 million in fiscal year 2014 from $216.8 million in fiscal year 2013, an increase of $36.7 million, or 16.9%. The increase in gross profit was primarily the result of new store growth and increases in comparable store sales. Our gross margin decreased to 39.7% in fiscal year 2014 from 40.1% for fiscal year 2013, a decrease of 36 basis points. The decrease in gross margin was primarily attributable to additional costs associated with the opening and start-up of the Commerce, GA distribution center in fiscal year 2014 and, to a lesser extent, variations in product mix.

Selling, general and administrative expenses

Selling, general and administrative expenses increased to $178.8 million in fiscal year 2014 from $153.8 million in fiscal year 2013, an increase of $25.0 million, or 16.3%. As a percentage of net sales, selling, general and administrative expenses decreased 41 basis points to 28.0% in fiscal year 2014 compared to 28.4% in fiscal year 2013. The increase in selling, general and administrative expense was primarily the result of increases in store-related expenses of $20.9 million to support new store growth, consisting primarily of payroll and benefits, occupancy costs and other store related expenses.

Depreciation and amortization expenses

Depreciation and amortization expenses decreased to $7.0 million in fiscal year 2014, from $8.0 million in fiscal year 2013, a decrease of $1.0 million, or 12.8%, primarily as a result of certain intangibles and property and equipment recorded in connection with the CCMP Acquisition.

Pre-opening expenses

Pre-opening expenses increased slightly to $4.9 million in fiscal year 2014 from $4.8 million in fiscal year 2013, an increase of less than $0.1 million, or approximately 1.6%.

Income tax expense

Income tax expense increased to $16.8 million in fiscal year 2014 from $11.3 million in fiscal year 2013, an increase of $5.5 million, or 48.7%. This increase in income tax expense was primarily the result of the $12.9 million increase in pre-tax net income. Our effective tax rate increased to 38.4% in fiscal year 2014 from 36.6% in fiscal year 2013 due to the reduction of certain state tax credits.

Net income

As a result of the foregoing, net income increased to $26.9 million in fiscal year 2014 from $19.5 million in fiscal year 2013, an increase of $7.4 million, or 37.7%.

Quarterly results of operations

The following tables set forth selected unaudited quarterly statements of operations data for our last nine completed fiscal quarters. References to "first quarter 2015," "first quarter 2014," "second quarter 2014," "third quarter 2014," and "fourth quarter 2014" refer to the 13 weeks ended May 2, 2015, May 3, 2014, August 2, 2014, November 1, 2014 and January 31, 2015, respectively. References to "first quarter 2013," "second quarter 2013," "third quarter 2013," and "fourth quarter 2013" refer to the 13 weeks ended May 4, 2013, August 3, 2013, November 2, 2013 and February 1, 2014, respectively. The information for each of these quarters has been prepared on the same basis as the consolidated financial statements appearing elsewhere in this prospectus and in the opinion of management, includes all adjustments necessary for a fair presentation of the results of operations for these periods. Comparable store sales may fluctuate due to seasonality, as discussed below, as well as potential changes in product mix and consumer spending. The quarterly results of operations presented should be read in conjunction with our consolidated financial statements and related notes appearing elsewhere in this prospectus, and are not necessarily indicative of our operating results for a full fiscal year or any future period.

	First quarter 2015	Fourth quarter 2014	Third quarter 2014	Second quarter 2014	First quarter 2014	Fourth quarter 2013	Third quarter 2013	Second quarter 2013	First quarter 2013
					(unaudited)				
					(dollars in thousands)				
Net sales	$162,470	$200,665	$150,005	$152,910	$134,395	$164,819	$126,815	$129,766	$119,318
Gross profit	64,043	79,308	59,595	59,192	55,415	67,587	50,815	50,509	47,899
Operating income	15,487	24,122	12,627	14,015	12,017	21,624	7,918	10,464	10,153
Net income	6,661	12,008	4,851	5,728	4,328	10,969	2,208	3,770	2,594
Percentage of Annual Results(1):									
Net sales	N/A	31.5%	23.5%	24.0%	21.1%	30.5%	23.5%	24.0%	22.1%
Gross profit	N/A	31.3%	23.5%	23.3%	21.9%	31.2%	23.4%	23.3%	22.1%
Operating income	N/A	38.4%	20.1%	22.3%	19.1%	43.1%	15.8%	20.9%	20.2%
Net income	N/A	44.6%	18.0%	21.3%	16.1%	56.1%	11.3%	19.3%	13.3%
Percentage of Net Sales:									
Gross profit	39.4%	39.5%	39.7%	38.7%	41.2%	41.0%	40.1%	38.9%	40.1%
Operating income	9.5%	12.0%	8.4%	9.2%	8.9%	13.1%	6.2%	8.1%	8.5%
Net income	4.1%	6.0%	3.2%	3.7%	3.2%	6.7%	1.7%	2.9%	2.2%
Selected Operating Data:									
Number of stores at end of period	181	176	173	167	161	154	153	143	137
Average net sales per store(2)	$ 913	$ 1,156	$ 882	$ 929	$ 849	$ 1,070	$ 858	$ 924	$ 891
Comparable stores sales change	8.8%	9.0%	6.2%	3.8%	(3.0)%	3.2%	(0.4)%	5.2%	(4.0)%

(1) Components may not add to totals due to rounding.
(2) Average net sales per store represents the weighted average of total net sales divided by the number of stores open, in each case at the end of each week in a fiscal quarter.

Additionally, our historical comparable store sales change is reflected in the table below.

	Fiscal Year 2012 (1)	Fiscal Year 2011	Fiscal Year 2010
First Quarter	3.9%	(5.4)%	6.0%
Second Quarter	2.2	(3.7)	1.7
Third Quarter	2.3	(0.7)	(4.1)
Fourth Quarter	(1.2)	7.5	(3.9)

(1) As adjusted to reflect comparable prior year quarters for the change in fiscal year end.

Seasonality

Our business is seasonal in nature and demand is generally the highest in our fourth fiscal quarter due to the holiday sales season. To prepare for the holiday sales season, we must order and keep in stock more merchandise than we carry during other times of the year and generally engage in additional marketing efforts. We expect inventory levels, along with accounts payable and accrued expenses, to reach their highest levels in our third and fourth fiscal quarters in anticipation of increased net sales during the holiday sales season. As a result of this seasonality, and generally because of variation in consumer spending habits, we experience fluctuations in net sales and working capital requirements during the year. Because we offer a broad selection of merchandise at extreme values, we believe that we are less impacted than other retailers by economic cycles that correspond with declines in general consumer spending habits and that we still benefit from periods of increased consumer spending.

Liquidity and capital resources

Overview

Our primary sources of liquidity are net cash provided by operating activities and borrowings under our Revolving Credit Facility. Our primary cash needs are for capital expenditures and working capital. As of May 2, 2015, we had $73.4 million available for borrowing under our Revolving Credit Facility, which was undrawn, $320.6 million outstanding, net of unamortized original issue discount of $2.6 million, under our Term Loan Facility and $4.1 million of cash on hand. In February 2013 and April 2014, we amended our initial $225.0 million Term Loan to provide for additional loans of $50.0 million and $60.0 million, respectively. The proceeds of these additional borrowings were used to repurchase stock and pay a special dividend in February 2013 and April 2014, respectively. On May 27, 2015, we amended the credit agreements governing our Senior Secured Credit Facilities to, among other things, increase the size of the Revolving Credit Facility from $75.0 million to $125.0 million and to permit a dividend to holders of our outstanding common stock. We also drew $50.0 million of borrowings under our Revolving Credit Facility, the proceeds of which were used to pay an aggregate cash dividend of $48.8 million to holders of our common stock and of which the balance was used to pay $1.1 million of bank fees and $0.1 million of legal and other expenses related to the Recapitalization. See “—Factors affecting the comparability of our results of operations—Financing transactions and payments to stockholders” “—Senior secured credit facilities” and “Description of certain indebtedness.”

Our capital expenditures are primarily related to new store openings, store resets and existing store capital expenditures, which consist of improvements to stores as they are needed, expenditures related to our distribution centers, and infrastructure-related investments, including investments related to upgrading and maintaining our information technology systems. In fiscal year 2014, in addition to expenditures related to new store openings and the opening of our Commerce, GA distribution center, we also used approximately $1.7 million for store resets and existing stores capital expenditures. We plan to make additional capital

expenditures of approximately $13.0 million to $14.5 million in fiscal year 2015, which we expect to fund from net cash provided by operating activities. We expect to spend approximately half of our budgeted capital expenditures in fiscal year 2015 to open 25 to 30 new stores. As of June 30, 2015, in fiscal year 2015 we opened 11 new stores. We also expect to invest in our distribution centers, store resets and general corporate capital expenditures, including information technology in fiscal year 2015.

Our primary working capital requirements are for the purchase of inventory, payroll, rent, other store operating costs and distribution costs. Our working capital requirements fluctuate during the year, rising in our third fiscal quarter as we increase quantities of inventory in anticipation of our peak holiday sales season in our fourth fiscal quarter. Fluctuations in working capital are also driven by the timing of new store openings.

Historically, we have funded our capital expenditures and working capital requirements during the fiscal year with cash on hand and borrowings under our Revolving Credit Facility. When we have used our Revolving Credit Facility, the amount of indebtedness outstanding under it has tended to be the highest in the beginning of our fourth fiscal quarter. Over the past two fiscal years, to the extent that we have drawn on the Revolving Credit Facility, we have paid down the borrowings before the end of December each fiscal year with cash generated during our peak selling season in our fourth fiscal quarter.

Based on our growth plans, we believe our cash position, net cash provided by operating activities and availability under our Revolving Credit Facility will be adequate to finance our planned capital expenditures, working capital requirements and debt service over the next 12 months and the foreseeable future thereafter. If cash provided by operating activities and borrowings under our Revolving Credit Facility are not sufficient or available to meet our capital requirements, then we will be required to obtain additional equity or debt financing in the future. There can be no assurance that equity or debt financing will be available to us when we need it or, if available, the terms will be satisfactory to us and not dilutive to our then-current stockholders. See “Risk factors—Risks related to our business and industry—We may be unable to generate sufficient cash flow to satisfy our significant debt service obligations, which could have a material adverse effect on our business, financial condition and results of operations.”

Summary of cash flows

A summary of our cash flows from operating, investing and financing activities is presented in the following table:

	First quarter		Fiscal year	
	2015	2014	2014	2013
	(in thousands)			
Net cash (used in) provided by operating activities	$(14,501)	$(7,045)	$ 31,842	$19,713
Net cash used in investing activities	(2,503)	(6,639)	(14,007)	(9,554)
Net cash (used in) provided by financing activities	(895)	4,269	(8,049)	(2,593)
Net (decrease) increase in cash	$(17,899)	$(9,415)	$ 9,786	$ 7,566

Cash provided by operating activities

Net cash used in operating activities for the 13 weeks ended May 2, 2015 was $14.5 million, an increase in cash used in operating activities of $7.5 million compared to the 13 weeks ended May 3, 2014. The increase in 13 weeks ended May 2, 2015 net cash used in operating activities was primarily the result of changes in certain working capital accounts. The primary drivers of the increase in cash used in operating activities were increases in inventories in connection with the new stores in fiscal year 2014 and fiscal year 2015, increases in prepaid

expenses due to timing of payments and a reduction in accounts payable due to timing of payments. Partially offsetting these increases was an increase in income taxes payable due to higher estimated taxable income and net income due to new stores and improved store performance. Partially offsetting these increases were increased operating cash flows from store performance.

Net cash provided by operating activities for fiscal year 2014 was $31.8 million, an increase from $19.7 million in fiscal year 2013. The increase in fiscal year 2014 net cash provided by operating activities was primarily the result of the increase in net income and changes in certain working capital accounts. The primary drivers of this increase were 22 stores which were added in fiscal year 2014 contributing to the increase in net income, an increase in accounts payable related to the additional inventory purchases to support the new store growth and timing of payments. Partially offsetting this increase was a decrease in the income taxes payable based upon the increase in taxable income and quarterly estimated tax payments.

Cash used in investing activities

Net cash used in investing activities for the 13 weeks ended May 2, 2015 was $2.5 million, a decrease of $4.1 million compared to the 13 weeks ended May 3, 2014, relating solely to capital expenditures. The decrease in capital expenditures during the 13 weeks ended May 2, 2015 was primarily driven by increased capital expenditures in the 13 weeks ended May 3, 2014 relating to the new distribution center in Commerce, GA, which opened in 2014.

Net cash used in investing activities for fiscal year 2014 was $14.0 million, an increase from $9.6 million in fiscal year 2013 and related solely to capital expenditures. The increase in capital expenditures was primarily for new store growth and the opening of an additional distribution center in Commerce, GA during fiscal year 2014.

Cash used in financing activities

Net cash used in financing activities for the 13 weeks ended May 2, 2015 was $0.9 million, compared to net cash provided by financing activities of $4.3 million for the 13 weeks ended May 3, 2014. The change in cash for financing activities was primarily the result of net borrowings under our Revolving Credit Facility in the 13 weeks ended May 3, 2014.

Net cash used in financing activities for fiscal years 2014 and 2013 was $8.0 million and $2.6 million, respectively. The increase in fiscal year 2014 net cash flows used in financing activities was primarily related to repayments under the Term Loan Facility.

Senior secured credit facilities

On September 28, 2012, in connection with the CCMP Acquisition, our wholly owned subsidiaries, Ollie’s Holdings, Inc. (“Ollie’s Holdings”) and Ollie’s Bargain Outlet, Inc. (“Ollie’s Bargain Outlet” and together with Ollie’s Holdings, the “Borrowers”) and certain of their subsidiaries entered into a $75.0 million Revolving Credit Facility, which included a $25.0 million letter of credit and a $20.0 million swingline loan facility, and a $225.0 million Term Loan Facility with Manufacturers and Traders Trust Company as administrative agent for the Revolving Credit Facility, Jefferies Finance LLC, as administrative agent for the Term Loan Facility and Manufacturers and Traders Trust Company, Jefferies Finance LLC and KeyBank National Association as joint lead arrangers and joint bookrunners for the Senior Secured Credit Facilities.

On February 26, 2013, the credit agreements governing our Senior Secured Credit Facilities were amended to reduce the interest rate margin applicable to borrowings under the Term Loan Facility, to provide for additional loans under the Term Loan Facility in an aggregate principal amount of $50.0 million and to permit a share

repurchase from CCMP, our majority stockholder. Our proceeds of the increased Term Loan Facility borrowings were net of $2.2 million, of which $1.8 million was recorded as additional original issue discount and $0.4 million was recognized as interest expense on the date of the amendment. We used the proceeds of additional Term Loan Facility borrowings to repurchase 4,999,625 shares of Class A Common Stock from our majority stockholder for an aggregate purchase price of $46.2 million.

On April 11, 2014, the credit agreements governing our Senior Secured Credit Facilities were further amended to reduce the interest rate margin applicable to borrowings under the Term Loan Facility, to provide for additional term loans under the Term Loan Facility in aggregate principal amount of $60.0 million and to permit a special dividend to holders of our common stock. We used the proceeds of the additional Term Loan Facility borrowings to make a cash dividend of $58.0 million to holders of our common stock. The proceeds of the increased Term Loan Facility borrowings were net of $1.3 million, which was recognized as deferred financing fees, $0.4 million was recorded as additional original issue discount, and $0.3 million was recognized as selling, general and administrative expenses.

On May 27, 2015, we amended the credit agreements governing our Senior Secured Credit Facilities to, among other things, increase the size of the Revolving Credit Facility from $75.0 million to $125.0 million and to permit a dividend to holders of our outstanding common stock. We also drew $50.0 million of borrowings under our Revolving Credit Facility, the proceeds of which were used to pay an aggregate cash dividend of $48.8 million to holders of our common stock and of which the balance was used to pay $1.1 million of bank fees and $0.1 million of legal and other expenses related to the Recapitalization.

The Term Loan Facility is payable in 27 consecutive quarterly payments of $0.8 million to be made on the last business day of each fiscal quarter beginning with February 1, 2013, with the remaining unpaid principal balance of the Term Loan Facility along with all accrued and unpaid interest to be paid by September 28, 2019. The Term Loan Facility provides for an “Excess Cash Flow” payment, as defined therein, to be made on or before the date that is 125 days following the end of our fiscal year of each year beginning with the fiscal year ending February 1, 2014. The Excess Cash Flow payment expected to be made for the fiscal year 2014 is $4.4 million and was included in the current portion of long-term debt as of January 31, 2015. The Excess Cash Flow payment for fiscal year 2013 was $4.3 million and was included in current portion of long-term debt as of February 1, 2014.

Borrowings under the Term Loan Facility, bear interest at a rate per annum calculated as the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.5%, the Eurodollar Rate plus 1.00%, or 2.00%; plus the Applicable Margin, as defined in the credit agreement. The Term Loan Facility also allows for Eurodollar Loans with a floor of 1.00%, plus the Applicable Margin. As part of the April 2014 amendment to the Term Loan Facility, our Applicable Margin on the interest rate was reduced by 0.25% (from 3.00% to 2.75% for a Base Rate Loan and from 4.00% to 3.75% for a Eurodollar Loan), the floor was reduced from 1.25% to 1.00%. As of May 2, 2015, the interest rate on outstanding borrowings under the Term Loan Facility was 3.75% plus LIBOR, which is subject to a floor of 1.0%.

Under the terms of the Revolving Credit Facility, we can borrow up to 90.0% of the most recent appraised value (valued at cost, discounted for the current net orderly liquidation value) of our eligible inventory, as defined therein, up to $125.0 million. The Revolving Credit Facility includes a $25.0 million sub-facility for letters of credit and a $20.0 million swingline facility. Borrowings under the Revolving Credit Facility bear interest at a rate per annum calculated at the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.5%, or the Eurodollar Rate plus 1.00%; plus Applicable Margin, which could range from 0.75% to 1.25%. Under the terms of the Revolving Credit Facility, the Applicable Margin may fluctuate subject to periodic measurements of average availability, as defined therein. The Revolving Credit Facility also allows for Eurodollar Loans comprised

of the Eurodollar Base Rate plus Applicable Margin, which could range from 1.75% to 2.25%. Under the terms of the Revolving Credit Facility, the Borrowers may request up to $25.0 million in increased commitments, subject to certain requirements and restrictions.

As of May 2, 2015, we had $73.4 million available for borrowing under our Revolving Credit Facility and there were no outstanding borrowings thereunder. The interest rate applicable if borrowings were outstanding as of May 2, 2015 would have been in a range of 1.94% and 4.00%. The Revolving Credit Facility also includes a variable unused line fee ranging from 0.250% to 0.375% per annum. The Borrowers incurred unused line fees of $0.2 million in fiscal years 2014 and 2013 and less than $0.1 million in first quarter 2015 and first quarter 2014.

The Senior Secured Credit Facilities are collateralized by the all of the Borrowers' assets and equity and contain financial covenants and certain business covenants, including restrictions on dividend payments, that the Borrowers must comply with during the term of the agreement. As of May 2, 2015, the Borrowers were in compliance with our Senior Secured Credit Facilities. For additional description of the Senior Secured Credit Facilities, see "Description of certain indebtedness—Senior secured credit facilities."

Contractual obligations

We enter into long-term contractual obligations and commitments in the normal course of business, primarily operating leases.

As of January 31, 2015, our contractual obligations and other commitments were:

	Less than 1 year	1-3 Years	3-5 Years	Thereafter	Total
	Payments due by year (in thousands)				
Fiscal year ending:					
Operating lease obligation(1)	$ 34,334	$ 64,919	$ 53,441	$ 69,666	$222,360
Principal payments of debt(2)	7,794	6,700	309,581	—	324,075
Interest on long-term debt(3)	15,363	30,384	24,321	—	70,068
Total	$ 57,491	$ 102,003	$ 387,343	$ 69,666	$616,503

(1) Includes the initial lease term and optional renewal terms that are included in the lease term of our store and distribution center leases in accordance with accounting guidance related to leases.

(2) Includes the aggregate principal payments under the Term Loan Facility and assumes no borrowings under our Revolving Credit Facility. On May 27, 2015, in connection with the Recapitalization, we increased the size of our Revolving Credit Facility and drew $50.0 million of borrowings under our Revolving Credit Facility at LIBOR of 0.25% plus the applicable margin of 1.75%. We intend to use the net proceeds of this offering to repay $113.4 million in aggregate principal amount of outstanding borrowings under our Revolving Credit Facility and our Term Loan Facility.

(3) Represents the expected cash payments for interest on our long-term debt based on the interest rates in place and the amounts outstanding as of January 31, 2015. On May 27, 2015, in connection with the Recapitalization, we increased the size of our Revolving Credit Facility and drew $50.0 million of borrowings under our Revolving Credit Facility.

Off-Balance sheet arrangements

Except for operating leases entered into in the normal course of business, we do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Critical accounting policies and estimates

We have identified the policies below as critical to our business operations and understanding of our results of operations. The impact and any associated risks related to these policies on our business operations are discussed throughout “Management’s discussion and analysis of financial condition and results of operations” where such policies affect our reported and expected financial results. Our financial statements, which have been prepared in accordance with U.S. GAAP, require us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates. For a detailed discussion on the application of these and other accounting policies, See Note 1 in our audited financial statements included elsewhere in this prospectus.

Inventories

Inventories are stated at the lower of cost or market determined using the retail inventory method on a first-in, first-out basis. The cost of inventories includes the merchandise cost, transportation costs, and certain distribution and storage costs. Such costs are thereafter expensed as cost of sales upon the sale of the merchandise.

Under the retail inventory method, inventory is segregated into departments of merchandise having similar characteristics, and is stated at its current retail selling value. Inventory retail values are converted to a cost basis by applying specific average cost factors for each merchandise department. Cost factors represent the average cost-to-retail ratio for each merchandise department based on beginning inventory and the current period purchase activity.

The retail inventory method inherently requires management judgments and estimates, such as the amount and timing of permanent markdowns to clear unproductive or slow-moving inventory, which may impact the ending inventory valuation as well as gross margins.

Permanent markdowns designated for clearance activity are recorded when the utility of the inventory has diminished. Factors considered in the determination of permanent markdowns include current and anticipated demand, customer preferences, and age of the merchandise. When a decision is made to permanently markdown merchandise, the resulting gross profit reduction is recognized in the period the markdown is recorded. Demand for merchandise can fluctuate greatly. A significant increase in the demand for merchandise could result in a short-term increase in inventory purchases while a significant decrease in demand could result in an increase in the amount of excess inventory quantities on-hand. If our inventory is determined to be overvalued in the future, we would be required to recognize such costs in costs of goods sold and reduce operating income at the time of such determination. Therefore, although every effort is made to ensure the accuracy of forecasts of merchandise demand, any significant unanticipated changes in demand or in economic conditions within our markets could have a significant impact on the value of our inventory and reported operating results.

Goodwill/Intangible assets

We amortize intangible assets over their useful lives unless we determine such lives to be indefinite. Goodwill and intangible assets having indefinite useful lives are not amortized to earnings, but instead are subject to annual impairment testing or more frequently if events or circumstances indicate that the value of goodwill or intangible assets having indefinite useful lives might be impaired.

Entities have an option to perform a qualitative assessment to determine whether further impairment testing on goodwill is necessary. Specifically, an entity has the option to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative test. The goodwill quantitative impairment test is a two-step test. Under the first step, the fair value of the reporting unit is compared with its carrying value (including goodwill). If the fair value of the reporting unit is less than its carrying value, an indication of goodwill impairment exists for the reporting unit and the enterprise must perform step two of the impairment test (measurement). Under step two, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation. The residual fair value after the allocation is the implied fair value of the reporting unit goodwill. Fair value of the sole reporting unit is determined utilizing a combination of valuation methods including both the income approach (including a discounted cash flow analysis) and market approach (including prior transaction method and comparable public company multiples). If the fair value of the reporting unit exceeds its carrying value, step two does not need to be performed. If an entity believes, as a result of its qualitative assessment, that it is more-likely than-not that the fair value of a reporting unit is less than its carrying amount, the quantitative impairment test is required. Otherwise, no further testing is required. We have selected the fiscal month ending date of October as the annual impairment testing date. For the fiscal year ended February 1, 2014, we completed a quantitative impairment test. For the fiscal year ended January 31, 2015, we completed a qualitative impairment test. Based upon the procedures described above, no impairment of goodwill existed as of January 31, 2015 or February 1, 2014.

Our detailed impairment analysis related to goodwill involves the use of discounted cash flow models. Significant management judgment is necessary to evaluate the impact of operating and macroeconomic changes on existing and forecasted results. Determining market values using a discounted cash flow method requires that we make significant estimates and assumptions, including long-term projections of cash flows, market conditions and appropriate market rates. Our judgments are based on historical experience, current market trends and other information. In estimating future cash flows, we rely on internally generated forecasts for operating profits and cash flows, including capital expenditures. Critical assumptions include projected comparable store sales growth, timing and number of new store openings, operating profit rates, general and administrative expenses, direct store expenses, capital expenditures, discount rates and terminal growth rates. We determine discount rates based on the weighted average cost of capital of a market participant. Such estimates are derived from our analysis of peer companies and consider the industry weighted average return on debt and equity from a market participant perspective. We also use comparable market earnings multiple data to corroborate our reporting unit valuation. Factors that could cause us to change our estimates of future cash flows include a prolonged economic crisis, successful efforts by our competitors to gain market share in our core markets, our inability to compete effectively with other retailers.

We are also required to perform impairment tests annually or more frequently if events or circumstances indicate that the value of its nonamortizing intangible assets might be impaired. Our nonamortizing intangible assets as of January 31, 2015 and February 1, 2014 consisted of a trade name. Entities have an option to perform a qualitative assessment to determine whether further impairment testing of nonamortizing intangible assets is necessary. Specifically, an entity has the option to first assess qualitative factors to determine whether it is necessary to perform a quantitative test. We perform the quantitative impairment test using a "relief from royalty payments" methodology. This methodology involves estimating reasonable royalty rates for the trade name and applying these royalty rates to a revenue stream and discounting the resulting cash flows to determine fair value. The carrying amount of the asset is then compared to the fair value. If the carrying amount is greater than fair value, an impairment loss is recorded for the amount that fair value is less than the carrying amount. If an entity believes, as a result of its qualitative assessment, that it is more-likely than-not that the fair value is less than its carrying amount, the quantitative impairment test is required. Otherwise, no

further testing is required. For the fiscal year ended February 1, 2014, we completed a quantitative impairment test. For the fiscal year ended January 31, 2015, we completed a qualitative impairment test. Based upon the procedures described above, no impairment of trade name existed as of January 31, 2015 or February 1, 2014.

Intangible assets with determinable useful lives are amortized over their estimated useful lives and reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Impairment of long-lived assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, we first compare undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

We believe that impairment assessment of long-lived assets is critical to the financial statements because the recoverability of the amounts, or lack thereof, could significantly affect our results of operations. Determining whether an impairment has occurred typically requires various estimates and assumptions, including determining which cash flows are directly related to the potentially impaired asset, the useful life over which cash flows will occur, amount of such cash flows, and the asset's residual value, if any. Measurement of an impairment loss, if any, requires a determination of fair value, which is based on the best information available. We use internal discounted cash flow estimates and independent appraisals as appropriate to determine fair value. We derive the required cash flow estimates from our historical experience and our internal business plans and apply an appropriate discount rate. We group and evaluate long-lived assets for impairment at the individual store level, which is the lowest level at which individual identifiable cash flows are available.

Revenue recognition

We recognize retail sales in our stores at the time a customer pays and takes possession of merchandise. Net sales are presented net of returns and sales tax. We provide an allowance for estimated retail merchandise returns based on prior experience.

Stock-based compensation

Our share-based compensation expense is measured at the grant date, based on the calculated fair value of the award, and is recognized as an expense on a straight-line basis over the associate's requisite service period (generally the vesting period of the equity grant). We recognize compensation expense based on the estimated grant date fair value using the Black-Scholes option-pricing model for grants of stock options. The determination of the grant date fair value is based on our expected stock price volatility over the expected term of the options, stock option exercise and cancellation behaviors, risk-free interest rates and expected dividends. As a result, if any of the inputs or assumptions used in the Black-Scholes model change significantly, share-based compensation for future awards may differ materially compared with the awards granted previously.

There are significant judgments and estimates inherent in the determination of fair value of share-based awards. These judgments and estimates include determinations of an appropriate valuation method and the selection of appropriate inputs to be used in the valuation model. The use of alternative assumptions, including

expected term, volatility, risk-free interest rate and dividend yield, could cause share-based compensation to differ significantly from what has been recorded in the past. Future share-based compensation cost will increase when we grant additional equity awards. Modifications, cancellations or repurchases of awards may require us to accelerate any remaining unearned share-based compensation cost or incur additional cost.

Determination of the fair value of common stock on grant date.

Prior to the consummation of this offering, our associates were eligible to receive awards as part of our 2012 Plan. Following the consummation of this offering, associates are eligible to receive awards from our 2015 Plan. Our stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period, which generally represents the vesting period, and includes an estimate of the awards which will be forfeited. Prior to this offering, we have been a private company with no active public market for our common stock. Therefore, prior to this offering, in connection with each grant of stock options, the fair value of the common stock underlying the awards was determined by and approved by our Board with the assistance of management, which intended all stock options granted to be exercisable at a price per share not less than the per share fair value of our common stock. Given the absence of a public trading market for our common stock, estimating the fair value of our common stock has required complex and subjective judgments and assumptions, including:

- valuations of our common stock at each grant date based on our actual operational and financial performance and current business conditions; and
- the trading multiple of companies which we have deemed guideline companies based on a number of factors, including similarity to us with respect to industry, business model, and growth profile.

For the period from September 28, 2012 to March 11, 2014 the Board considered alternative valuation methodologies but determined the best indication of the fair value of our common stock was the value at which the CCMP Acquisition occurred.

Stock option grants

We granted stock options at an exercise price of $8.70 per share pursuant to our 2012 Plan and determined that the fair value of the common stock on the date of grant was $8.70 per share for the following grant dates:

Issuance date	Number of options issued
September 28, 2012	5,152,575
March 13, 2013	304,750
June 11, 2013	28,750
September 10, 2013	34,500
December 10, 2013	11,500
March 11, 2014	362,250

In assessing the reasonableness of the fair value of our common stock for the above grants, we considered the following:

- the grants that were issued on September 28, 2012 were concurrent with the CCMP Acquisition, which occurred at a value per common stock share of $8.70, which therefore, was determined to be the fair value of the common stock for purposes of the grants

- for the period from September 28, 2012 to March 11, 2014, no material changes had occurred to the variables impacting the fair value of our common stock that would result in a better indication of fair value than the price at which the CCMP Acquisition was completed.

On April 11, 2014, we entered into an additional term loan borrowing of $60.0 million as described above in "—Factors affecting the comparability of our results of operations—Financing transactions and payments to stockholders." The proceeds were used for a special cash dividend to our stockholders.

Pursuant to the anti-dilutive clause in the 2012 Plan, the option exercise price for all options issued prior to the dividend date was reduced to $7.49 from $8.70.

On June 10, 2014, we granted stock options to purchase a total of 408,250 shares of common stock at an exercise price of $9.04 per share pursuant to the 2012 Plan. We determined that the fair value of the common stock on the date of grant was $9.04 per share. To assess the reasonableness of the fair value of our common stock on this date, we considered a valuation approved by the Board (or its compensation committee) utilizing the above valuation method that indicated a valuation price of $9.04 per common share as of May 3, 2014 financial statement date.

Changes from our previous valuation were primarily due to the following:

- multiples of our guideline public company peer group were generally higher than at the time of our previous valuation; and
- continued growth in our last 12 months Adjusted EBITDA.

On September 9, 2014 we granted stock options to purchase a total of 86,250 shares of common stock at an exercise price of $9.99 per share pursuant to the 2012 Plan. We determined the fair value of the common stock on the date of grant was $9.99 per share. To assess the reasonableness of the fair value of our common stock on this date, we considered a valuation approved by the Board utilizing the above valuation method which indicated a valuation price of $9.99 per common share as of August 2, 2014 financial statement date.

Changes from our previous valuation were primarily due to the following:

- multiples of our guideline public company peer group were generally higher than at the time of our previous valuation; and
- continued growth in our last 12 months Adjusted EBITDA.

On December 9, 2014, we granted stock options to purchase a total of 63,250 shares of common stock at an exercise price of $11.62 per share pursuant to the 2012 Plan. We determined the fair value of the common stock on the date of both grants was $11.62 per share. To assess the reasonableness of the fair value of our common stock on these dates, we considered a valuation approved by the Board utilizing the above valuation method which indicated a valuation price of $11.62 per common share as of November 1, 2014 financial statement date.

Changes from our previous valuation were primarily due to the following:

- multiples of our guideline public company peer group were generally higher than at the time of our previous valuation; and
- continued growth in our last 12 months Adjusted EBITDA.

For valuations after the consummation of this offering, our Board (or its compensation committee) will generally determine the fair value of each share of underlying common stock based on the closing price of our common stock as reported on the date of grant.

On March 10, 2015, we granted stock options to purchase a total of 770,500 shares of common stock at an exercise price of $12.56 per share pursuant to the 2012 Plan. We determined the fair value of the common stock on the date of both grants was $12.56 per share. To assess the reasonableness of the fair value of our common stock on these dates, we considered a valuation approved by the Board utilizing the above valuation method which indicated a valuation price of $12.56 per common share as of January 31, 2015.

Changes from our previous valuation were primarily due to the following:

- multiples of our guideline public company peer group were generally higher than at the time of our previous valuation; and
- continued growth in our last 12 months Adjusted EBITDA.

For valuations after the consummation of this offering, our Board (or its compensation committee) will generally determine the fair value of each share of underlying common stock based on the closing price of our common stock as reported on the date of grant.

On May 27, 2015, the Company amended the Term Loan and Revolving Credit Facility to, among other things, increase the size of the Revolving Credit Facility from $75.0 million to $125.0 million and to permit a dividend to holders of the Company's outstanding common stock. On May 27, 2015, the Company borrowed $50.0 million under the Revolving Credit Facility and the proceeds were used to pay an aggregate cash dividend of $48.8 million to holders of outstanding common stock. In addition, pursuant to the anti-dilutive clause in the 2012 Plan, the option exercise price for all options issued prior to the dividend date were reduced as follows:

Grant Date	Pre-dividend exercise price	Post-dividend exercise price
All grants on or before March 11, 2014	$7.49	$6.48
June 10, 2014	9.04	8.03
September 9, 2014	9.99	8.97
December 9, 2014	11.62	10.60
March 10, 2015	12.56	11.54

All grants presented also reflect the Stock Split.

Income taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating losses and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

In assessing the realizability of deferred tax assets, we consider whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. We consider the scheduled reversal of deferred tax liabilities, projected future taxable income and tax-planning strategies in making this assessment. As of January 31, 2015 and February 1, 2014, we have a net deferred tax liability of $89.1 million and $92.5 million, respectively.

We have no material accrual for uncertain tax positions or interest or penalties related to income taxes as of January 31, 2015 or February 1, 2014, and have not recognized any material uncertain tax positions or interest or penalties related to income taxes during the fiscal years ended January 31, 2015 or February 1, 2014.

Jumpstart Our Business Startups Act of 2012

We qualify as an “emerging growth company” pursuant to the provisions of the JOBS Act, enacted on April 5, 2012. For as long as we are an “emerging growth company,” we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies,” including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding advisory “say-on-pay” votes on executive compensation and shareholder advisory votes on golden parachute compensation.

Under the JOBS Act, we will remain an “emerging growth company” until the earliest of:

- the last day of the fiscal year during which we have total annual gross revenues of $1 billion or more;
- the last day of the fiscal year following the fifth anniversary of the completion of the IPO;
- the date on which we have, during the previous three-year period, issued more than $1 billion in non-convertible debt; and
- the date on which we are deemed to be a “large accelerated filer” under the Exchange Act, which will be the first day of the first fiscal year after we have (i) more than $700 million in outstanding common equity held by our non-affiliates as of the last day of our most recently completed second fiscal quarter, (ii) been a public company for at least 12 months and (iii) filed at least one annual report with the SEC. The value of our outstanding common equity will be measured each year on the last day of our second fiscal quarter.

The JOBS Act also provides that an “emerging growth company” can utilize the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. However, we chose to opt out of that extended transition period, and, as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for companies that are not “emerging growth companies.” Under the JOBS Act, our decision to opt out of the transition period for complying with the new or revised accounting standards is irrevocable.

Recently issued accounting pronouncements

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU No. 2014-09 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard is effective for us on January 29, 2017. Early application is not permitted. The standard permits the use of either the retrospective or cumulative effect transition method. We have not yet determined the effect of the standard on our consolidated financial statements and related disclosures.

Quantitative and qualitative disclosures about market risk

Interest rate risk

Our operating results are subject to risk from interest rate fluctuations on our Senior Secured Credit Facilities, which carry variable interest rates. Our Senior Secured Credit Facilities include a Term Loan Facility and a Revolving Credit Facility with advances tied to a borrowing base and which bears interest at a variable rate. Because our Senior Secured Credit Facilities bear interest at a variable rate, we are exposed to market risks relating to changes in interest rates. As of May 2, 2015 and January 31, 2015, we had no outstanding borrowings

under our Revolving Credit Facility and outstanding variable rate debt under our Term Loan Facility was $320.6 million and $321.3 million, net of unamortized original debt issue discount of $2.6 million and $2.8 million, respectively. Based on May 2, 2015 debt levels, an increase or decrease of 1% in the effective interest rate would cause an increase or decrease in interest cost of approximately $3.2 million over the next 12 months. We do not use derivative financial instruments for speculative or trading purposes, but this does not preclude our adoption of specific hedging strategies in the future.

Impact of inflation

Our results of operations and financial condition are presented based on historical cost. While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we believe the effects of inflation, if any, on our historical results of operations and financial condition have been immaterial. We cannot assure you, however, that our results of operations and financial condition will not be materially impacted by inflation in the future.

Internal control over financial reporting

The process of improving our internal controls has required and will continue to require us to expend significant resources to design, implement and maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. There can be no assurance that any actions we take will be completely successful. We will continue to evaluate the effectiveness of our disclosure controls and procedures and internal control over financial reporting on an on-going basis. As part of this process, we may identify specific internal controls as being deficient.

We have begun documenting and testing our internal control procedures in order to comply with the requirements of Section 404 of the Sarbanes-Oxley Act. Section 404 requires annual management assessments of the effectiveness of our internal control over financial reporting and a report by our independent auditors addressing these assessments; however, for so long as we qualify as an emerging growth company, we will not be required to engage an independent registered public accounting firm to report on our internal controls over financial reporting. We must assess the effectiveness of our internal control over financial reporting in compliance with Section 404 no later than the time we file our second annual report with the SEC as a public company.

Business

Our company

We are a highly differentiated and fast-growing, extreme value retailer of brand name merchandise at drastically reduced prices. Known for our assortment of “Good Stuff Cheap,” we offer customers a broad selection of brand name products, including housewares, food, books and stationery, bed and bath, floor coverings, toys and hardware. Our differentiated go-to market strategy is characterized by a unique, fun and engaging treasure hunt shopping experience, compelling customer value proposition and witty, humorous in-store signage and advertising campaigns. These attributes have driven our rapid growth and strong and consistent store performance.

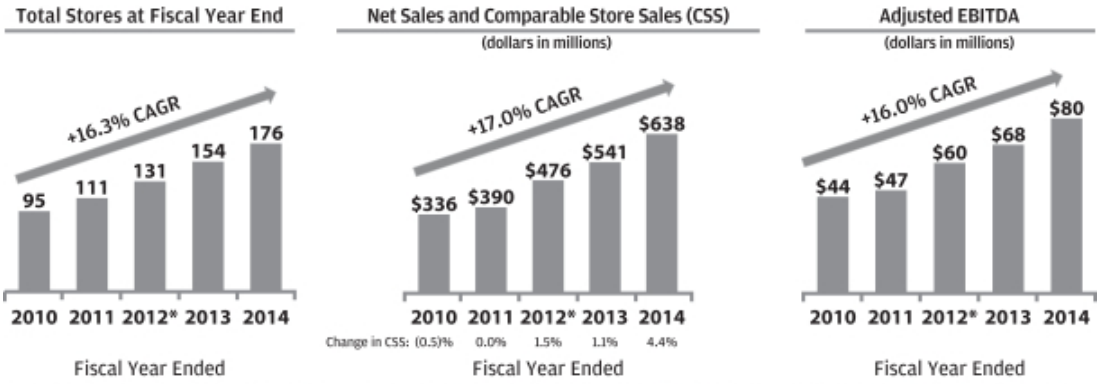
Mark Butler, our Chairman, President and Chief Executive Officer, co-founded Ollie’s in 1982, based on the idea that “everyone in America loves a bargain.” Since opening our first store in Mechanicsburg, PA, we have expanded throughout the Eastern half of the United States. From the time Mr. Butler assumed his current position as President and Chief Executive Officer in 2003, we have grown from operating 28 stores in three states to 187 stores in 16 states as of June 30, 2015. Our no-frills, “semi-lovely” warehouse style stores average approximately 34,000 square feet and generate consistently strong financial returns across all vintages, geographic regions, population densities, demographic groups, real estate formats and regardless of any co-tenant. Our business model has resulted in positive financial performance during strong and weak economic cycles. Since 1998, 100% of our stores have generated positive four-wall EBITDA on a trailing 12-month basis, and prior to that, we believe all of our stores were profitable in each fiscal year since opening our first store in 1982. We expect to open between 25 and 30 new stores in fiscal year 2015 and believe there is opportunity for more than 950 Ollie’s locations across the United States based on internal estimates and third party research conducted by Jeff Green Partners.

Our constantly changing merchandise assortment is procured by a highly experienced merchant team, who leverage deep, long-standing relationships with hundreds of major manufacturers, wholesalers, distributors, brokers and retailers. These relationships enable our merchant team to find and select only the best buys from a broad range of brand name and closeout product offerings and to pass drastically reduced prices along to our customers. As we grow, we believe our increased scale will provide us with even greater access to brand name products because many large manufacturers favor large buyers capable of acquiring an entire deal. Our merchant team augments these deals with directly sourced products including Ollie’s own private label brands and other products exclusive to Ollie’s.

Our business model has produced consistently strong growth and financial performance. From fiscal year 2010 to fiscal year 2014:

- Our store base expanded from 95 stores to 176 stores, a CAGR of 16.3%, and we entered 8 new states.
- New stores opened from fiscal year 2010 to fiscal year 2013 produced average cash-on-cash returns of 61% in their first 12 months of operations.
- Comparable store sales grew at an average rate of 1.7% per year.
- Net sales increased from $335.7 million to $638.0 million, a CAGR of 17.0%.
- Adjusted EBITDA increased from $43.7 million to $80.3 million, a CAGR of 16.0%.
- Net income increased from $19.1 million to $26.9 million.

For a reconciliation of Adjusted EBITDA, a non-GAAP financial measure, to net income, see “Summary—Summary historical consolidated financial and other data.”



**Represents successor period 2012 and predecessor period 2012, as adjusted to eliminate the impact of the four-week period ended January 28, 2012 and to reflect a 53-week period. See "Summary – Summary historical consolidated financial and other data."*

Our competitive strengths

We believe the following strengths differentiate us from our competitors and serve as the foundation for our current and future growth:

“Good Stuff Cheap”—Ever changing product assortment at drastically reduced prices. Our stores offer something for everyone across a diverse range of merchandise categories at prices up to 70% below department and fancy stores and up to 20-50% below mass market retailers. Our product assortment frequently changes based on the wide variety of deals available from the hundreds of brand name suppliers we have relationships with. We augment these opportunistic deals on brand name merchandise with directly sourced unbranded products or those under our own private label brands such as Sarasota Breeze, Steelton Tools and American Way and exclusively licensed recognizable brands and celebrity names such as Magnavox, Marcus Samuelsson Signature Cookware and Kasey Kahne Car Care. Brand name and closeout merchandise represented 70% and non-closeout goods and private label products collectively represented 30% of our fiscal year 2014 merchandise purchases. Our treasure hunt shopping environment and slogan “when it’s gone, it’s gone” help to instill a “shop now” sense of urgency that encourages frequent customer visits.

Highly experienced and disciplined merchant team. Our merchant team maintains strong, long-standing relationships with a diverse group of suppliers, allowing us to procure branded merchandise at compelling values for our customers. This team is led by five senior merchants, including Mark Butler, and has over 104 years of combined industry experience and 87 combined years of experience at Ollie’s. We have been doing business with our top 15 suppliers for an average of 12 years, and no single supplier accounted for more than 5% of our purchases during fiscal year 2014. Our well-established relationships with our suppliers together with our scale, buying power, financial credibility and responsiveness often makes Ollie’s the first call for available deals. Our direct relationships with our suppliers have increased as we have grown and we continuously strive to broaden our supplier network. These factors provide us with increased access to goods, which enables us to be more selective in our deal-making and which we believe helps us provide compelling value and assortment of goods to our customers and fuels our continued profitable growth.

Distinctive brand and engaging shopping experience. Our distinctive and often self-deprecating humor and highly recognizable caricatures are used in our stores, flyers, mailers, website and email campaigns. We

attempt to make our customers laugh as we poke fun at ourselves and current events. We believe this approach creates a strong connection to our brand and sets us apart from other, more traditional retailers. Our “semi-lovely” stores feature these same brand attributes together with witty signage in a warehouse format that create a fun, relaxed and engaging shopping environment. We believe that by disarming our customers by getting them to giggle a bit, they are more likely to look at and trust our products for what they are—extremely great bargains. We offer a “30-day no hard time guarantee” as a means to overcome any skepticism associated with our cheap prices and to build trust and loyalty, because if our customers are not happy, we are not happy. We welcome customers to bring back their merchandise within that timeframe for a “no hard time” full refund. We also make it easy for our customers to browse our stores by displaying our products on easily accessible fixtures and by keeping the stores clean and well-lit. We believe our humorous brand image, compelling values and welcoming stores resonate with our customers and define Ollie’s as a unique and comfortable destination shopping location.

Extremely loyal “Ollie’s Army” customer base. Our best customers are members of our Ollie’s Army customer loyalty program, which stands at 5.2 million members as of May 15, 2015. Over 55% of our sales in fiscal year 2014 were from Ollie’s Army members, and we have consistently grown our base of loyal members at a 37.2% CAGR from fiscal year 2006 to May 15, 2015. Ollie’s Army members spend approximately 37% more per shopping trip at Ollie’s, typically shop more frequently than non-members, and are willing to drive upwards of 25 minutes to shop at our stores. We identify our target customer as “anyone between the ages of 25-70 with a wallet or a purse” seeking a great bargain. Our consumer research supports this approach, revealing that we appeal to a broad demographic spanning a wide range of household incomes, with more than 60% of Ollie’s Army members having an average household income over $50,000.

Strong and consistent store model built for growth. We employ a proven new store model that generates strong cash flow, consistent financial results and attractive returns on investment regardless of the economic environment. Our highly flexible real estate approach has proven successful across all vintages, geographic regions, population densities, demographic groups, real estate formats and regardless of any co-tenant. Our new store model targets a cash-on-cash return of 55% in the first 12 months of operations. New stores opened from fiscal year 2010 to fiscal year 2013 produced average cash-on-cash returns of 61% in their first 12 months of operations with a net cash investment of approximately $1.0 million per store. Since 2010, our new stores have generated an average of $3.9 million in net sales in their first 12 months of operations and produced an average payback period of less than two years. We believe that our consistent store performance, recently opened distribution center in Commerce, GA and disciplined approach to site selection support the portability and predictability of our new unit growth strategy.

Highly experienced and passionate founder-led management team. Our leadership team, directed by our co-founder, Chairman, President and Chief Executive Officer, Mark Butler, has guided our organization through its expansion and positioned us for continued growth. Mark Butler has assembled a talented and dedicated team of executives with an average of 24 years of retail experience, including an average 11 years of experience at Ollie’s. Our senior executives possess extensive experience across a broad range of disciplines, including merchandising, marketing, real estate, finance, store operations, supply chain management and information technology. We believe by encouraging equity ownership and fostering a strong team culture, we have aligned the interests of our employees with those of our shareholders. As a result, no member of the executive management team (any Vice President or higher classification) has ever chosen to leave Ollie’s to work for another company. We believe these factors result in a cohesive team focused on sustainable long-term growth.

Our growth strategy

We plan to continue to drive growth in sales and profitability by executing on the following strategies:

Grow our store base. We believe our compelling value proposition and the success of our stores across a broad range of geographic regions, population densities and demographic groups creates a significant opportunity to profitably increase our store count. Our internal estimates and third party research conducted by Jeff Green Partners indicate the potential for more than 950 national locations. Our new store real estate model is flexible and focuses predominately on second generation sites ranging in size from 25,000 to 35,000 square feet. We believe there is an ample supply of suitable low-cost, second generation real estate to allow us to infill within our existing markets as well as to expand into new, contiguous geographies. This approach leverages our distribution infrastructure, field management team, store management, marketing investments and brand awareness. We expect our new store openings to be the primary driver of our continued, consistent growth in sales and profitability.

Increase our offerings of great bargains. We will continue to enhance our supplier relationships and develop additional sources to acquire brand name and closeout products for our customers. Our strong sourcing relationships with leading major manufacturers and our purchasing scale provide us with significant opportunities to expand our ever changing assortment of brand name and closeout merchandise at extreme values. We plan to further invest in our merchandising team in order to expand and enhance our sourcing relationships and product categories, which we expect will drive shopping frequency and increase customer spending.

Leverage and expand Ollie's Army. We intend to recruit new Ollie's Army members and increase their frequency of store visits and spending by enhancing our distinctive, fun and recognizable marketing programs, building brand awareness, rewarding member loyalty and utilizing more sophisticated data driven targeted marketing. We believe these strategies, coupled with a larger store base, will enable us to increase the amount of sales driven by loyal Ollie's Army customers seeking the next great deal.

Our merchandise

Strategy

We offer a highly differentiated, constantly evolving assortment of brand name merchandise across a broad range of categories at drastically reduced prices. Our ever changing assortment of "Good Stuff Cheap" includes brand name and closeout merchandise from leading manufacturers. We augment our brand name merchandise with opportunistic purchases of unbranded goods and our own domestic and direct-import private label brands in underpenetrated categories to further enhance the assortment of products that we offer. Brand name and closeout merchandise represented 70% and non-closeout goods and private label products collectively represented 30% of our fiscal year 2014 merchandise purchases. We believe our compelling value proposition and the unique nature of our merchandise offerings have fostered our customer appeal across a variety of demographics and socioeconomic profiles.

Our warehouse format stores feature on average more than 130,000 active stock-keeping units across a broad number of categories including housewares, food, books and stationery, bed and bath, floor coverings, toys and hardware as well as other products including electronics, personal health care, candy, clothing, sporting goods, pet and lawn and garden products. We focus on buying cheap to sell cheap and source products as unique buying opportunities present themselves. Our merchandise mix is designed to combine unique and brand name bargains at extremely attractive price points. This approach results in frequently changing product assortments and localized offerings which encourage shopper frequency and a "shop now" sense of urgency as customers hunt to discover the next deal.

The common element of our dynamic merchandise selection is the consistent delivery of great deals to our customers, with products offered at prices up to 70% below department stores and fancy stores and up to 20-50% below mass market retailers. Our product price tags allow customers to compare our competitor's price against Ollie's price to further highlight the savings they can realize by shopping at our stores.

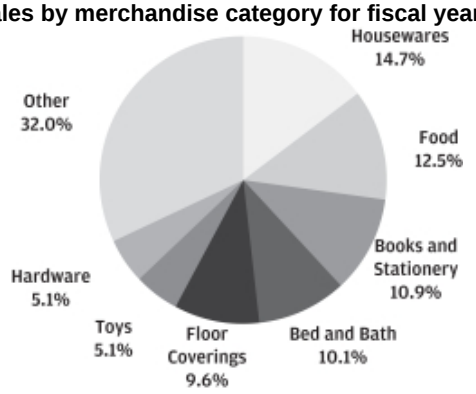
Product mix

Examples of our product offerings include:

- ***Housewares:*** cooking utensils, dishes, appliances, plastic containers, cutlery, storage and garbage bags, detergents and cleaning supplies, cookware and glassware, fans and space heaters, candles, frames and giftware;
- ***Food:*** packaged food including coffee, bottled non-carbonated beverages, salty snacks, condiments, sauces, spices, dry pasta, canned goods, cereal and cookies;
- ***Books and stationery:*** novels, children's, how-to, business, cooking, inspirational and coffee table books along with DVDs, greeting cards and various office supplies and party goods;
- ***Bed and bath:*** household goods including bedding, towels, curtains and associated hardware;
- ***Floor coverings:*** laminate flooring, commercial and residential carpeting, area rugs and floor mats;
- ***Toys:*** dolls, action figures, puzzles, educational toys, board games and other related items;
- ***Hardware:*** tools, shelving, storage containers and paints; and
- ***Other:*** electronics, personal health care, candy, clothing, sporting goods, pet products, luggage, automotive, seasonal, furniture, summer furniture and lawn & garden.

The following chart shows the breakdown of our fiscal year 2014 net sales by merchandise category:

Net sales by merchandise category for fiscal year 2014



Product categories

We maintain consistent average margins across our primary product categories described below.

Brand name and closeout merchandise (70% of merchandise purchases in fiscal year 2014)

Our focus is to provide huge savings to our customers primarily through brand name products across a broad range of merchandise. Our experienced merchant team purchases deeply discounted, branded or closeout merchandise primarily from manufacturers, retailers, distributors and brokers. This merchandise includes overstocks, discontinued merchandise, package changes, cancelled orders, excess inventory and buybacks from retailers and major manufacturers.

Non-closeout goods/private label (30% of merchandise purchases in fiscal year 2014)

We augment the breadth of our brand name merchandise with non-closeout and private label merchandise. In categories where the consumer is not as brand conscious, such as home textiles, home storage and furniture, or when we may not be offering a current brand name merchandise deal, we will buy deeply discounted unbranded merchandise. These extreme value offerings are mixed in the stores with our brand name merchandise. We also have a variety of domestic and direct-import private label merchandise and exclusive products sold under brands such as Sarasota Breeze, Steelton Tools and American Way. These high quality products are developed in key categories such as housewares, are designed to create brand-like excitement and complement our brand name merchandise. We also have exclusive licenses for private label products that use recognizable celebrity names like Marcus Samuelsson, Josh Capon and Kasey Kahne, or brand names like Magnavox. We routinely evaluate the quality and condition of these private label goods to ensure that we are delivering our customer a high quality product at a great price.

Merchandise procurement and distribution

Our disciplined buying strategy and strict adherence to purchasing margins support our merchandising strategy of buying cheap to sell cheap.

Merchandising team

Our 12-member merchant team maintains strong, long-standing relationships with a diverse group of suppliers, allowing us to procure branded merchandise at compelling values for our customers. This team is led by five senior merchants, including Mark Butler, and has over 104 years of combined industry experience and 87 combined years of experience at Ollie’s. Our merchants specialize by department in order to build category expertise, in-depth knowledge and sourcing relationships. We believe our buying approach coupled with long-standing and newly formed relationships enable us to find the best deals from major manufacturers and pass drastically reduced prices along to our customers. We plan to further invest in and grow our merchandising team in order to expand and enhance our sourcing relationships and product categories, which we expect will drive shopping frequency and increase customer spending.

Merchandise procurement

We believe that our strong sourcing capabilities are the result of our tenured merchant team’s ability to leverage deep, long-standing relationships with hundreds of manufacturers, wholesalers, brokers, retailers and other suppliers. Our merchants maintain direct relationships with brand manufacturers, regularly attend more than 60

tradeshows per year and travel the world to source extreme value offerings across a broad assortment of product categories. We are an ideal partner to major manufacturers because our merchants are experienced and empowered to make quick decisions. Each opportunity is unique and our merchants negotiate directly with the supplier to lock in a particular deal. Our ability to select the most attractive opportunistic purchases from a growing number of available deals enables us to provide a wide assortment of goods to our customers at great deals.

We source from nearly 1,000 suppliers, with no single supplier accounting for more than 5% of our purchases during fiscal year 2014. Our dedication to building strong relationships with suppliers is evidenced by a 12-year average relationship with our top 15 suppliers. As we grow, we believe our increased scale will provide us with even greater access to brand name products since many major manufacturers seek a single buyer to acquire the entire deal.

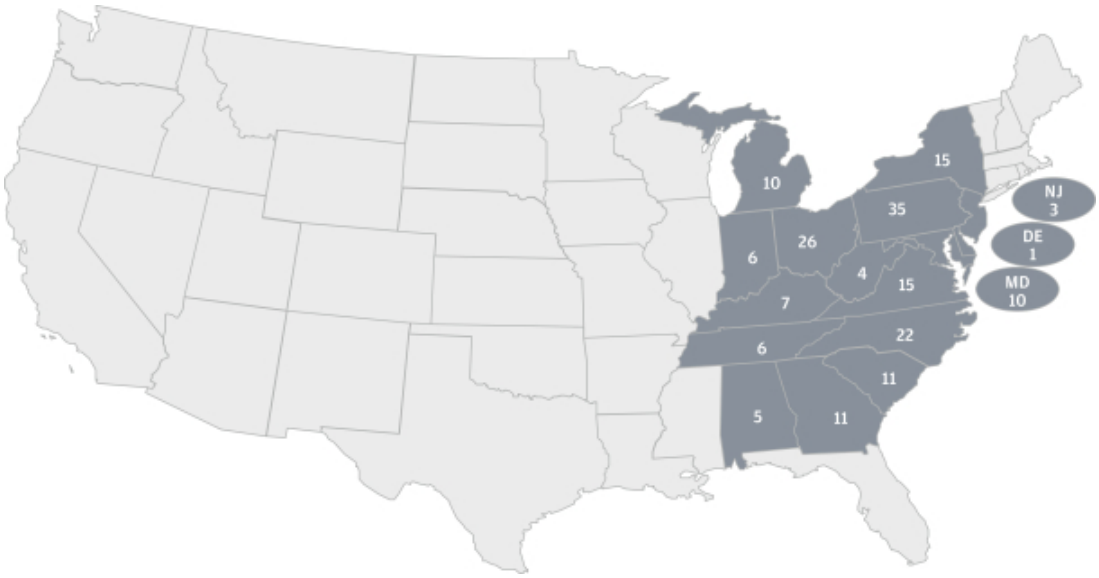
Distribution and logistics

We have made significant investments to support our store growth plan. In April 2014, we opened our second distribution center, located in Commerce, GA, to support our store operations and expansion plans in the Southeast. We distribute approximately 94% of our merchandise from our 603,000 square foot distribution center in York, PA and our 554,040 square foot distribution center in Commerce, GA that will increase annually to 962,280 square feet by November 2017. In order to minimize the amount of time our retail stores devote to inventory management, all of our merchandise is seeded with price tickets and labeled with a bar code for shipping.

Our stores generally receive shipments from our distribution centers two to three times a week, depending on the season and specific store size and sales volume. We utilize independent third party freight carriers and, on average, load and ship between 40 and 50 trucks per day. We believe our existing distribution capabilities will support our anticipated store growth of between 375 to 400 stores over the next several years.

Our stores

As of June 30, 2015, we operated 187 stores averaging approximately 34,000 square feet across 16 contiguous states in the Eastern half of the United States. Our highly flexible real estate approach has proven successful across all vintages, geographic regions, population densities, demographic groups, real estate formats and regardless of any co-tenant. Our business model has resulted in positive financial performance during strong and weak economic cycles. Since 1998, 100% of our stores have generated positive four-wall EBITDA on a trailing 12-month basis, and prior to that, we believe all of our stores were profitable in each fiscal year since opening our first store in 1982. We have successfully opened stores in eight new states since fiscal year 2010, highlighting the portability of our new store model. The following map shows the number of stores in each of the states in which we operated as of June 30, 2015:



Store design and layout

All of our warehouse format stores incorporate the same philosophy: no-frills, bright, “semi-lovely” stores and a fun, treasure hunt shopping experience. We present our stores as “semi-lovely” to differentiate our stores from other traditional retailers, and to minimize operating and build-out costs. Our stores also welcome our customers with vibrant and colorful caricatures together with witty signage. We attempt to make our customers laugh as we poke fun at ourselves and current events. We believe that by disarming our customers by getting them to giggle a bit, they are able to look at and trust our products for what they are—extremely great bargains.

We believe the store layout and merchandising strategy helps to instill a “shop now” sense of urgency and increase frequency of customer visits as customers never know what they might come across in our stores. We make it easy for our customers to browse our stores by displaying our frequently changing assortment of products on rolling tables, pallets and other display fixtures. Our store team leaders are responsible for maintaining our treasure hunt shopping experience, keeping the stores clean and well-lit and ensuring our customers are engaged. We believe our humorous brand image, compelling values and welcoming stores resonate with our customers and define Ollie’s as a unique and comfortable destination shopping location.

Expansion opportunities and site selection

We believe we can profitably expand our store count on a national scale to more than 950 locations based on internal estimates and third party research conducted by Jeff Green Partners. We plan to open between 25 and 30 new stores in fiscal year 2015 and to continue to expand into attractive markets in the Southeastern United States, including Florida. Our disciplined real estate strategy focuses on infilling existing geographies as well as expanding into contiguous markets in order to leverage our distribution infrastructure, field management team, store management, marketing investments and brand awareness.

We maintain a pipeline of real estate sites that have been approved by our real estate committee, and as of June 30, 2015 we opened 11 new stores and entered into 24 new, fully executed leases in fiscal year 2015. Our recent store growth is summarized in the following table:

	First quarter	Fiscal year	
	2015	2014	2013
Stores open at beginning of period	176	154	131
Stores opened	5	22	23
Stores closed	—	—	—
Stores open at end of period	181	176	154

We utilize a rigorous site selection and real estate approval process in order to leverage our infrastructure, marketing investments and brand awareness. Members of our real estate team spend considerable time evaluating prospective sites before bringing a new lease proposal to our real estate committee, which is composed of senior management and executive officers. Our flexible store layout allows us to quickly take over a variety of low-cost, second generation sites including former big box retail and grocery stores. We believe there is an ample supply of suitable low-cost, second generation real estate allowing us to infill within our existing markets as well as to expand into new, contiguous geographies. By focusing on key characteristics such as proximity to the nearest Ollie's store, ability to leverage distribution infrastructure, visibility, traffic counts, population densities of at least 50,000 people within ten miles and low rent per square foot, we have developed a new store real estate model that has consistently delivered attractive returns on invested capital.

Our strong unit growth is supported by our predictable and compelling new store model. We target a store size between 25,000 to 35,000 square feet and an average initial cash investment of approximately $1.0 million, which includes store fixtures and equipment, store-level and distribution center inventory (net of payables) and pre-opening expenses. With our relatively low investment costs and strong new store opening performance, we target new store sales of $3.7 million and a cash-on-cash return of 55% in the first 12 months of operation. New stores opened from fiscal year 2010 to fiscal year 2013 produced average cash-on-cash returns of 61% in their first 12 months of operations. Since 2010, our new stores have generated an average of $3.9 million in net sales in their first full year of operations and produced an average payback period of less than two years. We believe that our consistent store performance, corporate infrastructure, including our recently opened second distribution center, and disciplined approach to site selection support the portability and predictability of our new unit growth strategy.

Store-level management and training

Our Senior Vice President of Store Operations oversees all store activities. Our stores are grouped into two regions, divided generally along geographic lines. We employ two regional directors, who have responsibility for the day to day operations of the stores in their region. Reporting to the regional directors are 19 district team leaders who each manage a group of stores in their markets.

At the store level, the leadership team consists of a store team leader (manager), co-team leader (first level assistant manager) and assistant team leader (second level assistant manager). Supervisors oversee specific areas within each store.

Each store team leader is responsible for the daily operations of the store, including the processing of merchandise to the sales floor and the presentation of goods throughout the store. Store team leaders are trained to maintain a clean and appealing store environment for our customers. Store team leaders and co-team leaders are also responsible for the hiring, training and development of associates. While each store's sales volume is reviewed to determine the optimal store-level staffing requirements, our typical store employs 16 to 30 associates. Part-time associates generally comprise 65% of the associates in a typical store, with the remaining 35% being full-time associates.

We work tirelessly to hire talented people, to improve our ability to assess talent during the interview process and to regularly train those individuals at Ollie's who are responsible for interviewing candidates. We also devote substantial resources to training our new managers through our Team Leader Training Program. This program operates at designated training stores located across our footprint. It provides an in-depth review of our operations, including merchandising, policies and procedures, asset protection and safety, human resources. Part-time associates receive structured training as part of their onboarding throughout their first five scheduled shifts.

Our Ollie's Leadership Institute ("OLI") is a program that is used to equip associates with the ability to advance their career. Each OLI participant receives an individual development plan, designed to prepare him or her for his or her next level position. Our strong growth provides opportunities for advancement and OLI is focused on preparing eligible candidates for these positions. OLI is our preferred source for new supervisors and team leaders as "home grown" talent has proven to be successful. Since the program was implemented, our internal promotion rate has increased from 18% in 2009 to 50% in 2014. We believe our training and development programs help create a positive work environment and result in stores that operate at a high level.

Marketing and advertising

Our marketing and advertising campaigns feature colorful caricatures and witty sayings in order to make our customers laugh. We believe that by disarming our customers by getting them to giggle a bit, they are able to look at and trust our products for what they are—extremely great bargains. Our distinctive and often self-deprecating humor and highly recognizable caricatures are used in all of our stores, flyers and advertising campaigns.

We tailor our marketing mix and strategy for each market, deal or promotion. We primarily use the following forms of marketing and advertising:

- *Print and direct mail*: During fiscal year 2014, we distributed approximately 350 million highly recognizable flyers. Our flyers serve as the foundation of our marketing strategy and highlight current deals to create shopping urgency and drive traffic and increase frequency of store visits.
- *Radio and television*: We selectively utilize creative radio and television advertising campaigns in targeted markets at certain times of the year, particularly during the holiday sales season to create brand awareness and support new store openings.
- *Sports marketing, charity and community events*: We sponsor amateur and professional athletics including NASCAR, the Baltimore Orioles and the University of Maryland Terrapins as well as various local athletic programs. Additionally, we are dedicated to maintaining a visible presence in the communities in which our

stores are located through the sponsorship of charitable organizations such as the Children's Miracle Network, Cal Ripken, Sr. Foundation and the Kevin Harvick Foundation. We believe these sponsorships promote our brand, underscore our values and build a sense of community.

- *Digital marketing and social media*: We maintain an active web presence and promote our brand through our website and social media outlets. We also utilize targeted email marketing to highlight our latest brand name offerings and drive traffic to our stores.

Ollie's Army

Our customer loyalty program, Ollie's Army, stands at 5.2 million members as of May 15, 2015 and has grown at a 37.2% CAGR from fiscal year 2006 to May 15, 2015. In fiscal year 2014, Ollie's Army members accounted for over 55% of net sales and spent 37% more per shopping trip, on average, than non-members. Ollie's appeals to a broad demographic, spanning a wide range of household incomes with more than 60% of Ollie's Army members having a household income in excess of $50,000. Consistent with our marketing strategy, we engage new and existing Ollie's Army members through the use of witty phrases and signage; examples include "Enlist in Ollie's Army today," "become one of the few, the cheap, the proud" and "Ollie's Army Boot Camp…all enlistees will receive 15% off their next purchase." Ollie's Army members appreciate our compelling value proposition and are willing to drive upwards of 25 minutes to shop at our stores. Historically, Ollie's Army members have demonstrated double digit redemption rates for promotional activities exclusive to Ollie's Army members, such as our Valentine's, Boot Camp and Buzzard 15% off mailers, as well as Ollie's Army Night, a special annual one-day after-hours sale in December for Ollie's Army members. We expect to continue leveraging the data gathered from our proprietary database of Ollie's Army members to better segment and target our marketing initiatives and increase shopping frequency.

Competition

We compete with a diverse group of retailers including discount, closeout, mass merchant, department, grocery, drug, convenience, hardware, variety, online and other specialty stores.

The principal basis on which we compete against other retailers is by offering an ever changing selection of brand name products at compelling price points in an exciting shopping environment. Accordingly, we compete against a fragmented group of retailers, wholesalers and jobbers to acquire merchandise for sale in our stores. Our established relationships with our suppliers coupled with our scale, associated buying power, financial credibility and responsiveness often makes Ollie's the first call for available deals. Our direct relationships with suppliers have increased as we have grown, and we continuously strive to broaden our supplier network.

Trademarks and other intellectual property

We own several state and federally owned registered trademarks related to our brand, including "Ollie's," "Ollie's Bargain Outlet," "Ollie's Army" and "Real Brands! Real Bargains!" In addition, we maintain a trademark for the image of Ollie, the face of our company. We have a license and co-existence agreement, as well as state trademark registrations, for "Good Stuff Cheap." We also own registered trademarks for many of our private labels such as "American Way," "Steelton Tools," "Sarasota Breeze" and "Commonwealth Classics" among others. We are also in the process of prosecuting several other trademarks, both for private label goods and to further identify our services. We enter into trademark license agreements where necessary, which may include our private label offerings, such as the Magnavox products and Marcus Samuelsson Cookware available in our stores. Our trademark registrations have various expiration dates; however, assuming that the trademark registrations are properly renewed, they have a perpetual duration.

We also own several domain names, including www.ollies.us, www.olliesbargainoutlet.com, www.olliesarmy.com, www.ollies.cheap, www.sarasotabreeze.com and www.olliesmail.com and unregistered copyrights in our website content. We attempt to obtain registration of our trademarks as practical and pursue infringement of those marks when appropriate.

Technology

Our management information systems provide a full range of business process assistance and timely information to support our merchandising team and strategy, management of multiple distribution centers, stores and operations, and financial reporting. We believe our current systems provide us with operational efficiencies, scalability, management control and timely reporting that allow us to identify and respond to merchandising and operating trends in our business. We use a combination of internal and external resources to support store point-of-sale, merchandise acquisition and distribution, inventory management, financial reporting, real estate and administrative functions. We continuously assess ways to maximize productivity and efficiency, as well as evaluate opportunities to further enhance our existing systems. Our existing systems are up-to-date and scalable to support future growth.

Government regulation

We are subject to labor and employment laws, including minimum wage requirements, laws governing advertising, privacy laws, safety regulations and other laws, including consumer protection regulations that regulate retailers and/or govern product standards, the promotion and sale of merchandise and the operation of stores and warehouse facilities. We monitor changes in these laws and believe that we are in material compliance with applicable laws.

We source a portion of our products from outside the United States. The U.S. Foreign Corrupt Practices Act and other similar anti-bribery and anti-kickback laws and regulations generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Our policies and our vendor compliance agreements mandate compliance with applicable law, including these laws and regulations.

Insurance

We maintain third-party insurance for a number of risk management activities, including workers' compensation, general liability, commercial property, ocean marine, cyber, director and officer and employee benefit related insurance policies. We evaluate our insurance requirements on an ongoing basis to ensure we maintain adequate levels of coverage.

Employees

As of June 30, 2015, we employed approximately 5,000 associates, 2,000 of whom were full-time and 3,000 of whom were part-time. Of our total associate base, approximately 100 were based at our store support center in Harrisburg, PA. Our distribution centers employ approximately 300 associates, 200 of whom were in York, PA and 100 of whom were in Commerce, GA. The remaining 4,100 were store and field associates. The number of associates in a fiscal year fluctuates depending on the business needs at different times of the year. In fiscal year 2014, we employed an additional 1,200 seasonal associates during our peak holiday sales season. We have a long history of maintaining a culture that embraces our associates. We take pride in providing a great work environment and strong growth opportunities for our associates. None of our associates belong to a union or are party to any collective bargaining or similar agreement.

Properties

We do not own any real property and enter into leases for our retail stores, often in second generation sites ranging in size from 25,000 to 50,000 square feet. Our corporate headquarters, located in Harrisburg, PA, is approximately 28,128 square feet and is leased under an agreement that expires in October 2023, with options to renew for three successive five-year periods. Our 603,000 square foot distribution center located in York, PA is leased under an agreement that expires in March 2028 with options to renew for two successive five-year periods. During fiscal year 2014, we opened a second distribution center in Commerce, GA. This distribution center is approximately 554,040 square feet and is leased under an agreement that expires in April 2024 with options to renew for three successive five-year periods. Over the course of the next two and a half years, our lease provides that we will lease and pay for additional space in our Commerce, GA distribution center until we occupy a total of 962,280 square feet by November 2017. As of June 30, 2015, there were 187 Ollie’s Bargain Outlet locations across 16 contiguous states in the Eastern half of the United States.

We maintain a focused and disciplined approach to entering into lease arrangements. All leases are approved by our real estate committee, which is composed of senior management and executive officers. Our leases generally have an initial term of five to seven years with options to renew for three successive five-year periods and generally require us to pay a proportionate share of real estate taxes, insurance and common area or other charges.

Legal proceedings

From time to time we may be involved in claims and legal actions that arise in the ordinary course of our business. We cannot predict the outcome of any litigation or suit that we are a party to. However, we do not believe that an unfavorable decision of any of the current claims or legal actions against us, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations, liquidity or capital resources.

Management

Directors and executive officers

The following table sets forth the names and ages, as of the date on the cover of this prospectus, of the individuals who will serve as our executive officers and directors at the time of the offering.

Name	Age	Position
Mark Butler	56	President, Chief Executive Officer and Chairman of the Board
John Swygert	46	Executive Vice President and Chief Financial Officer
Kevin McLain	49	Senior Vice President, Merchandising
Omar Segura	53	Senior Vice President, Store Operations
Robert Bertram	47	Vice President and General Counsel
Howard Freedman	63	Vice President, Merchandising
Douglas Cahill	55	Director
Stanley Fleishman	63	Director
Thomas Hendrickson	60	Director
Joseph Scharfenberger	43	Director
Richard Zannino	56	Director

The following is a biographical summary of the experience of our executive officers and directors:

Executive officers

Mark Butler is one of the founding fathers of Ollie's, having been with Ollie's since its inception in 1982. He has been our President and Chief Executive Officer since 2003 and has been Chairman of our Board since February 2005. Prior to holding this role, Mr. Butler was our Treasurer and Secretary. Mr. Butler also serves as Chairman of the Board of Directors of the Cal Ripken, Sr. Foundation, a national nonprofit organization focused on providing opportunities for at-risk youth. Mr. Butler brings to the Board more than three decades of institutional knowledge of our company, as well as extensive knowledge of the retail industry, all of which we believe qualify him to serve as one of our directors.

John Swygert has been our Chief Financial Officer since March 2004 and has been an Executive Vice President since March 2011. Mr. Swygert has worked in discount retail as a finance professional for over 22 years. Prior to joining Ollie's, Mr. Swygert was the Executive Vice President and Chief Financial Officer for Factory 2-U Stores, Inc., a West Coast discount retailer with operations in 13 states, from 1998 to 2004. Mr. Swygert also served as the Manager of Business Development and Financial Analysis for Petco Animal Supplies, Inc., the second largest pet supply chain in the U.S.

Kevin McLain has been our Senior Vice President, Merchandising since May 2014. From May 2011 to May 2014, Mr. McLain was a Senior Vice President with Variety Wholesalers, where he was responsible for merchandising matters. From January 1997 to May 2011, Mr. McLain held the position of Vice President, Merchandise Manager with Anna's Linens, a textile and home goods retailer based in Costa Mesa, California. Prior to his position with Anna's Linens, Mr. McLain served in various managerial roles for the Target Corporation.

Omar Segura has been our Senior Vice President, Store Operations since January 2014. From April 2010 to January 2014, Mr. Segura was a Regional Vice President with Sears Holdings Corporation, where he oversaw store operations in the South Central region. Prior to his position with Sears, Mr. Segura held various positions with Kohl's Department Stores during the period from June 2000 to April 2010, where his responsibilities included managing and leading store operations.

Robert Bertram has been our Vice President and General Counsel since April 2014. Prior to joining Ollie's, Mr. Bertram was a practicing attorney at McNees Wallace & Nurick LLC from June 2010 to April 2014, where he began serving as our Assistant Secretary in September 2012. From March 2001 to June 2010, he was a practicing corporate attorney at Stevens & Lee. He is a Member of the Advisory Board of Open Minds, a nationally recognized management consulting firm, and was formerly on the Board of Directors of the Alumni Society of the college of Liberal Arts of Pennsylvania State University.

Howard Freedman has been our Vice President, Merchandising since October 2004. He joined Ollie's in 2000 and has served in numerous leadership roles during this time. Mr. Freedman was previously the owner and President of Denver China & Glass and, prior to joining our Company, was President of the Retail Division at the Pfaltzgraff Company from 1987 to 1998.

Non-employee directors

Douglas Cahill has served as a director since March 2013. Mr. Cahill is a Managing Director of CCMP and a member of the firm's Investment Committee. Prior to becoming a Managing Director of CCMP in July 2014, Mr. Cahill was an Executive Advisor to CCMP, serving in an advisory role from March 2013. Mr. Cahill served as President and Chief Executive Officer of Oreck, the manufacturer of upright vacuums and cleaning products, from May 2010 until December 2012. Prior to joining Oreck, Mr. Cahill served as President and Chief Executive Officer of Doane Pet Care Company, a private label manufacturer of pet food and former CCMP portfolio company. Mr. Cahill serves as a Board Member for Junior Achievement of Middle Tennessee and at Vanderbilt University's Owen Graduate School of Management. Mr. Cahill is the Chairman of the Board of Jamieson Laboratories and is Chairman of the Board of Directors of The Hillman Companies, Inc. We believe that Mr. Cahill's financial, investment and management expertise and his experience serving on public and private boards brings to our Board important skills and qualify him to serve as one of our directors.

Stanley Fleishman has served as a director since March 2013. Mr. Fleishman has been the Chief Executive Officer of Jetro/Restaurant Depot Group, a nationwide wholesale cash and carry food distributor, since October 1992, prior to which he held the position of Chief Financial Officer. Prior to joining Jetro/Restaurant Depot group, Mr. Fleishman was the Chief Executive Officer of Dion Foods, a South African retail chain, from 1982-1985. He holds an MBA from the Wharton School of the University of Pennsylvania. We believe that Mr. Fleishman's broad management expertise and his knowledge of the wholesale retail industry qualify him to serve as one of our directors.

Thomas Hendrickson has served as a director since March 2015. Mr. Hendrickson was most recently the Executive Vice President, Chief Financial Officer, Chief Administrative Officer and Treasurer for Sports Authority, a sporting goods retailer, from August 2003 until his retirement in February 2014. Prior to joining Sports Authority, Mr. Hendrickson was the Executive Vice President, Chief Financial Officer and Chief Administrative Officer for Gart Sports from January 1998 until the time of its merger with Sports Authority in August 2003. Mr. Hendrickson is currently a member of the audit committee of the Board of Directors of O'Reilly Automotive, Inc. We believe that Mr. Hendrickson's financial, accounting, acquisition and business experience qualify him to serve as one of our directors.

Joseph Scharfenberger has served as a director since February 2015. Mr. Scharfenberger is a Managing Director of CCMP and a member of the firm's Investment Committee. Prior to joining CCMP in December 2008,

Mr. Scharfenberger worked at Bear Stearns Merchant Banking from 2003 to 2008. Prior to joining Bear Stearns Merchant Banking in July 2003, Mr. Scharfenberger worked in the private equity department at Toronto Dominion Securities from March 2000 until April 2003. He holds a B.A. from The University of Vermont. Mr. Scharfenberger currently serves on the Board of Directors of Jamieson Laboratories and Jetro/Restaurant Depot Group. We believe that Mr. Scharfenberger's familiarity and expertise in the banking and private equity fields allow him to provide valuable insights and advice to our Board.

Richard Zannino has served as director since September 2012. Mr. Zannino is a Managing Director of CCMP and a member of the firm's Investment Committee. Prior to joining CCMP in 2009, Mr. Zannino was Chief Executive Officer and a member of the Board of Directors of Dow Jones & Company. Mr. Zannino joined Dow Jones as Executive Vice President and Chief Financial Officer in February 2001 and was promoted to Chief Operating Officer in July 2002 and to Chief Executive Officer and Director in February 2006. Prior to joining Dow Jones, Mr. Zannino was Executive Vice President in charge of strategy, finance, M&A, technology, and a number of operating units at Liz Claiborne. He originally joined Liz Claiborne in 1998 as Chief Financial Officer. Mr. Zannino is currently a member of the Board of Directors of Infogroup Inc., Pure Gym, Jamieson Laboratories, The Hillman Companies, Inc., Francesca's Holdings Corporation, Estee Lauder, and IAC/InterActiveCorp. and is a trustee of Pace University. Mr. Zannino was selected to serve on our Board due to his past leadership experience, strong finance and management background in the retail industry and his wide-ranging experience investing in and serving as a director for a diverse group of private and public companies.

Board of directors

Our business and affairs are managed under the direction of our Board. Our second amended and restated certificate of incorporation will provide that our Board consist of such number of directors as may be fixed from time to time by a resolution of at least a majority of the Board then in office. Contemporaneously with this offering, our Board will be composed of six directors.

Our second amended and restated certificate of incorporation will provide that our Board will be divided into three classes, as nearly equal in number as possible, with one class being elected at each annual meeting of stockholders. Each director will serve a three-year term, with termination staggered according to class. Each class will initially consist of two directors. The Class I directors, whose terms will expire at the first annual meeting of our stockholders following the filing of our second amended and restated certificate of incorporation, will be Messrs. Scharfenberger and Cahill. The Class II directors, whose terms will expire at the second annual meeting of our stockholders following the filing of our second amended and restated certificate of incorporation, will be Messrs. Zannino and Fleishman. The Class III directors, whose terms will expire at the third annual meeting of our stockholders following the filing of our second amended and restated certificate of incorporation, will be Messrs. Butler and Hendrickson. See "Description of capital stock—Common stock—Anti-takeover provisions."

Our executive officers and key employees serve at the discretion of our Board.

Director independence and controlled company exemption

After the consummation of this offering, CCMP will continue to beneficially own common stock representing more than 50% of the voting power of our common stock eligible to vote in the election of directors. As a result, we intend to avail ourselves of the "controlled company" exemption under the corporate governance rules of the NASDAQ. Accordingly, we will not be required to have a majority of "independent directors" on our Board, we will not be required to have a compensation committee composed entirely of "independent directors" nor will our director nominees be required to be selected or recommended by the Board by a majority of the "independent directors" as defined under the rules of the NASDAQ. Further, compensation for our executives will not be determined by a majority of "independent directors" as defined under the rules of the NASDAQ. The "controlled company" exemption does not modify the independence requirements for the audit committee, and

we intend to comply with the requirements of Sarbanes-Oxley and the NASDAQ, which require that our audit committee be composed of at least three members, one of whom will be independent upon the listing of our common stock, a majority of whom will be independent within 90 days of listing and each of whom will be independent within one year of listing.

After the consummation of this offering, we intend to avail ourselves of these exemptions. As a result, immediately following this offering the majority of our directors will not be independent, we will not have a nominating and corporate governance committee and our compensation committee will not be comprised entirely of independent directors. Accordingly, although we may transition to a fully independent compensation committee prior to the time we cease to be a "controlled company," for such period of time you will not have the same protections afforded to stockholders of companies that are subject to all of these corporate governance requirements. If at any time we cease to be a "controlled company" under the rules of the NASDAQ, our Board will take all action necessary to comply with the NASDAQ corporate governance rules, including appointing a majority of independent directors to the Board, establishing a compensation committee composed entirely of independent directors and implementing independent director oversight of director nominations, subject to a permitted "phase-in" period.

Our Board has affirmatively determined that Messrs. Cahill, Fleishman, Hendrickson, Scharfenberger and Zannino are independent directors under the applicable rules of the NASDAQ and as such term is defined in Rule 10A-3(b)(1) under the Exchange Act.

Board committees

Our Board has established an audit committee and a compensation committee, which we expect to continue to have upon consummation of this offering. Each committee will operate under a charter that will be approved by our Board. Each committee will have the composition and primary responsibilities described below. Members serve on these committees until their death, resignations or until otherwise determined by our Board. The charter and composition of each committee will be effective upon the consummation of this offering. The charter of each committee will be available on our website.

Audit committee

The primary purposes of our audit committee are to assist the Board's oversight of:

- the integrity of our corporate accounting and financial reporting processes and financial information;
- our systems of internal control over financial reporting and disclosure controls and procedures;
- our processes related to risk management;
- procedures for receipt, retention and treatment of complaints and the confidential anonymous submission by our employees regarding accounting or auditing matters;
- the qualifications, engagement, compensation, independence and performance of our independent registered public accounting firm;
- our independent registered public accounting firm's annual audit of our financial statements and any engagement to provide other services;
- our legal and regulatory compliance;
- our related person transaction policy; and
- the application of our code of ethical business conduct as established by management and the Board.

The audit committee is currently composed of, and upon the consummation of this offering, and prior to the listing of our common stock, will be composed of, Messrs. Hendrickson, Fleishman and Scharfenberger. Mr. Hendrickson will serve as chair of the audit committee. Mr. Hendrickson qualifies as an "audit committee financial expert" as such term has been defined by the SEC in Item 407(d)(5) of Regulation S-K. Our Board has affirmatively determined that Messrs. Hendrickson and Fleishman meet the definition of an "independent director" for the purposes of serving on the audit committee under applicable NASDAQ rules and Rule 10A-3 under the Exchange Act. We intend to comply with these independence requirements for all members of the audit committee within the time periods specified under such rules. The audit committee will be governed by a charter that complies with the rules of the NASDAQ.

Compensation committee

The primary purposes of our compensation committee are to assist the Board in overseeing our management compensation policies and practices, including:

- determining and recommending to the Board for approval the compensation of our Chief Executive Officer and our other executive officers;
- assessing our performance management process and updates to our succession plan for our Chief Executive Officer and other key executive positions;
- reviewing and approving incentive compensation policies and programs, and exercising discretion in the administration of those policies and programs;
- reviewing and approving all equity and non-equity compensation, welfare, benefit and pension programs, other plans and policies related to compensation for our employees, directors and consultants and exercising discretion in the administration of those programs; and
- preparing the annual report of the compensation committee required by the rules of the SEC to be included in our annual report and recommending to the Board the frequency of the say-on-pay vote.

Messrs. Zannino, Butler and Cahill currently serve on our compensation committee. Upon the consummation of this offering, and prior to the listing of our common stock, our compensation committee will be composed of Messrs. Zannino, Cahill and Scharfenberger, each of whom our Board has affirmatively determined meets the definition of an "independent director" for the purposes of serving on the compensation committee under the applicable NASDAQ rules. Mr. Zannino will serve as chair of the compensation committee. The compensation committee will be governed by a charter that complies with the rules of the NASDAQ.

Compensation committee interlocks and insider participation

The compensation committee is currently composed of Messrs. Zannino, Butler and Cahill and upon the consummation of this offering will be composed of Messrs. Zannino, Cahill and Scharfenberger. Mr. Butler serves as our President and Chief Executive Officer. No other member of the compensation committee was a former or current officer or employee of Ollie's or any of its subsidiaries in fiscal year 2014. In addition, during fiscal year 2014, none of our executive officers served (i) as a member of the compensation committee or board of directors of another entity, one of whose executive officers served on our compensation committee or (ii) as a member of the compensation committee of another entity, one of whose executive officers served on our Board.

Code of ethical business conduct

Prior to the completion of this offering, we will update our written code of ethical business conduct that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions. A copy of the code will be

posted on our corporate website, which will be located at www.ollies.us. Any amendments to or waivers from our code of ethical business conduct will be disclosed on our Internet website promptly following the date of such amendment or waiver. Our Internet website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

Corporate governance guidelines

Our Board will adopt corporate governance guidelines in accordance with the corporate governance rules of the NASDAQ that serve as a flexible framework within which our Board and its committees operate. These guidelines will cover a number of areas including the roles of our Board, size and composition of our Board, Board membership criteria and director qualifications, director responsibilities, Board agenda, Board leadership structure, meetings of independent directors, Board member access to management and independent advisors, director communications with third parties, director compensation, director orientation and continuing education, evaluation of our Chief Executive Officer and management development and succession planning. A copy of our corporate governance guidelines will be posted on our website. Our Internet website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

Executive and director compensation

The following discussion and analysis of compensation arrangements should be read with the compensation tables and related disclosures set forth below. This discussion contains forward-looking statements that are based on our current plans and expectations regarding future compensation programs. See "Cautionary note regarding forward-looking statements." Actual compensation programs that we adopt may differ materially from the programs summarized in this discussion.

Overview

For fiscal year 2014, our named executive officers ("NEOs") were:

- Mark Butler, President and Chief Executive Officer;
- John Swygert, Executive Vice President and Chief Financial Officer; and
- Omar Segura, Senior Vice President of Store Operations.

In fiscal year 2014, we compensated our NEOs through a combination of base salary and annual cash bonuses as well as grants of stock options under the terms of our existing 2012 Plan. Our executive officers are also eligible to receive certain benefits, which include a 401(k) plan with matching contributions, life insurance, automobile allowances, group term life insurance and group health insurance, including medical, dental and vision insurance.

The presentation of equity awards herein reflects the Stock Split.

Summary compensation table

The following table sets forth certain information for the fiscal year 2014 concerning the total compensation awarded to, earned by or paid to our NEOs.

Name and principal position	Year	Salary(1)	Bonus(1)	Option awards(2)	All other compensation(3)	Total
Mark Butler President and Chief Executive Officer	2014	$521,266	$ 440,261	—	$ 101,905	$1,063,432
John Swygert Executive Vice President and Chief Financial Officer	2014	$353,067	$ 223,609	$ 396,350	$ 19,839	$ 992,865
Omar Segura Senior Vice President of Store Operations	2014	$275,000	$ 159,500	$ 792,700	$ 112,688	$1,339,888

(1) Represents annual salary and bonus amounts paid pursuant to the terms of each of Mr. Butler's, Mr. Swygert's and Mr. Segura's employment agreement. See "—Employment agreements."

(2) Represents the aggregate grant date fair value of the option awards granted in fiscal year 2014, computed in accordance with FASB ASC Topic 718. These values have been determined based on the assumptions set forth in note 8 to our consolidated financial statements included elsewhere in this prospectus.

(3) All other compensation consists of automobile allowances, group term life insurance, 401(k) matching and contributions, relocation and related travel expenses, and medical, vision and dental insurance (in each case consistent with the terms of each NEOs employment agreement described in "—Employment agreements") as set forth in the table below:

Name	Automobile allowance	Group term life insurance	Life insurance gross-Up	401(k) matching and contributions	Relocation and related travel expenses	Medical, dental and vision insurance	Total
Mark Butler	$ 14,708	$ 1,806	$ 77,672	$ 3,675	—	$ 4,044	$101,905
John Swygert	$ 12,000	$ 629	—	$ 4,368	—	$ 2,842	$ 19,839
Omar Segura	$ 308	$ 966	—	—	$ 111,414	—	$112,688

Outstanding equity awards at fiscal year end

The following table sets forth certain information about outstanding equity awards held by our NEOs as of January 31, 2015.

	Option awards				
Name	Option grant date	Number of securities underlying unexercised options exercisable (#)	Number of securities underlying unexercised options unexercisable (#)(1)	Option exercise price(2)	Option expiration date
Mark Butler President and Chief Executive Officer	9/28/2012	1,013,380	1,520,070	$ 7.49	9/28/2022
John Swygert	9/28/2012	138,000	207,000	$ 7.49	9/28/2022
Executive Vice President and Chief Financial Officer	3/11/2014	—	115,000	$ 7.49	3/11/2024
Omar Segura Senior Vice President, Store Operations	3/11/2014	—	230,000	$ 7.49	3/11/2024

(1) Represents options to purchase shares of common stock which vest ratably over five years from the grant date and which immediately vest in full upon the occurrence of a change of control of our company, provided that on the applicable vesting date the executive is still then employed by us or one of our subsidiaries.

(2) Represents the per share exercise price underlying the option grant, as reduced from the original grant date exercise price of $8.70 per share in connection with our payment of a cash dividend to our shareholders in April 2014.

Employment agreements

We are currently party to employment agreements with each of our NEOs. The material provisions of each such agreement are described below. For the purposes of the employment agreements, “Company EBITDA” refers to Adjusted EBITDA without any adjustments for pre-opening expenses.

Mark Butler

In September 2012, we entered into an employment agreement with Mark Butler in his capacity as our Chief Executive Officer, which we expect to amend prior to the consummation of this offering (the “2015 Butler Amendment”) as described below. The summary that follows reflects the terms of the employment agreement as amended except where otherwise noted.

The agreement has an initial term of three years and automatically renews for successive two-year terms unless earlier terminated in accordance with the termination provisions described below. Under the terms of the agreement, Mr. Butler will receive an annual base salary of $500,000, which will be reevaluated annually by our compensation committee, but shall not be reduced to any amount under $500,000. As of June 15, 2015, Mr. Butler’s annual base salary is $600,000. Mr. Butler served on the compensation committee prior to this offering, but did not participate in determinations related to his own compensation.

Mr. Butler is eligible to receive an annual cash performance bonus based on our ability to achieve certain Company EBITDA targets. If our Company EBITDA is equal to or greater than a maximum threshold for any given year, the bonus shall be 133.33% of his base salary (increasing to 200% of his base salary pursuant to the 2015 Butler Amendment); if our Company EBITDA is equal to the target Company EBITDA for a given year, the bonus shall be 66.7% of his base salary (increasing to 100% of his base salary pursuant to the 2015 Butler

Amendment); and if our Company EBITDA is equal to or less than a minimum threshold for any given year, Mr. Butler will not be entitled to a bonus for that year. Our compensation committee may change the manner in which any bonus is determined or calculated with Mr. Butler's consent pursuant to the agreement. Since Mr. Butler's bonus is expressed as a percentage of his base salary, any increase in Mr. Butler's base salary would result in a corresponding increase in the amount of any bonus Mr. Butler may be eligible to earn. Mr. Butler is also eligible for six weeks of paid time off per year and may participate in our benefit and welfare plans that are available to senior management. In addition, Mr. Butler is entitled to use a company car, for which we pay the fuel, cost of insurance, and maintenance and repair. Under the terms of the agreement, we will procure life insurance policies for Mr. Butler with an aggregate death benefit of $25 million, for which the annual aggregate premiums shall not exceed $100,000. In addition, pursuant to his employment agreement, Mr. Butler was granted options to purchase 2,533,484.50 shares of non-voting Class B common stock under the terms of the 2012 Plan and the form of nonqualified stock option award agreement.

The employment agreement further provides that during the term of his employment, Mr. Butler will continue to have certain rights set forth under the Stockholders Agreement as described in "Certain relationships and related party transactions—Stockholders agreement" and that Mr. Butler shall be nominated for election to our Board without additional compensation for as long as he serves as our Chief Executive Officer.

Either we or Mr. Butler may terminate the agreement at any time upon written notice as specified in the agreements and outlined below. We may terminate Mr. Butler's employment immediately by written notice for "cause", death or "disability", with 90 days prior written notice of the non-renewal of his employment, or with 30 days' prior written notice without "cause". Mr. Butler may resign by written notice for "good reason" and with 30 days' prior written notice without "good reason". Under the agreement, "disability" means a physical or psychological condition that renders Mr. Butler unable to perform substantially all of the duties of his job, despite reasonable accommodation, for a continuous period of 90 days or for 180 days in any period of 365 consecutive days.

Under Mr. Butler's employment agreement and the 2015 Butler Amendment, "good reason" means the occurrence, without Mr. Butler's consent, of any of the following: (i) a material violation of our obligations under the agreements by us, (ii) a material reduction in his authority, excluding reductions in certain of his rights under the Stockholder's Agreement, compensation, perquisites, position or responsibilities, other than a reduction in compensation or perquisites affecting all of our senior executives on an equal basis or (iii) a relocation of our primary business location by more than 25 miles; provided that any such event will only constitute good reason if Mr. Butler provides us with written notice of the existence of the good reason event within 90 days of the date on which he had actual knowledge of the existence of such good reason event and provided we have not cured such good reason event within 30 days of such written notice.

Under the agreement, "cause" means (i) a conviction of fraud, a serious felony, or a crime involving embezzlement, conversion of property or moral turpitude, (ii) a final non-appealable finding of a breach of any fiduciary duty owed to us or to any of our stockholders, (iii) Mr. Butler's willful and continual neglect or failure to discharge his duties, responsibilities or obligations under any agreement between Mr. Butler and us, (iv) any habitual drunkenness or substance abuse which materially interferes with his ability to discharge his duties, responsibilities and obligations to us or (v) a material breach by Mr. Butler of any agreement between him and us; provided that, for each of clauses (ii) to (v) above, that Mr. Butler was given notice and failed to cure such breach within 30 days thereafter. We may not terminate the agreement for cause unless we provide written notice within 90 days of the date on which we had actual knowledge of the existence of such cause.

If we terminate Mr. Butler's employment for cause or due to his disability or death, if he resigns without good reason or if he does not renew his employment, we must pay to him, in lieu of any other payments or benefits hereunder, any base salary earned but not paid through the termination date.

If we terminate Mr. Butler's employment without cause, if we do not renew his employment, or if he resigns for good reason, we must (i) pay him his base salary for the Severance Period (defined below), (ii) pay him a pro-rata portion of the bonus for the fiscal year in which such termination occurred, payable in a lump sum during the following calendar year, (iii) continue to provide him with reimbursement of term life insurance policy premiums during the Severance Period and (iv) continue to provide health, life and disability insurance benefits to the extent permitted under such plans until the earlier of (A) the expiration of the Severance Period and (B) the date that Mr. Butler commences new employment; conditioned upon Mr. Butler's signing of a release of claims within 21 days following the termination date and not revoking such release within seven days thereafter, and further conditioned on his compliance with provisions relating to confidentiality, proprietary rights and restricted activities. Under Mr. Butler's employment agreement, "Severance Period" is defined as the longer of (X) 24 months following the termination date and (Y) the end of his current term of employment.

Mr. Butler's employment agreement includes confidentiality provisions as well as provisions relating to proprietary rights, non-solicitation and non-competition that apply during Mr. Butler's employment and that extend for two years thereafter (six months thereafter with respect to proprietary rights), except if Mr. Butler is terminated without cause (other than due to death, disability or non-renewal of the employment agreement), in which case such period shall end on the termination date.

John Swygert

In September 2012, we entered into an employment agreement with John Swygert, our Chief Financial Officer, which we expect to amend prior to the consummation of this offering (the "2015 Swygert Amendment") as set forth below. The summary that follows reflects the terms of the employment agreement as amended except where otherwise noted.

The agreement has an initial term of three years and automatically renews for successive two-year terms thereafter unless either we or Mr. Swygert give 90 days' notice of non-renewal prior to the end of any term. Under the terms of the agreement, Mr. Swygert will receive an annual base salary of $325,000, which will be re-evaluated annually by our compensation committee with the input of the Chief Executive Officer, but shall not be reduced to any amount under $325,000. As of June 15, 2015, Mr. Swygert's annual base salary is $400,000.

Mr. Swygert is eligible to receive an annual cash performance bonus based on our ability to achieve certain Company EBITDA targets. If our Company EBITDA is equal to or greater than a maximum threshold for any given year, the bonus shall be 100% of his base salary (increasing to 150% of his base salary pursuant to the 2015 Swygert Amendment); if our Company EBITDA is equal to the target Company EBITDA for a given year, the bonus shall be 50% of his base salary (increasing to 75% of his base salary pursuant to the 2015 Swygert Amendment); and if our Company EBITDA is equal to or less than a minimum threshold for any given year, Mr. Swygert will not be entitled to a bonus for that year. Our compensation committee may change the manner in which any bonus is determined or calculated with Mr. Swygert's consent pursuant to the agreement. Since Mr. Swygert's bonus is expressed as a percentage of his base salary, any increase in Mr. Swygert's base salary would result in a corresponding increase in the amount of any bonus Mr. Swygert may be eligible to earn. Mr. Swygert is also eligible for four weeks of paid time off per year and may participate in our benefit and welfare plans that are available to senior management. In addition, Mr. Swygert is entitled to an annual $12,000 automobile allowance. The agreement also provides for a grant of options to purchase shares of non-voting Class B common stock under the terms of the 2012 Plan and the form of nonqualified stock option award agreement.

Under Mr. Swygert's employment agreement and the 2015 Swygert Amendment, "good reason" means the occurrence, without Mr. Swygert's consent, of any of the following: (i) a material violation of our obligations under the agreements by us, (ii) a material reduction in his authority, compensation, perquisites, position or responsibilities, other than a reduction in compensation or perquisites affecting all of our senior executives on

an equal basis or (iii) a relocation of our primary business location by more than 25 miles; provided that any such event will only constitute good reason if Mr. Swygert provides us with written notice of the existence of the good reason event within 90 days of the date on which he had actual knowledge of the existence of such good reason event and provided we have not cured such good reason event within 30 days of such written notice.

Under Mr. Swygert's employment agreement, "cause" means (i) a conviction of fraud, a serious felony, or a crime involving embezzlement, conversion of property or moral turpitude, (ii) a final non-appealable finding of a breach of any fiduciary duty owned to us or to any of our stockholders, (iii) Mr. Swygert's willful and continual neglect or failure to discharge his duties responsibilities or obligations under any agreement between the Executive and us, (iv) any habitual drunkenness or substance abuse which materially interferes with his ability to discharge his duties, responsibilities and obligations to us or (v) a material breach by Mr. Swygert of any agreement between him and us; provided, for each of clauses (ii) to (v) above, that Mr. Swygert was given notice and failed to cure such breach within 30 days thereafter. We may not terminate the agreement for cause unless we provide written notice within 90 days of the date on which we had actual knowledge of the existence of such cause.

If we terminate Mr. Swygert's employment for cause or due to his disability or death, if he resigns without good reason or if he does not renew his employment, we must pay to him, in lieu of any other payments or benefits hereunder, any base salary earned but not paid through the termination date.

If we terminate Mr. Swygert's employment without cause, if we do not renew his employment, or if he resigns for good reason, we must (i) pay him his base salary for the Severance Period (defined below), (ii) pay him a pro-rata portion of the bonus for the fiscal year in which such termination occurred, payable in a lump sum during the following calendar year, and (iii) continue to provide health, life and disability insurance benefits to the extent permitted under such plans until the earlier of (A) the expiration of the Severance Period and (B) the date that Mr. Swygert commences new employment; conditioned upon the Executive's signing of a release of claims within 21 days following the termination date and not revoking such release within seven days thereafter, and further conditioned on Mr. Swygert's compliance with provisions relating to confidentiality, proprietary rights and restricted activities. Under Mr. Swygert's employment agreement, "Severance Period" is defined as the longer of (X) 24 months following the termination date and (Y) the end of his then-current term of employment.

Mr. Swygert's employment agreement includes confidentiality provisions as well as provisions relating to proprietary rights, non-solicitation and non-competition that apply during Mr. Swygert's employment and that extend for two years thereafter (six months thereafter with respect to proprietary rights), except if Mr. Swygert is terminated without cause (other than due to death, disability or non-renewal of the employment agreement), in which case such period shall end on the termination date.

Omar Segura

In January 2014, we entered into an employment agreement with Omar Segura, our Senior Vice President of Store Operations. The agreement shall remain in effect unless terminated by us or Mr. Segura as further described below. Under the terms of the agreement, Mr. Segura will receive an annual base salary of $275,000, which will be re-evaluated annually by our compensation committee with the input of the Chief Executive Officer, but shall not be reduced to any amount under $275,000.

Mr. Segura is eligible to receive an annual cash performance bonus based on our ability to achieve certain Company EBITDA targets. If our Company EBITDA is equal to or greater than a maximum threshold for any given year, the bonus shall be 80% of his base salary; if our Company EBITDA is equal to the target Company

EBITDA for a given year, the bonus shall be 50% of his base salary; and if our Company EBITDA is equal to or less than a minimum threshold for any given year, Mr. Segura will not be entitled to a bonus for that year. The agreement provides that for fiscal year 2014, Mr. Segura's bonus was to be calculated in a manner consistent with past practice. Our compensation committee may change the manner in which any bonus is determined or calculated with Mr. Segura's consent pursuant to the agreement. Since Mr. Segura's bonus is expressed as a percentage of his base salary, any increase in Mr. Segura's base salary would result in a corresponding increase in the amount of any bonus Mr. Segura may be eligible to earn. Mr. Segura is also eligible for three weeks of paid time off per year and may participate in our benefit and welfare plans that are available to senior management. In addition, Mr. Segura is entitled to use a company car, for which we pay for the fuel, cost of insurance, and maintenance and repair.

In addition to an annual performance bonus, Mr. Segura received a signing bonus of $50,000 in fiscal year 2013 under the terms of his employment agreement. Mr. Segura was also entitled to reimbursement of his reasonable moving expenses up to $75,000 as well as reimbursement of up to $10,000 of reasonable personal travel expenses from January 6, 2014 until June 30, 2014. If Mr. Segura's employment ends for any reason within 24 months of January 6, 2014, he will be required to repay 50% of his signing bonus and any reasonable moving expenses that were reimbursed by us. In addition, pursuant to his employment agreement, Mr. Segura was granted options to purchase 230,000 shares of non-voting Class B common stock under the terms of the 2012 Plan and the form of nonqualified stock option award agreement.

Either we or Mr. Segura may terminate the agreement at any time upon written notice as specified in the agreement and outlined below. We may terminate Mr. Segura's employment immediately by written notice for "cause", death or "disability" and with 30 days' prior written notice without "cause". Mr. Segura may resign by written notice for "good reason" and with 30 days' prior written notice without "good reason". Under the agreement, "disability" means a physical or psychological condition that renders him unable to perform substantially all of the duties of his job, despite reasonable accommodation, for a continuous period of 90 days or for 180 days in any period of 365 consecutive days.

Under Mr. Segura's employment agreement, "good reason" means the occurrence, without Mr. Segura's consent, of any of the following: (i) a material violation of our obligations under this agreement by us, (ii) a material reduction in Mr. Segura's authority, compensation, perquisites, position or responsibilities, other than a reduction in compensation or perquisites affecting all of our senior executives on an equal basis or (iii) a relocation of our primary business location by more than 25 miles; provided that any such event will only constitute good reason if Mr. Segura provides us with written notice of the existence of the good reason within 30 days following the initial existence of such condition and subject to a 30 day cure period.

Under Mr. Segura's employment agreement, "cause" means (i) a material breach by Mr. Segura of any agreement between him and us or any of our written lawful policies or his failure or refusal to substantially perform his required duties, (ii) misappropriation or theft of our funds or property, (iii) a conviction of, or plea of guilty or nolo contendere to, any fraud, misappropriation, embezzlement or similar act, felony or crime involving dishonesty or moral turpitude, (iv) any act by Mr. Segura involving willful misconduct or gross negligence or his failure to act involving material nonfeasance, (v) any act by Mr. Segura of dishonesty, violence or threat of violence (including any violation of federal securities laws) which is or could be reasonably expected to be injurious to our financial condition or business reputation, (vi) a finding by our Board that Mr. Segura breached any of his fiduciary duties to us or to any of our stockholders or (vii) any habitual drunkenness or substance abuse which materially interferes with his ability to discharge his duties, responsibilities and obligations to us.

If we terminate Mr. Segura's employment for cause or due to his disability or death or if Mr. Segura resigns without good reason, we must pay to him, in lieu of any other payments or benefits hereunder, any base salary earned but not paid through the termination date.

If we terminate Mr. Segura's employment without cause or if Mr. Segura resigns for good reason, we must pay him his base salary for 12 months following the termination date until the earlier of the end of the such 12 month period or the date Mr. Segura has commenced new employment; conditioned upon Mr. Segura's signing of a release of claims within 21 days following the termination date and not revoking such release within seven days thereafter, and further conditioned on Mr. Segura's compliance with provisions relating to confidentiality, proprietary rights and restricted activities.

Mr. Segura's employment agreement includes confidentiality provisions as well as provisions relating to proprietary rights, non-solicitation and non-competition that apply during Mr. Segura's employment and extend for two years thereafter (six months thereafter with respect to proprietary rights), except if Mr. Segura is terminated without cause (other than due to death, disability or non-renewal of the employment agreement), in which case such period shall end on the termination date.

Potential payments upon termination of employment or change of control

None of our NEOs is entitled to receive payments or other benefits upon termination of employment or a change of control except for the acceleration of options to purchase common stock upon a change of control (as defined in the 2012 Plan) and as provided in "—Employment agreements".

Director compensation

Our directors who are employed by us or who are full-time investment professionals of CCMP did not receive any compensation for their services as members of our Board in fiscal year 2014 and will not receive any such compensation for their services following this offering, except for limited expense reimbursement as described below.

For the year ended January 31, 2015, we paid Mr. Fleishman an annual retention fee of $50,000, paid in cash on a quarterly basis, and we paid Mr. Cahill $25,000, which represented the pro-rated portion of his annual retention fee for his services on our Board from January 2014 to July 2014 prior to his becoming a full-time investment professional of CCMP. Mr. Cahill no longer receives compensation from us for serving on our Board.

Following this offering, we expect to pay certain of our non-employee directors an annual retention fee of $50,000 and $75,000 in stock options. The chair of the audit committee and the chair of the compensation committee will each receive an annual fee of $10,000 (in each case to the extent such individual is not one of our employees or a full-time investment professional of CCMP), each of which fees will be paid in quarterly installments. In addition, certain non-employee members of our Board may also participate in our 2015 Plan, which we plan to adopt in connection with this offering.

Equity incentive plans

Our Board adopted, and our stockholders approved, the Bargain Holdings, Inc. 2012 Equity Incentive Plan (the "2012 Plan") in September 2012. In connection with this offering, we intend to adopt a new 2015 Equity Incentive Plan (the "2015 Plan") for equity grants in connection with and following the consummation of this offering. Following the consummation of this offering, no additional equity grants will be made under the 2012 Plan. We intend to file a registration statement on Form S-8 covering the shares issuable under the 2015 Plan and the 2012 Plan. The following is a summary of certain features of the existing 2012 Plan and the 2015 Plan.

2012 Equity Incentive Plan

The 2012 Plan provides for the grant of various stock rights to several of our officers, non-employee directors, employees and consultants.

Share reserve and limitations. As of January 31, 2015, an aggregate of 7,600,453.5 shares of our non-voting Class B common stock may be issued pursuant to the 2012 Plan, subject to adjustment as provided in the 2012 Plan. The aggregate fair market value of common stock (determined as of the date of the option grant) for which incentive stock options may for the first time become exercisable by any individual in any calendar year may not exceed $100,000, or the option shall be treated as a non-qualified stock option, but only to the extent of that portion of the option in excess of the limit.

If any award granted under the 2012 Plan expires or terminates for any reason prior to its full exercise, or if we reacquire any shares issued pursuant to awards, then the shares subject to such awards or any shares so reacquired by us will again be available for grants of awards under the 2012 Plan. Likewise, any shares of our common stock which are withheld to pay the exercise price of an award or any related withholding obligations will be available for issuance under the 2012 Plan.

Administration. The 2012 Plan provides for administration by the compensation committee of our Board, or to the extent no such committee exists, our Board or any other committee designated by our Board to administer the 2012 Plan. Our compensation committee currently administers the 2012 Plan. Subject to the restrictions of the 2012 Plan, the compensation committee determines to whom we grant incentive awards under the 2012 Plan and the terms and conditions of the awards, including the exercise or purchase price, the number of shares subject to the stock right and the exercisability of the award. All questions of interpretation are determined by the compensation committee, and its decisions are final and binding upon all 2012 Plan participants, us and all other interested individuals, unless otherwise determined by the Board.

Stock options. The 2012 Plan provides for the grant of incentive stock options within the meaning of Section 422 of the Code, solely to employees, and for the grant of non-statutory stock options to non-employee directors, employees and consultants.

The compensation committee determines to whom option grants shall be made, and other than in the case of grants to Mr. Butler, such determination will be based upon the recommendation of Mr. Butler for as long as he remains Chief Executive Officer. The compensation committee determines the exercise price of the options granted under the 2012 Plan on the date of grant, and in the case of incentive stock options, the exercise price must be at least 100% of the fair market value per share at the time of grant. The exercise price of any incentive stock option granted to an employee who owns stock possessing more than 10% of the voting power of our outstanding capital stock must equal at least 110% of the fair market value of the common stock on the date of grant. Payment of the exercise price may be made by delivery of cash or a check, or, subject to any requirements as may be imposed by the compensation committee, through the delivery or irrevocable instructions to a broker to sell shares obtained upon exercise and deliver the proceeds promptly to us. The compensation committee may prescribe or permit, in its sole discretion, any other method of payment permitted by law.

Options granted to non-employee directors, employees and consultants under the 2012 Plan generally become exercisable in increments, based on an optionee's continued employment or service with us. The term of an incentive stock option may not exceed 10 years. Options granted under the 2012 Plan, whether incentive stock options or non-statutory options, generally expire within 10 years from the date of grant, except that incentive stock options granted to an employee who own stock possessing more than 10% of voting power of our outstanding capital stock are not exercisable for longer than five years after the date of grant.

Stock appreciation rights. The 2012 Plan provides for the grant of stock appreciation rights, or SARs, pursuant to an SAR agreement adopted by the compensation committee. An SAR may be granted in connection with a stock option or alone, without reference to any related stock option. The compensation committee will determine the exercise price of an SAR on the date of grant, and the exercise price may not be less than 100% of the fair market value of a share of our common stock on the date of grant. No SAR shall have a term of more than 10 years.

The holder of an SAR will have the right to receive, in cash or common stock, all or a portion of the difference between the fair market value of a share of our common stock at the time of exercise of the SAR and the exercise price of the SAR established by the compensation committee, subject to such terms and conditions as set forth in the SAR agreement.

Restricted stock and other awards. The compensation committee may grant awards of restricted stock or restricted stock units on the terms and conditions set forth in the applicable restricted stock award, including the conditions for vesting and the issue price, if any. Each restricted stock unit shall have a value equal to the fair market value of one share of stock. Other awards that are valued in whole or in part by reference to, or are otherwise based on, shares of stock, may be granted under the 2012 Plan to participants in the plan.

Transferability. Except for transfers made by will or the laws of descent and distribution in the event of the holder's death, no stock right may be transferred, pledged or assigned by the holder of the stock right. We are not required to recognize any attempted assignment of such rights by any participant who is not in compliance with the 2012 Plan.

Changes in capitalization. In the event of a change in the number of shares of our common stock through a combination or subdivision, or if we issue shares of common stock as a stock dividend or engage in a separation, spin-off or other corporate event or transaction, the compensation committee shall substitute or adjust, in its sole discretion, the number and kind of shares under the 2012 Plan deliverable upon the exercise of outstanding stock rights, and the purchase price per share to reflect such transaction.

Change of control. The 2012 Plan generally provides that, under certain circumstances, in the event that more than 50% of the voting power of our capital stock is owned directly or indirectly by any person or "group" (as such term is used in the Exchange Act) (other than CCMP or Mr. Butler or either of their affiliates or in the event of our consolidation or merger with or into another corporation or a sale of all or substantially all of our assets, which we refer to as an "acquisition," whereby the acquiring entity or our successor does not agree to assume the incentive awards or replace them with substantially equivalent incentive awards), all outstanding awards may be vested and become immediately exercisable in full and, if not exercised on the date of the acquisition, will terminate on such date regardless of whether the participant to whom such stock rights have been granted remains in our employ or service or in the employ or service of any acquiring or successor entity.

Termination or amendment. Our Board may terminate, amend or modify the 2012 Plan at any time before its expiration, which is currently September 28, 2022. However, stockholder approval is required to the extent necessary to comply with any tax or regulatory requirement.

2015 Equity Incentive Plan

We intend to adopt a new equity incentive plan upon consummation of this offering. The 2015 Plan will authorize us to grant options or other awards to our employees, directors and consultants. Shares of common stock representing up to 9.2% of outstanding shares of common stock after giving effect to this offering may be issued pursuant to awards under the 2015 Plan. Awards will be made pursuant to agreements and may be subject to vesting and other restrictions as determined by the Board or the compensation committee.

Administration. The 2015 Plan will be administered by the compensation committee or another committee of the Board, comprised of no fewer than two members of the Board who are appointed by the Board to administer the plan, or the full Board. Subject to the limitations set forth in the 2015 Plan, the committee has the authority to determine the persons to whom awards are to be granted, prescribe the restrictions, terms and conditions of all awards, accelerate the vesting or exercisability of awards at any time, interpret the 2015 Plan and adopt sub-plans and rules for the administration, interpretation and application of the 2015 Plan.

Reservation of shares. Subject to adjustments as described below, the number of shares of common stock reserved for issuance pursuant to awards granted under the 2015 Plan will be equal to 5,250,000. In addition, up to 2,000,000 additional shares of common stock may be issued under the 2015 Plan as a result of the forfeiture, cancellation or termination for no consideration of an award under the 2012 Plan, as described below. Any shares of common stock issued under the 2015 Plan will consist of authorized and unissued shares or treasury shares.

In the event of any recapitalization, reclassification, stock dividend, extraordinary cash dividend, stock split, reverse stock split or other distribution with respect to common stock, or any merger, reorganization, consolidation, combination, spin-off, stock purchase, or other similar corporate change or any other change affecting common stock (other than regular cash dividends to our shareholders), the committee or the Board shall, in the manner and to the extent it considers appropriate and equitable to the participants in the 2015 Plan and consistent with the terms of the 2015 Plan, cause adjustments to the number and kind of shares of common stock available for grant, as well as to other maximum limitations under the 2015 Plan, the number and kind of shares of common stock and/or other terms of the awards that are affected by the event.

Share counting. To the extent that an award granted under the 2015 Plan is canceled, expired, forfeited, surrendered, settled by delivery of fewer shares than the number underlying the award, settled in cash or otherwise terminated without delivery of the shares, the shares of common stock retained by or returned to us will (i) not be deemed to have been delivered under the 2015 Plan, (ii) be available for future awards under the 2015 Plan, and (iii) increase the share reserve by one share for each share that is retained by or returned to us. Shares that are (x) withheld from an award in payment of the exercise or purchase price or taxes relating to such an award or (y) not issued or delivered as a result of the net settlement of an outstanding stock option or stock appreciation right will (i) not be deemed to have been delivered, (ii) be available for future awards under the 2015 Plan, (iii) increase the share reserve by one share for each share that is retained by or returned to us and (iv) continue to be counted as outstanding for purposes of determining whether award limits have been attained. If an award is settled in cash, the number of shares of common stock on which the award is based shall not count toward any individual share limit, but shall count against the annual cash performance award limit. Awards assumed or substituted for in a merger, consolidation, acquisition of property or stock or reorganization will not reduce the share reserve, will not be subject to or counted against the award limits under the 2015 Plan, and will not replenish the share reserve upon the occurrence of any of the events described at the beginning of this paragraph.

Eligibility. Awards under the 2015 Plan may be granted to any of our employees, directors, consultants or other personal service providers or any of the same of our subsidiaries.

Stock options. Stock options granted under the 2015 Plan may be issued as either incentive stock options, within the meaning of Section 422 of the Code, or as nonqualified stock options. The exercise price of an option will be not less than 100% of the fair market value of a share of common stock on the date of the grant of the option. The committee or the Board will determine the vesting and/or exercisability requirements and the term of exercise of each option, including the effect of termination of service of a participant or a change in control. The vesting requirements may be based on the continued employment or service of the participant for a specified time period or on the attainment of specified business performance goals established by the committee or the Board. The maximum term of an option will be 10 years from the date of grant.

To exercise an option, the participant must pay the exercise price, subject to specified conditions, (i) in cash, or, (ii) to the extent permitted by the committee or the Board, and set forth in an award agreement or otherwise (including by a policy or resolution of the committee or the Board), (A) in shares of common stock, (B) through an open-market broker-assisted transaction, (C) by reducing the number of shares of common stock otherwise deliverable upon the exercise of the stock option, (D) by combination of any of the above methods or (E) by such other method approved by the committee or the Board, and must pay any required tax withholding amounts. Dividends shall not be paid with respect to the shares of common stock subject to stock options. Dividend equivalent rights shall be granted with respect to shares of common stock subject to stock options to the extent permitted by the committee or set forth in an award agreement. All options generally are nontransferable.

Stock appreciation rights. A stock appreciation right may be granted either in tandem with an option (in which case, it may be granted at any time during the term of the related option) or without a related option. A stock appreciation right entitles the participant, upon settlement or exercise, to receive a payment based on the excess of the fair market value of a share of common stock on the date of settlement or exercise over the base price of the right, multiplied by the number of shares of common stock as to which the right is being settled or exercised. Stock appreciation rights may be granted on a basis that allows for the exercise of the right by the participant or that provides for the automatic payment of the right upon a specified date or event. The base price of a stock appreciation right shall not be less than 100% of the fair market value of a share of common stock on the date of grant. The committee or the Board will determine the vesting requirements and the term of exercise of each stock appreciation right, including the effect of termination of service of a participant or a change in control. The vesting requirements may be based on the continued employment or service of the participant for a specified time period or on the attainment of specified business performance goals established by the committee or the Board. The maximum term of a stock appreciation right will be ten years from the date of grant. Stock appreciation rights may be payable in cash or in shares of common stock or in a combination of both. Dividends shall not be paid with respect to the shares of common stock subject to stock appreciation rights. Dividend equivalent rights shall be granted with respect to shares of common stock subject to stock appreciation rights to the extent permitted by the committee or set forth in an award agreement. All stock appreciation rights generally are nontransferable.

Restricted stock awards. A restricted stock award represents shares of common stock that are issued subject to restrictions on transfer and vesting requirements. The vesting requirements may be based on the continued service of the participant for a specified time period or on the attainment of specified performance goals established by the committee. Unless otherwise set forth in an award agreement or determined by the committee at the time an award is granted, restricted stock award holders will have all of the rights of a shareholder of us during the restricted period (including the rights to vote and receive all dividends and other distributions paid or made with respect thereto). The committee may provide in an award agreement for the payment of dividends and distributions at such times as payment is made to shareholders of us generally, at the times of vesting or other payment of the restricted stock award or otherwise. All restricted stock awards are generally nontransferable.

Restricted stock units. An award of restricted stock units, or RSUs, provides the participant the right to receive a payment based on the value of a share of common stock. RSUs may be subject to vesting requirements, restrictions and conditions to payment. RSUs may vest based solely on the continued service of the participant for a specified time period. In addition, RSUs may be denominated as performance stock units, or PSUs and may vest in whole or in part based on the attainment of specified performance goals established by the committee or the Board. RSU and PSU awards will become payable to a participant at the time or times determined by the committee or the Board and set forth in the applicable award agreement, which may be upon or following the vesting of the award. RSU and PSU awards are payable in cash or in shares of common stock or in a

combination of both. A holder of an RSU will not have any of the rights of a shareholder of us until such time as the shares subject to the RSU are delivered to the holder pursuant to the terms of the applicable award agreement. RSUs and PSUs may or may not be granted together with a dividend equivalent right with respect to the shares of common stock subject to the award. Dividend equivalent rights will be paid at such time as determined by the committee or the Board in its discretion (including, without limitation, at the times paid to shareholders generally or at the times of vesting or payment of the RSU or PSU). Dividend equivalent rights may be subject to forfeiture under the same conditions as apply to the underlying RSUs or PSUs. All RSUs and PSUs are generally nontransferable.

Cash performance awards. A cash performance award is denominated in a cash amount (rather than in shares) and is payable based on the attainment of pre-established business and/or individual performance goals. The requirements for vesting may be also based upon the continued service of the participant during the performance period, and vesting may be accelerated in certain circumstances, as determined by the committee or the Board. All cash performance awards are generally nontransferable. The maximum amount of cash compensation that may be paid to a participant during any one calendar year under all cash performance awards is $15,000,000.

Performance criteria. For purposes of cash performance awards, as well as for any other awards under the 2015 Plan intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the performance criteria will be one or any combination of the following, for us or any identified subsidiary or business unit, as determined by the committee: (a) net earnings; (b) earnings per share; (c) net debt; (d) revenue or sales growth; (e) net or operating income; (f) net operating profit; (g) return measures (including, but not limited to, return on assets, capital, equity or sales); (h) cash flow (including, but not limited to, operating cash flow, distributable cash flow and free cash flow); (i) earnings before or after taxes, interest, depreciation, amortization and/or rent; (j) share price (including, but not limited to growth measures and total shareholder return); (k) expense control or loss management; (l) customer satisfaction; (m) market share; (n) economic value added; (o) working capital; (p) the formation of joint ventures or the completion of other corporate transactions; (q) gross or net profit margins; (r) revenue mix; (s) operating efficiency; (t) product diversification; (u) market penetration; (v) measurable achievement in quality, operation or compliance initiatives; (w) quarterly dividends or distributions; (x) employee retention or turnover; or (y) any combination of or a specified increase in any of the foregoing. Each of the performance criteria will be applied and interpreted in accordance with an objective formula or standard established by the committee at the time of grant of the award, including, without limitation, GAAP.

For purposes of cash performance awards and other awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the "performance goals" shall be the levels of achievement relating to the performance criteria selected by the committee for the award. The performance goals shall be written and shall be expressed as one objective formula or standard that precludes discretion to increase the amount of compensation payable that would otherwise be due upon attainment of the goal. The performance goals may be applied on an absolute basis or relative to an identified index, peer group or one or more competitors or other companies (including particular business segments or divisions of such companies), as specified by the committee.

At the time that an award is granted, the committee may provide for the performance goals or the manner in which performance will be measured against the performance goals to be adjusted in such objective manner as it deems appropriate, including, without limitation, adjustments to reflect charges for restructurings, non-operating income, the impact of corporate transactions or discontinued operations, extraordinary and other unusual or non-recurring items and the cumulative effects of accounting or tax law changes. In addition, with

respect to a participant hired or promoted following the beginning of a performance period, the committee may determine to prorate the performance goals and/or the amount of any payment in respect of such participant's cash performance awards for the partial performance period.

Further, the committee shall, to the extent provided in an award agreement, have the right, in its discretion, to reduce or eliminate the amount otherwise payable to any participant under an award and to establish rules or procedures that have the effect of limiting the amount payable to any participant to an amount that is less than the amount that otherwise would be payable under an award. The committee shall not have discretion to increase the amount that otherwise would be payable to any participant. Following the conclusion of the performance period, for any award intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the committee shall certify in writing whether the applicable performance goals have been achieved, or certify the degree of achievement, if applicable. Upon certification of the performance goals, the committee shall determine the level of vesting or amount of payment to the participant pursuant to the award, if any.

Stock awards. A stock award represents shares of common stock. A stock award may be granted for past services, in lieu of bonus or other cash compensation, directors' fees or for any other valid purpose as determined by the committee. The committee will determine the terms and conditions of stock awards, and such stock awards may be made without vesting requirements. Upon the issuance of shares of common stock under a stock award, the participant will have all rights of a shareholder with respect to such shares of common stock, including the right to vote the shares and receive all dividends and other distributions on the shares.

Award limitations. For purposes of complying with the requirements of Section 162(m) of the Code, the maximum number of shares of common stock that may be subject to each award type that is granted to a participant other than a non-employee director during any calendar year shall be limited as follows: (i) 2,000,000 shares of common stock subject to stock options, (ii) 2,000,000 shares of common stock subject to stock appreciation rights, (iii) 1,000,000 shares of common stock subject to restricted stock awards that vest in full or in part based on the attainment of performance goals, (iv) 750,000 shares of common stock subject to restricted stock awards that vest in full or in part based on continued employment over a stated period of time, (v) 1,000,000 shares of common stock subject to restricted stock units that vest in full or in part based on the attainment of performance goals and (vi) 750,000 shares of common stock subject to restricted stock units that vest in full or in part based on continued employment over a stated period of time.

Further, the maximum number of shares of common stock that may be subject to stock options, stock appreciation rights, restricted stock awards, RSUs and stock awards granted to any non-employee director during any calendar year will be limited to 750,000 shares of common stock for all such award types in the aggregate.

Effect of change in control. Upon the occurrence of a change in control, unless otherwise specifically prohibited under applicable law, or unless otherwise provided in the applicable award agreement, the committee is authorized, but not obligated, to make adjustments in the terms and conditions of outstanding awards, including, without limitation, the following (or any combination thereof): (i) continuation or assumption of such outstanding awards by us (if we are the surviving company or corporation) or by the surviving company or corporation or its parent; (ii) substitution by the surviving company or corporation or its parent of awards with substantially the same terms as such outstanding awards (with appropriate adjustments to the type of consideration payable upon settlement of the awards); (iii) accelerated exercisability, vesting and/or payment; and (iv) if all or substantially all of our outstanding shares of common stock transferred in exchange for cash consideration in connection with such change in control: (a) upon written notice, provide that any outstanding stock options and stock appreciation rights are exercisable during a reasonable period of time immediately prior to the scheduled consummation of the event or such other reasonable period as determined by the committee (contingent upon the consummation of the event), and at the end of such period, such stock options

and stock appreciation rights will terminate to the extent not so exercised within the relevant period; and (b) cancellation of all or any portion of outstanding awards for fair value, as determined in the sole discretion of the committee.

Forfeiture. The committee may specify in an award agreement that an award will be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, which may include termination of service for "cause" (as defined in the 2015 Plan), violation of material Company policies, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the participant, or other similar conduct by the participant that is detrimental to our business or reputation. Unless otherwise provided by the committee and set forth in an award agreement, if (i) a participant's service is terminated for "cause" or (ii) within one year following termination of service for any other reason, the committee determines in its discretion that, after such termination, the participant breached any of the material terms of any noncompetition, confidentiality or similar restrictive covenant agreement, such participant's rights, payments and benefits with respect to an award shall be subject to cancellation, forfeiture and/or recoupment.

Right of recapture. If a participant receives compensation pursuant to an award based on financial statements that are subsequently required to be restated in a way that would decrease the value of such compensation, the participant will, to the extent not otherwise prohibited by law, forfeit and repay to us the difference between what the participant received and what the participant should have received based on the accounting restatement, (i) in accordance with our compensation recovery, "clawback" or similar policy as may be in effect from time to time, or (ii) any compensation recovery, "clawback" or similar policy made applicable by law including the Dodd-Frank Act.

Tax withholding. We have the power and the right to deduct or withhold automatically from any amount deliverable under an award or otherwise, or require a participant to remit to us, the minimum statutory amount to satisfy federal, state and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the 2015 Plan. With respect to required withholding, participants may elect (subject to our automatic withholding right set out above) to satisfy the withholding requirement with respect to any taxable event arising as a result of the 2015 Plan, in whole or in part, generally by the methods described in the 2015 Plan applicable to the payment of the exercise price in connection with stock option exercises or similar methods in the case of awards other than stock options.

Deferrals of payment. The committee may in its discretion permit participants in the 2015 Plan to defer the receipt of payment of cash or delivery of shares of common stock that would otherwise be due by virtue of the exercise of a right or the satisfaction of vesting or other conditions with respect to an award other than a stock option or stock appreciation right.

Trading policy considerations. Stock option exercises and other awards under the 2015 Plan shall be subject to our insider-trading-policy-related restrictions, terms and conditions to the extent established by the committee, or in accordance with policies set by the committee, from time to time.

Term, amendment and termination. The 2015 Plan shall be effective as of the date it is adopted by the Board. The 2015 Plan shall terminate no later than the tenth anniversary of its effective date. The Board may amend, modify, suspend or terminate the 2015 Plan at any time. However, no termination or amendment of the 2015 Plan will adversely affect any award theretofore granted without the consent of the participant or the permitted transferee of the award except as otherwise provided in the 2015 Plan or determined by the committee or the Board to be necessary to comply with applicable laws. The Board may seek the approval of any amendment by our shareholders to the extent it deems necessary or advisable for purposes of compliance with Section 162(m) or Section 422 of the Code, the listing requirements of NASDAQ or any other exchange on which our common stock is listed on such date, or for any other purpose.

Stockholder approval. The 2015 Plan will be submitted for approval by our stockholders within 12 months following the date it becomes effective. Any awards granted under the 2015 Plan prior to the date it is approved by our stockholders shall be effective as of the date of grant, but such awards may not be exercised or settled and no restrictions relating to such awards may lapse prior to the date stockholder approval is obtained. If our stockholders fail to approve the 2015 Plan, the 2015 Plan and any awards issued pursuant to the 2015 Plan shall be terminated and cancelled without consideration.

Re-Approval of Performance Criteria. At the discretion of the Board, we may seek approval by our stockholders of the performance criteria set forth in the 2015 Plan or of any other designated performance goals and of any other provisions that the Board determines no later than the Annual General Meeting of Stockholders in the third year following the year in which the initial public offering of our common stock occurs.

Principal stockholders

The following table shows information as of June 30, 2015 regarding the beneficial ownership of our common stock (1) prior to this offering and (2) as adjusted to give effect to this offering by:

- each person or group who is known by us to own beneficially more than 5% of our common stock;
- each member of our Board and each of our named executive officers; and
- all members of our Board and our executive officers as a group.

Beneficial ownership of shares is determined under rules of the SEC and generally includes any shares over which a person exercises sole or shared voting or investment power. Except as noted by footnote, and subject to community property laws where applicable, we believe based on the information provided to us that the persons and entities named in the table below have sole voting and investment power with respect to all shares of our common stock shown as beneficially owned by them. Percentage of beneficial ownership is based on 48,199,490 shares of common stock outstanding as of June 30, 2015 and 57,124,490 shares of common stock outstanding after giving effect to this offering, assuming no exercise of the underwriters' option to purchase additional shares, or 58,463,240 shares of common stock, assuming the underwriters exercise their option to purchase additional shares in full. Shares of common stock subject to options currently exercisable or exercisable within 60 days of the date of this prospectus are deemed to be outstanding and beneficially owned by the person holding the options for the purposes of computing the percentage of beneficial ownership of that person and any group of which that person is a member, but are not deemed outstanding for the purpose of computing the percentage of beneficial ownership for any other person. Unless otherwise indicated, the address for each holder listed below is 6295 Allentown Boulevard, Suite 1, Harrisburg, Pennsylvania 17112.

	Shares of common stock beneficially owned before this offering		Shares of common stock beneficially owned after this offering (assuming no exercise of the option to purchase additional shares)		Shares of common stock beneficially owned after this offering assuming full exercise of the option to purchase additional shares	
Name and address of beneficial owner	**Number of shares**	**Percentage of shares**	**Number of shares**	**Percentage of shares**	**Number of shares**	**Percentage of shares**
5% stockholders:						
CCMP(1)	34,603,074	71.8%	34,603,074	60.6%	34,603,074	59.2%
Named executive officers and directors:						
Mark Butler(2)	14,238,380	28.9%	14,238,380	24.5%	14,238,380	23.9%
John Swygert(3)	207,000	*	207,000	*	207,000	*
Omar Segura(4)	46,000	*	46,000	*	46,000	*
Douglas Cahill(5)	13,800	*	13,800	*	13,800	*
Thomas Hendrickson	—	*	—	*	—	*
Stanley Fleishman(6)	13,800	*	13,800	*	13,800	*
Joseph Scharfenberger	—	*	—	*	—	*
Richard Zannino	—	*	—	*	—	*
All Board members and executive officers as a group (11 persons)(7)	14,720,230	29.7%	14,720,230	25.2%	14,720,230	24.6%

* Represents beneficial ownership of less than 1% of our outstanding common stock.

(1) Includes 30,533,315 shares of common stock owned by CCMP Capital Investors II, L.P. ("CCMP Capital Investors") and 4,069,759 shares of common stock owned by CCMP Capital Investors (Cayman) II, L.P. ("CCMP Cayman," and together with CCMP Capital Investors, the "CCMP Capital Funds"). The general partner of the CCMP Capital Funds is CCMP Capital Associates, L.P ("CCMP Capital Associates"). The general partner of CCMP Capital Associates is CCMP Capital Associates GP, LLC ("CCMP Capital Associates GP"). CCMP Capital Associates GP is wholly-owned by CCMP Capital, LLC. CCMP Capital, LLC ultimately exercises voting and dispositive power over the shares held by the CCMP Capital Funds. Voting and disposition decisions at CCMP Capital, LLC with respect to such shares are made by a committee, the members of which are Greg Brenneman, Christopher Behrens, Douglas Cahill, Joseph Scharfenberger and Richard Zannino. Douglas Cahill, Joseph Scharfenberger and

Richard Zannino are Managing Directors of CCMP. The address of each of Messrs. Cahill, Scharfenberger and Zannino and each of the entities described above is c/o CCMP Capital Advisors, LLC, 245 Park Avenue, New York, New York 10167, except the address of CCMP Cayman is c/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands. Each of Messrs. Cahill, Scharfenberger and Zannino disclaims any beneficial ownership of any shares beneficially owned by the CCMP Capital Funds.

(2) Includes 6,222,305 shares held directly by Mark Butler, 7,002,695 shares held by the Mark L. Butler 2012 DE Dynasty Trust and 1,013,380 shares underlying vested options.

(3) Includes 161,000 shares underlying vested options.

(4) Represents 46,000 shares underlying vested options.

(5) Represents 13,800 shares underlying vested options.

(6) Represents 13,800 shares underlying vested options.

(7) Includes 1,414,730 shares underlying vested options.

Certain relationships and related party transactions

Set forth below is a description of certain relationships and related party transactions between us or our subsidiaries, and our directors, executive officers and holders of more than 5% of our voting securities.

Relationship with CCMP

On September 28, 2012, CCMP, together with certain members of management, acquired Ollie's Holdings, Inc. and its sole operating subsidiary, Ollie's Bargain Outlet, Inc. through a newly formed entity, Ollie's Bargain Outlet Holdings, Inc. (f/k/a Bargain Holdings, Inc.).

Three of our directors, Douglas Cahill, Joseph Scharfenberger and Richard Zannino, are Managing Directors of CCMP. See "Management."

Stock split

On June 17, 2015, we effectuated a 115-for-1 stock split of our common stock pursuant to an amendment to our Amended and Restated Certificate of Incorporation. All common stock share and common stock per share amounts for all periods presented have been adjusted retroactively to reflect the Stock Split. In addition, prior to the completion of this offering, we intend to reclassify our Class A and Class B common stock into a single class of common stock, which will be effectuated in connection with the adoption and filing of our second amendment and restatement of our certificate of incorporation and bylaws.

Stockholders agreement

On September 28, 2012, in connection with the CCMP Acquisition, we entered into a stockholders agreement with CCMP, Mark Butler and our management stockholders (excluding Mr. Butler, the "Management Stockholders"), which was amended on February 27, 2013 and on February 11, 2015 (as amended, the "Stockholders Agreement"). The Stockholders Agreement provides that until September 28, 2015, CCMP has the right to nominate one director to our Board for as long as it holds between 10% and 20% of our outstanding common stock and has the right to nominate up to two directors to our Board for as long as it holds at least 20% of our outstanding common stock. After September 28, 2015, CCMP will have the right to nominate up to one director for as long as it holds between 10% and 20% of our outstanding common stock and up to four directors for as long as it holds at least 20% of our common stock. The Stockholders Agreement also provides that Mr. Butler shall serve as a director for as long as he holds at least 10% of our outstanding common stock and that he shall serve as Chairman of the Board for as long as he remains our Chief Executive Officer. In addition, until September 28, 2015, up to seven independent directors will be selected (i) as mutually agreed by CCMP and Mr. Butler for as long as each of them hold at least 10% of our outstanding common stock, (ii) by Mr. Butler if he holds at least 10% of our outstanding common stock and CCMP holds less than 10% of our outstanding common stock, and (iii) by CCMP if CCMP holds at least 10% of our common stock and Mr. Butler holds less than 10% of our outstanding common stock. After September 28, 2015, under the terms of the Stockholders Agreement, up to two independent directors will be selected (i) as mutually agreed by CCMP and Mr. Butler for as long as each of them hold at least 10% of our outstanding common stock, (ii) by Mr. Butler if he holds at least 10% of our outstanding common stock and CCMP holds less than 10% of our outstanding common stock, and (iii) by CCMP if CCMP holds at least 10% of our common stock and Mr. Butler holds less than 10% of our outstanding common stock. In addition, the Stockholders Agreement restricts stockholders party thereto, other than CCMP, from transferring their shares, subject to certain exceptions, including the ability to transfer shares after a public offering; provided that after any such transfer by any Management Stockholder (other than to permitted transferees), such stockholder will not own a percentage of shares less than the percentage of shares Mr. Butler then holds compared to his ownership prior to this offering, unless such percentage with respect to Mr. Butler is less than 10%. The Stockholders Agreement also provides for customary stock pre-emptive rights, stock co-sale rights and drag-along rights.

The Stockholders Agreement provides that a number of the provisions contained in such agreement (including, without limitation, provisions relating to the election of directors and the transfer restrictions described herein) will terminate automatically in connection with this offering. Consequently, the Amended and Restated Stockholders Agreement that shall be effective as of the effectiveness of this offering shall only contain those provisions that, according to the Stockholders Agreement, will not terminate automatically in connection with this offering or which the parties have otherwise agreed shall apply following the offering, including the registration rights provisions described in "—Registration rights."

Registration rights

The Amended and Restated Stockholders Agreement contains certain registration rights provisions that provide that following this offering, each of CCMP, Mr. Butler, any stockholder party to the agreement holding more than 15% of our outstanding common stock or any Management Stockholder holding between 5% and 15% of our outstanding common stock are entitled to demand registrations, subject to certain exceptions. Stockholders party to the Stockholders Agreement will also have piggyback rights for public offerings after an initial public offering. No holder may request more than two demand registrations in any 180-day period, and we will not be required to effect more than four demand registrations in any 12 month period. We also are not required to effect any registration if the anticipated gross offering price of the shares of registered securities would be less than $10 million in any offering.

Share repurchase and dividends

In May 2015, we declared a special cash dividend to holders of our common stock for an aggregate payment of $48.8 million in connection with the Recapitalization See "Summary—Our recapitalization" and "Dividend policy."

In April 2014, we declared a special cash dividend to holders of our common stock for an aggregate payment of $58.0 million. See "Dividend policy."

In February 2013, we repurchased 43,475 shares of common stock from CCMP at an aggregate purchase price of $46.2 million.

Board compensation

Our directors who are our employees or full-time investment professionals of CCMP will receive no compensation for their service as members of our Board, except as limited to expense reimbursement. Other directors will receive compensation for their service as members of our Board as described in "Executive and director compensation—Director compensation."

Employment agreements

We have entered into an employment agreement with each of our NEOs as well as other executive officers. See "Executive and director compensation—Employment agreements."

Indemnification agreements

We intend to enter into indemnification agreements with each of our executive officers and directors. The indemnification agreements will provide the executive officers and directors with contractual rights to indemnification, expense advancement and reimbursement, to the fullest extent permitted under the DGCL, subject to certain exceptions contained in those agreements.

Lease arrangements

As of May 2, 2015, we lease four of our stores and our corporate headquarters from entities in which Mark Butler, our co-founder, Chairman, President and Chief Executive Officer, or Mr. Butler's family has a direct or indirect material interest. We lease two of our stores from Brooke Investments Co., LLC, a Pennsylvania limited liability company owned directly by Mr. Butler and his family and managed by Mr. Butler for which Brooke Investments Co., LLC receives aggregate annual lease payments of approximately $360,000. We lease one of our stores from BSA Enterprises, a Pennsylvania partnership, which is majority owned by Brooke Investments Co., LLC and which receives aggregate annual lease payments of approximately $200,000. We lease one of our stores and our corporate headquarters from MBBF L.P., a Pennsylvania limited partnership, which is managed by Mr. Butler and in which Mr. Butler has a 49.5% economic interest. MBBF L.P. receives aggregate annual lease payments from us of approximately $659,000. The leases for three stores expire in August 2018, the lease for the fourth store expires in January 2022 and the lease for our corporate headquarters expires in October 2023.

Other transactions

We previously engaged Infogroup Inc. ("Infogroup"), a CCMP portfolio company, for services including, but not limited to, data processing, data storage and marketing campaign management. In fiscal year 2014, we paid Infogroup approximately $167,750 for its services.

From time to time, we have and may enter into transactions for goods and services with other companies controlled by CCMP.

Policy for approval of related person transactions

In connection with this offering, we will adopt a written policy relating to the approval of related person transactions. A "related person transaction" is a transaction or arrangement or series of transactions or arrangements in which we participate (whether or not we are a party) and a related person has a direct or indirect material interest in such transaction. Our audit committee will review and approve or ratify related person transactions that exceed $120,000 individually or in the aggregate between us and (i) our directors, director nominees or executive officers, (ii) any 5% record or beneficial owner of our common stock or (iii) any immediate family member of any person specified in (i) and (ii) above. The audit committee will review all such related person transactions and, where the audit committee determines that such transactions are in our best interests, approve such transactions in advance of such related person transaction being given effect.

As set forth in the related person transaction policy, in the course of its review and approval or ratification of a related person transaction, the audit committee will, in its judgment, consider in light of the relevant facts and circumstances whether the related person transaction is, or is not inconsistent with, our best interests, including consideration of various factors enumerated in the policy.

Any member of the audit committee who is a related person with respect to a related person transaction under review or is otherwise not disinterested will not be permitted to participate in the discussions or approval or ratification of the related person transaction. Our policy also includes certain exemptions for related person transactions that need not be reported and provides the audit committee with the discretion to pre-approve certain related person transactions.

Description of certain indebtedness

Senior secured credit facilities

In connection with the CCMP Acquisition, our wholly-owned subsidiaries, Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc., and certain of their subsidiaries entered into a $75.0 million senior secured asset-based revolving credit facility (the "Revolving Credit Facility"), which included a $25.0 million letter of credit and a $20.0 million swingline loan facility and a $225.0 million senior secured term loan facility (the "Term Loan Facility," and collectively with the Revolving Credit Facility, the "Senior Secured Credit Facilities"), with Manufacturers and Traders Trust Company as administrative agent for the Revolving Credit Facility, Jefferies Finance LLC, as administrative agent for the Term Loan Facility and Manufacturers and Traders Trust Company, Jefferies Finance LLC and KeyBank National Association as joint lead arrangers and joint bookrunners for the Senior Secured Credit Facilities.

On February 26, 2013, the credit agreements governing the Senior Secured Credit Facilities were amended to reduce the interest rate margin applicable to borrowings under the Term Loan Facility, to provide for additional term loans under the Term Loan Facility in an aggregate principal amount of $50.0 million and to permit a share repurchase of approximately $46.2 million. Additionally, on April 11, 2014, the credit agreements governing the Senior Secured Credit Facilities were further amended to reduce the interest rate margin applicable to borrowings under the Term Loan Facility, to provide for additional term loans under the Term Loan Facility in an aggregate principal amount of $60.0 million and to permit a special dividend of approximately $58.0 million.

On May 27, 2015, we amended the credit agreements governing our Senior Secured Credit Facilities to, among other things, increase the size of the Revolving Credit Facility from $75.0 million to $125.0 million and to permit a dividend to holders of our outstanding common stock. We also drew $50.0 million of borrowings under our Revolving Credit Facility, the proceeds of which were used to pay an aggregate cash dividend of $48.8 million to holders of our common stock and of which the balance was used to pay $1.1 million of bank fees and $0.1 million of legal and other expenses related to the Recapitalization.

General

The credit agreement governing the Revolving Credit Facility provides that Ollie's Holdings and Ollie's Bargain Outlet may request up to $25.0 million in increased commitments under the Revolving Credit Facility subject to certain conditions. In addition, the credit agreement governing the Term Loan Facility provides that Ollie's Holdings and Ollie's Bargain Outlet may request additional term loans under the Term Loan Facility in an aggregate principal amount not to exceed (x) $75.0 million, plus (y) in the case of any incremental term loans that serve to effectively extend the maturity of the Term Loan Facility, an amount equal to the reductions in the Term Loan Facility to be replaced thereby plus (z) an additional amount, subject to compliance on a pro forma basis with a total leverage ratio (total debt to Adjusted EBITDA) of no greater than 4.25:1.00. The effective yield for any such incremental facility under the Term Loan Facility will be subject to a "most favored nation" pricing protection provision with a cushion of 0.50%. The incurrence of any incremental facility under the Term Loan Facility is subject to customary conditions precedent.

Availability under the Revolving Credit Facility is limited to a line cap, which is calculated as the lesser of (a) the aggregate amount of revolving commitments and (b) the then applicable borrowing base (the "Line Cap"). The borrowing base shall equal the sum of the following:

- 90% of eligible accounts, plus
- 90% of the net orderly liquidation value of eligible inventory, plus
- 90% of eligible credit card receivables, plus

- the lesser of (x) 85% of the cost of the eligible letter of credit inventory and (y) $25.0 million, plus
- the lesser of (x) 85% of the cost of the eligible in-transit inventory and (y) $10.0 million, plus
- 100% of qualified cash; minus
- any reserves established by the administrative agent for the Revolving Credit Facility in its permitted discretion.

Interest rate and fees

The variable methods of determining interest rates for the Term Loan, calculated as the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.50%, the Eurodollar Rate plus 1.00%, or 2.00%; plus the Applicable Margin. The Term Loan also allows for Eurodollar Loans with a floor of 1.00%, plus the Applicable Margin. The Applicable Margin on the interest rate is 2.75% for a Base Rate Loan and 3.75% for a Eurodollar Loan. As of May 2, 2015, the interest rate on outstanding borrowings under the Term Loan was 3.75% plus LIBOR, which is subject to a floor of 1.0%.

Under the terms of the Revolving Credit Facility, we can borrow up to 90.0% of the most recent appraised value (valued at cost, discounted for the current net orderly liquidation value) of our eligible inventory, as defined, up to $125.0 million. The Revolving Credit Facility includes a $25.0 million sub-facility for letters of credit and a $20.0 million swingline loan facility. The Revolving Credit Facility includes variable methods of determining interest rates, calculated as the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.50%, or the Eurodollar Rate plus 1.00%; plus Applicable Margin (which could range from 0.75% to 1.25%). Under the terms of the Revolving Credit Facility, the Applicable Margin may fluctuate subject to periodic measurements of average availability, as defined. The Revolving Credit Facility also allows for Eurodollar Loans comprised of the Eurodollar Base Rate plus Applicable Margin (which could range from 1.75% to 2.25%). The agreement also allows the Company to increase the amount of the revolving credit facility by $25.0 million, subject to certain requirements and restrictions.

A variable unused line fee will be charged on the average daily unused portion of the Revolving Credit Facility of 0.375% per annum if average utilization under the Revolving Credit Facility is greater than or equal to 33.3% or 0.250% if average utilization under the Revolving Credit Facility is less than 33.3%. A letter of credit fee will accrue on the aggregate face amount of outstanding letters of credit under the Revolving Credit Facility equal to the interest rate margin for LIBOR loans under the Revolving Credit Facility. In addition, a fronting fee will be paid to the letter of credit issuer on the aggregate face amount of outstanding letters of credit not to exceed 0.125% per annum.

Mandatory prepayments

The Term Loan Facility requires Ollie's Holdings and Ollie's Bargain Outlet to prepay, subject to certain exceptions, outstanding term loans with:

- 100% of net cash proceeds of any incurrence, issuance or sale of indebtedness, other than the net cash proceeds of indebtedness permitted under the Term Loan Facility;
- 100% of net cash proceeds of asset sales, subject to reinvestment rights and certain other exceptions; and
- 50% (subject to step-downs to 25% and 0% based upon a senior secured leverage ratio) of our annual excess cash flow.

The Revolving Credit Facility requires Ollie's Holdings and Ollie's Bargain Outlet to first prepay outstanding loans and then cash collateralize outstanding letters of credit if at any time the aggregate amount of outstanding loans, unreimbursed letter of credit drawings and outstanding letters of credit under the Revolving Credit Facility exceeds the Line Cap, in an aggregate amount equal to such excess.

Optional prepayments

Ollie's Holdings and Ollie's Bargain Outlet may voluntarily reduce the unutilized portion of the commitment amount and repay outstanding loans under the Senior Secured Credit Facilities at any time without premium or penalty other than customary "breakage" costs with respect to LIBOR borrowings.

Amortization and final maturity

There is no scheduled amortization under the Revolving Credit Facility. The Revolving Credit Facility has a maturity date of September 28, 2017. The term loans under the Term Loan Facility mature on September 28, 2019. Ollie's Holdings and Ollie's Bargain Outlet are required to repay installments on the term loans in quarterly principal amounts of 0.25%, with the remaining amount payable on the maturity date.

Guarantees and security

All obligations under the Senior Secured Credit Facilities are unconditionally guaranteed by certain of Ollie's Holdings' existing and future direct and indirect wholly-owned domestic subsidiaries. All obligations under the Senior Secured Credit Facilities, and the guarantees of those obligations, are secured, subject to certain exceptions, by substantially all of Ollie's Holdings' assets and the assets of the guarantors, including:

- A first-priority or second-priority pledge, as applicable, of all of Ollie's Bargain Outlet's capital stock directly held by Ollie's Holdings and a first-priority or second-priority pledge, as applicable, of all of the capital stock directly held by Ollie's Holdings and its subsidiary guarantors (which pledge, in the case of the capital stock of any foreign subsidiary or any "disregarded" domestic subsidiary, will be limited to 65% of the stock of such subsidiary); and
- A first-priority or second-priority security interest, as applicable, in substantially all of Ollie's Holdings' and the guarantors' tangible and intangible assets, including certain deposit accounts.

Certain covenants and events of default

The Senior Secured Credit Facilities contain a number of restrictive covenants that, among other things and subject to certain exceptions, restrict Ollie's Bargain Outlet's and Ollie's Holdings' ability and the ability of its subsidiaries to:

- incur additional indebtedness;
- pay dividends on our capital stock or redeem, repurchase or retire our capital stock;
- make investments, acquisitions, loans and advances;
- create negative pledge or restrictions on the payment of dividends or payment of other amounts owed to us from our subsidiaries;
- engage in transactions with our affiliates;
- sell, transfer or otherwise dispose of our assets, including capital stock of our subsidiaries;
- materially alter the business we conduct;
- modify material debt documents and certain other material documents;
- change our fiscal year;
- merge or consolidate;

- enter into any sale and lease-back transactions;
- incur liens; and
- make payments on material subordinated or other debt.

In addition, upon the occurrence of excess availability under the Revolving Credit Facility of less than the greater of 10.0% of the Line Cap and $12.5 million, we will be subject to a consolidated fixed charge coverage ratio test of at least 1.0 to 1.0, tested quarterly.

The Senior Secured Credit Facilities also contain certain customary representations and warranties, affirmative covenants and reporting obligations. In addition, the lenders under the Senior Secured Credit Facilities will be permitted to accelerate the loans and terminate commitments thereunder or exercise other specified remedies available to secured creditors upon the occurrence of certain events of default, subject to certain grace periods and exceptions, which will include, among others, payment defaults, breaches of representations and warranties, covenant defaults, cross-defaults to certain material indebtedness, certain events of bankruptcy and insolvency, certain pension plan related events, material judgments and any change of control.

Description of capital stock

The following is a description of (i) the material terms of our second amended and restated certificate of incorporation and amended and restated bylaws as they will be in effect upon the consummation of this offering and (ii) certain applicable provisions of Delaware law. We refer you to our second amended and restated certificate of incorporation and amended and restated bylaws, copies of which will be filed as exhibits to the registration statement of which this prospectus is a part.

Authorized capitalization

Our existing capital stock consists of 85,000,000 shares of authorized Class A common stock, par value $0.001 per share, of which 48,194,890 shares were outstanding as of May 2, 2015, and of 8,750,000 shares of Class B common stock, par value $0.001 per share, of which no shares were issued and outstanding as of May 2, 2015, in each case giving effect to the Stock Split. Pursuant to the terms of our second amended and restated certificate of incorporation, all shares of our Class A common stock and Class B common stock will be reclassified into a single class of common stock.

After the Reclassification and the adoption of our second amended and restated certificate of incorporation, our authorized capital stock will consist of 500,000,000 shares of authorized common stock, par value $0.001 per share and 50,000,000 shares of authorized preferred stock, par value $0.001 per share. Following the consummation of this offering, 57,124,490 shares of common stock will be outstanding and no shares of preferred stock will be issued and outstanding.

Common stock

Holders of our common stock are entitled to the rights set forth below.

Voting rights

Directors will be elected by a plurality of the votes entitled to be cast except as set forth below with respect to directors to be elected by the holders of common stock. Our stockholders will not have cumulative voting rights. Except as otherwise required by law, and subject to the terms of any one or more series or classes of preferred stock, from and after the time that CCMP and Mark Butler, together with their respective affiliates, collectively, beneficially own less than 50.1% of the then outstanding shares of our common stock, then any action required or permitted to be taken by the stockholders must be effected at an annual or special meeting of the stockholders and may not be effected by any written consent in lieu of a meeting by such stockholders, unless the directors then in office unanimously recommend that such action be permitted to be taken by written consent of stockholders.

Dividend rights

Holders of our common stock are entitled to receive dividends or other distributions when and if, declared by our Board out of assets or funds legally available therefor, and will share equally in any dividend, subject to any statutory or contractual restrictions on the payment of dividends and to any restrictions or prior rights on the payment of dividends imposed by the terms of any outstanding preferred stock or any other classes or series of stock at the time outstanding having prior rights as to dividends or other distributions.

Liquidation rights

In the event of any voluntary or involuntary liquidation, dissolution or winding up of our affairs, holders of our common stock would be entitled to share ratably and proportionally in our remaining assets that are legally

available for distribution to stockholders after payment of liabilities, subject to the prior rights of our creditors and the holders of all classes or series of stock at the time outstanding having prior rights as to distributions upon liquidation, dissolution or winding up of our affairs. In any such case, we must pay the applicable distribution to the creditors and/or holders of our preferred stock before we may pay distributions to the holders of our common stock.

Registration rights

Our existing stockholders have certain registration rights with respect to our common stock pursuant to an amended and restated stockholders agreement. See “Certain relationships and related party transactions—Registration rights.”

Other rights

Our stockholders have no preemptive or other rights to subscribe for additional shares. All holders of our common stock are entitled to share equally on a share-for-share basis in any assets available for distribution to common stockholders upon our liquidation, dissolution or winding up, subject to the prior rights of our creditors and the holders of all classes or series of stock at the time outstanding having prior rights as to distributions upon liquidation, dissolution or winding up of our affairs. All outstanding shares are, and all shares offered by this prospectus will be, when sold, validly issued, fully paid and nonassessable.

Preferred stock

Our Board is authorized to provide for the issuance of preferred stock in one or more series and to fix the preferences, powers and relative, participating, optional or other special rights and the qualifications, limitations or restrictions thereof, including the dividend rate, conversion rights, voting rights, redemption rights and liquidation preference and to fix the designation and number of shares to be included in any such series without any further vote or action by our stockholders. Any preferred stock so issued may rank senior to our common stock with respect to the payment of dividends or amounts upon liquidation, dissolution or winding up, or both. In addition, any such shares of preferred stock may have class or series voting rights. The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of our company without further action by the stockholders and may adversely affect the voting and other rights of the holders of our common stock. Our Board has not authorized the issuance of any shares of preferred stock and we have no agreements or plans for the issuance of any shares of preferred stock.

Classified board

Our second amended and restated certificate of incorporation will provide that our Board will consist of such number of directors as may be fixed from time to time by a resolution of at least a majority of the Board then in office and that our Board will be divided into three classes, as nearly equal in number as possible, with one class being elected at each annual meeting of stockholders. Upon the consummation of this offering, our Board will initially consist of six directors. Each director will serve a three-year term, with termination staggered according to class. Each class will initially consist of two directors. The Class I directors, whose terms will expire at the first annual meeting of our stockholders following the filing of our second amended and restated certificate of incorporation, will be Joseph Scharfenberger and Douglas Cahill. The Class II directors, whose terms will expire at the second annual meeting of our stockholders following the filing of our second amended and restated certificate of incorporation, will be Richard Zannino and Stanley Fleishman. The Class III directors, whose terms will expire at the third annual meeting of our stockholders following the filing of our second amended and restated certificate of incorporation, will be Mark Butler and Thomas Hendrickson.

Our second amended and restated certificate will provide that, subject to the terms of any one or more series or classes of preferred stock, directors may only be removed for cause by the affirmative vote of the holders of a majority of the voting power of all outstanding shares of common stock then entitled to vote on the election of directors.

The classification of our Board could make it more difficult for a third party to acquire, or discourage a third party from seeking to acquire, control of our company.

Anti-takeover provisions

Our second amended and restated certificate of incorporation and second amended and restated bylaws will contain provisions that delay, defer or discourage transactions involving an actual or potential change in control of us or change in our management, including:

- authorize our Board to issue, without further action by the stockholders, any number of undesignated preferred stock;
- subject to certain exceptions, require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent;
- specify that special meetings of our stockholders can be called only by a majority of our Board, upon the request of our Chief Executive Officer or the Chairperson of the Board, and by CCMP for as long as, and only if, CCMP and Mr. Butler and their affiliates collectively, beneficially own at least 50.1% of the voting power of the then outstanding shares of our common stock;
- establish an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to our Board;
- establish that our Board is divided into three classes, with each class serving three-year staggered terms;
- prohibit cumulative voting of stockholders in the election of directors; and
- provide that vacancies on our Board may be filled only by a majority of directors then in office, even though less than a quorum, or by a sole remaining director.

We expect that these provisions will discourage coercive takeover practices or inadequate takeover bids. These provisions will be designed to encourage persons seeking to acquire control of us to first negotiate with our Board, which we believe may result in an improvement of the terms of any such acquisition in favor of our stockholders. However, they will also give our Board the power to discourage transactions that some stockholders may favor, including transactions in which stockholders might otherwise receive a premium for their shares or transactions that our stockholders might otherwise deem to be in their best interests. Accordingly, these provisions could adversely affect the price of our common stock.

Requirements for advance notification of stockholder meetings, nominations and proposals

Our second amended and restated bylaws will provide that special meetings of the stockholders may be called only upon the request of a majority of our Board or upon the request of our Chief Executive Officer or the Chairperson of the Board, and by CCMP for as long as, and only if, CCMP and Mr. Butler and their affiliates collectively, beneficially own at least 50.1% of the voting power of the then outstanding shares of our common stock. Our second amended and restated bylaws will prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. These provisions may have the effect of deferring, delaying or discouraging hostile takeovers or changes in control or management of our company.

Our second amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of our Board or a committee of our Board. In order for any matter, including the nomination of a director, to be "properly brought" before a meeting, a stockholder will have to comply with the advance notice requirements. Our amended and restated bylaws will allow the Chairperson of the Board or, in his or her absence, the company secretary at a meeting of the stockholders to have the power and duty to determine whether a nomination or any business proposed was in compliance with the advance notice procedures and to preclude the conduct of certain business at a meeting if the rules and regulations are not followed. These provisions may also defer, delay or discourage a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

No stockholder action by written consent

Subject to the terms of any one or more series or classes of preferred stock, from and after the time that CCMP and Mark Butler, together with their respective affiliates, collectively beneficially own less than 50.1% of the then outstanding shares of our common stock, then any action required or permitted to be taken by the stockholders must be effected at an annual or special meeting of the stockholders and may not be effected by any written consent in lieu of a meeting by such stockholders, unless the directors then in office unanimously recommend that such action be permitted to be taken by written consent of stockholders.

Section 203 of the DGCL

Our second amended and restated certificate of incorporation will provide that the provisions of Section 203 of the DGCL, which relate to business combinations with interested stockholders, do not apply to us, until the moment in time, if ever, immediately following the time at which both of the following conditions exist: (i) Section 203 by its terms would, but for the terms of our second amended and restated certificate of incorporation, apply to us and (ii) there occurs a transaction following the consummation of which CCMP and its affiliates collectively no longer owns at least 5% of our then outstanding common stock entitled to vote. Our second amended and restated certificate of incorporation will provide that, at such time, we will automatically become subject to Section 203 of the DGCL. Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a business combination transaction with an interested stockholder (a stockholder who owns more than 15% of our common stock) for a period of three years after the interested stockholder became such unless the transaction fits within an applicable exemption, such as board approval of the business combination or the transaction that resulted in such stockholder becoming an interested stockholder. These provisions would apply even if the business combination could be considered beneficial by some stockholders. Although we have elected to opt out of the statute's provisions, we could elect to be subject to Section 203 in the future.

Amendment to bylaws and certificate of incorporation

Our second amended and restated certificate of incorporation may be amended in any manner prescribed by Delaware law. However, any amendments (i) related to provisions in the amended and restated certificate of incorporation regarding the classification of the Board, the removal of directors, director vacancies, stockholder action by written consent, special meetings of the stockholders, amendments to the second amended and restated bylaws, forum selection for certain lawsuits and the amendment provisions, must be approved by at least 66 $^{2}/_{3}$% of the outstanding shares entitled to vote on such amendment and (ii) related to corporate opportunities and opting out of Section 203 of the DGCL, must be approved in advance by CCMP, for so long as CCMP and its affiliates collectively beneficially own shares of our stock representing at least 10% of our then outstanding shares entitled to vote generally in the election of directors. Our amended and restated

bylaws may be amended (x) by the affirmative vote of a majority of the directors then in office, subject to any limitations set forth in the second amended and restated bylaws, without further stockholder action or (y) by the affirmative vote of at least 66 $^{2}/_{3}$% of the outstanding shares of our common stock entitled to vote generally on the election of directors voting as a single class, without further action by our Board.

Limitations on liability and indemnification of officers and directors

Our second amended and restated certificate of incorporation will limit the liability of our directors to the fullest extent permitted by the DGCL, and our amended and restated bylaws will provide that we will indemnify them to the fullest extent permitted by such law. We expect to enter into indemnification agreements with our current directors and executive officers prior to the completion of this offering and expect to enter into a similar agreement with any new directors or executive officers.

Exclusive forum

Our second amended and restated certificate of incorporation will provide that unless we consent in writing to the selection of another forum, subject to certain exceptions, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for certain stockholder litigation matters. However, it is possible that a court could rule that this provision is unenforceable or inapplicable.

Corporate opportunities

Our second amended and restated certificate of incorporation will provide that none of our directors or officers have any obligation to offer us an opportunity to participate in business opportunities presented to CCMP even if the opportunity is one that we might reasonably have pursued and that, to the extent permitted by law, CCMP will not be liable to us or our subsidiaries for breach of any duty by reason of any such activities.

Listing

We intend to apply to have our common stock listed on the NASDAQ under the symbol “OLLI.”

Transfer agent and registrar

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC .

Shares eligible for future sale

Prior to this offering, there has been no public market for our common stock. Future sales of our common stock in the public market, or the perception that sales may occur, could materially adversely affect the prevailing market price of our common stock at such time and our ability to raise equity capital in the future.

Sale of restricted securities

Upon consummation of this offering, we will have 57,124,490 shares of our common stock outstanding (or 58,463,240 shares, if the underwriters exercise their option to purchase additional shares in full). Of these shares, all shares sold in this offering will be freely tradable without further restriction or registration under the Securities Act, except that any shares purchased by our “affiliates” (as that term is defined in Rule 144 of the Securities Act) may generally only be sold in compliance with Rule 144, which is described below. Of the remaining outstanding shares, 48,199,490 shares will be deemed “restricted securities” under the Securities Act.

Lock-up arrangements and registration rights

In connection with this offering, we, each of our directors, executive officers and certain other stockholders, will enter into lock-up agreements described under “Underwriting (Conflicts of Interest)” that restrict the sale of our securities for up to 180 days after the date of this prospectus, subject to certain exceptions or an extension in certain circumstances.

Certain of our stockholders may be contractually restricted from transferring shares pursuant to the terms of our Stockholders Agreement. In addition, following the expiration of the lock-up period, certain stockholders will have the right, subject to certain conditions, to require us to register the sale of their shares of our common stock under federal securities laws. See “Certain relationships and related party transactions—Registration rights.” If these stockholders exercise this right, our other existing stockholders may require us to register their registrable securities.

Following the lock-up periods described above, all of the shares of our common stock that are restricted securities or are held by our affiliates as of the date of this prospectus will be eligible for sale in the public market in compliance with Rule 144 under the Securities Act.

Rule 144

The shares of our common stock sold in this offering will generally be freely transferable without restriction or further registration under the Securities Act, except that any shares of our common stock held by an “affiliate” of ours may not be resold publicly except in compliance with the registration requirements of the Securities Act or under an exemption under Rule 144 or otherwise. Rule 144 permits our common stock that has been acquired by a person who is an affiliate of ours, or has been an affiliate of ours within the past three months, to be sold into the market in an amount that does not exceed, during any three-month period, the greater of:

- one percent of the total number of shares of our common stock then outstanding which will equal approximately 57,124 shares of common stock immediately after completion of this offering; or
- the average weekly reported trading volume of our common stock on the NASDAQ for the four calendar weeks preceding the filing of a notice on Form 144 with respect to such a sale.

Such sales are also subject to specific manner of sale provisions, a six-month holding period requirement, notice requirements and the availability of current public information about us.

Immediately upon the closing of this offering, none of our shares that are otherwise not subject to the lock-up arrangements described above will be eligible for sale under Rule 144.

Rule 144 also provides that a person who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has for at least six months beneficially owned shares of our common stock that are proposed to be sold and are restricted securities (including the holding period of any prior owner other than an affiliate), will be entitled to freely sell such shares of our common stock subject only to the availability of current public information regarding us. A person who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned for at least one year shares of our common stock that are restricted securities (including the holding period of any prior owner other than an affiliate), will be entitled to freely sell such shares of our common stock under Rule 144 without regard to the current public information requirements of Rule 144. To the extent that our affiliates sell their shares, other than pursuant to Rule 144 or a registration statement, the purchaser's holding period for the purpose of affecting a sale under Rule 144 commences on the date of transfer from the affiliate.

Rule 701

Rule 701 generally allows a stockholder who purchased shares of our capital stock pursuant to a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days to sell these shares in reliance upon Rule 144, but without being required to comply with the public information, holding period, volume limitation or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required to wait until 90 days after the date of this prospectus before selling those shares pursuant to Rule 701.

Additional registration statements

We intend to file a registration statement on Form S-8 under the Securities Act to register 11,997,625 shares of our common stock to be issued or reserved for issuance under our equity incentive plans. Such registration statement is expected to be filed soon after the date of this prospectus and will automatically become effective upon filing with the SEC. Accordingly, subject to Rule 144 provisions applicable to affiliates, shares registered under such registration statement will be available for sale in the open market, unless such shares are subject to vesting restrictions with us or the lock-up restrictions described above.

Material U.S. federal income and estate tax considerations for non-U.S. holders

The following is a discussion of the material U.S. federal income and estate tax consequences of the purchase, ownership and disposition of our common stock issued pursuant to this offering that may be relevant to you if you are a non-U.S. Holder (as defined below), and is based upon the U.S. Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Department regulations promulgated thereunder, and administrative and judicial interpretations thereof, all as of the date hereof and all of which are subject to change, possibly with retroactive effect. This discussion is limited to non-U.S. Holders who hold shares of our common stock as capital assets within the meaning of Section 1221 of the Code. Moreover, this discussion does not address all of the tax consequences that may be relevant to you in light of your particular circumstances, nor does it discuss special tax provisions, which may apply to you if you are subject to special treatment under U.S. federal income tax laws, such as for certain financial institutions or financial services entities, insurance companies, tax-exempt entities, dealers in securities or currencies, traders in securities that elect to apply a mark-to-market method of tax accounting, entities that are treated as partnerships for U.S. federal income tax purposes (and investors in such entities), "controlled foreign corporations," "passive foreign investment companies," former U.S. citizens or long-term residents, persons deemed to sell common stock under the constructive sale provisions of the Code, and persons that hold common stock as part of a straddle, hedge, conversion transaction or other integrated investment or common stock received as compensation. In addition, this discussion does not address the Medicare tax on certain investment income, any state, local or foreign tax laws or any U.S. federal tax law other than U.S. federal income and estate tax law (such as gift tax laws). We have not sought and will not seek any rulings from the Internal Revenue Service regarding the matters discussed below.

There can be no assurance that the Internal Revenue Service will not take positions concerning the purchase, ownership and disposition of our common stock that are different from that discussed below.

As used in this discussion, the term "non-U.S. Holder" means a beneficial owner of our common stock that is not, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States,
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) that is created or organized in or under the laws of the United States, any state thereof or the District of Columbia,
- an estate the income of which is subject to U.S. federal income taxation regardless of its source, or
- a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust or (ii) it has a valid election in effect under applicable Treasury Department regulations to be treated as a domestic trust for U.S. federal income tax purposes.

If you are an individual, you may be deemed to be a resident alien, as opposed to a nonresident alien, by virtue of being present in the United States (1) for at least 183 days during the calendar year, or (2) for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year. For purposes of (2), all the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year are counted. You are also a resident alien if you are a lawful permanent resident of the United States (i.e., a "green card" holder). Resident aliens are subject to U.S. federal income tax as if they were U.S. citizens.

If any entity or arrangement treated as a partnership for U.S. federal income tax purposes is a holder of our common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the

partner, the activities of the partnership and certain determinations made at the partner level. A holder that is a partnership, and the partners in such partnership, should consult their own tax advisors regarding the tax consequences of the purchase, ownership and disposition of our common stock.

EACH PROSPECTIVE PURCHASER OF OUR COMMON STOCK IS ADVISED TO CONSULT A TAX ADVISOR WITH RESPECT TO CURRENT AND POSSIBLE FUTURE TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF OUR COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES THAT MAY ARISE UNDER THE LAWS OF ANY U.S. STATE, MUNICIPALITY OR OTHER TAXING JURISDICTION, IN LIGHT OF THE PROSPECTIVE PURCHASER'S PARTICULAR CIRCUMSTANCES.

U.S. trade or business income

For purposes of the discussion below, dividends and gains on the sale, exchange or other disposition of our common stock will be considered to be "U.S. trade or business income" if such income or gain is:

- effectively connected with the non-U.S. Holder's conduct of a U.S. trade or business, and
- in the case a treaty applies, attributable to a permanent establishment (or, in the case of an individual, a fixed base) maintained by the non-U.S. Holder in the United States within the meaning of such treaty.

Generally, U.S. trade or business income is subject to U.S. federal income tax on a net income basis at regular graduated U.S. federal income tax rates. Any U.S. trade or business income received by a non-U.S. Holder that is a corporation also may, under specific circumstances, be subject to an additional "branch profits tax" at a 30% rate (or a lower rate that may be specified by an applicable tax treaty).

Distributions on common stock

We do not anticipate making any distributions on our common stock. See "Dividend policy." If distributions (other than certain stock distributions) are paid on shares of our common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, such excess will constitute a return of capital that reduces, but not below zero, a non-U.S. Holder's tax basis in our common stock. Any remainder will constitute gain from the sale or exchange of our common stock (as described in "—Disposition of common stock" below). If dividends are paid, as a non-U.S. Holder, you will be subject to withholding of U.S. federal income tax at a 30% rate, or a lower rate as may be specified by an applicable income tax treaty (unless the dividends are considered U.S. trade or business income, as discussed below). To claim the benefit of a lower rate under an income tax treaty, you must properly file with the payor an Internal Revenue Service Form W-8BEN, W-8BEN-E or other applicable form, claiming an exemption from or reduction in withholding tax under the applicable tax treaty. Such form must be provided to us or our paying agent prior to the payment of dividends and must be updated periodically.

If dividends are considered U.S. trade or business income, those dividends will be subject to U.S. federal income tax on a net basis at applicable graduated individual or corporate rates and potential branch profits tax (as described in "—U.S. trade or business income" above) but will not be subject to withholding tax, provided a properly executed Internal Revenue Service Form W-8ECI, or other applicable form, is filed with the payor. Such form must be provided to us or our paying agent prior to the payment of dividends and must be updated periodically.

You must comply with the certification procedures described above, or, in the case of payments made outside the United States with respect to an offshore account, certain documentary evidence procedures, directly or, under certain circumstances, through an intermediary, to obtain the benefits of a reduced withholding rate

under an income tax treaty with respect to dividends paid with respect to our common stock. In addition, if you are required to provide an Internal Revenue Service Form W-8BEN, W-8BEN-E or other applicable form to claim income tax treaty benefits, or Internal Revenue Service Form W-8ECI or other applicable form, both as discussed above, you also may be required to provide your U.S. taxpayer identification number.

If you are eligible for a reduced rate of U.S. withholding tax with respect to a distribution on our common stock, you may obtain a refund from the Internal Revenue Service of any excess amounts withheld by timely filing an appropriate claim for refund with the Internal Revenue Service.

Disposition of common stock

Subject to the discussion below under "—Information reporting and backup withholding tax" and "—Other withholding requirements," as a non-U.S. Holder, you generally will not be subject to U.S. federal income or withholding tax on any gain recognized on a sale or other disposition of common stock unless:

- the gain is U.S. trade or business income;
- you are an individual who is present in the United States for 183 or more days in the taxable year of the sale or other disposition and certain other conditions are met; or
- we are, or have been, a U.S. real property holding corporation (a "USRPHC") for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition of our common stock and the non-U.S. Holder's holding period for our common stock.

If you are a non-U.S. Holder with gain described in the first bullet above, you generally will be subject to tax as described in "—U.S. trade or business income." If you are a non-U.S. Holder described in the second bullet above, you generally will be subject to a flat tax at a 30% rate (or lower applicable treaty rate) on the gain, which may be offset by certain U.S. source capital losses.

Generally, a corporation is a USRPHC if the fair market value of its "United States real property interests" equals 50% or more of the sum of the fair market value of (a) its worldwide property interests and (b) its other assets used or held for use in a trade or business. We believe that we are not currently, and do not anticipate becoming a USRPHC for U.S. federal income tax purposes. However, no assurance can be given that we will not become a USRPHC.

The tax relating to stock in a USRPHC does not apply to a non-U.S. Holder whose holdings, actual and constructive, amount to 5% or less of our common stock at all times during the applicable period, provided that our common stock is regularly traded on an established securities market for U.S. federal income tax purposes

No assurance can be given that we will not be a USRPHC or that our common stock will be considered regularly traded on an established securities market when a non-U.S. Holder disposes of shares of our common stock. Non-U.S. Holders are urged to consult with their tax advisors to determine the application of these rules to their disposition of our common stock.

Federal estate tax

Individuals who are not citizens or residents of the United States (as defined for U.S. federal estate tax purposes), or an entity the property of which is includable in an individual's gross estate for U.S. federal estate tax purposes, should note that common stock held at the time of such individual's death will be included in such individual's gross estate for U.S. federal estate tax purposes and may be subject to U.S. federal estate tax, unless an applicable estate tax treaty provides otherwise.

Information reporting and backup withholding tax

We must report annually to the Internal Revenue Service and to you the amount of dividends paid to you and the tax withheld with respect to those dividends, regardless of whether withholding was required. Copies of the information returns reporting those dividends and withholding may also be made available to the tax authorities in the country in which you reside under the provisions of an applicable income tax treaty or other applicable agreements.

Backup withholding is generally imposed (currently at a 28% rate) on certain payments to persons that fail to furnish the necessary identifying information to the payor. You generally will be subject to backup withholding tax with respect to dividends paid on your common stock unless you certify to the payor your non-U.S. status. Dividends subject to withholding of U.S. federal income tax as described above in "—Distributions on common stock" would not be subject to backup withholding.

The payment of proceeds of a sale of common stock effected by or through a United States office of a broker is subject to both backup withholding and information reporting unless you provide the payor with your name and address and you certify your non-U.S. status or you otherwise establish an exemption. In general, backup withholding and information reporting will not apply to the payment of the proceeds of a sale of common stock by or through a foreign office of a broker. If, however, such broker is, for U.S. federal income tax purposes, a U.S. person or has certain enumerated relationships with the United States, backup withholding will not apply (unless the broker has actual knowledge that you are a U.S. person) but such payments will be subject to information reporting, unless such broker has documentary evidence in its records that you are a non-U.S. Holder and certain other conditions are met or you otherwise establish an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against your U.S. federal income tax liability provided the required information is furnished in a timely manner to the Internal Revenue Service.

Other withholding requirements

Under an information reporting regime commonly referred to as the Foreign Account Tax Compliance Act, or FATCA, a 30% U.S. federal withholding tax generally will be imposed on dividends paid by U.S. issuers, and on the gross proceeds from the disposition of stock of U.S. issuers, paid to or through a "foreign financial institution" (as specially defined under these rules), unless such institution (i) enters into an agreement with the U.S. Treasury Department to collect and provide to the U.S. Treasury Department substantial information regarding U.S. account holders, including certain account holders that are foreign entities with U.S. owners, with such institution or (ii) is deemed compliant with, or otherwise exempt from, FATCA. In certain circumstances, the information may be provided to local tax authorities pursuant to intergovernmental agreements between the United States and a foreign country. FATCA also generally imposes a U.S. federal withholding tax of 30% on the same types of payments to or through a non-financial foreign entity unless such entity (i) provides the withholding agent with a certification that it does not have any substantial U.S. owners (as defined under these rules) or a certification identifying the direct and indirect substantial U.S. owners of the entity or (ii) is deemed compliant with, or otherwise excepted from, FATCA. FATCA would apply to any dividends paid on our common stock, and to the gross proceeds from the sale or other disposition of our common stock after December 31, 2016. Under certain circumstances, a holder may be eligible for refunds or credits of such taxes. Intergovernmental agreements and laws adopted thereunder may modify or supplement the rules under FATCA. You should consult your tax advisor regarding the possible implications of FATCA on your investment in our common stock.

Underwriting (Conflicts of Interest)

We are offering the shares of common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated (collectively, the “Representatives”) are acting as joint book-running managers of the offering and as representatives of the underwriters. We have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally and not jointly agreed to purchase, at the initial public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of common stock listed next to its name in the following table.

Name	Number of shares
J.P. Morgan Securities LLC	
Jefferies LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Credit Suisse Securities (USA) LLC	
Piper Jaffray & Co.	
KeyBanc Capital Markets Inc.	
RBC Capital Markets, LLC.	
Total	8,925,000

The underwriters are committed to purchase all the shares of common stock offered by us if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the shares of common stock directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. After the initial public offering of the shares, the offering price and other selling terms may be changed by the underwriters. Sales of shares made outside the United States may be made by affiliates of the underwriters.

We have agreed to indemnify the underwriters and their controlling persons against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

Option to purchase additional shares

The underwriters have an option to buy up to 1,338,750 additional shares of common stock from us. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional shares. If any shares are purchased” with this option, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

Underwriting discounts and expenses

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriters to us per share of common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Without option exercise	With full option exercise
Per share	$	$
Total	$	$

We estimate the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately $3.1 million. We have agreed to reimburse the underwriters for certain expenses, including up to an aggregate of $25,000 in connection with the clearance of this offering with the Financial Industry Regulatory Authority, Inc. ("FINRA"). Such reimbursement is deemed to be underwriting compensation by FINRA.

Lock-up

We have agreed that, subject to certain exceptions, we will not:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly (regardless of whether any such transaction is to be settled by the delivery of shares of our common stock or such other securities, in cash or otherwise), or file with the SEC a registration statement under the Securities Act relating to, any shares of our common stock or any securities convertible into or exercisable or exchangeable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing; or
- enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences associated with the ownership of any shares of our common stock or any such other securities (regardless of whether any such transaction is to be settled by the delivery of shares of our common stock or such other securities, in cash or otherwise),

in each case without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated for a period of 180 days after the date of this prospectus, other than the shares of our common stock to be sold hereunder and any shares of our common stock issued upon the exercise of options granted under our equity incentive plans.

Our directors, executive officers and holders of 99% of our common stock and securities convertible into or exchangeable or exercisable into our common stock have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each of these persons or entities, with limited exceptions, for a period of 180 days after the date of this prospectus, may not, without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated:

- offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly (regardless of whether any such transaction is to be settled by delivery of our common stock or such other securities, in cash or otherwise), any shares of our common stock or any securities convertible into or exercisable or exchangeable for any shares of our common stock (including,

without limitation, our common stock or such other securities which may be deemed to be beneficially owned by such directors, executive officers and shareholders in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant), or publicly disclose the intention to make any offer, sale, pledge or disposition; or

- enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences associated with ownership of any shares of our common stock or such other securities, regardless of whether any such transaction is to be settled by delivery of our common stock or such other securities, in cash or otherwise; or
- make any demand for, or exercise any right with respect to, the registration of any shares of our common stock or any security convertible into or exercisable or exchangeable for our common stock.

Listing

We intend to file an application to list the common stock on the NASDAQ under the symbol “OLLI.”

Price stabilization and short positions

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of common stock in the open market for the purpose of preventing or retarding a decline in the market price of the common stock while this offering is in progress. These stabilizing transactions may include making short sales of the common stock, which involves the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering, and purchasing shares of common stock on the open market to cover positions created by short sales. Short sales may be “covered” shorts, which are short positions in an amount not greater than the underwriters’ option to purchase additional shares referred to above, or may be “naked” shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of increasing or maintaining the market price of the common stock or preventing or retarding a decline in the market price of the common stock, and, as a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on the NASDAQ, in the over-the-counter market or otherwise.

New issue of securities

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

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

Neither we nor the underwriters can assure investors that an active trading market will develop for our common stock, or that the shares will trade in the public market at or above the initial public offering price.

A prospectus in electronic format may be made available on the websites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to prospective investors in the European Economic Area

In relation to each Member State of the European Economic Area (each, a “Relevant Member State”), no offer of securities may be made to the public in that Relevant Member State other than:

A. to any legal entity which is a qualified investor as defined in the Prospectus Directive;

B. to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Representatives; or

C. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of securities shall require the Company or the Representatives to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person in a Relevant Member State who initially acquires any securities or to whom any offer is made will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive. In the case of any securities being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the securities acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any securities to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the Representatives has been obtained to each such proposed offer or resale.

Neither we nor the Representatives and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

This prospectus has been prepared on the basis that any offer of securities in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of securities. Accordingly any person making or intending to make an offer in that Relevant Member State of securities which are the subject of the offering contemplated in this prospectus may only do so in circumstances in which no obligation arises for us or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the underwriters have authorized, nor do they authorize, the making of any offer of securities in circumstances in which an obligation arises for us or the underwriters to publish a prospectus for such offer.

For the purpose of the above provisions, the expression “an offer to the public” in relation to any securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States) and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Notice to prospective investors in the United Kingdom

In addition, in the United Kingdom, this prospectus is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are “qualified investors” (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”).

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this prospectus or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this prospectus relates to may be made or taken exclusively by relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this prospectus or any of its contents.

Notice to prospective investors in Australia

This prospectus:

- does not constitute a disclosure document under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the “Corporations Act”);
- has not been, and will not be, lodged with the Australian Securities and Investments Commission (“ASIC”), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, or Exempt Investors, available under section 708 of the Corporations Act.

The securities may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the securities may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any securities may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the securities, you represent and warrant to us that you are an Exempt Investor.

As any offer of securities under this prospectus will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the securities you undertake to us that you will not, for a period of 12 months from the date of issue of the securities, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to prospective investors in the Dubai International Financial Centre (“DIFC”)

This prospectus relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority (“DFSA”). This prospectus is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this prospectus. The securities to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

In relation to its use in the DIFC, this prospectus is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Notice to Prospective Investors in the United Arab Emirates

The securities have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of

securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

Notice to prospective investors in Hong Kong

The securities have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the securities has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

"WARNING

The contents of this prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice."

Notice to prospective investors in Switzerland

The securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This prospectus does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the securities or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this prospectus nor any other offering or marketing material relating to the offering, the Company, the securities have been or will be filed with or approved by any Swiss regulatory authority. In particular, this prospectus will not be filed with, and the offer of securities will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of securities has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of securities.

Notice to prospective investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of securities may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures

Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notice to prospective investors in Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Act. Accordingly, the securities may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

Conflicts of Interest

The net proceeds from this offering will be used to repay $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities, out of which $50.0 million will be used to repay borrowings under the Revolving Credit Facility. Because an affiliate of KeyBanc Capital Markets Inc. is a lender under our Revolving Credit Facility and will receive 5% or more of the net proceeds received by us from this offering, KeyBanc Capital Markets Inc. is deemed to have a "conflict of interest" under FINRA Rule 5121. As a result, this offering will be conducted in accordance with FINRA Rule 5121. Pursuant to that rule, the appointment of a "qualified independent underwriter" is not required in connection with this offering as the members primarily responsible for managing the public offering do not have a conflict of interest, are not affiliates of any member that has a conflict of interest and meet the requirements of paragraph (f)(12)(E) of FINRA Rule 5121. See "Summary" and "Use of Proceeds." KeyBanc Capital Markets Inc. will not confirm any sales to any account over which it exercises discretionary authority without the specific written approval of the account holder.

Other relationships

The underwriters and their respective affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing, and brokerage activities. Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future. An affiliate of Jefferies LLC acts as the administrative agent and lender under our Term Loan Facility and affiliates of Jefferies LLC and KeyBanc Capital Markets Inc. act as lead arrangers and bookrunners for our Senior Secured Credit Facilities. Additionally, an affiliate of KeyBanc Capital Markets Inc. acts as a lender under our Revolving Credit Facility.

Accordingly, because the net proceeds from this offering will be used to repay $113.4 million in aggregate principal amount of outstanding borrowings under our Senior Secured Credit Facilities, affiliates of Jefferies LLC and KeyBanc Capital Markets Inc. will receive their pro rata portion of the net proceeds from this offering as lenders under our Senior Credit Facilities.

Legal matters

Weil, Gotshal & Manges LLP, New York, New York, has passed upon the validity of the common stock offered hereby on behalf of us. The validity of the shares of common stock offered hereby will be passed upon behalf of the underwriters by Latham & Watkins LLP, New York, New York.

Experts

The consolidated financial statements of Ollie's Bargain Outlet Holdings, Inc. as of January 31, 2015 and February 1, 2014, and for the years then ended, have been included herein in reliance upon the report of KPMG LLP, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

Where you can find more information

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of our common stock offered by this prospectus. For purposes of this section, the term registration statement means the original registration statement and any and all amendments including the schedules and exhibits to the original registration statement or any amendment. This prospectus, filed as part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules thereto as permitted by the rules and regulations of the SEC. For further information about us and our common stock, you should refer to the registration statement, including the exhibits. This prospectus summarizes provisions that we consider material of certain contracts and other documents to which we refer you. Because the summaries may not contain all of the information that you may find important, you should review the full text of those documents.

The registration statement, including its exhibits and schedules, may be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling 1-202-551-8909. Copies of such materials are also available by mail from the Public Reference Branch of the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549 at prescribed rates. In addition, the SEC maintains a website at (*http://www.sec.gov*) from which interested persons can electronically access the registration statement, including the exhibits and schedules to the registration statement.

We have not authorized anyone to give you any information or to make any representations about us or the transactions we discuss in this prospectus other than those contained in this prospectus. If you are given any information or representations about these matters that is not discussed in this prospectus, you must not rely on that information. This prospectus is not an offer to sell or a solicitation of an offer to buy securities anywhere or to anyone where or to whom we are not permitted to offer or sell securities under applicable law.

Index to consolidated financial statements

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Ollie's Bargain Outlet Holdings, Inc.:

We have audited the accompanying consolidated balance sheets of Ollie's Bargain Outlet Holdings, Inc. and subsidiaries as of January 31, 2015 and February 1, 2014, and the related consolidated statements of income, stockholder's equity, and cash flows for each of the fiscal years in the two-year period ended January 31, 2015. In connection with our audits of the consolidated financial statements, we also have audited the financial statement Schedule I. These consolidated financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ollie's Bargain Outlet Holdings, Inc. and subsidiaries as of January 31, 2015 and February 1, 2014, and the results of their operations and their cash flows for each of the fiscal years in the two-year period ended January 31, 2015, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ KPMG LLP

Philadelphia, Pennsylvania
April 10, 2015, except as to Note 1(z)
and Schedule I, which is as of June 17, 2015

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Consolidated balance sheets

(in thousands, except share and per share amounts)	January 31, 2015	February 1, 2014
Assets		
Current assets:		
Cash	$ 21,952	$ 12,166
Inventories	169,872	146,218
Accounts receivable	318	339
Deferred income taxes	4,166	1,925
Prepaid expenses and other assets	1,969	4,484
Total current assets	198,277	165,132
Property and equipment, net	33,926	27,935
Goodwill	444,850	444,850
Tradename and other intangible assets, net	233,625	234,359
Other assets	6,453	7,002
Total assets	$ 917,131	$ 879,278
Liabilities and stockholders' equity		
Current liabilities:		
Current portion of long-term debt	$ 7,794	$ 7,012
Accounts payable	50,498	37,364
Income taxes payable	4,702	7,032
Accrued expenses	27,640	25,477
Total current liabilities	90,634	76,885
Long-term debt	313,493	261,467
Deferred income taxes	93,256	94,434
Other long-term liabilities	2,913	2,353
Total liabilities	500,296	435,139
Stockholders' equity:		
Common stock:		
Class A–85,000,000 shares authorized at $0.001 par value; 48,203,515 shares issued at January 31, 2015 and February 1, 2014, respectively	48	48
Class B–8,750,000 shares authorized at $0.001 par value; no shares issued	—	—
Additional paid-in capital	393,078	423,668
Retained earnings	23,738	20,423
Treasury–class A common stock, at cost; 2,875 and 0 shares at January 31, 2015 and February 1, 2014, respectively	(29)	—
Total stockholders' equity	416,835	444,139
Total liabilities and stockholders' equity	$ 917,131	$ 879,278

See accompanying notes to the consolidated financial statements.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Consolidated statements of income

(in thousands, except share and per share amounts)	Fiscal year ended January 31, 2015	Fiscal year ended February 1, 2014
Net sales	$ 637,975	$ 540,718
Cost of sales	384,465	323,908
Gross profit	253,510	216,810
Selling, general and administrative expenses	178,832	153,807
Depreciation and amortization expenses	6,987	8,011
Pre-opening expenses	4,910	4,833
Operating income	62,781	50,159
Interest expense, net	19,103	19,341
Income before income taxes	43,678	30,818
Income tax expense	16,763	11,277
Net income	$ 26,915	$ 19,541
Earnings per common share:		
Basic	$ 0.56	$ 0.40
Diluted	$ 0.55	$ 0.40
Weighted average common shares outstanding:		
Basic	48,202,480	48,519,420
Diluted	48,609,350	48,519,420
Unaudited pro forma net income per common share (see note 1aa):		
Basic	$ 0.50	
Diluted	$ 0.50	
Unaudited pro forma weighted average common shares outstanding (see note 1aa):		
Basic	53,960,767	
Diluted	54,367,637	

See accompanying notes to the consolidated financial statements.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Consolidated statements of stockholders' equity

(in thousands, except share and per share amounts)	Common stock–class A		Treasury stock–class A		Additional paid-in capital	Retained earnings	Total stockholders' equity
	Shares	Amount	Shares	Amount			
Balance as of February 2, 2013	53,203,140	$ 53	—	—	$ 463,698	$ 3,605	$ 467,356
Repurchase of common stock	(4,999,625)	(5)	—	—	(43,470)	(2,723)	(46,198)
Stock-based compensation expense	—	—	—	—	3,440	—	3,440
Net income	—	—	—	—	—	19,541	19,541
Balance as of February 1, 2014	48,203,515	48	—	—	423,668	20,423	444,139
Purchase of treasury stock	—	—	(2,875)	(29)	—	—	(29)
Stock-based compensation expense	—	—	—	—	3,761	—	3,761
Dividend paid ($1.20 per share)	—	—	—	—	(34,351)	(23,600)	(57,951)
Net income	—	—	—	—	—	26,915	26,915
Balance as of January 31, 2015	48,203,515	$ 48	(2,875)	$ (29)	$ 393,078	$ 23,738	$ 416,835

See accompanying notes to the consolidated financial statements.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Consolidated statements of cash flows

(in thousands)	Fiscal year ended January 31, 2015	Fiscal year ended February 1, 2014
Cash flows from operating activities:		
Net income	$ 26,915	$ 19,541
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	8,051	8,104
Amortization and write-off of debt issuance costs	1,893	2,483
Amortization and write-off of original issue discount	828	1,411
Amortization of intangibles	734	1,387
Gain on disposal of assets	(14)	(28)
Deferred income tax benefit	(3,419)	(3,213)
Deferred rent expense	1,144	1,268
Stock-based compensation expense	3,761	3,440
Changes in operating assets and liabilities:		
Inventories	(23,654)	(20,598)
Accounts receivable	21	(62)
Prepaid expenses and other assets	3,220	(446)
Accounts payable	13,113	321
Income taxes payable	(2,330)	3,425
Accrued expenses and other liabilities	1,579	2,680
Net cash provided by operating activities	31,842	19,713
Cash flows from investing activities:		
Purchases of property and equipment	(14,110)	(9,597)
Proceeds from sale of property and equipment	103	43
Net cash used in investing activities	(14,007)	(9,554)
Cash flows from financing activities:		
Borrowings on revolving credit facility	674,457	471,891
Repayments on revolving credit facility	(674,457)	(471,891)
Borrowings on term loan	59,592	47,756
Repayments on term loan	(7,612)	(2,750)
Payment of debt issuance costs	(2,049)	(1,401)
Payment of dividend	(57,951)	—
Purchase of treasury stock	(29)	—
Repurchase of common stock	—	(46,198)
Net cash used in financing activities	(8,049)	(2,593)
Net increase in cash	9,786	7,566
Cash at the beginning of the period	12,166	4,600
Cash at the end of the period	$ 21,952	$ 12,166
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 19,867	$ 13,355
Income taxes	$ 22,703	$ 11,096

See accompanying notes to the consolidated financial statements.

Ollie’s Bargain Outlet Holdings, Inc. and subsidiaries
Notes to consolidated financial statements

January 31, 2015 and February 1, 2014

(1) Organization and summary of significant accounting policies

(a) Description of business

On September 28, 2012, Ollie’s Bargain Outlet Holdings, Inc. (formerly known as Bargain Holdings, Inc.) acquired Bargain Parent, Inc and its subsidiary Ollie’s Holdings, Inc. and its sole operating subsidiary, Ollie’s Bargain Outlet, Inc. for $700.0 million in cash. The acquisition was financed through approximately $462.6 million in equity investment and approximately $250.0 million in various debt financing and Bargain Holdings, Inc. was formed to complete the acquisition by its majority shareholder, CCMP Capital Advisors, LLC and affiliates.

On March 23, 2015, Bargain Holdings, Inc. changed its name to Ollie’s Bargain Outlet Holdings, Inc. All references within the financial statements and notes have been updated to refer to Ollie’s Bargain Outlet Holdings, Inc. for all periods presented. Ollie’s Bargain Outlet Holdings, Inc., operates through its sole operating subsidiary, Ollie’s Bargain Outlet, Inc., a chain of retail stores that offer brand name products at deeply discounted and closeout prices across a broad selection of product categories.

Ollie’s Bargain Outlet Holdings, Inc. and Subsidiaries are collectively referenced to as the Company or Ollie’s.

Since the first store opened in 1982, the Company has grown to 176 Ollie’s Bargain Outlet retail locations as of January 31, 2015 from 154 locations as of February 1, 2014. Ollie’s Bargain Outlet retail locations are currently located in 16 states (Alabama, Delaware, Georgia, Indiana, Kentucky, Maryland, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia).

Ollie’s principally buys overproduced, overstocked, and closeout merchandise from manufacturers, wholesalers, and other retailers. In addition, the Company augments our brand name closeout deals with directly sourced private label products featuring names exclusive to Ollie’s, in order to provide consistently value-priced goods in select key merchandise categories.

For purposes of the disclosure requirements for segments of a business enterprise, it has been determined that the Company is comprised of one operating segment.

(b) Fiscal year

Ollie’s follows a 52/53-week fiscal year, which ends on the Saturday nearest to January 31st. References to the fiscal year ended January 31, 2015 refer to the period from February 2, 2014 to January 31, 2015. References to the fiscal year ended February 1, 2014 refer to the period from February 3, 2013 to February 1, 2014.

(c) Principles of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. Intercompany transactions have been eliminated in consolidation.

(d) Use of estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Notes to consolidated financial statements
January 31, 2015 and February 1, 2014

(e) Fair value disclosures

Fair value is defined as the price which the Company would receive to sell an asset or pay to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. In determining fair value, U.S. GAAP establishes a three-level hierarchy used in measuring fair value, as follows:

- Level 1 inputs are quoted prices available for identical assets and liabilities in active markets.
- Level 2 inputs are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets and liabilities in active markets or other inputs that are observable or can be corroborated by observable market data.
- Level 3 inputs are less observable and reflect the Company's assumptions.

Ollie's financial instruments consist of cash, accounts receivable, accounts payable and our term loan. The carrying amount of cash, accounts receivable and accounts payable approximates fair value because of their short maturities. The carrying amount of our term loan facility approximates its fair value because the interest rates are adjusted regularly based on current market conditions.

(f) Cash

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(g) Concentration of credit risk

Financial instruments which potentially subject the Company to a concentration of credit risk are cash. Ollie's currently maintains its day-to-day operating cash balances with major financial institutions. The Company's operating cash balances are in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit. From time to time, Ollie's invests temporary excess cash in overnight investments with expected minimal volatility, such as money market funds. Although the Company maintains balances which exceed the FDIC insured limit, it has not experienced any losses related to this balance, and Ollie's believes the credit risk to be minimal.

(h) Inventories

Inventories are stated at the lower of cost or market determined using the retail inventory method on a first-in, first-out basis. The cost of inventories includes the merchandise cost, transportation costs, and certain distribution and storage costs. Such costs are thereafter expensed as cost of sales upon the sale of the merchandise. The retail inventory method uses estimates for shrink and markdowns to calculate ending inventory. These estimates made by management could significantly impact the ending inventory valuation at cost and the resulting gross margin.

(i) Property and equipment

Property and equipment are stated at original cost less accumulated depreciation and amortization. Depreciation and amortization are calculated over the estimated useful lives of the related assets, or in the case of leasehold improvements, the lesser of the useful lives or the remaining term of the lease. Expenditures for additions, renewals, and betterments are capitalized; expenditures for maintenance and repairs are charged to expense as incurred. Depreciation is computed on the straight-line method for financial reporting purposes.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Notes to consolidated financial statements
January 31, 2015 and February 1, 2014

The useful lives for the purpose of computing depreciation and amortization are as follows:

Software	3 years
Automobiles	5 years
Computer equipment	5 years
Furniture, fixtures, and equipment	7-10 years
Leasehold improvements	Lesser of lease term or useful life

(j) Goodwill/intangible assets

The Company amortizes intangible assets over their useful lives unless it determines such lives to be indefinite. Goodwill and intangible assets having indefinite useful lives are not amortized to earnings, but instead are subject to annual impairment testing or more frequently if events or circumstances indicate that the value of goodwill or intangible assets having indefinite useful lives might be impaired.

Entities have an option to perform a qualitative assessment to determine whether further impairment testing on goodwill is necessary. Specifically, an entity has the option to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative test. The goodwill quantitative impairment test is a two-step test. Under the first step, the fair value of the reporting unit is compared with its carrying value (including goodwill). If the fair value of the reporting unit is less than its carrying value, an indication of goodwill impairment exists for the reporting unit and the enterprise must perform step two of the impairment test (measurement). Under step two, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation. The residual fair value after the allocation is the implied fair value of the reporting unit goodwill. Fair value of the sole reporting unit is determined utilizing a combination of valuation methods including both the income approach (including a discounted cash flow analysis) and market approaches (including prior transaction method and comparable public company multiples). The fair value estimates utilized in the impairment testing reflect the use of Level 3 inputs. If the fair value of the reporting unit exceeds its carrying value, step two does not need to be performed. If an entity believes, as a result of its qualitative assessment, that it is more-likely than-not that the fair value of a reporting unit is less than its carrying amount, the quantitative impairment test is required. Otherwise, no further testing is required. The Company has selected the fiscal month ending date of October as the annual impairment testing date. For the fiscal year ended February 1, 2014, the Company completed a quantitative impairment test. For the fiscal year ended January 31, 2015, the Company completed a qualitative impairment test. Based upon the procedures described above, no impairment of goodwill existed as of January 31, 2015 or February 1, 2014.

The Company is also required to perform impairment tests annually or more frequently if events or circumstances indicate that the value of its nonamortizing intangible assets might be impaired. The Company's nonamortizing intangible assets as of January 31, 2015 and February 1, 2014 consisted of a tradename. Entities have an option to perform a qualitative assessment to determine whether further impairment testing of nonamortizing intangible assets is necessary. Specifically, an entity has the option to first assess qualitative

factors to determine whether it is necessary to perform a quantitative test. The Company performs the quantitative impairment test using the discounted cash flow method based on management's projections to determine the fair value of the asset. The carrying amount of the asset is then compared to the fair value. If the carrying amount is greater than fair value, an impairment loss is recorded for the amount that fair value is less than the carrying amount. If an entity believes, as a result of its qualitative assessment, that it is more-likely than-not that the fair value is less than its carrying amount, the quantitative impairment test is required. Otherwise, no further testing is required. For the fiscal year ended February 1, 2014, the Company completed a quantitative impairment test. For the fiscal year ended January 31, 2015, the Company completed a qualitative impairment test. Based upon the procedures described above, no impairment of tradename existed as of January 31, 2015 or February 1, 2014.

Intangible assets with determinable useful lives are amortized over their estimated useful lives and reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

(k) Impairment of long-lived assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Company first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

(l) Stock-based compensation

The Company measures the cost of employee services received in exchange for share-based compensation based on the grant date fair value of the employee stock award. Ollie's recognizes stock-based compensation expense based on estimated grant date fair value using the Black-Scholes option-pricing model which is recorded on a straight-line basis over the vesting period for the entire reward. Excess tax benefits of awards related to stock option exercises are reflected as financing cash inflows.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
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(m) Revenue recognition

Ollie's recognizes retail sales in its stores at the time a customer pays and takes possession of merchandise. Net sales are presented net of returns and sales tax. The Company provides an allowance for estimated sales returns based on prior experience. The total allowance for returns was $0.2 million as of January 31, 2015 and February 1, 2014. The following table provides a reconciliation of the activity related to the Company's sales returns allowance (in thousands):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Beginning balance	$ 207	$ 207
Provisions	27,292	24,236
Sales returns	(27,252)	(24,236)
Ending balance	$ 247	$ 207

(n) Cost of sales

Cost of sales includes merchandise cost, transportation costs, inventory markdowns, shrink, and certain distribution, warehousing and storage costs, including depreciation.

(o) Selling, general and administrative expenses

Selling, general and administrative expenses are comprised of payroll and benefits for stores, field support, distribution facility and support center employees. Selling, general and administrative expense also includes marketing and advertising expense, occupancy costs, insurance, corporate infrastructure and other selling, general and administrative expenses.

(p) Advertising costs

Advertising costs primarily consist of newspaper circulars, email campaigns, media broadcasts and prominent advertising at professional and collegiate sporting events and are charged to expense the first time the advertising occurs. Advertising expense for the fiscal years ended January 31, 2015 and February 1, 2014 was $23.1 million and $19.7 million, respectively.

(q) Operating leases

The Company leases all of its store locations, distribution centers and office facilities. Many of the lease agreements contain rent holidays, rent escalation clauses and contingent rent provisions – or some combination of these items. For leases of store locations and office facilities, the Company recognizes rent expense in selling, general and administrative expenses. For leases of distribution centers, the Company recognizes rent expense within cost of sales. All rent expense is recorded on a straight-line basis over the accounting lease term, which includes lease renewals determined to be reasonably assured. Additionally, the commencement date of the accounting lease term reflects the earlier of the date the Company becomes legally

obligated for the lease payments or the date the Company takes possession of the building for initial construction and setup. The excess rent expense over the actual cash paid for rent is accounted for as deferred rent. Leasehold improvement allowances received from landlords and other lease incentives are recorded as deferred rent liabilities and are recognized in selling, general and administrative expenses on a straight-line basis over the accounting lease term.

(r) Pre-opening costs

Pre-opening costs (costs of opening new stores and distribution facilities, including grand opening promotions, payroll, travel, training, and store setup costs) are expensed as incurred.

(s) Debt issuance costs and original issue discount

Debt issuance costs and original issue discount are amortized to interest expense using the effective interest method, over the life of the related debt. As of January 31, 2015 and February 1, 2014, debt issuance costs, net of accumulated amortization, were $6.1 million and $6.8 million, respectively. For the fiscal years ended January 31, 2015 and February 1, 2014, amortization of debt issuance costs was $1.3 million and $1.4 million, respectively, and the write-off of debt issuance costs was $0.6 million and $1.1 million, respectively. For the fiscal years ended January 31, 2015 and February 1, 2014, amortization of original issue discount was $0.8 million and $1.4 million, respectively.

(t) Self-insurance liabilities

Under a number of the Company's insurance programs, which include the Company's employee health insurance program, its workers' compensation and general liability insurance programs, the Company is liable for a portion of its losses. Ollie's is self-insured for certain losses related to the company sponsored employee health insurance program. The Company estimates the accrued liabilities for our self-insurance programs using historical claims experience and loss reserves including claims for incidents incurred but not reported as of the balance sheet date. To limit the Company's exposure to losses, a stop-loss coverage is maintained through third-party insurers.

(u) Income taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
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January 31, 2015 and February 1, 2014

Ollie's files consolidated federal and state income tax returns. For years before 2010, the Company is no longer subject to U.S. federal income tax examinations. State income tax returns are filed in various state tax jurisdictions, as appropriate, with varying statutes of limitation and remain subject to examination for varying periods up to three to four years depending on the state.

(v) Supplemental cash flow information

As of January 31, 2015 and February 1, 2014, capital expenditures of $0.4 million and $0.5 million, respectively, had been incurred but not yet paid in cash and, accordingly, were accrued in accounts payable and accrued expenses.

(w) Earnings per common share

Basic earnings per common share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per common share is computed by dividing net income by the weighted average number of common shares outstanding, after giving effect to the potential dilution, if applicable, from the assumed exercise of stock options into shares of common stock as if those stock options were exercised.

The following table summarizes those effects for the diluted net income per common share calculation (in thousands, except share and per share amounts):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Net income	$ 26,915	$ 19,541
Weighted average number of common shares outstanding–Basic	48,202,480	48,519,420
Incremental shares from the assumed exercise of outstanding stock options	406,870	—
Weighted average number of common shares outstanding–Diluted	48,609,350	48,519,420
Earnings per common share–Basic	$ 0.56	$ 0.40
Earnings per common share–Diluted	$ 0.55	$ 0.40

Weighted average stock option shares totaling 2,971,140 and 5,230,200 as of January 31, 2015 and February 1, 2014, respectively, were excluded from the calculation of diluted weighted average common shares outstanding because the effect would have been antidilutive.

(x) Recent accounting pronouncements

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU No. 2014-09 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
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standard is effective for Ollie's on January 29, 2017. Early application is not permitted. The standard permits the use of either the retrospective or cumulative effect transition method. The Company has not yet determined the effect of the standard on its consolidated financial statements and related disclosures.

(y) Reclassification

Certain prior-year amounts have been reclassified to conform to current-year presentation.

(z) Stock split

On June 17, 2015, the Company effected a stock split of the Company's common stock at a ratio of 115 shares for every share previously held. All common stock share and common stock per share amounts for all periods presented in these financial statements have been adjusted retroactively to reflect the stock split. In addition, the Company increased the number of authorized Class A and Class B common shares to 85,000,000 and 8,750,000, respectively.

(aa) Unaudited pro forma net income per common share

In accordance with SEC Staff Accounting Bulletin (SAB) 1.B.3, unaudited pro forma net income per common share information is included on the consolidated statement of operations for the fiscal year ended January 31, 2015. The provisions of SAB 1.B.3 are applicable for the Company due to the dividends declared in the year ended January 31, 2015 totaling $58.0 million which exceeded the net income for the year ended January 31, 2015 of $26.9 million and the dividends paid in May 2015 totaling $48.8 million which exceeded the net income for the thirteen weeks ended May 2, 2015 of $6.7 million. There are no pro forma adjustments associated with net income utilized for the unaudited pro forma net income per common share calculation.

The following table provides a reconciliation of historical weighted average common shares outstanding to unaudited pro forma weighted average common shares outstanding:

	Fiscal year ended January 31, 2015
Weighted average common shares outstanding–basic	48,202,480
Incremental shares from assumed IPO related to dividends in excess of earnings	5,758,287
Pro forma weighted average common shares outstanding–basic	53,960,767
Incremental shares from the assumed exercise of outstanding stock options	406,870
Unaudited pro forma weighted average common shares outstanding–diluted	54,367,637

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Notes to consolidated financial statements
January 31, 2015 and February 1, 2014

(2) Property and equipment

Property and equipment consists of the following (in thousands):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Furniture, fixtures, and equipment	$ 45,770	$ 33,100
Leasehold improvements	6,336	5,285
Automobiles	1,223	997
	53,329	39,382
Less accumulated depreciation	(19,403)	(11,447)
	$ 33,926	$ 27,935

Depreciation and amortization expense of property and equipment was $8.1 million for the fiscal years ended January 31, 2015 and February 1, 2014, of which $6.7 million and $7.0 million, respectively, is included in depreciation and amortization on the consolidated statements of income. The remainder, as it relates to the Company's distribution centers, is included within cost of sales on the consolidated statements of income.

(3) Goodwill and other intangible assets

Goodwill and other intangible assets consist of the following (in thousands):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Non-amortizing intangible assets:		
Goodwill	$ 444,850	$ 444,850
Tradename	230,402	230,402
Amortizing intangible assets:		
Favorable leases	4,085	4,111
Noncompetition agreements	—	806
Customer database	198	198
Accumulated amortization:		
Favorable leases	(906)	(532)
Noncompetition agreements	—	(537)
Customer database	(154)	(89)
	$ 678,475	$ 679,209

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
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Amortization expense of intangible assets was $0.7 million and $1.4 million, respectively, for the fiscal years ended January 31, 2015 and February 1, 2014, including $0.4 million, respectively, charged to rent expense for favorable leases. Estimated amortization expense of intangible assets during the next five fiscal years and thereafter is shown below (in thousands):

Fiscal year ending:	
January 30, 2016	$ 429
January 28, 2017	376
February 3, 2018	338
February 2, 2019	335
February 1, 2020	309
Thereafter	1,436
Total remaining amortization	$3,223

Favorable lease intangible assets are being amortized on a straight-line basis over their respective lease terms plus assumed option renewal periods (weighted average remaining life of approximately 10.1 and 10.9 years as of January 31, 2015 and February 1, 2014, respectively) and the customer database intangible asset is being amortized over its estimated useful life (0.7 and 1.7 years as of January 31, 2015 and February 1, 2014, respectively).

(4) Accrued expenses

Accrued expenses consists of the following (in thousands):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Accrued compensation and benefits	$ 8,307	$ 5,948
Sales and use taxes	1,273	1,245
Accrued real estate related	1,631	1,170
Accrued insurance	2,134	1,992
Accrued advertising	3,421	3,342
Accrued interest	178	3,663
Accrued freight	2,766	1,623
Other	7,930	6,494
	$ 27,640	$ 25,477

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(5) Debt obligations and financing arrangements

Long-term debt consists of the following (in thousands):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Term loan	$ 321,287	$ 268,479
Less: current portion	(7,794)	(7,012)
Long-term debt	$ 313,493	$ 261,467

As of January 31, 2015, the scheduled principal payments of debt are as follows (in thousands):

Fiscal year ending:	
January 30, 2016	$ 7,794
January 28, 2017	3,350
February 3, 2018	3,350
February 2, 2019	3,350
February 1, 2020	306,231
Thereafter	—
Total cash principal payments	324,075
Less: Unamortized original issue discount	(2,788)
Total cash principal payments, net	$321,287

On September 28, 2012, the Company entered into two credit agreements with a total value of $300.0 million. The $300.0 million was comprised of a $75.0 million revolving credit facility (Credit Facility) and a $225.0 million term loan (Term Loan). The Credit Facility has Manufacturers and Traders Trust Company (M&T Bank) as administrative agent, and certain financial institutions as lenders. The Term Loan has Jefferies Finance LLC (Jefferies) as administrative agent, and certain financial institutions as lenders. As part of the Term Loan, the Company was required to pay a $2.5 million original issue discount.

On February 26, 2013, the Company entered into a First Amendment to the Term Loan (First Amendment) which allowed the Company to borrow an additional principal amount of $50.0 million. The proceeds received were net of a soft call premium of $2.2 million, of which $1.8 million was recorded as additional original issue discount and $0.4 million was recognized as interest expense on the date of the amendment. The primary purpose of this additional term loan borrowing was a $46.2 million repurchase of 4,999,625 shares of Class A Common Stock from our majority shareholder as consented by the original Term Loan lenders. In addition, various arrangement fees and legal fees totaling $1.6 million were incurred in connection with this amendment, of which $1.1 million were recorded as deferred financing fees and $0.5 million were recognized in selling, general and administrative expense on the date of the amendment. In connection with this amendment, $1.1 million of debt issuance cost and $0.4 million of original issue discount were accelerated on the date of the amendment and included within interest expense.

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On April 11, 2014, the Company entered into a Second Amendment to the Term Loan (Amended Term Loan) which allowed the Company to borrow an additional principal amount of $60.0 million. The primary purpose of the additional term loan borrowing was to distribute $58.0 million as a cash dividend to common shareholders as consented by the original Term Loan lenders. The total dividend amount was recorded as a reduction of retained earnings of $23.6 million to reduce the retained earnings balance as of the dividend date to zero and the additional $34.4 million was recorded as a reduction of additional paid-in capital. The proceeds received were net of $2.0 million, of which $1.3 million was recognized as deferred financing fees, $0.4 million was recorded as additional original issue discount, and $0.3 million was recognized as selling, general and administrative expenses. In connection with this amendment, $0.4 million of debt issuance cost and $0.2 million of original issue discount were accelerated on the date of the amendment and included within interest expense.

The Amended Term Loan is payable in 27 consecutive quarterly payments of $0.8 million to be made on the last business day of each fiscal quarter beginning with February 1, 2013, with the remaining unpaid principal balance of the Amended Term Loan along with all accrued and unpaid interest to be paid by September 28, 2019. The Amended Term Loan provides for an "Excess Cash Flow" payment, as defined, to be made on or before 125 days from the end of the Company's fiscal year of each year beginning with the fiscal year ended February 1, 2014. The Excess Cash Flow payment expected to be made for the fiscal year ended January 31, 2015 is $4.4 million and is included in current portion of long-term debt as of January 31, 2015. The Excess Cash Flow payment for the fiscal year ended February 1, 2014 was $4.3 million and was included in current portion of long-term debt as of February 1, 2014.

The credit agreement includes variable methods of determining interest rates for the Amended Term Loan, calculated as the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.50%, the Eurodollar Rate plus 1.00%, or 2.00%; plus the Applicable Margin. The Amended Term Loan also allows for Eurodollar Loans with a floor of 1.00%, plus the Applicable Margin. As part of the Second Amendment to the Term Loan, the Applicable Margin on the interest rate was reduced by 0.25% (from 3.00% to 2.75% for a Base Rate Loan and from 4.00% to 3.75% for a Eurodollar Loan), the floor was reduced from 1.25% to 1.00%. As of January 31, 2015 and February 1, 2014, the interest rate on outstanding borrowings under the Amended Term Loan was 4.75% and 5.25%, respectively.

Under the terms of the Credit Facility, as of January 31, 2015 the Company could borrow up to 90.0% of the most recent appraised value (valued at cost, discounted for the current net orderly liquidation value) of our eligible inventory, as defined, up to $75.0 million. The Credit Facility includes a $25.0 million sub-facility for letters of credit and a $20.0 million swingline loan facility. The Credit Facility includes variable methods of determining interest rates, calculated as the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.50%, or the Eurodollar Rate plus 1.00%; plus Applicable Margin (which could range from 0.75% to 1.25%). Under the terms of the Credit Facility, the Applicable Margin may fluctuate subject to periodic measurements of average availability, as defined. The Credit Facility also allows for Eurodollar Loans comprised of the Eurodollar Base Rate plus Applicable Margin (which could range from 1.75% to 2.25%). The agreement also allows the Company to increase the amount of the revolving credit facility by $25.0 million, subject to certain requirements and restrictions.

As of January 31, 2015, Ollie's had no outstanding borrowings under the Credit Facility, with $73.5 million of borrowing availability, letter of credit commitments of $1.3 million and $0.2 million of rent reserves. The

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interest rate applicable if borrowings were outstanding as of January 31, 2015 would have been in a range of 2.19% and 4.25%. The Credit Facility also contains a variable unused line fee ranging from 0.250% to 0.375% per annum and the Company incurred unused line fees of $0.2 million for fiscal years 2014 and 2013.

The Amended Credit Facility and Amended Term Loan are collateralized by the Company's assets and equity and contain financial covenants, as well as certain business covenants, including restrictions on dividend payments, that the Company must comply with during the term of the agreement. The Company was in compliance with all terms and agreements during and as of the years ended January 31, 2015 and February 1, 2014.

The provisions of the Amended Term Loan and the Credit Facility restrict all of the net assets of the Company's consolidated subsidiaries, which constitutes all of the net assets on the Company's consolidated balance sheet as of January 31, 2015, from being used to pay any dividends or make other restricted payments to the Company without prior written consent from the financial institutions party to the Company's Amended Term Loan and Credit Facility, subject to certain exceptions.

(6) Income taxes

The components of income tax provision (benefit) are as follows (in thousands):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Current:		
Federal	$ 16,760	$ 11,501
State	3,422	2,989
	20,182	14,490
Deferred:		
Federal	(2,114)	(2,122)
State	(1,305)	(1,091)
	(3,419)	(3,213)
	$ 16,763	$ 11,277

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Deferred income taxes reflect the effect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the carrying amounts used for income tax reporting purposes. Significant components of deferred tax assets and liabilities are as follows (in thousands):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Deferred tax assets:		
Inventory reserves	$ 858	$ 794
Deferred rent	1,091	646
Stock-based compensation	3,254	1,790
Other	3,163	1,066
Total deferred tax assets	8,366	4,296
Deferred tax liabilities:		
Tradename	(90,138)	(90,540)
Depreciation	(6,250)	(5,054)
Leases	(1,051)	(1,062)
Noncompetition agreements	(17)	(149)
Total deferred tax liabilities	(97,456)	(96,805)
Net deferred tax liabilities	$ (89,090)	$ (92,509)

A reconciliation of the statutory federal income tax rate to the Company's effective income tax rate is as follows:

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Statutory federal rate	35.0%	35.0%
State taxes, net of federal benefit	3.2	4.0
Other	0.2	(2.4)
	38.4%	36.6%

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax-planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income and the scheduled reversal of deferred liabilities over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Company will realize the benefits of these deductible differences as of January 31, 2015 and February 1, 2014.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
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Ollie's has no material accrual for uncertain tax positions or interest or penalties related to income taxes on the Company's consolidated balance sheets as of January 31, 2015 or February 1, 2014, and has not recognized any material uncertain tax positions or interest or penalties related to income taxes in the consolidated statements of income for the fiscal years ended January 31, 2015 or February 1, 2014.

(7) Commitments and contingencies

Ollie's leases all of its store, office, and distribution facilities under operating leases that expire at various dates through 2031. These leases generally provide for fixed annual rentals; however, several provide for minimum annual rentals plus contingent rentals based on a percentage of annual sales. A majority of the Company's leases also require a payment for all or a portion of insurance, real estate taxes, water and sewer costs, and repairs, the cost of which is charged to the related expense category rather than being accounted for as rent expense. Most of the leases contain multiple renewal options, under which Ollie's may extend the lease terms for five years. Minimum rents on operating leases, including agreements with step rents, are charged to expense on a straight-line basis over the lease term.

Rent expense on all operating leases consisted of the following (in thousands):

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Minimum annual rentals	$ 28,707	$ 25,133
Contingent rentals	78	140
	$ 28,785	$ 25,273

The following is a schedule by year of future minimum rental payments required under non-cancelable operating leases, including option renewal periods that are reasonably assured, that have initial or remaining lease terms in excess of one year as of January 31, 2015 (in thousands):

Fiscal year ending:	
January 30, 2016	$ 34,334
January 28, 2017	33,297
February 3, 2018	31,622
February 2, 2019	29,177
February 1, 2020	24,264
Thereafter	69,666
Total minimum lease payments	$222,360

Ollie's is subject to litigation in the normal course of business. The Company does not believe such actions, either individually or collectively, will have a significant impact on Ollie's financial position or results of operations.

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(8) Equity incentive plan

During 2012, Ollie's established an equity incentive plan (the 2012 Plan), under which stock options are granted to executive officers and key employees as deemed appropriate under the provisions of the 2012 Plan, with an exercise price at the fair value of the underlying stock on the date of grant. The vesting period for options is five years (20% ratably per year). Options granted under the 2012 Plan are subject to employment for vesting, expire 10 years from the date of grant, and are not transferable other than upon death. The Company uses authorized and unissued shares to satisfy share award exercise. As of January 31, 2015 and February 1, 2014 there were 1,596,890 shares and 2,321,390 shares, respectfully, of the Company's common stock available for grant under the 2012 plan.

A summary of the Company's stock option activity and related information follows for the fiscal years ended January 31, 2015 and February 1, 2014 (in thousands, except share and per share amounts):

	Number of options	Weighted average exercise price	Weighted average remaining contractual term (years)	Aggregate intrinsic value
Outstanding at January 2, 2013	5,152,575	$ 8.70		
Granted	379,500	8.70		
Forfeited	(253,000)	8.70		
Outstanding at February 1, 2014	5,279,075	8.70		
Granted	920,000	9.17		
Forfeited	(188,600)	7.88		
Outstanding at January 31, 2015	6,010,475	7.68	7.9	$23,691
Exercisable at January 31, 2015	2,010,890	7.50	7.7	$8,291

The compensation cost which has been recorded within selling, general & administrative expense for the Company's equity incentive plan was $3.8 million and $3.4 million for fiscal years 2014 and 2013, respectively. The Company recognized $1.4 million and $1.3 million in income tax benefit in the fiscal years 2014 and 2013, respectively consolidated statements of income for share-based award compensation.

As of January 31, 2015 and February 1, 2014, there was $11.8 million and $12.8 million, respectively, of total unrecognized compensation cost related to non-vested stock-based compensation arrangements granted under the 2012 Plan. That cost is expected to be recognized over a weighted average period of 3.9 years and 4.2 years as of January 31, 2015 and February 1, 2014, respectively. Awards with graded vesting are recognized using the straight-line method.

In April 2014 the Company entered into an additional term loan borrowing of $60.0 million. The proceeds were used for a one-time cash dividend to the stockholders of the Company (see Note 5). In lieu of a pro-rata share of the one-time cash dividend, the option exercise price was reduced to $7.49 from $8.70 for all options issued prior to the dividend declaration date. The 2012 Plan includes provisions that require equitable adjustment to the outstanding option awards in the event of certain equity transactions including stock splits,

recapitalizations, or dividends, among others, therefore the revision to the exercise price had no accounting impact.

Determining the appropriate fair value of stock-based awards requires the input of subjective assumptions, including the fair value of the Company's common stock and for stock options, the expected life of the option and expected stock price volatility. The Company uses the Black-Scholes option pricing model to value its stock option awards. The assumptions used in calculating the fair value of stock-based awards represent management's best estimates and involve inherent uncertainties and the application of management's judgement. As a result, if factors change and management uses different assumptions, stock-based compensation expense could be materially different for future awards.

The expected life of stock options was estimated using the "simplified method," as the Company has no historical information to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior for its stock option grants. The simplified method is based on the average of the vesting tranches and the contractual life of each grant. Since the Company's shares are not publicly traded, for stock price volatility, the Company uses comparable public companies as a basis for its expected volatility to calculate the fair value of option grants. The risk-free interest rate is based on U.S. Treasury notes with a term approximating the expected life of the option.

The weighted average grant date fair value per option for options granted during the fiscal years ended January 31, 2015 and February 1, 2014 was $3.57 and $3.38, respectively. The fair value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model that used the weighted average assumptions in the following table:

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Risk-free interest rate	2.22%	1.54%
Expected dividend yield	—	—
Expected term (years)	6.5 years	6.5 years
Expected volatility	34.80%	36.35%

(9) Employee benefit plans

Ollie's sponsors a defined contribution plan, qualified under Internal Revenue Code (IRC) Section 401(k), for the benefit of employees. An employee becomes eligible to participate in the Plan upon attaining at least 21 years of age and completing three months of full-time employment. An employee may elect to contribute annual compensation up to the maximum allowable under the IRC. The Company assumes all administrative costs of the Plan and matches the employee's contribution up to 25% of the first 6% of their annual compensation. The portion that the Company matches is vested ratably over six years. The employer matching contributions to the Plan were $0.2 million for the fiscal years ended January 31, 2015 and February 1, 2014.

In addition to the regular matching contribution, the Company may elect to make a discretionary matching contribution. Discretionary contributions shall be allocated as a percentage of compensation of eligible

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participants for the Plan year. Discretionary contributions were $0.3 million and $0.2 million for the fiscal years ended January 31, 2015 and February 1, 2014, respectively.

(10) Common stock

The Company and its shareholders have entered into a Stockholders Agreement, which provide for, among others, certain covenants and conditions, information, first refusal, take along, come along and rights of participation. Under the terms of Ollie's Stockholder Agreement dated September 28, 2012, Ollie's has an option to purchase all of the share of common stock upon termination of employment. Class A stockholders are entitled to one vote for each share of common stock held by such holder. Holders of Class B Common Stock are not entitled to any voting rights.

During the fiscal year ended January 31, 2015, the company repurchased 2,875 Class A common stock shares from a shareholder for $9.99 per share. The Company records the value of its common stock held in treasury at cost.

(11) Transactions with related parties

The Company has entered into five non-cancelable operating leases with related parties for office and store locations. The annual lease payments approximate $1.2 million and such payments are payable through 2023.

(12) Segment reporting

For purposes of the disclosure requirements for segments of a business enterprise, it has been determined that the Company is comprised of one operating segment.

The following table summarizes the percentage of net sales by merchandise category for each year presented:

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Housewares	14.7%	14.8%
Food	12.5	9.0
Books and stationery	10.9	12.0
Bed and bath	10.1	9.9
Floor coverings	9.6	10.7
Toys	5.1	6.2
Hardware	5.1	5.5
Other	32.0	31.9
	100.0%	100.0%

Schedule I—Condensed Financial Information of Registrant Ollie's Bargain Outlet Holdings, Inc. (parent company only)

Condensed Balance Sheets

(In thousands)

	January 31, 2015	February 1, 2014
Assets		
Total current assets	$ —	$ —
Long-term assets:		
Investment in subsidiaries	416,835	444,139
Total assets	$ 416,835	$ 444,139
Liabilities and stockholders' equity		
Total current liabilities	$ —	$ —
Total long-term liabilities	—	—
Total liabilities	—	—
Stockholders' equity:		
Common stock	48	48
Additional paid-in capital	393,078	423,668
Retained earnings	23,738	20,423
Treasury stock, at cost	(29)	—
Total stockholders' equity	416,835	444,139
Total liabilities and stockholders' equity	$ 416,835	$ 444,139

See accompanying notes.

Schedule I—Condensed Financial Information of Registrant Ollie's Bargain Outlet Holdings, Inc. (parent company only)

Condensed Statements of Income

(In thousands)

	Fiscal year ended	
	January 31, 2015	February 1, 2014
Net sales	$ —	$ —
Cost of sales	—	—
Gross profit	—	—
Selling, general and administrative expenses	—	—
Depreciation and amortization expenses	—	—
Pre-opening expenses	—	—
Operating income	—	—
Interest expense, net	—	—
Income before income taxes and equity in net income of subsidiaries	—	—
Income tax expense	—	—
Income before equity in net income of subsidiaries	—	—
Net income of subsidiaries	26,915	19,541
Net income	$ 26,915	$ 19,541

See accompanying notes.

Schedule I—Condensed Financial Information of Registrant Ollie's Bargain Outlet Holdings, Inc. (parent company only)

Notes to Condensed Financial Statements

1. Basis of presentation

In the parent-company-only financial statements, Ollie's Bargain Outlet Holdings, Inc.'s (the Company) investment in subsidiaries is stated at cost plus equity in undistributed earnings of subsidiaries since the date of acquisition. The parent-company-only financial statements should be read in conjunction with the Company's consolidated financial statements. A condensed statement of cash flows was not presented because Ollie's Bargain Outlet Holdings, Inc. had no cash flow activities during fiscal 2014 or fiscal 2013.

2. Guarantees and restrictions

Ollie's Bargain Outlet, Inc., a subsidiary of the Company, had $324.1 million outstanding under Amended Term Loan, as of January 31, 2015. Under the terms of the Amended Term Loan Agreement, Bargain Parent, Inc. has guaranteed the payment of all principal and interest. In the event of a default under the Senior Secured Credit Facilities, Bargain Parent, Inc. will be directly liable to the debt holders. The Amended Term Loan Agreement matures on September 28, 2019.

As of January 31, 2015, Ollie's Bargain Outlet, Inc. also has $73.5 million available for borrowing under the Revolving Credit Facility. Bargain Parent, Inc. has guaranteed all obligations under the Revolving Credit Facility. In the event of default under the Revolving Credit Facility, Bargain Parent, Inc. will be directly liable to the debt holders. The Revolving Credit Facility matures on September 28, 2019.

The Amended Credit Facility and Amended Term Loan Agreements are collateralized by the Company's assets and equity and contain financial covenants, as well as certain business covenants, including restrictions on dividend payments, that the Company must comply with during the term of such agreements. The Company was in compliance with all terms of such agreements during and as of the years ended January 31, 2015 and February 1, 2014.

The provisions of the Amended Term Loan Agreement and the Credit Facility restrict all of the net assets of the Company's consolidated subsidiaries, which constitutes all of the net assets on the Company's consolidated balance sheet as of January 31, 2015, from being used to pay any dividends or make other restricted payments to the Company without prior written consent from the financial institutions party to the Company's Amended Term Loan and Credit Facility Agreements, subject to certain exceptions.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Condensed consolidated balance sheets

(in thousands, except share and per share amounts) (unaudited)	May 2, 2015	January 31, 2015	Pro Forma May 2, 2015
Assets			
Current assets:			
Cash	$ 4,053	$ 21,952	$ 4,053
Inventories	191,622	169,872	191,622
Accounts receivable	270	318	270
Deferred income taxes	4,211	4,166	4,211
Prepaid expenses and other assets	6,096	1,969	6,096
Total current assets	206,252	198,277	206,252
Property and equipment, net	34,415	33,926	34,415
Goodwill	444,850	444,850	444,850
Tradename and other intangible assets, net	233,512	233,625	233,512
Other assets	6,106	6,453	7,258
Total assets	$925,135	$ 917,131	$ 926,287
Liabilities and Stockholders' Equity			
Current liabilities:			
Current portion of long-term debt	$ 7,794	$ 7,794	$ 7,794
Accounts payable	54,388	50,498	54,388
Income taxes payable	5,237	4,702	5,237
Accrued expenses	24,675	27,640	24,675
Total current liabilities	92,094	90,634	92,094
Revolving credit facility	—	—	50,000
Long-term debt	312,812	313,493	312,812
Deferred income taxes	92,700	93,256	92,700
Other long-term liabilities	3,003	2,913	3,003
Total liabilities	500,609	500,296	550,609
Stockholders' equity:			
Common stock:			
Class A–85,000,000 shares authorized at $0.001 par value; 48,203,515 shares issued	48	48	48
Class B–8,750,000 shares authorized at $0.001 par value; no shares issued	—	—	—
Additional paid-in capital	394,165	393,078	375,716
Retained earnings	30,399	23,738	—
Treasury-Class A common stock, at cost; 8,625, 2,875 and 8,625 shares, respectively	(86)	(29)	(86)
Total stockholders' equity	424,526	416,835	375,678
Total liabilities and stockholders' equity	$925,135	$ 917,131	$ 926,287

See accompanying notes to the condensed consolidated financial statements.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Condensed consolidated statements of income

(in thousands, except share and per share amounts) (unaudited)	Thirteen weeks ended May 2, 2015	Thirteen weeks ended May 3, 2014
Net sales	$ 162,470	$ 134,395
Cost of sales	98,427	78,980
Gross profit	64,043	55,415
Selling, general and administrative expenses	45,871	39,954
Depreciation and amortization expenses	1,695	1,724
Pre-opening expenses	990	1,720
Operating income	15,487	12,017
Interest expense, net	4,574	4,993
Income before income taxes	10,913	7,024
Income tax expense	4,252	2,696
Net income	$ 6,661	$ 4,328
Earnings per common share:		
Basic	$ 0.14	$ 0.09
Diluted	$ 0.13	$ 0.09
Weighted average common shares outstanding:		
Basic	48,196,500	48,203,515
Diluted	49,545,105	48,203,515
Unaudited pro forma net income per common share (see note 1i):		
Basic	$ 0.12	
Diluted	$ 0.12	
Unaudited pro forma weighted average common shares outstanding (see note 1i):		
Basic	53,954,787	
Diluted	55,303,392	

See accompanying notes to the condensed consolidated financial statements.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Condensed consolidated statements of stockholders' equity

(in thousands, except share and per share amounts) (unaudited)	Common stock–Class A Shares	Common stock–Class A Amount	Treasury stock–Class A Shares	Treasury stock–Class A Amount	Additional paid-in capital	Retained earnings	Total stockholders' equity
Balance as of February 1, 2014	48,203,515	$ 48	—	$ —	$ 423,668	$ 20,423	$ 444,139
Dividend paid ($1.20 per share)	—	—	—	—	(34,351)	(23,600)	(57,951)
Stock-based compensation expense	—	—	—	—	900	—	900
Net income	—	—	—	—	—	4,328	4,328
Balance as of May 3, 2014	48,203,515	$ 48	—	$ —	$ 390,217	$ 1,151	$ 391,416
Balance as of January 31, 2015	48,203,515	$ 48	(2,875)	$ (29)	$ 393,078	$ 23,738	$ 416,835
Purchase of treasury stock	—	—	(5,750)	(57)	—	—	(57)
Stock-based compensation expense	—	—	—	—	1,087	—	1,087
Net income	—	—	—	—	—	6,661	6,661
Balance as of May 2, 2015	48,203,515	$ 48	(8,625)	$ (86)	$ 394,165	$ 30,399	$ 424,526

See accompanying notes to the condensed consolidated financial statements.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Condensed consolidated statements of cash flows

(in thousands) (unaudited)	Thirteen weeks ended May 2, 2015	Thirteen weeks ended May 3, 2014
Cash flows from operating activities:		
Net income	$ 6,661	$ 4,328
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization of property and equipment	2,125	1,876
Amortization and write-off of debt issuance costs	376	756
Amortization and write-off of original issue discount	157	360
Amortization of intangibles	113	216
Gain on disposal of assets	—	(9)
Deferred income tax benefit	(601)	(550)
Deferred rent expense	215	322
Stock-based compensation expense	1,087	900
Changes in operating assets and liabilities:		
Inventories	(21,750)	(16,886)
Accounts receivable	48	127
Prepaid expenses and other assets	(4,156)	(21)
Accounts payable	3,779	7,982
Income taxes payable	535	(3,314)
Accrued expenses and other liabilities	(3,090)	(3,132)
Net cash used in operating activities	(14,501)	(7,045)
Cash flows from investing activities:		
Purchases of property and equipment	(2,503)	(6,654)
Proceeds from sale of property and equipment	—	15
Net cash used in investing activities	(2,503)	(6,639)
Cash flows from financing activities:		
Borrowings on revolving credit facility	169,334	144,148
Repayments on revolving credit facility	(169,334)	(138,633)
Borrowings on term loan	—	59,592
Repayments on term loan	(838)	(838)
Payment of debt issuance costs	—	(2,049)
Payment of dividend	—	(57,951)
Purchase of treasury stock	(57)	—
Net cash (used in) provided by financing activities	(895)	4,269
Net decrease in cash	(17,899)	(9,415)
Cash at the beginning of the period	21,952	12,166
Cash at the end of the period	$ 4,053	$ 2,751
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 4,877	$ 2,968
Income taxes	$ 4,318	$ 6,947

See accompanying notes to the condensed consolidated financial statements.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
Notes to condensed consolidated financial statements

May 2, 2015 and May 3, 2014
(unaudited)

(1) Organization and summary of significant accounting policies

(a) Description of business

Ollie's Bargain Outlet Holdings, Inc., collectively referenced to as the Company or Ollie's, operates through its sole operating subsidiary, Ollie's Bargain Outlet, Inc., a chain of retail stores that offer brand name products at deeply discounted and closeout prices across a broad selection of product categories. Ollie's principally buys overproduced, overstocked, and closeout merchandise from manufacturers, wholesalers, and other retailers. In addition, the Company augments our brand name closeout deals with directly sourced private label products featuring names exclusive to Ollie's, in order to provide consistently value-priced goods in select key merchandise categories.

Since the first store opened in 1982, the Company has grown to 181 Ollie's Bargain Outlet retail locations as of May 2, 2015 compared to 161 locations as of May 3, 2014. Ollie's Bargain Outlet retail locations are currently located in 16 states (Alabama, Delaware, Georgia, Indiana, Kentucky, Maryland, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia).

(b) Fiscal year

Ollie's follows a 52/53-week fiscal year, which ends on the Saturday nearest to January 31st. References to the fiscal year ended January 31, 2015 refer to the period from February 2, 2014 to January 31, 2015. The fiscal quarters ended May 2, 2015 and May 3, 2014 refer to the thirteen weeks then ended as of those dates.

(c) Basis of presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for interim financial information and applicable rules and regulations of the SEC regarding interim financial reporting. The condensed consolidated financial statements reflect all normal recurring adjustments which management believes are necessary to present fairly the Company's financial condition, results of operations, and cash flows for all periods presented. The condensed consolidated balance sheets as of May 2, 2015, the condensed consolidated statements of income, stockholders' equity and cash flows for the thirteen weeks ended May 2, 2015 and May 3, 2014 have been prepared by the Company and are unaudited. All intercompany accounts, transactions, and balances have been eliminated in consolidation.

The Company's business is seasonal in nature and results of operations for the interim periods presented are not necessarily indicative of results for the full fiscal year. These financial statements should be read in conjunction with the financial statements for the fiscal year ended January 31, 2015 and footnotes thereto included in the prospectus.

For purposes of the disclosure requirements for segments of a business enterprise, it has been determined that the Company is comprised of one operating segment.

(d) Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of

contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(e) Fair value disclosures

Fair value is defined as the price which the Company would receive to sell an asset or pay to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. In determining fair value, GAAP establishes a three-level hierarchy used in measuring fair value, as follows:

- Level 1 inputs are quoted prices available for identical assets and liabilities in active markets.
- Level 2 inputs are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets and liabilities in active markets or other inputs that are observable or can be corroborated by observable market data.
- Level 3 inputs are less observable and reflect the Company's assumptions.

Ollie's financial instruments consist of cash, accounts receivable, accounts payable, revolving credit facility and our term loan. The carrying amount of cash, accounts receivable and accounts payable approximates fair value because of their short maturities. The carrying amount of the revolving credit facility and term loan facility approximates its fair value because the interest rates are adjusted regularly based on current market conditions.

(f) Unaudited pro forma balance sheet presentation

The unaudited pro forma balance sheet as of May 2, 2015 reflects:

- Additional borrowings under the Company's Revolving Credit Facility on May 27, 2015 of $50.0 million.
- The declaration and payment of a dividend totaling $48.8 million on May 27, 2015 to the Company's common stockholders.
- Deferred financing fees of $1.2 million.

See note 9 for additional information.

(g) Supplemental cash flow information

As of May 2, 2015 and May 3, 2014, capital expenditures of $0.5 million and $0.4 million, respectively, had been incurred but not yet paid in cash and, accordingly, were accrued in accounts payable and accrued expenses.

(h) Stock split

On June 17, 2015, the Company effected a stock split of the Company's common stock at a ratio of 115 shares for every share previously held. All common stock share and common stock per share amounts for all periods presented in these financial statements have been adjusted retroactively to reflect the stock split. In addition, the Company increased the number of authorized Class A and Class B common shares to 85,000,000 and 8,750,000, respectively.

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
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(i) Unaudited pro forma net income per common share

In accordance with SEC Staff Accounting Bulletin (SAB) 1.B.3, unaudited pro forma net income per common share information is included on the condensed consolidated statement of operations for the thirteen weeks ended May 2, 2015. The provisions of SAB 1.B.3 are applicable for the Company due to the dividends declared in the year ended January 31, 2015 totaling $58.0 million which exceeded the net income for the year ended January 31, 2015 of $26.9 million and the dividends paid in May 2015 totaling $48.8 million which exceeded the net income for the thirteen weeks ended May 2, 2015 of $6.7 million. There are no pro forma adjustments associated with net income utilized for the unaudited pro forma net income per common share calculation.

The following table provides a reconciliation of historical weighted average common shares outstanding to unaudited pro forma weighted average common shares outstanding:

	Thirteen weeks ended May 2, 2015
Weighted average common shares outstanding – basic	48,196,500
Incremental shares from assumed IPO related to dividends in excess of earnings	5,758,287
Pro forma weighted average common shares outstanding – basic	53,954,787
Incremental shares from the assumed exercise of outstanding stock options	1,348,605
Unaudited pro forma weighted average common shares outstanding – diluted	55,303,392

(2) Earnings per common share

Basic earnings per common share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per common share is computed by dividing net income by the weighted average number of common shares outstanding, after giving effect to the potential dilution, if applicable, from the assumed exercise of stock options into shares of common stock as if those stock options were exercised.

The following table summarizes those effects for the diluted net income per common share calculation (in thousands, except share and per share amounts):

	Thirteen weeks ended	
	May 2, 2015	May 3, 2014
Net income	$ 6,661	$ 4,328
Weighted average number of common shares outstanding–Basic	48,196,500	48,203,515
Incremental shares from the assumed exercise of outstanding stock options	1,348,605	—
Weighted average number of common shares outstanding–Diluted	49,545,105	48,203,515
Earnings per common share–Basic	$ 0.14	$ 0.09
Earnings per common share–Diluted	$ 0.13	$ 0.09

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Weighted average stock option shares totaling 520,490 and 5,463,765 as of May 2, 2015 and May 3, 2014, respectively, were excluded from the calculation of diluted weighted average common shares outstanding because the effect would have been antidilutive.

(3) Accrued expenses

Accrued expenses consists of the following (in thousands):

	May 2, 2015	January 31, 2015
Accrued compensation and benefits	$ 5,617	$ 8,307
Sales and use taxes	2,047	1,273
Accrued real estate related	1,674	1,631
Accrued insurance	2,365	2,134
Accrued advertising	2,780	3,421
Accrued interest	199	178
Accrued freight	4,154	2,766
Other	5,839	7,930
	$24,675	$ 27,640

(4) Debt obligations and financing arrangements

Long-term debt consists of the following (in thousands):

	May 2, 2015	January 31, 2015
Term loan	$320,606	$ 321,287
Less: current portion	(7,794)	(7,794)
Long-term debt	$312,812	$ 313,493

The Company has two credit agreements in place including a Term Loan and a Revolving Credit Facility. As of May 2, 2015, the Company had $320.6 million outstanding under Term Loan, net of unamortized original issue discount of $2.6 million. In April 2014, the Term Loan was amended to provide for an additional loan of $60.0 million. The proceeds of this additional borrowing was used to pay a dividend in April 2014.

The variable methods of determining interest rates for the Term Loan, calculated as the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.50%, the Eurodollar Rate plus 1.00%, or 2.00%; plus the Applicable Margin. The Term Loan also allows for Eurodollar Loans with a floor of 1.00%, plus the Applicable Margin. The Applicable Margin on the interest rate is 2.75% for a Base Rate Loan and 3.75% for a Eurodollar Loan. As of May 2, 2015 and May 3, 2014, the interest rate on outstanding borrowings under the Term Loan was 4.75%.

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Under the terms of the Revolving Credit Facility, as of May 2, 2015 the Company could borrow up to 90.0% of the most recent appraised value (valued at cost, discounted for the current net orderly liquidation value) of our eligible inventory, as defined, up to $75.0 million. The Revolving Credit Facility includes a $25.0 million sub-facility for letters of credit and a $20.0 million swingline loan facility. The Revolving Credit Facility includes variable methods of determining interest rates, calculated as the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.50%, or the Eurodollar Rate plus 1.00%; plus Applicable Margin (which could range from 0.75% to 1.25%). Under the terms of the Revolving Credit Facility, the Applicable Margin may fluctuate subject to periodic measurements of average availability, as defined. The Revolving Credit Facility also allows for Eurodollar Loans comprised of the Eurodollar Base Rate plus Applicable Margin (which could range from 1.75% to 2.25%). The agreement also allows the Company to increase the amount of the revolving credit facility by $25.0 million, subject to certain requirements and restrictions.

As of May 2, 2015, Ollie’s had no outstanding borrowings under the Revolving Credit Facility, with $73.4 million of borrowing availability, letter of credit commitments of $1.4 million and $0.2 million of rent reserves. The interest rate applicable if borrowings were outstanding as of May 2, 2015 would have been in a range of 1.94% and 4.00%. The Revolving Credit Facility also contains a variable unused line fee ranging from 0.250% to 0.375% per annum.

The Revolving Credit Facility and Term Loan are collateralized by the Company’s assets and equity and contain financial covenants, as well as certain business covenants, including restrictions on dividend payments, that the Company must comply with during the term of the agreement. The Company was in compliance with all terms and agreements during and as of the thirteen weeks ended May 2, 2015 and May 3, 2014.

(5) Income taxes

The provision for income taxes is based on the current estimate of the annual effective tax rate and is adjusted as necessary for discrete events occurring in a particular period. The effective tax rates for the thirteen weeks ended May 2, 2015 and May 3, 2014 were 39.0% and 38.4%, respectively.

(6) Commitments and contingencies

During the thirteen weeks ended May 2, 2015, five new store leases commenced. The fully executed leases have average initial terms of five to seven years with options to renew for two or three successive five-year periods which have future minimum lease payments which total approximately $4.9 million.

Ollie’s is subject to litigation in the normal course of business. The Company does not believe such actions, either individually or collectively, will have a significant impact on Ollie’s financial position or results of operations.

(7) Equity incentive plan

During 2012, Ollie’s established an equity incentive plan (the 2012 Plan), under which stock options are granted to executive officers and key employees as deemed appropriate under the provisions of the 2012 Plan, with an exercise price at the fair value of the underlying stock on the date of grant. The vesting period for options is

Ollie's Bargain Outlet Holdings, Inc. and subsidiaries
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five years (20% ratably per year). Options granted under the 2012 Plan are subject to employment for vesting, expire 10 years from the date of grant, and are not transferable other than upon death. The Company uses authorized and unissued shares to satisfy share award exercise. As of May 2, 2015 and May 3, 2014 there were 848,240 shares and 2,005,140 shares, respectfully, of the Company's common stock available for grant under the 2012 plan.

A summary of the Company's stock option activity and related information follows for the thirteen weeks ended May 2, 2015:

	Number of options	Weighted average exercise price	Weighted average remaining contractual term (years)
Outstanding at January 31, 2015	6,010,475	$ 7.68	
Granted	770,500	12.56	
Forfeited	(26,450)	8.03	
Outstanding at May 2, 2015	6,754,525	8.23	7.9
Exercisable at May 2, 2015	2,091,850	7.79	7.5

The compensation cost which has been recorded within selling, general and administrative expenses for the Company's equity incentive plan was $1.1 million and $0.9 million for the thirteen weeks ended May 2, 2015 and May 3, 2014, respectively.

As of May 2, 2015 and May 3, 2014, there was $14.2 million and $17.7 million, respectively, of total unrecognized compensation cost related to non-vested stock-based compensation arrangements granted under the 2012 Plan. That cost is expected to be recognized over a weighted average period of 3.2 years and 3.6 as of May 2, 2015 and May 3, 2014, respectively. Awards with graded vesting are recognized using the straight-line method.

Determining the appropriate fair value of stock-based awards requires the input of subjective assumptions, including the fair value of the Company's common stock and for stock options, the expected life of the option and expected stock price volatility. The Company uses the Black-Scholes option pricing model to value its stock option awards. The assumptions used in calculating the fair value of stock-based awards represent management's best estimates and involve inherent uncertainties and the application of management's judgement. As a result, if factors change and management uses different assumptions, stock-based compensation expense could be materially different for future awards.

The expected life of stock options was estimated using the "simplified method," as the Company has no historical information to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior for its stock option grants. The simplified method is based on the average of the vesting tranches and the contractual life of each grant. Since the Company's shares are not publicly traded, for stock price volatility, the Company uses comparable public companies as a basis for its expected volatility to calculate the fair value of option grants. The risk-free interest rate is based on U.S. Treasury notes with a term approximating the expected life of the option.

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The weighted average grant date fair value per option for options granted during the thirteen weeks ended May 2, 2015 and May 3, 2014 was $4.56 and $3.44, respectively. The fair value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model that used the weighted average assumptions in the following table:

	Thirteen Weeks Ended	
	May 2, 2015	May 3, 2014
Risk-free interest rate	1.94%	2.25%
Expected dividend yield	—	—
Expected term (years)	6.5 years	6.5 years
Expected volatility	32.30%	35.41%

(8) Transactions with related parties

The Company has entered into five non-cancelable operating leases with related parties for office and store locations. Ollie's has made $0.3 million in rent payments to such related parties during the thirteen weeks ended May 2, 2015 and May 3, 2014.

(9) Subsequent events

On May 27, 2015, the Company amended the Term Loan and Revolving Credit Facility to, among other things, increase the size of the Revolving Credit Facility from $75.0 million to $125.0 million and to permit a dividend to holders of the Company's outstanding common stock. On May 27, 2015, the Company borrowed $50.0 million under the Revolving Credit Facility and the proceeds were used to pay an aggregate cash dividend of $48.8 million to holders of outstanding common stock. In addition, the exercise price on all outstanding stock options was reduced based upon the 2012 Plan provisions that require equitable adjustment of outstanding option awards in the event of certain equity transactions, including stock splits, recapitalizations, or dividends, among others.

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8,925,000 shares

Common stock

Prospectus

J.P. Morgan | Jefferies | BofA Merrill Lynch

Credit Suisse | Piper Jaffray

KeyBanc Capital Markets | RBC Capital Markets

, 2015

Until , 2015 (25 days after the date of this prospectus), all dealers that buy, sell or trade in shares of these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

"GOOD STUFF CHEAP"

Part II—information not required in prospectus

Item 13. Other expenses of issuance and distribution.

The following table sets forth all costs and expenses to be paid by Ollie's Bargain Outlet Holdings, Inc. (the "Registrant"), other than the underwriting discounts and commissions, paid or payable by the Registrant in connection with the sale of the common stock being registered. All amounts shown are estimates except for the SEC registration fee, the FINRA filing fee and the listing fee for the NASDAQ.

	Amount paid or to be paid
SEC registration fee	$ 18,000
FINRA filing fee	23,000
NASDAQ listing fee	200,000
Blue sky qualification fees and expenses	10,000
Printing and engraving expenses	100,000
Legal fees and expenses	1,500,000
Accounting fees and expenses	1,000,000
Transfer agent and registrar fees and expenses	5,000
Miscellaneous expenses	243,000
Total	$ 3,099,000

Item 14. Indemnification of officers and directors.

The Registrant is governed by the Delaware General Corporation Law, or DGCL. Section 145 of the DGCL provides that a corporation may indemnify any person, including an officer or director, who was or is, or is threatened to be made, a party to any threatened, pending or completed legal action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person was or is an officer, director, employee or agent of such corporation or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided such officer, director, employee or agent acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the corporation's best interest and, for criminal proceedings, had no reasonable cause to believe that such person's conduct was unlawful. A Delaware corporation may indemnify any person, including an officer or director, who was or is, or is threatened to be made, a party to any threatened, pending or contemplated action or suit by or in the right of such corporation, under the same conditions, except that such indemnification is limited to expenses (including attorneys' fees) actually and reasonably incurred by such person, and except that no indemnification is permitted without judicial approval if such person is adjudged to be liable to such corporation. Where an officer or director of a corporation is successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to above, or any claim, issue or matter therein, the corporation must indemnify that person against the expenses (including attorneys' fees) which such officer or director actually and reasonably incurred in connection therewith.

The Registrant's amended and restated bylaws will authorize the indemnification of its officers and directors, consistent with Section 145 of the DGCL, as amended. The Registrant intends to enter into indemnification agreements with each of its directors and executive officers. These agreements, among other things, will require the Registrant to indemnify each director and executive officer to the fullest extent permitted by

Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of the Registrant, arising out of the person's services as a director or executive officer.

Reference is made to Section 102(b)(7) of the DGCL, which enables a corporation in its original certificate of incorporation or an amendment thereto to eliminate or limit the personal liability of a director for violations of the director's fiduciary duty, except (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL, which provides for liability of directors for unlawful payments of dividends of unlawful stock purchase or redemptions or (iv) for any transaction from which a director derived an improper personal benefit.

The Registrant may not retroactively amend the bylaw provisions to reduce its indemnification obligations to directors, officers, employees and agents.

The Registrant expects to maintain standard policies of insurance that provide coverage (i) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act and (ii) to the Registrant with respect to indemnification payments that it may make to such directors and officers.

The proposed form of Underwriting Agreement to be filed as Exhibit 1.1 to this Registration Statement provides for indemnification to the Registrant's directors and officers by the underwriters against certain liabilities.

Item 15. Recent sales of unregistered securities

The following sets forth information regarding all unregistered securities sold by the Registrant in transactions that were exempt from the requirements of the Securities Act in the last three years (after giving effect to the 115-for-1 stock split of the Registrant's common stock effected on June 17, 2015):

- In September 2012, the Registrant sold an aggregate of 13,600,475 shares of Class A voting common stock for $8.70 per share to certain members of management and certain employees, and the Registrant sold an aggregate of 39,602,665 shares of Class A voting stock for $8.70 per share to CCMP, in each case in connection with the CCMP Acquisition. In February 2013, the Registrant repurchased 4,999,625 shares of Class A voting common stock from CCMP.
- In September 2012, the Registrant granted options to purchase an aggregate of 5,152,575 shares of Class B nonvoting common stock at a strike price of $8.70 per share to certain members of management and certain employees pursuant to the 2012 Plan.
- In March 2013, the Registrant granted options to purchase an aggregate of 69,000 shares of Class B nonvoting common stock at a strike price of $8.70 per share to directors pursuant to the 2012 Plan.
- From June 2013 to March 2014, the Registrant granted options to purchase an aggregate of 442,750 shares of Class B nonvoting common stock at a strike price of $8.70 per share to certain employees pursuant to the 2012 Plan.
- In June 2014, the Registrant granted options to purchase an aggregate of 408,250 shares of Class B nonvoting common stock at a strike price of $9.04 per share to certain members of management and certain employees pursuant to the 2012 Plan.
- In September 2014, the Registrant granted options to purchase an aggregate of 86,250 shares of Class B nonvoting common stock at a strike price of $9.99 per share to certain members of management and certain employees pursuant to the 2012 Plan.

- In December 2014, the Registrant granted options to purchase an aggregate of 63,250 shares of Class B nonvoting common stock at a strike price of $11.62 per share to certain employees pursuant to the 2012 Plan.
- In March 2015, the Registrant granted options to purchase an aggregate of 770,500 shares of Class B nonvoting common stock at a strike price of $12.56 per share to certain employees pursuant to the 2012 Plan.
- In May 2015, the Registrant issued 4,600 shares of Class B non-voting common stock pursuant to the 2012 Plan upon the exercise of an option by a former employee.

In April 2014, a special cash dividend payment was made to stockholders. Pursuant to the anti-dilutive clause in the 2012 Plan, the option strike price for all options issued prior to the dividend date was reduced from $8.70 per share to $7.49 per share.

In May 2015, a special cash dividend payment was made to stockholders. Pursuant to the anti-dilutive clause in the 2012 Plan, the option strike price for options issued prior to the dividend date were reduced as follows:

Pre-Dividend Strike Price	Adjusted Strike Price
$ 7.49	$ 6.48
$ 9.04	$ 8.03
$ 9.99	$ 8.97
$11.62	$ 10.60
$12.56	$ 11.54

The issuances of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions. All recipients had adequate access, through their relationships with the Registrant, to information about the Registrant.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering.

Item 16. Exhibits

(a) Exhibits:

Exhibit no.	Description
1.1	Form of Underwriting Agreement.
3.1	Form of Second Amended and Restated Certificate of Incorporation of Ollie's Bargain Outlet Holdings, Inc. to be in effect prior to the consummation of the offering made under this Registration Statement.
3.2	Form of Second Amended and Restated Bylaws of Ollie's Bargain Outlet Holdings, Inc. to be in effect prior to the consummation of the offering made under this Registration Statement.
4.1*	Form of Certificate of Common Stock.
4.2*	Form of Amended and Restated Stockholders Agreement, by and among Bargain Holdings, Inc. and certain stockholders named therein.

Exhibit no.	Description
5.1*	Opinion of Weil, Gotshal & Manges, LLP.
10.1**	Credit Agreement, dated as of September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Manufacturers and Traders Trust Company as Administrative Agent and KeyBank National Association and Jefferies Finance LLC as Co-Syndication Agents.
10.2**	Guarantee and Collateral Agreement, dated September 28, 2012, among Bargain Parent, Inc., Ollie's Holdings, Inc., certain Subsidiaries of Ollie's Holdings, Inc. and Manufacturers and Traders Trust Company, as Administrative Agent.
10.3**	First Amendment to Credit Agreement and First Amendment to Collateral Agreement, dated February 26, 2013, to Credit Agreement, dated as of September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Manufacturers and Traders Trust Company as Administrative Agent and KeyBank National Association and Jefferies Finance LLC as Co-Syndication Agents.
10.4**	Second Amendment, dated April 11, 2014, to Credit Agreement, dated as of September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Manufacturers and Traders Trust Company as Administrative Agent and KeyBank National Association and Jefferies Finance LLC as Co-Syndication Agents.
10.5**	Credit Agreement, dated September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Jefferies Finance LLC as Administrative Agent and Manufacturers and Traders Trust Company and KeyBank National Association and as Co-Syndication Agents.
10.6**	Guarantee and Collateral Agreement, dated September 28, 2012, among Bargain Parent, Inc., Ollie's Holdings, Inc., certain Subsidiaries of Ollie's Holdings, Inc. and Jefferies Finance LLC, as Administrative Agent.
10.7**	First Amendment to Credit Agreement and First Amendment to Collateral Agreement, dated February 26, 2013, to Credit Agreement, dated as of September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Jefferies Finance LLC as Administrative Agent and Manufacturers and Traders Trust Company and KeyBank National Association and as Co-Syndication Agents.
10.8**	Second Amendment and Consent, dated April 11, 2014, to Credit Agreement, dated September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Jefferies Finance LLC as Administrative Agent and Manufacturers and Traders Trust Company and KeyBank National Association and as Co-Syndication Agents.
10.9.1*	Form of Director and Officer Indemnification Agreement.
10.9.2*	Form of Sponsor Director Indemnification Agreement.
10.10**	Employment Agreement, dated September 28, 2012, by and between Ollie's Bargain Outlet, Inc. and Mark Butler.
10.11**	Employment Agreement, dated September 28, 2012, by and between Ollie's Bargain Outlet, Inc. and John W. Swygert, Jr.
10.12**	Employment Agreement, dated January 6, 2014, by and between Ollie's Bargain Outlet, Inc. and Omar Segura.

Exhibit no.	Description
10.13**	Employment Agreement, dated May 12, 2014, by and between Ollie's Bargain Outlet, Inc. and Kevin McLain.
10.14**	Employment Agreement, dated September 28, 2012, by and between Ollie's Bargain Outlet, Inc. and Howard Freedman.
10.15**	Employment Agreement, dated April 16, 2014, by and between Ollie's Bargain Outlet, Inc. and Robert Bertram.
10.16**	Bargain Holdings Inc. 2012 Equity Incentive Plan.
10.17**	Form of Stock Option Agreement under Bargain Holdings, Inc. 2012 Equity Incentive Plan.
10.18	Form of 2015 Equity Incentive Plan.
10.19**	Third Amendment, Consent and Joinder, dated May 27, 2015, to Credit Agreement, dated September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc. as Parent, the Lenders party thereto and Manufacturers and Traders Trust Company as Administrative Agent.
10.20**	Third Amendment and Consent, dated May 27, 2015, to Credit Agreement, dated September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc. as Parent, the Lenders party thereto and Jefferies Finance LLC as Administrative Agent.
10.21	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Mark Butler.
10.22	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and John W. Swygert, Jr.
10.23	Form of Stock Option Agreement under 2015 Equity Incentive Plan.
10.24	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Omar Segura.
10.25	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Kevin McLain.
10.26	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Howard Freedman.
10.27	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Robert Bertram.
21.1**	List of subsidiaries.
23.1	Consent of KPMG LLP
23.2*	Consent of Weil, Gotshal & Manges, LLP (included in Exhibit 5.1).
24.1**	Power of Attorney.

* To be filed by amendment.

** Previously filed.

(b) Financial statement schedules.

Schedule 1 — Condensed Financial Information of Registrant — Ollie's Bargain Outlet Holdings, Inc. (parent company only) (page F-25)

All other financial statement schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the consolidated financial statements or notes thereto.

Item 17. Undertakings

The undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Signatures

Pursuant to the requirements of the Securities Act of 1933, Ollie's Bargain Outlet Holdings, Inc. has duly caused this Amendment No. 2 to this registration statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Harrisburg, State of Pennsylvania, on July 6, 2015.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC.

By: /s/ Mark Butler
Name: Mark Butler
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement on Form S-1 has been signed by the following persons in the capacities indicated on July 6, 2015.

Signature	Title
/s/ Mark Butler Mark Butler	President, Chief Executive Officer and Chairman of the Board (Principal Executive Officer)
* John Swygert	Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
* Richard Zannino	Director
* Joseph Scharfenberger	Director
* Douglas Cahill	Director
* Stanley Fleishman	Director
* Thomas Hendrickson	Director
*By: /s/ Mark Butler Attorney-in-fact	

Exhibit index

Exhibit no.	Description
1.1	Form of Underwriting Agreement.
3.1	Form of Second Amended and Restated Certificate of Incorporation of Ollie's Bargain Outlet Holdings, Inc. to be in effect prior to the consummation of the offering made under this Registration Statement.
3.2	Form of Second Amended and Restated Bylaws of Ollie's Bargain Outlet Holdings, Inc. to be in effect prior to the consummation of the offering made under this Registration Statement.
4.1*	Form of Certificate of Common Stock.
4.2*	Form of Amended and Restated Stockholders Agreement, by and among Bargain Holdings, Inc. and certain stockholders named therein.
5.1*	Opinion of Weil, Gotshal & Manges, LLP.
10.1**	Credit Agreement, dated as of September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Manufacturers and Traders Trust Company as Administrative Agent and KeyBank National Association and Jefferies Finance LLC as Co-Syndication Agents.
10.2**	Guarantee and Collateral Agreement, dated September 28, 2012, among Bargain Parent, Inc., Ollie's Holdings, Inc., certain Subsidiaries of Ollie's Holdings, Inc. and Manufacturers and Traders Trust Company, as Administrative Agent.
10.3**	First Amendment to Credit Agreement and First Amendment to Collateral Agreement, dated February 26, 2013, to Credit Agreement, dated as of September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Manufacturers and Traders Trust Company as Administrative Agent and KeyBank National Association and Jefferies Finance LLC as Co-Syndication Agents.
10.4**	Second Amendment, dated April 11, 2014, to Credit Agreement, dated as of September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Manufacturers and Traders Trust Company as Administrative Agent and KeyBank National Association and Jefferies Finance LLC as Co-Syndication Agents.
10.5**	Credit Agreement, dated September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Jefferies Finance LLC as Administrative Agent and Manufacturers and Traders Trust Company and KeyBank National Association and as Co-Syndication Agents.
10.6**	Guarantee and Collateral Agreement, dated September 28, 2012, among Bargain Parent, Inc., Ollie's Holdings, Inc., certain Subsidiaries of Ollie's Holdings, Inc. and Jefferies Finance LLC, as Administrative Agent.
10.7**	First Amendment to Credit Agreement and First Amendment to Collateral Agreement, dated February 26, 2013, to Credit Agreement, dated as of September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Jefferies Finance LLC as Administrative Agent and Manufacturers and Traders Trust Company and KeyBank National Association and as Co-Syndication Agents.

Exhibit no.	Description
10.8**	Second Amendment and Consent, dated April 11, 2014, to Credit Agreement, dated September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc., as Parent, the Lenders party thereto, Jefferies Finance LLC as Administrative Agent and Manufacturers and Traders Trust Company and KeyBank National Association and as Co-Syndication Agents.
10.9.1*	Form of Director and Officer Indemnification Agreement.
10.9.2*	Form of Sponsor Director Indemnification Agreement.
10.10**	Employment Agreement, dated September 28, 2012, by and between Ollie's Bargain Outlet, Inc. and Mark Butler.
10.11**	Employment Agreement, dated September 28, 2012, by and between Ollie's Bargain Outlet, Inc. and John W. Swygert, Jr.
10.12**	Employment Agreement, dated January 6, 2014, by and between Ollie's Bargain Outlet, Inc. and Omar Segura.
10.13**	Employment Agreement, dated May 12, 2014, by and between Ollie's Bargain Outlet, Inc. and Kevin McLain.
10.14**	Employment Agreement, dated September 28, 2012, by and between Ollie's Bargain Outlet, Inc. and Howard Freedman.
10.15**	Employment Agreement, dated April 16, 2014, by and between Ollie's Bargain Outlet, Inc. and Robert Bertram.
10.16**	Bargain Holdings Inc. 2012 Equity Incentive Plan.
10.17**	Form of Stock Option Agreement under Bargain Holdings, Inc. 2012 Equity Incentive Plan.
10.18	Form of 2015 Equity Incentive Plan.
10.19**	Third Amendment, Consent and Joinder, dated May 27, 2015, to Credit Agreement, dated September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc. as Parent, the Lenders party thereto and Manufacturers and Traders Trust Company as Administrative Agent.
10.20**	Third Amendment and Consent, dated May 27, 2015, to Credit Agreement, dated September 28, 2012, among Ollie's Holdings, Inc. and Ollie's Bargain Outlet, Inc. as Borrowers, Bargain Parent, Inc. as Parent, the Lenders party thereto and Jefferies Finance LLC as Administrative Agent.
10.21	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Mark Butler.
10.22	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and John W. Swygert, Jr.
10.23	Form of Stock Option Agreement under 2015 Equity Incentive Plan.
10.24	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Omar Segura.
10.25	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Kevin McLain.
10.26	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Howard Freedman.

Exhibit no.	Description
10.27	Form of Amendment to Employment Agreement by and between Ollie's Bargain Outlet, Inc. and Robert Bertram.
21.1**	List of subsidiaries.
23.1	Consent of KPMG LLP.
23.2*	Consent of Weil, Gotshal & Manges, LLP (included in Exhibit 5.1).
24.1**	Power of Attorney.

* To be filed by amendment.

** Previously filed.

Exhibit 1.1

OLLIE'S BARGAIN OUTLET HOLDINGS, INC.

[•] Shares of Common Stock

Form of
Underwriting Agreement

July [•], 2015

J.P. Morgan Securities LLC
c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

Jefferies LLC
520 Madison Avenue
New York, NY 10022

Merrill Lynch, Pierce, Fenner & Smith
Incorporated
One Bryant Park
New York, NY 10036

As Representatives of the
several Underwriters listed
in Schedule 1 hereto

Ladies and Gentlemen:

Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the several underwriters listed in Schedule 1 hereto (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), an aggregate of [•] shares of common stock, par value $0.001 per share, of the Company (the "Underwritten Shares"). In addition, the Company proposes to issue and sell, at the option of the Underwriters, up to an additional [•] shares of common stock of the Company (the "Option Shares"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares". The shares of common stock of the Company to be outstanding after giving effect to the sale of the Shares are referred to herein as the "Stock".

The Company hereby confirms its agreement with the several Underwriters concerning the purchase and sale of the Shares, as follows:

1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder (collectively, the "Securities Act"), a registration statement (File No. 333-204942), including a prospectus, relating to the Shares. Such registration statement, as amended at the time it became effective, including the information, if any, deemed pursuant to Rule 430A under the Securities Act to be part of the

registration statement at the time of its effectiveness ("Rule 430A Information"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each preliminary prospectus included in such registration statement (and any amendments thereto) before effectiveness, any prospectus filed with the Commission pursuant to Rule 424(a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430A Information (the "Pricing Prospectus"), and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares. If the Company has filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively with the pricing information set forth on Annex A, the "Pricing Disclosure Package"): the Pricing Prospectus dated July [•], 2015 and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex A hereto.

"Applicable Time" means [•] [A/P].M., New York City time, on July [•], 2015.

2. Purchase of the Shares by the Underwriters. (a) The Company agrees, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, to issue and sell the Underwritten Shares to the several Underwriters as provided in this underwriting agreement (this "Agreement"), and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase at a price per share (the "Purchase Price") of $[•] from the Company the respective number of Underwritten Shares set forth opposite such Underwriter's name in Schedule 1 hereto.

In addition, the Company agrees to issue and sell the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to purchase, severally and not jointly, from the Company the Option Shares at the Purchase Price less an amount per share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares. If any Option Shares are to be purchased, the number of Option Shares to be purchased by each Underwriter shall be the number of Option Shares which bears the same ratio to the aggregate number of Option Shares being purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 1 hereto (or such number increased as set forth in Section 10 hereof) bears to the aggregate number of Underwritten Shares being purchased from the Company by the several Underwriters, subject, however, to such adjustments to eliminate any fractional Shares as the Representatives in their sole discretion shall make.

The Underwriters may exercise the option to purchase Option Shares at any time in whole, or from time to time in part, on or before the thirtieth day following the date of the Prospectus, by written notice from the Representatives to the Company. Such notice shall set forth

the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date nor later than the tenth full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 10 hereof or as you and the Company may otherwise agree in writing). Except in the case of Option Shares to be delivered on the Closing Date, any such notice shall be given at least two business days prior to the date and time of delivery specified therein.

(b) The Company understands that the Underwriters intend to make a public offering of the Shares as soon after the effectiveness of this Agreement as in the judgment of the Representatives is advisable, and initially to offer the Shares on the terms set forth in the Prospectus. The Company acknowledges and agrees that the Underwriters may offer and sell Shares to or through any affiliate of an Underwriter.

(c) Payment for the Shares shall be made by wire transfer in immediately available funds to the accounts specified by the Company to the Representatives in the case of the Underwritten Shares, at the offices of Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022 at 10:00 A.M., New York City time, on July [•], 2015, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives and the Company may agree upon in writing or, in the case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to purchase such Option Shares, or such other time and place as the Representatives and the Company may agree upon in writing. The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date" and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date".

Payment for the Shares to be purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made against delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be purchased on such date with any transfer taxes payable in connection with the sale of such Shares duly paid by the Company. Delivery of the Shares shall be made through the facilities of The Depository Trust Company ("DTC") unless the Representatives shall otherwise instruct. The certificates for the Shares will be made available for inspection and packaging by the Representatives at the office of DTC or its designated custodian not later than 1:00 P.M., New York City time, on the business day prior to the Closing Date or the Additional Closing Date, as the case may be.

(d) The Company acknowledges and agrees that the Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the

Company with respect thereto. Any review by the Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company.

3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter that:

(a) *Preliminary Prospectus.* No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the Securities Act, and no Preliminary Prospectus, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(b) *Pricing Disclosure Package*. The Pricing Disclosure Package as of the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, used, authorized, approved or referred to and will not prepare, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each electronic road show and any other written communications approved in writing in advance by the Representatives, which approval, in the case of written communications required by law to be prepared, used, authorized, approved or referred to, shall not be unreasonably withheld, delayed or conditioned. Each such Issuer Free Writing Prospectus complied in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and, when taken together with the Preliminary Prospectus accompanying, or delivered

prior to delivery of, such Issuer Free Writing Prospectus, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(d) *Emerging Growth Company*. From the time of initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged directly or through any person authorized to act on its behalf in any Testing-the-Waters Communication) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "Emerging Growth Company"). "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Securities Act.

(e) *Testing-the-Waters Materials.* The Company (i) has not alone engaged in any Testing-the-Waters Communications other than Testing-the-Waters Communications with the consent of the Representatives with entities that are qualified institutional buyers within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501 under the Securities Act and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications by virtue of a writing substantially in the form of Exhibit A hereto. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications other than those listed on Annex B hereto. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act. Any individual Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, complied in all material respects with the Securities Act, and when taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) *Registration Statement and Prospectus.* The Registration Statement has been declared effective by the Commission. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the Company's knowledge, threatened by the Commission; as of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the

Registration Statement and any such post-effective amendment complied and will comply in all material respects with the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(g) *Financial Statements.* The financial statements (including the related notes thereto) of the Company and its consolidated subsidiaries included in the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and present fairly in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis throughout the periods covered thereby. The financial data set forth in any supporting schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; and the other financial information included in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries and presents fairly in all material respects the information shown thereby.

(h) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) there has not been any change in the capital stock (other than the issuance of shares of Common Stock upon exercise of stock options and warrants described as outstanding in, and the grant of options and awards under existing equity incentive plans described in, the Registration Statement, the Pricing Disclosure Package and the Prospectus), short-term debt or long-term debt of the Company or any of its subsidiaries, or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, properties, management, financial position, stockholders' equity, or results of operations of the Company and its subsidiaries taken as a whole; (ii) neither the Company nor any of its subsidiaries has entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and its subsidiaries taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole; and (iii) neither the Company nor any of its subsidiaries has sustained any loss or interference with its business that is material to the Company and its subsidiaries taken as a whole and that is either from fire, explosion, flood or other

calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, except in the case of each of clauses (i), (ii) and (iii) above as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(i) *Organization and Good Standing.* The Company and each of its subsidiaries have been duly organized and are validly existing and in good standing under the laws of their respective jurisdictions of organization, are duly qualified to do business and are in good standing in each jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such qualification, and have all power and authority necessary to own or hold their respective properties and to conduct the businesses in which they are engaged, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect on the business, properties, management, financial position, stockholders' equity, results of operations of the Company and its subsidiaries taken as a whole or on the performance by the Company of its obligations under this Agreement (a "Material Adverse Effect"). The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21 to the Registration Statement.

(j) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Capitalization"; all the outstanding shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights; except as described in or expressly contemplated by the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company or any of its subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company or any such subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options; the capital stock of the Company conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and all the outstanding shares of capital stock or other equity interests of each subsidiary owned, directly or indirectly, by the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party except as otherwise described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(k) *Stock Options.* With respect to stock options granted pursuant to the stock-based compensation plans of the Company and its subsidiaries (the "Company Stock Plans") outstanding as of the date hereof (the "Stock Options"), except as could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (i) each Stock Option intended to qualify as an "incentive stock option" under Section 422 of the Code so qualifies, (ii) each grant of a Stock Option was duly authorized no later than the date on which the grant of such Stock Option was by its terms to be effective by all necessary corporate action, including,

as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto (to the extent required by the terms of the applicable Company Stock Plan pursuant to which such grant was made), (iii) each such grant was made in accordance with the terms of the Company Stock Plans, the Securities Exchange Act of 1934, as amended (the "Exchange Act") and all other applicable laws and regulatory rules or requirements, including the rules of the Nasdaq Global Market and any other exchange on which Company securities are traded, and (iv) each such grant was properly accounted for in accordance with GAAP in the financial statements (including the related notes) of the Company. The Company has not knowingly granted, and there is no and has been no policy or practice of the Company of granting, Stock Options prior to, or otherwise coordinating the grant of Stock Options with, the release or other public announcement of material information regarding the Company or its subsidiaries or their results of operations or prospects.

(l) *Due Authorization.* The Company has the corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken.

(m) *Underwriting Agreement*. This Agreement has been duly authorized, executed and delivered by the Company.

(n) *The Shares.* The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and, when issued and delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and non-assessable and will conform in all material respects to the description thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights.

(o) *No Violation or Default.* Neither the Company nor any of its subsidiaries is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject; or (iii) in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, have a Material Adverse Effect.

(p) *No Conflicts*. The execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares by the Company and the consummation by the Company of the transactions contemplated by this Agreement will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or

result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or any of its subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority having jurisdiction over the Company or any of its subsidiaries, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation or default that would not, individually or in the aggregate, have a Material Adverse Effect.

(q) *No Consents Required.* No consent, approval, authorization, order, license, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares and the consummation of the transactions contemplated by this Agreement, except (i) as may be required under the rules and regulations of the Financial Industry Regulatory Authority ("FINRA"), (ii) as may be required under the rules and regulations of the Nasdaq in connection with the listing of the Shares, (iii) the registration of the Shares under the Securities Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters.

(r) *Legal Proceedings.* Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no legal, governmental or regulatory investigations, actions, suits or proceedings ("Actions") pending to which the Company or any of its subsidiaries is a party or to which any property of the Company or any of its subsidiaries is or may be the subject that, individually or in the aggregate, if determined adversely to the Company or any of its subsidiaries, could reasonably be expected to have a Material Adverse Effect; to the knowledge of the Company, no such Actions are threatened, contemplated by any governmental or regulatory authority or threatened by others; and (i) there are no current or pending Actions that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no statutes, regulations or contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(s) *Independent Accountants*. KPMG LLP, who have certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(t) *Title to Real and Personal Property*. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company and its subsidiaries have good and marketable title in fee simple (in the case of real property) to, or have valid and marketable rights to lease or otherwise use, all items of real and personal property and assets that are material to the respective businesses of the Company and its subsidiaries, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries or (ii) could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(u) *Title to Intellectual Property.* Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company and its subsidiaries own or possess adequate rights to use all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of their respective businesses as currently conducted and as proposed to be conducted, and the conduct of their respective businesses will not conflict in any material respect with any such rights of others. The Company and its subsidiaries have not received any written notice of any claim of infringement, misappropriation or conflict with any such rights of others in connection with its patents, patent rights, licenses, inventions, trademarks, service marks, trade names, copyrights and know-how, which could reasonably be expected to result in a Material Adverse Effect.

(v) *No Undisclosed Relationships.* No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, customers or suppliers of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(w) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Investment Company Act").

(x) *Taxes.* Except as could not be reasonably expected to have a Material Adverse Effect, (i) other than any taxes the payment of which by the Company or its applicable subsidiary is the subject of a good faith dispute by the Company or its applicable subsidiary and with respect to which reserves in conformity with GAAP have been provided on the books of the relevant entity, the Company and its subsidiaries have paid all federal, state, local and foreign taxes and filed all tax returns required to be paid or filed through the date hereof; and (ii) except as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there is no tax deficiency that has been, or to the knowledge of the Company is threatened to be, asserted against the Company or any of its subsidiaries or any of their respective properties or assets.

(y) *Licenses and Permits*. The Company and its subsidiaries possess all licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to possess or make the same would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, certificate, permit or authorization or has any reason to believe that any such license, certificate, permit or authorization will not be renewed in the ordinary course.

(z) *No Labor Disputes.* No labor disturbance by or dispute with employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, except as would not reasonably be expected to have a Material Adverse Effect.

(aa) *Compliance with and Liability under Environmental Laws.* (i) The Company and its subsidiaries (a) are, and at all prior times were, in compliance with any and all applicable federal, state, local and foreign laws, rules, regulations, requirements, decisions, judgments, decrees, orders and the common law relating to pollution or the protection of the environment, natural resources or human health or safety (as related to occupational exposure to hazardous substances), including those relating to the generation, storage, treatment, use, handling, transportation, Release or threat of Release of Hazardous Materials (collectively, "Environmental Laws"), (b) have obtained and are in compliance with all permits, licenses, certificates or other authorizations or approvals required of them under applicable Environmental Laws to conduct their respective businesses, (c) have not received notice of any actual or potential liability under or relating to, or actual or potential violation of, any Environmental Laws, including for the investigation or remediation of any Release or threat of Release of Hazardous Materials, and have no knowledge of any event or condition that would reasonably be expected to result in any such notice, (d) are not conducting or paying for, in whole or in part, any investigation, remediation or other corrective action pursuant to any Environmental Law at any location, and (e) are not a party to any order, decree or agreement that imposes any obligation or liability under any Environmental Law, and (ii) there are no costs or liabilities associated with Environmental Laws of or relating to the Company or its subsidiaries, except in the case of each of (i) and (ii) above, for any such matter, as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (a) there are no proceedings that are pending, or that are known to be contemplated, against the Company or any of its subsidiaries under any Environmental Laws in which a governmental entity is also a party, other than such proceedings regarding which it is reasonably believed no monetary sanctions of $100,000 or more will be imposed, (b) the Company and its subsidiaries are not aware of any facts or issues regarding compliance with Environmental Laws, or liabilities or other obligations under Environmental Laws, including the Release or threat of Release of Hazardous Materials, that would reasonably be expected to have a Material Adverse Effect, and (c) none of the Company and its subsidiaries anticipates capital expenditures relating to any Environmental Laws that would reasonably be expected to have a Material Adverse Effect.

(bb) *Hazardous Materials*. There has been no storage, generation, transportation, use, handling, treatment, Release or threat of Release of Hazardous Materials by, relating to or caused by the Company or any of its subsidiaries (or, to the knowledge of the Company and its subsidiaries, any other entity (including any predecessor) for whose acts or omissions the Company or any of its subsidiaries is or could reasonably be expected to be liable) at, on, under or from any property or facility now or previously owned, operated or leased by the Company or any of its subsidiaries, or at, on, under or from any other property or facility, in violation of any Environmental Laws or in a manner or amount or to a location that could reasonably be expected to result in any liability under any Environmental Law, except for any violation or liability which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. "Hazardous Materials" means any material, chemical, substance, waste, pollutant, contaminant, compound, mixture, or constituent thereof, in any form or amount, including petroleum (including crude oil or any fraction thereof) and petroleum products, natural gas liquids, asbestos and asbestos containing materials, naturally occurring radioactive materials, brine, and drilling mud, regulated or which can give rise to liability under any Environmental Law. "Release" means any spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing, dispersing, or migrating in, into or through the environment, or in, into, from or through any building or structure.

(cc) *Compliance with ERISA*. (i) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), excluding any "multiemployer plan," as defined in Section 4001(a)(3) of ERISA (each, a "Multiemployer Plan"), for which the Company would have any liability (each, a "Plan") has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to, ERISA and the Code, except for noncompliance that could not reasonably be expected to have a Material Adverse Effect; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan, excluding transactions effected pursuant to a statutory or administrative exemption, that could reasonably be expected to have a Material Adverse Effect; (iii) for each Plan which is an "employee benefit pension plan," as defined in Section 3(2) of ERISA, subject to Title IV of ERISA, Section 302 of ERISA or Section 412 of the Code ,for which the Company or any member of the Company's "Controlled Group" (defined as any trade or business (whether or not incorporated) under common control with the Company within the meaning of Section 414(b), (c), (m) or (o) of the Code) would have any liability (a "Company Pension"), the minimum funding standard of Section 412 of the Code or Section 302 of ERISA, as applicable, has been satisfied (without taking into account any waiver thereof or extension of any amortization period), except as could not reasonably be expected to result in a Material Adverse Effect; (iv) no Company Pension established or maintained by the Company, its subsidiaries or any of their ERISA Affiliates, if such Company Pension were terminated, would have any "amount of unfunded benefit liabilities" (as defined in Section 4001(a)(18) of ERISA) in excess of $25.0 million; (v) no "reportable event" (within the meaning of Section 4043(c) of ERISA), other than events for which the 30-day notice period has been waived, has occurred or is reasonably expected to occur with respect to any Company Pension, except as has not resulted, or could not reasonably be expected to result, in a Material Adverse Effect; (vi) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to a Company Pension or Multiemployer Plan or premiums

to the Pension Benefit Guaranty Corporation, in the ordinary course and without default) in respect of a Company Pension or Multiemployer Plan, other than as would not reasonably be expected to result in a Material Adverse Effect; and (vii) to the knowledge of the Company, there is no pending audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other governmental agency or any foreign regulatory agency with respect to any Plan that could reasonably be expected to have a Material Adverse Effect.

(dd) *Disclosure Controls*. The Company and its subsidiaries have designed a system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that will comply with the requirements of the Exchange Act within the time period required and has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

(ee) *Accounting Controls.* The Company and its subsidiaries maintain systems of "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that have been designed to comply with the requirements of the Exchange Act and have been designed by, or under the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, including, but not limited to, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no material weaknesses in the Company's internal controls over financial reporting have been identified. The Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud, whether or not material, that involves management or other employees of the Company who have a significant role in the Company's internal controls over financial reporting.

(ff) *Insurance.* The Company and its subsidiaries have insurance covering their respective properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as the Company reasonably believes are adequate to protect the Company and its subsidiaries and their respective businesses; and neither the Company nor any of its subsidiaries has (i) received notice from any

insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost that would not result in a Material Adverse Effect from similar insurers as may be necessary to continue its business in all material respects.

(gg) *No Unlawful Payments.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, controlled affiliate or other person authorized to act on behalf of the Company or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures reasonably designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(hh) *Compliance with Anti-Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(ii) *No Conflicts with Sanctions Laws.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, controlled affiliate or other person authorized to act on behalf of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("UNSC"), the European Union, Her Majesty's Treasury ("HMT") or other relevant sanctions authority (collectively, "Sanctions"), nor is the Company, or any of its subsidiaries

located, organized or resident in a country or territory that is the subject or target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria (each, a "Sanctioned Country"); and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past five years, the Company and its subsidiaries have not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(jj) *No Restrictions on Subsidiaries*. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's properties or assets to the Company or any other subsidiary of the Company.

(kk) *No Broker's Fees.* Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against the Company or any of its subsidiaries or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(ll) *No Registration Rights.* Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no person has the right to require the Company or any of its subsidiaries to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission or the issuance and sale of the Shares by the Company.

(mm) *No Stabilization.* The Company has not taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(nn) *Margin Rules*. The application of the proceeds received by the Company from the issuance, sale and delivery of the Shares as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus will not violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(oo) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(pp) *Statistical and Market Data*. Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(qq) *Sarbanes-Oxley Act*. There is and has been no failure on the part of the Company or, to the knowledge of the Company, any of the Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002, as amended and the rules and regulations promulgated in connection therewith (the "Sarbanes-Oxley Act"), including Section 402 related to loans, to the extent compliance is required as of the date of the Agreement.

(rr) *Status under the Securities Act*. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act.

(ss) *No downgrade*. The Company has no debt securities or preferred stock that is rated by any "nationally recognized statistical rating agency" (as that term is defined by the Commission for purposes of Section 3(a)(62) under the Exchange Act).

4. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A under the Securities Act, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City no later than the time periods it is required to file the final Prospectus with the Commission pursuant to Rule 424(b) and Rule 430A in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies*. The Company will deliver, upon request and without charge, (i) to the Representatives, four conformed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request in connection with any offering or sale. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses*. Before preparing, using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement or the Prospectus, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not prepare, use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably objects in a timely manner.

(d) *Notice to the Representatives*. The Company will advise the Representatives promptly, and confirm such advice in writing (which may be by electronic mail), (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Prospectus, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication or any amendment to the Prospectus has been filed or distributed; (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information including, but not limited to, any request for information concerning any Testing-the-Waters Communication; (v) of the issuance by the Commission of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package, the Prospectus or any Written Testing-the-Waters Communication or the initiation or threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, the Pricing Disclosure Package, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package, any such Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication is delivered to a purchaser, not misleading; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and the Company will use commercially reasonable efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or any Written Testing-the-Waters Communication or suspending any such qualification of the Shares and, if any such order is issued, will use commercially reasonable efforts to obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance*. (1) If during the Prospectus Delivery Period (i) any event shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with law, the Company will as soon as reasonably practicable notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file

with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with applicable law and (2) if at any time prior to the Closing Date (i) any event shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with law, the Company will as soon as reasonably practicable notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with applicable law.

(f) *Blue Sky Compliance*. The Company will cooperate with the Representatives and counsel for the Underwriters to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will use its commercially reasonable efforts to continue such qualifications in effect so long as required for distribution of the Shares; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earning Statement*. The Company will make generally available to its security holders and the Representatives as soon as practicable an earnings statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the “effective date” (as defined in Rule 158) of the Registration Statement; provided that the Company will be deemed to have furnished such statement to its security holders to the extent it is filed on the Commission’s Electronic Data Gathering, Analysis, and Retrieval system (“EDGAR”).

(h) *Clear Market.* For a period of 180 days after the date of the Prospectus, the Company will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, or file with the Commission a registration statement under the Securities Act relating to, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other

securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, other than (A) the Shares to be sold hereunder, (B) any shares of Stock of the Company issued or sold in connection with the conversion, exchange or exercise of options or other stock-based awards granted under Company Stock Plans, (C) any stock based awards granted under Company Stock Plans and (D) filings on Form S-8 relating to the Company Stock Plans described in the Prospectus.

If J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, in their reasonable discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 6(m) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver substantially in the form of Exhibit B hereto at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit C hereto through a major news service at least two business days before the effective date of the release or waiver.

(i) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Shares as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Use of proceeds".

(j) *No Stabilization*. The Company will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(k) *Exchange Listing.* The Company will use its best efforts to list, subject to notice of issuance, the Shares on the Nasdaq Global Market.

(l) *Reports.* For a period of three years from the date of this Agreement, so long as the Shares are outstanding, the Company will furnish to the Representatives copies of all reports or other communications (financial or other) furnished to holders of the Shares, and copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or automatic quotation system; *provided* the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on the Commission's Electronic Data Gathering, Analysis, and Retrieval system.

(m) *Record Retention*. The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(n) *Filings.* The Company will file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(o) *Emerging Growth Company*. The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of Shares within the meaning of the Securities Act and (ii) completion of the 180-day restricted period referred to in Section 4(h) hereof.

5. Certain Agreements of the Underwriters. Each Underwriter hereby represents and agrees that:

(a) It has not used, authorized use of, referred to or participated in the planning for use of, and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus", as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not incorporated by reference into the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included (including through incorporation by reference) in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex A hereto or prepared pursuant to Section 3(c) above (including any electronic road show approved in advance by the Company), or (iii) any free writing prospectus prepared by such underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus").

(b) It has not and will not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the offering of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission; provided that Underwriters may use a term sheet substantially in the form of Annex C hereto without the consent of the Company; provided further that any Underwriter using such term sheet shall notify the Company, and provide a copy of such term sheet to the Company, prior to, or substantially concurrently with, the first use of such term sheet.

(c) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company if any such proceeding against it is initiated during the Prospectus Delivery Period).

6. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase the Underwritten Shares on the Closing Date or the Option Shares on the Additional Closing Date, as the case may be, as provided herein is subject to the performance by the Company of its covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order.* No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 4(a) hereof; and all requests by the Commission for additional information related to or otherwise affecting the offer and sale of the Shares shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties.* The representations and warranties of the Company contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) *No Material Adverse Change.* No event or condition of a type described in Section 3(h) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(d) *Officer's Certificate.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, a certificate of the chief financial officer or chief accounting officer of the Company and one additional senior executive officer of the Company who is reasonably satisfactory to the Representatives on behalf of the Company (i) confirming that such officers have carefully reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and, to the knowledge of such officers, the representations of the Company set forth in Sections 3(b) and 3(f) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be, and (iii) to the effect set forth in paragraphs (a) and (c) above.

(e) *Comfort Letters.* On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, KPMG LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided, that the letter delivered on the Closing Date or the Additional Closing Date, as the case may be, shall use a "cut-off" date no more than three business days prior to such Closing Date or such Additional Closing Date, as the case may be.

(f) *Opinion and 10b-5 Statement of Counsel for the Company.* Weil, Gotshal & Manges LLP, counsel for the Company shall have furnished to the Representatives at the request of the Company its written opinion and a written 10b-5 statement, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters to the effect set forth in Annex D-1 and Annex D-2 hereto.

(g) *Opinion and 10b-5 Statement of Counsel for the Underwriters*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement of Latham & Watkins LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(h) *Opinion of Pennsylvania Counsel for the Company*. [•], counsel for the Company shall have furnished to the Representatives at the request of the Company its written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters to the effect set forth in Annex E hereto.

(i) *Opinion of General Counsel for the Company*. The General Counsel for the Company shall have furnished to the Representatives his/her written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters to the effect set forth in Annex F hereto.

(j) *No Legal Impediment to Issuance and/or Sale*. No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company.

(k) *Good Standing*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company and its subsidiaries in their respective jurisdictions of organization, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(l) *Exchange Listing*. The Shares to be delivered on the Closing Date or the Additional Closing Date, as the case may be, shall have been approved for listing on the Nasdaq Global Market, subject to official notice of issuance.

(m) *Lock-up Agreements*. The "lock-up" agreements, each substantially in the form of Exhibit D hereto, between you and certain shareholders, officers and directors of the Company relating to sales and certain other dispositions of shares of Stock or certain other securities, delivered to you on or before the date hereof, shall be full force and effect on the Closing Date or the Additional Closing Date, as the case may be.

(n) *Chief Financial Officer's Certificate*. On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives a certificate, dated the respective dates of delivery thereof and addressed to the Underwriters, of its chief financial officer with respect to certain financial data contained in the Pricing Disclosure Package and the Prospectus, in form and substance reasonably satisfactory to the Representatives.

(o) *Additional Documents*. On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

7. Indemnification and Contribution.

(a) *Indemnification of the Underwriters by the Company.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable and documented legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act, any Written Testing-the-Waters Communication, any road show as defined in Rule 433(h) under the Securities Act (a "road show") or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection 7(b) below.

(b) *Indemnification of the Company.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only

such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the third paragraph in the section titled "Underwriting (Conflicts of Interest)" and the information contained in the eleventh paragraph, twelth paragraph and the second and third sentences of the thirteenth paragraph in the section titled "Underwriting (Conflicts of Interest)."

(c) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to paragraphs (a) or (b) of this Section 7 such person (the "Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under paragraphs (a) or (b) of this Section 7 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under paragraphs (a) or (b) of this Section 7. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person in such proceeding and shall pay the reasonable and documented fees and expenses of such counsel related to such proceeding. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable and documented fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives, any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence and subject in all respects to the following sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding

effected without its written consent if (i) such settlement is entered into more than 60 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution.* If the indemnification provided for in paragraphs (a) and (b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters on the other, from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company on the one hand, and the Underwriters on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand, and the Underwriters on the other, shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company on the one hand, and the Underwriters on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability.* The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to paragraph (d) above were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any reasonable and documented legal or other reasonable and documented expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of paragraphs (d) and (e), in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the

offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to paragraphs (d) and (e) are several in proportion to their respective purchase obligations hereunder and not joint.

(f) *Non-Exclusive Remedies.* The remedies provided for in this Section 7 paragraphs (a) through (e) are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

8. Effectiveness of Agreement. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

9. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by written notice to the Company, if after the execution and delivery of this Agreement and prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date (i) trading generally shall have been suspended or materially limited on or by any of the New York Stock Exchange or The Nasdaq Stock Market; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

10. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to purchase the Shares that it has agreed to purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Shares by other persons satisfactory to the Company on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Shares, then the Company shall be entitled to a further period of 36 hours within which to procure other persons reasonably satisfactory to the non-defaulting Underwriters to purchase such Shares on such terms. If other persons become obligated or agree to purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 10, purchases Shares that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Company as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh of the aggregate number of Shares to be purchased on such date, then the Company shall have the right to require each non-defaulting Underwriter to purchase the number of Shares that such Underwriter agreed to purchase hereunder on such date plus such Underwriter's pro rata share (based on the number of Shares that such Underwriter agreed to purchase on such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Company as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh of the aggregate amount of Shares to be purchased on such date, or if the Company shall not exercise the right described in paragraph (b) above, then this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to purchase Shares on the Additional Closing Date, shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 10 shall be without liability on the part of the Company, except that the Company will continue to be liable for the payment of expenses as set forth in Section 11 hereof and except that the provisions of Section 7 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company or any non-defaulting Underwriter for damages caused by its default.

11. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Shares and any taxes payable in connection therewith; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the fees and expenses of the Company's counsel and the Company's accountants; (iv) reasonable fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the state or foreign securities or blue sky laws of such jurisdictions as the Representatives may reasonably request in writing and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Underwriters (not to exceed $10,000)); (v) the cost of preparing stock certificates; (vi) the costs

and charges of any transfer agent and any registrar for the Shares; (vii) all reasonable and documented expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA (not to exceed $25,000); (viii) expenses incurred by the Company in connection with any "road show" presentation to potential investors, except it is understood that 50% of the cost of any chartered aircraft and other transportation chartered in connection with the road show and all lodging, commercial airfare and individual expenses of the Underwriters shall be the responsibility of the Underwriters; and (ix) all expenses and application fees related to the listing of the Shares on the Nasdaq Global Market. It is understood, except as specifically provided for in this Section 11, the Underwriters shall pay all of their own costs and expenses, including fees of their counsel, stock transfer taxes on the resale of any of the Shares by them and any advertising expenses connected with any offers.

(b) If (i) this Agreement is terminated pursuant to Section 9, (ii) the Company for any reason fails to tender the Shares for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all out-of-pocket costs and expenses up to $10,000 and the reasonable and documented fees and expenses of their counsel reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby. For the avoidance of doubt, if this Agreement is terminated pursuant to Section 10, the Company shall have no obligation to reimburse the Underwriters for out-of-pocket costs and expenses (including the fees and expenses of their counsel) incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby.

12. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to in Section 7 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

13. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Underwriters contained in this Agreement or made by or on behalf of the Company or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company or the Underwriters.

14. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act; (b) the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; and (c) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act.

15. Miscellaneous.

(a) *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o J.P. Morgan Securities LLC, 383 Madison Avenue, New York, NY 10179 (fax: (212) 622-8358), Attention: Equity Syndicate Desk; c/o Jefferies LLC, 520 Madison Avenue, New York, NY 10022 (fax: (646) 619-4437), Attention: General Counsel and c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Bryant Park, New York, NY 10036 (fax: (646) 855-3073), Attention: Syndicate Department, with a copy to: Fax: (212) 230-8730, Attention: ECM Legal. Notices to the Company shall be given to it at Ollie's Bargain Outlet Holdings, Inc., 6295 Allentown Boulevard, Suite 1, Harrisburg, Pennsylvania 17112 (fax: (717) 525-6883), Attention: General Counsel.

(b) *Governing Law.* This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in such state.

(c) *Counterparts.* This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

(d) *Amendments or Waivers.* No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(e) *Headings.* The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

OLLIE'S BARGAIN OUTLET HOLDINGS, INC.

By: _____
Title:

Accepted: As of the date first written above

J.P. MORGAN SECURITIES LLC

By: _____
Authorized Signatory

JEFFERIES LLC

By: _____
Authorized Signatory

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: _____
Authorized Signatory

For themselves and on behalf of the several Underwriters listed in Schedule 1 hereto

Schedule 1

Underwriter	Number of Shares
J.P. Morgan Securities LLC	[•]
Jefferies LLC	[•]
Merrill Lynch, Pierce, Fenner & Smith Incorporated	[•]
Credit Suisse Securities (USA) LLC	[•]
Piper Jaffray & Co.	[•]
KeyBanc Capital Markets	[•]
RBC Capital Markets	[•]
Total	[•]

Annex A

a. **Pricing Disclosure Package**

[*list each Issuer Free Writing Prospectus to be included in the Pricing Disclosure Package*]

b. **Pricing Information Provided Orally by Underwriters**

Public offering price per Share: $ [•]

Number of Underwritten Shares: [•]

Number of Option Shares: [•]

Written Testing-the-Waters Communications

[•]

Annex C

Ollie’s Bargain Outlet Holdings, Inc.

Pricing Term Sheet

[•]

[Form of Opinion of Weil Gotshal & Manges LLP for the Company]

[To come]

[Form of 10b-5 Statement of Weil Gotshal & Manges LLP for the Company]

[To come]

Annex E

[Form of Opinion of Pennsylvania Counsel to the Company]

[To come]

Annex F

[Form of Opinion of General Counsel of the Company]

[To come]

Exhibit A

EGC – Testing the waters authorization (to be delivered by the issuer to the Representatives in email or letter form)

In reliance on Section 5(d) of the Securities Act of 1933, as amended (the "Act"), Ollie's Bargain Outlet Holdings, Inc. (the "Issuer") hereby authorizes J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Representatives") and their affiliates and their respective employees, to engage on behalf of the Issuer in oral and written communications with potential investors that are "qualified institutional buyers", as defined in Rule 144A under the Act, or institutions that are "accredited investors", as defined in Regulation D under the Act, to determine whether such investors might have an interest in the Issuer's contemplated initial public offering (the "Testing-the-Waters Communications"). A "Written Testing-the Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act.

The Issuer represents that it is an "emerging growth company" as defined in Section 2(a)(19) of the Act (an "Emerging Growth Company") and agrees to promptly notify the Representatives in writing if the Issuer hereafter ceases to be an Emerging Growth Company while this authorization is in effect. If at any time following the distribution of any Written Testing-the-Waters Communication there occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Issuer will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

Nothing in this authorization is intended to limit or otherwise affect the ability of the Representatives and their affiliates and their respective employees, to engage in communications in which they could otherwise lawfully engage in the absence of this authorization, including, without limitation, any written communication containing only one or more of the statements specified under Rule 134(a) under the Act. This authorization shall remain in effect until the Issuer has provided to the Representatives a written notice revoking this authorization. All notices as described herein shall be sent by email to the attention of [•] at [•], with copies to [•].

Exhibit B

Form of Waiver of Lock-up

[ ]

Public Offering of Common Stock

, 20

[*Name and Address of*
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [*Name*]:

This letter is being delivered to you in connection with the offering by Ollie's Bargain Outlet Holdings, Inc. (the "Company") of shares of common stock, $[ ] par value (the "Common Stock"), of the Company and the lock-up letter dated , 2015 (the "Lock-up Letter"), executed by you in connection with such offering, and your request for a [waiver] [release] dated , 20 , with respect to shares of Common Stock (the "Shares").

[ ] hereby agree to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective , 20 ; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

Yours very truly,

[Signature of Underwriters]

[Name of Underwriters]

cc: Company

Exhibit C

Form of Press Release

Ollie's Bargain Outlet Holdings, Inc.

[Date]

Ollie's Bargain Outlet Holdings, Inc. ("Company") announced today that [ ], the joint book-running managers in the Company's recent public sale of [ ] shares of common stock, are [waiving] [releasing] a lock-up restriction with respect to [ ] shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on [ ], 2015, and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit D

FORM OF LOCK-UP AGREEMENT

[•], 2015

J.P. Morgan Securities LLC
Jefferies LLC
Merrill Lynch, Pierce, Fenner & Smith
Incorporated

As Representatives of the
several Underwriters listed
in Schedule 1 to the Underwriting
Agreement referred to below

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

c/o Jefferies LLC,
520 Madison Avenue
New York, NY 10022

c/o Merrill Lynch, Pierce, Fenner & Smith
Incorporated
One Bryant Park
New York, NY 10036

Re: Ollie's Bargain Outlet Holdings, Inc. — Public Offering

Ladies and Gentlemen:

The undersigned understands that you, as Representatives of the several Underwriters, propose to enter into an underwriting agreement (the "Underwriting Agreement") with Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation (the "Company"), providing for the public offering (the "Public Offering") by the several underwriters named in Schedule 1 to the Underwriting Agreement (the "Underwriters"), of the common stock of the Company (the "Securities"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of the Underwriters, the undersigned will not, during the period ending 180 days after

the date of the prospectus relating to the Public Offering (the "Prospectus"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock, $0.001 per share par value, of the Company (the "Common Stock") or any securities convertible into or exercisable or exchangeable for Common Stock (including without limitation, Common Stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Commission and securities which may be issued upon exercise of a stock option or warrant), or publicly disclose the intention to make any offer, sale, pledge or disposition, (2) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Common Stock or such other securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise or (3) make any demand for or exercise any right with respect to the registration of any shares of Common Stock or any security convertible into or exercisable or exchangeable for Common Stock.

The foregoing paragraph shall not apply to (A) the Securities to be sold by the under-signed pursuant to the Underwriting Agreement, (B) transactions relating to shares of Common Stock or other securities that the undersigned may purchase in open market transactions after the completion of the Public Offering, (C) the exercise of stock options, including through a "net" or "cashless" exercise, granted pursuant to any of the Company's equity incentive plans in effect at the time of the Public Offering, provided that the foregoing paragraph shall apply to any securities issued upon such exercise, (D) forfeitures of shares of Common Stock to the Company during the 180-day period referred to above to satisfy tax withholding requirements upon the vesting of equity-based awards granted under an equity incentive plan in effect at the time of the Public Offering, (E) transfers of shares of Common Stock as a bona fide gift or gifts, (F) distributions or transfers of shares of Common Stock to subsidiaries, limited or general partners, members, stockholders or affiliates of the undersigned, (G) transfers of shares of Common Stock to any immediate family member, trusts for the direct or indirect benefit of the undersigned or the immediate family members of the undersigned or any of their successors upon death, or any partnerships or limited liability company, the partners or members of which consist of the undersigned and/or immediate family members or other dependent of the undersigned, and in each case such transfer does not involve a disposition for value (for purposes of this Letter Agreement, "immediate family" means any relationship by blood, marriage or adoption, not more remote than first cousin), or (H) transfers of shares of Common Stock by operation of law pursuant to a qualified domestic order or upon death by will or intestacy; provided that in the case of any transfer or distribution pursuant to clauses (E) through (H) above, each donee, distributee or transferee shall execute and deliver to the Representatives a lock-up letter in the form of this Letter Agreement; provided, further, that in the case of any transfer or distribution pursuant to clauses (B) and (E) through (H) above, no filing by any party (donor, donee, transferor or transferee) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than a filing on a Form 5 made after the expiration of the 180-day period referred to above) or other public announcement reporting a reduction in beneficial ownership of Securities shall be required or shall be made voluntarily in connection with such transfer or distribution; and provided, further, that in the case of any transfer pursuant to clauses (C) or (D) above, if the undersigned is required to make a filing under the Exchange Act reporting a reduction in beneficial

ownership of shares of Common Stock during the 180-day period referred to above, the undersigned shall include a statement in such report to the effect that the purpose of such transfer was to cover tax obligations of the undersigned in connection with such exercise. In addition, the foregoing paragraph shall not apply to the establishment of a trading plan by the undersigned pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Common Stock, provided that such plan does not provide for the transfer of Common Stock during the 180-day period referred to above and no filing under the Exchange Act (other than a filing on a Form 5 made after the expiration of the 180-day period referred to above) or other public announcement shall be required or shall be made voluntarily in connection with the establishment of such plan until after the expiration of the 180-day restricted period.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Company directed Securities the undersigned may purchase in the Public Offering.

If the undersigned is an officer or director of the Company, (i) J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of the Underwriters agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Common Stock, J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of the Underwriters will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver if requested by J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated. Any release or waiver granted by J.P. Morgan Securities LLC, Jefferies LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of the Underwriters hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this letter to the extent and for the duration that such terms remain in effect at the time of the transfer.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

The undersigned understands that, if (1) the Company files an application with the Commission to withdraw the registration statement relating to the Public Offering, (2) the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Common Stock to be sold thereunder, (3)

the Representatives, on behalf of the Underwriters, advise the Company, or the Company advises the Representatives, in writing, prior to the execution of the Underwriting Agreement, that they have determined not to proceed with the Public Offering or (4) the closing of the Public Offering shall not have occurred on or before September 30, 2015, the undersigned shall be released from all obligations under this Letter Agreement. The undersigned understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflict of laws principles thereof.

[Remainder of page intentionally left blank; signature page follows]

Very truly yours,

[NAME OF STOCKHOLDER]

By: _____

Name:

Title:

Exhibit 3.1

FORM OF SECOND AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION OF
OLLIE'S BARGAIN OUTLET HOLDINGS, INC.

(Under Sections 242 and 245 of the
Delaware General Corporation Law)

Ollie's Bargain Outlet Holdings, Inc. (the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, as amended (the "DGCL"), does hereby certify as follows:

FIRST. The Corporation filed its original certificate of incorporation (the "Original Certificate of Incorporation") with the Secretary of State of the State of Delaware on August 27, 2012 under the name Bargain Holdings, Inc., and the Corporation amended and restated its Original Certificate of Incorporation on September 27, 2012 (the "Amended and Restated Certificate of Incorporation"); further amended the Amended and Restated Certificate of Incorporation on March 23, 2015; and further amended the Amended and Restated Certificate of Incorporation on June 17, 2015 (as amended to date, the "Previous Certificate of Incorporation").

SECOND. The board of directors of the Corporation (the "Board of Directors") adopted resolutions proposing to amend and restate the Previous Certificate of Incorporation in its entirety, and the requisite stockholders of the Corporation have duly approved the amendment and restatement.

THIRD. Pursuant to Sections 242 and 245 of the DGCL, this Second Amended and Restated Certificate of Incorporation (this "Certificate") restates, integrates and further amends the Previous Certificate of Incorporation of the Corporation to read in its entirety as follows:

ARTICLE I

1.1 Name. The name of the Corporation is:

Ollie's Bargain Outlet Holdings, Inc.

ARTICLE II

2.1 Address. The address of the Corporation's registered office in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle 19808. The name of its registered agent at such address is Corporation Service Company.

ARTICLE III

3.1 Purpose. The purpose of the Corporation is to engage in any and all lawful acts or activities for which corporations may be organized under the DGCL. Without limiting the generality of the foregoing, the Corporation shall have all of the powers conferred on corporations by the DGCL and other applicable law.

ARTICLE IV

4.1 Conversion Immediately Upon Filing of this Certificate.

(a) The Conversion. Immediately upon the filing this Certificate, all outstanding shares of Class B Non-Voting Common Stock of the Corporation, par value $0.001 (the "Class B Common Stock"), shall automatically convert on a one-to-one basis into shares of Class A Voting Common Stock of the Corporation, par value $0.001 (the "Class A Common Stock"), which, in turn will be recapitalized into a single class of shares of Common Stock of the Corporation, par value $0.001 (the "Common Stock") (the "Conversion"). Following the Conversion, the certificates representing such shares of Class A Common Stock or Class B Common Stock shall be deemed to represent shares of Common Stock, without a need for such certificates to be surrendered to the Corporation and exchanged for certificates of Common Stock. The Conversion will therefore be effective whether or not the certificates representing such shares of Class A Common Stock or Class B Common Stock are surrendered to the Corporation or its transfer agent; provided, however, that if any holder of Common Stock requests to receive certificates evidencing shares of Common Stock issuable upon the Conversion, the Corporation shall not be obligated to issue such certificates evidencing such shares of Common Stock unless and until the certificates evidencing such shares of Class A Common Stock or Class B Common Stock are either delivered to the Corporation or its transfer agent, or the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement reasonably satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates.

(b) Board Approval. In connection with the filing of this Certificate, the Board of Directors has approved the determination of the number of shares of Common Stock to be received upon the Conversion as set forth herein for all purposes, including, without limitation, Rule 16(b)-3(d) promulgated under the Exchange Act. Prior to the Conversion, the Board of Directors shall take all actions necessary or desirable in the reasonable opinion of the majority in interest of the holders of shares of Class A Common Stock or Class B Common Stock Common Stock, including the adoption of appropriate resolutions of the Board of Directors, to exempt, to the extent feasible under applicable law, the determination of the number of shares of Common Stock to be received upon the Conversion from the provisions of Section 16(b) of the Securities Exchange Act.

4.2 Authorized Shares. The total number of shares of capital stock that the Corporation shall have authority to issue is 550,000,000 shares, of which (i) 500,000,000 shares shall be designated shares of Common Stock, and (ii) 50,000,000 shares shall be undesignated shares of preferred stock, par value $0.001 per share (the "Preferred Stock"). Notwithstanding anything to the contrary contained herein, the rights and preferences of the Common Stock shall

at all times be subject to the rights and preferences of the Preferred Stock as may be set forth in one or more certificates of designations filed with the Secretary of State of the State of Delaware from time to time in accordance with the DGCL and this Certificate. The number of authorized shares of Preferred Stock and Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) from time to time by the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding shares of stock entitled to vote thereon, voting together as a single class, irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), and no vote of the holders of any of the Common Stock or the Preferred Stock voting separately as a class or series shall be required therefor.

4.3 Common Stock. The Common Stock shall have the following powers, designations, preferences, rights, qualifications, limitations and restrictions:

(a) Voting Rights. Each holder of record of shares of Common Stock shall be entitled to vote at all meetings of the stockholders of the Corporation and shall have one vote for each share of Common Stock held of record by such holder of record as of the applicable record date on any matter that is submitted to a vote of the stockholders of the Corporation; provided, however, that to the fullest extent permitted by law, holders of Common Stock, as such, shall have no voting power with respect to, and shall not be entitled to vote on, any amendment to this Certificate (including any certificate of designations relating to any series or class of Preferred Stock) that relates solely to the terms of one or more outstanding series or class(es) of Preferred Stock if the holders of such affected series or class(es) of Preferred Stock are entitled, either separately or together with the holders of one or more other such series or class(es), to vote thereon pursuant to applicable law or this Certificate (including any certificate of designations relating to any series or class of Preferred Stock).

(b) Dividends and Distributions. Subject to the prior rights of all classes or series of stock at the time outstanding having prior rights as to dividends or other distributions, the holders of shares of Common Stock shall be entitled to receive such dividends and other distributions in cash, property, or stock as may be declared on the Common Stock by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor and shall share equally on a per share basis in all such dividends and other distributions.

(c) Liquidation, Winding Up Subject to the prior rights of creditors of the Corporation and the holders of all classes or series of stock at the time outstanding having prior rights as to distributions upon liquidation, dissolution or winding up of the Corporation, in the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary, the holders of shares of Common Stock shall be entitled to receive their ratable and proportionate share of the remaining assets of the Corporation.

(d) No holder of shares of Common Stock shall have cumulative voting rights.

(e) No holder of shares of Common Stock shall be entitled to preemptive or subscription rights pursuant to this Certificate.

4.4 Preferred Stock. The Board of Directors is hereby expressly authorized, to the fullest extent as may now or hereafter be permitted by the DGCL, by resolution or resolutions, at any time and from time to time, to provide for the issuance of a share or shares of Preferred Stock in one or more series or classes and to fix for each such series or class (i) the number of shares constituting such series or class and the designation of such series or class, (ii) the voting powers (if any), whether full or limited, of the shares of such series or class, (iii) the powers, preferences, and relative, participating, optional or other special rights of the shares of each such series or class, and (iv) the qualifications, limitations, and restrictions thereof, and to cause to be filed with the Secretary of State of the State of Delaware a certificate of designation with respect thereto. Without limiting the generality of the foregoing, to the fullest extent as may now or hereafter be permitted by the DGCL, the authority of the Board of Directors with respect to the Preferred Stock and any series or class thereof shall include, but not be limited to, determination of the following:

(a) the number of shares constituting any series or class and the distinctive designation of that series or class;

(b) the dividend rate or rates on the shares of any series or class, the terms and conditions upon which and the periods in respect of which dividends shall be payable, whether dividends shall be cumulative and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of that series or class;

(c) whether any series or class shall have voting rights, in addition to the voting rights provided by applicable law, and, if so, the number of votes per share and the terms and conditions of such voting rights;

(d) whether any series or class shall have conversion privileges and, if so, the terms and conditions of conversion, including provision for adjustment of the conversion rate upon such events as the Board of Directors shall determine;

(e) whether the shares of any series or class shall be redeemable and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates;

(f) whether any series or class shall have a sinking fund for the redemption or purchase of shares of that series or class, and, if so, the terms and amount of such sinking fund;

(g) the rights of the shares of any series or class in the event of voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of that series or class; and

(h) any other powers, preferences, rights, qualifications, limitations, and restrictions of any series or class.

The powers, preferences and relative, participating, optional and other special rights of the shares of each series or class of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series or classes at any

time outstanding. Unless otherwise provided in the resolution or resolutions providing for the issuance of such series or class of Preferred Stock, shares of Preferred Stock, regardless of series or class, which shall be issued and thereafter acquired by the Corporation through purchase, redemption, exchange, conversion or otherwise shall return to the status of authorized but unissued Preferred Stock, without designation as to series or class of Preferred Stock, and the Corporation shall have the right to reissue such shares.

4.5 Power to Sell and Purchase Shares. Subject to the requirements of applicable law, the Corporation shall have the power to issue and sell all or any part of any shares of any class of stock herein or hereafter authorized to such persons, and for such consideration and for such corporate purposes, as the Board of Directors shall from time to time, in its discretion, determine, whether or not greater consideration could be received upon the issue or sale of the same number of shares of another class, and as otherwise permitted by law. Subject to the requirements of applicable law, the Corporation shall have the power to purchase any shares of any class of stock herein or hereafter authorized from such persons, and for such consideration and for such corporate purposes, as the Board of Directors shall from time to time, in its discretion, determine, whether or not less consideration could be paid upon the purchase of the same number of shares of another class, and as otherwise permitted by law.

ARTICLE V

5.1 Powers of the Board. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by applicable law or by this Certificate (including any certificate of designations relating to any series or class of Preferred Stock) or the Bylaws of the Corporation, the Board of Directors is hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, except as otherwise specifically required by law or as otherwise provided in this Certificate (including any certificate of designations relating to any series or class of Preferred Stock).

5.2 Number of Directors. The total number of directors constituting the entire Board of Directors shall be such number as may be fixed from time to time exclusively by resolution of at least a majority of the Board then in office.

5.3 Classification. Subject to the terms of any one or more series or classes of Preferred Stock, and upon the effectiveness of this Certificate (the "Effective Time"), the directors of the Corporation shall be divided into three classes designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. The Board of Directors may assign members of the Board of Directors already in office to such classes as of the Effective Time. The term of office of the initial Class I directors shall expire at the first annual meeting of the stockholders following the Effective Time; the term of office of the initial Class II directors shall expire at the second annual meeting of the stockholders following the Effective Time; and the term of office of the initial Class III directors shall expire at the third annual meeting of the stockholders following the Effective Time. At each annual meeting of stockholders, commencing with the first annual meeting of stockholders following the Effective Time, successors to the class of directors whose term expires at that annual meeting shall be elected to

hold office until the third annual meeting next succeeding his or her election and until his or her respective successor shall have been duly elected and qualified. If the number of directors is changed, any increase or decrease shall be apportioned among the classes in such a manner as the Board of Directors shall determine so as to maintain the number of directors in each class as nearly equal as possible, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

5.4 Removal of Directors. Subject to the terms of any one or more series or classes of Preferred Stock, any director or the entire Board of Directors may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least a majority of the voting power of all outstanding shares of Common Stock then entitled to vote on the election of directors, voting together as a single class. For purposes of this Section 5.4, "cause" shall mean, with respect to any director, (i) the willful failure by such director to perform, or the gross negligence of such director in performing, the duties of a director, (ii) the engaging by such director in willful or serious misconduct that is injurious to the Corporation or (iii) the conviction of such director of, or the entering by such director of a plea of *nolo contendere* to, a crime that constitutes a felony.

5.5 Term. A director shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement or removal from office. A director may resign at any time upon written notice to the Corporation.

5.6 Vacancies. Subject to the terms of any one or more series or classes of Preferred Stock, any vacancies in the Board of Directors for any reason and any newly created directorships resulting by reason of any increase in the number of directors shall be filled only by the Board of Directors (and not by the stockholders), acting by a majority of the remaining directors then in office, even if less than a quorum, or by a sole remaining director, and any directors so appointed shall hold office until the next election of the class of directors to which such directors have been appointed and until their successors are duly elected and qualified.

5.7 Director Elections by Holders of Preferred Stock. Notwithstanding the foregoing, whenever the holders of any one or more series or classes of Preferred Stock shall have the right, voting separately by series or class, to elect one or more directors at an annual or special meeting of stockholders, the election, filling of vacancies, removal of directors and other features of such one or more directorships shall be governed by the terms of such one or more series or classes of Preferred Stock to the extent permitted by law.

5.8 Officers. Except as otherwise expressly delegated by resolution of the Board of Directors, the Board of Directors shall have the exclusive power and authority to appoint and remove officers of the Corporation.

ARTICLE VI

6.1 Elections of Directors. Elections of directors need not be by written ballot except and to the extent provided in the Bylaws of the Corporation.

6.2 Advance Notice. Advance notice of nominations for the election of directors or proposals of other business to be considered by stockholders, made other than by the Board of Directors or a duly authorized committee thereof or any authorized officer of the Corporation to whom the Board of Directors or such committee shall have delegated such authority, shall be given in the manner provided in the Bylaws of the Corporation. Without limiting the generality of the foregoing, the Bylaws may require that such advance notice include such information as the Board of Directors may deem appropriate or useful.

6.3 No Stockholder Action by Consent. Subject to the terms of any one or more series or classes of Preferred Stock, from and after the time that CCMP Capital Investors II, L.P., a Delaware limited partnership, CCMP Capital Investors (Cayman) II, L.P., a Cayman Islands exempted limited partnership (collectively, the "Sponsor"), Mark Butler in his capacity as a stockholder (the "Butler Stockholder"), and their respective affiliates (including entities under the Butler Stockholder's influence or control) collectively, beneficially own (as shall be determined in accordance with Rules 13d-3 and 13d-5 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) less than 50.1% of the then outstanding shares of the Common Stock, then any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such stockholders of the Corporation and may not be effected by any written consent in lieu of a meeting by such stockholders, unless the directors then in office unanimously recommend that such action be permitted to be taken by written consent of stockholders. In the event that an action is permitted to be taken by written consent of stockholders in accordance with this Section 6.3 and a signed written consent(s) (and any related revocation(s)) is (are) delivered to the Corporation in the manner provided by applicable law, the Corporation may engage independent inspectors of elections for the purpose of performing promptly a ministerial review of the validity of the consents and revocations. In the event the Corporation engages such inspectors, then for the purpose of permitting the inspectors to perform such review no action by written consent in lieu of a meeting of stockholders shall be effective until such inspectors have completed their review, determined that the requisite number of valid and unrevoked consents delivered to the Corporation in accordance with applicable law have been obtained to take the action specified in the consents, and certified such determination for entry in the records of the Corporation kept for the purpose of recording the proceedings of meetings of stockholders, and such action by written consent will take effect as of the date and time of the certification of the written consents and will not relate back to the date the written consents to take action were delivered to the Corporation. For purposes of this Section 6.3, Section 6.5, Section 7.2(c) and Article X below, "affiliates" shall mean, with respect to a given person, any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified; provided, further, that for the purposes of this definition (i) the Corporation, its subsidiaries and any entities (including corporations, partnerships, limited liability companies or other persons) in which the Corporation or its subsidiaries hold, directly or indirectly, an ownership interest shall not be deemed to be "affiliates" of one another; provided, further, that no "portfolio company" (as such term is customarily used among institutional investors) of the Sponsor or any entity controlled by any portfolio company of the Sponsor shall constitute a Sponsor affiliate. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") as applied to any person means the possession, direct or indirect, of the power to direct or cause the direction of the management policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

6.4 Postponement, Conduct and Adjournment of Meetings. Any meeting of stockholders may be postponed by action of the Board of Directors at any time in advance of such meeting. The Board of Directors shall have the power to adopt such rules and regulations for the conduct of the meetings and management of the affairs of the Corporation as they may deem proper and the power to adjourn any meeting of stockholders without a vote of the stockholders, which powers may be delegated by the Board of Directors to the Chairperson of such meeting in either such rules and regulations or pursuant to the Bylaws of the Corporation.

6.5 Special Meetings of Stockholders. Subject to the terms of any one or more series or classes of Preferred Stock, special meetings of the stockholders of the Corporation, for any purpose or purposes, may be called at any time, but only by or at the direction of a majority of the directors then in office, the Chairperson of the Board or the Chief Executive Officer of the Corporation, except as otherwise provided in the Corporation's Bylaws. The ability of stockholders to call a special meeting of stockholders is specifically denied from and after the time that the Sponsor and the Butler Stockholder and their respective affiliates (including entities under the Butler Stockholder's influence or control) collectively beneficially own (as shall be determined in accordance with Rules 13d-3 and 13d-5 of the Exchange Act) less than 50.1% of the then outstanding shares of the Common Stock

ARTICLE VII

7.1 Limited Liability of Directors. To the fullest extent permitted by the DGCL, as the same exists or as may hereafter be amended, no director of the Corporation shall have any personal liability to the Corporation or any of its stockholders for monetary damages for any breach of fiduciary duty as a director. If the DGCL is amended hereafter to permit the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. Any alteration, amendment, addition to or repeal of this Section 7.1, or adoption of any provision of this Certificate (including any certificate of designations relating to any series or class of Preferred Stock) inconsistent with this Section 7.1, shall not adversely affect any right or protection of a director of the Corporation existing at the time of such alteration, amendment, addition to, repeal or adoption with respect to acts or omissions occurring prior to such alteration, amendment, addition to, repeal or adoption.

7.2 Amendment of Article VII. No alteration, amendment, addition to or repeal of this Article VII, nor the adoption of any provision of this Certificate (including any certificate of designations relating to any series or class of Preferred Stock) inconsistent with this Article VII or Article VI of the Bylaws, shall adversely affect any rights to indemnification and to the advancement of expenses of a director or officer (or, as authorized by the Board, of an employee or agent) of the Corporation existing at the time of such alteration, amendment, addition to, repeal or adoption with respect to any acts or omissions occurring prior to such alteration, amendment, addition to, repeal or adoption.

ARTICLE VIII

8.1 Delaware. Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the DGCL) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

ARTICLE IX

9.1 Amendments to Bylaws. In furtherance and not in limitation of the powers conferred upon it by the laws of the State of Delaware, the Board of Directors is expressly authorized and empowered to make, alter, amend, add to or repeal any and all Bylaws of the Corporation by a majority of the directors then in office. Notwithstanding anything to the contrary contained in this Certificate (including any certificate of designations relating to any series or class of Preferred Stock), the affirmative vote of the holders of at least 66 2/3% of the voting power of the Corporation's then outstanding shares of Common Stock, voting together as a single class, shall be required for the stockholders to make, alter, amend, add to or repeal any or all Bylaws of the Corporation or to adopt any provision inconsistent therewith.

ARTICLE X

10.1 Section 203 of the DGCL. The Corporation shall not be governed by Section 203 of the DGCL ("Section 203"), and the restrictions contained in Section 203 shall not apply to the Corporation, until the moment in time immediately following the time at which both of the following conditions exist (if ever): (i) Section 203 by its terms would, but for the provisions of this Article X, apply to the Corporation; and (ii) there occurs a transaction following the consummation of which the Sponsor and the affiliates of the Sponsor own (as defined in Section 203) collectively less than 5% of the voting power of the Corporation's then outstanding shares of voting stock (as defined in Section 203) of the Corporation, and the Corporation shall thereafter be governed by Section 203 if and for so long as Section 203 by its terms shall apply to the Corporation.

10.2 Corporate Opportunities. To the fullest extent permitted by Section 122(17) of the DGCL and except as may be otherwise expressly agreed in writing by the Corporation and the Sponsor, the Corporation, on behalf of itself and its subsidiaries, renounces any interest or expectancy of the Corporation and its subsidiaries in, or in being offered an opportunity to participate in, business opportunities, which are from time to time presented to the Sponsor, or any of its managers, officers, directors, agents, stockholders, members, partners, affiliates and subsidiaries (other than the Corporation and its subsidiaries), even if the opportunity is one that the Corporation or its subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and no such person or entity shall be liable to the Corporation or any of its subsidiaries for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such person or entity pursues or acquires such business opportunity, directs such business opportunity to another person or entity or fails to present such business opportunity, or information regarding such business opportunity, to the Corporation or its subsidiaries unless, in the case of any such person who is a director or officer of the Corporation, such business opportunity is expressly offered to such director or officer in writing solely in his or her capacity as a director or officer of the Corporation. Neither

the alteration, amendment, addition to or repeal of this Article X, nor the adoption of any provision of this Certificate (including any certificate of designations relating to any series or class of Preferred Stock) inconsistent with this Article X, shall eliminate or reduce the effect of this Article X in respect of any business opportunity first identified or any other matter occurring, or any cause of action, suit or claim that, but for this Article X, would accrue or arise, prior to such alteration, amendment, addition, repeal or adoption.

10.3 Amendments to Article X. Notwithstanding anything to the contrary in this Certificate or the Bylaws of the Corporation, for as long as the Sponsor and the affiliates of the Sponsor collectively beneficially own shares of stock of the Corporation representing at least 10% of the Corporation's then outstanding shares entitled to vote generally in the election of directors, this Article X shall not be amended, altered or revised, including by merger or otherwise, without the Sponsor's prior written consent.

ARTICLE XI

11.1 Forum. Unless the Corporation consents in writing in advance to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by, or any wrongdoing by, any director, officer or employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, this Certificate (including as it may be amended from time to time), or the Bylaws, (iv) any action to interpret, apply, enforce or determine the validity of the Corporation's Certificate of Incorporation or the Bylaws, or (v) any action asserting a claim governed by the internal affairs doctrine. To the fullest extent permitted by law, any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XI.

ARTICLE XII

12.1 Amendment. The Corporation reserves the right, at any time and from time to time, to alter, amend, add to or repeal any provision contained in this Certificate (including any certificate of designations relating to any series or class of Preferred Stock) in any manner now or hereafter prescribed by law, and all rights, preferences, privileges and powers of any nature conferred upon stockholders, directors or any other persons herein are granted subject to this reservation; provided, however, that notwithstanding any other provision of this Certificate (including any certificate of designations relating to any series or class of Preferred Stock), and in addition to any other vote that may be required by law, the affirmative vote of the holders of at least 66 2/3% of the voting power of the Corporation's then outstanding shares of Common Stock, entitled to vote thereon, voting together as a single class, shall be required to alter, amend, add to or repeal, or to adopt any provision inconsistent with, Sections 5.3, 5.4 and 5.6 of Article V, Sections 6.3 and 6.5 of Article VI, Article IX and Article XI, hereof, or this proviso of this Article XII.

ARTICLE XIII

13.1 Severability. If any provision (or any part thereof) of this Certificate shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Certificate including, without limitation, each portion of any section of this Certificate containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Certificate of Incorporation (including, without limitation, each such containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service or for the benefit of the Corporation to the fullest extent permitted by law.

[*The remainder of this page is intentionally left blank.*]

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be executed on its behalf this [•] day of [•] 2015.

OLLIE'S BARGAIN OUTLET HOLDINGS, INC.

By: _____

Name:

Title:

FORM OF SECOND AMENDED AND RESTATED BYLAWS
OF
OLLIE'S BARGAIN OUTLET HOLDINGS, INC.
(a Delaware corporation)

Effective [•], 2015

ARTICLE I

STOCKHOLDERS

Section 1.01. Annual Meetings. The annual meeting of the stockholders of Ollie's Bargain Outlet Holdings, Inc. (the "Corporation") the Corporation for the election of Directors and for the transaction of such other business as properly may come before such meeting shall be held at such place, either within or without the State of Delaware, or, within the sole discretion of the board of directors of the Corporation (the "Board of Directors"), and subject to such guidelines and procedures as the Board of Directors may adopt, by means of remote communication and at such date and at such time, as may be fixed from time to time by resolution of the Board of Directors and set forth in the notice or waiver of notice of the meeting.

Section 1.02. Special Meetings. Subject to the terms of any one or more series or classes of preferred stock of the Corporation (the "Preferred Stock"), special meetings of the stockholders of the Corporation, for any purpose or purposes, may be called at any time, but only by or at the direction of a majority of the directors then in office, the chairperson of the Board of Directors (the "Chairperson of the Board") or the chief executive officer of the Corporation (the "Chief Executive Officer"). In addition, for as long as, and only if, CCMP Capital Investors II, L.P., a Delaware limited partnership, CCMP Capital Investors (Cayman) II, L.P., a Cayman Islands exempted limited partnership (collectively, the "Sponsor"), and Mark Butler in his capacity as a stockholder (the "Butler Stockholder"), and their respective affiliates (including entities under the Butler Stockholder's influence or control) collectively, beneficially own (as shall be determined in accordance with Rules 13d-3 and 13d-5 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) at least 50.1% of the then outstanding shares of the common stock of the Corporation, the Sponsor may call a special meeting of the stockholders of the Corporation. Except as set forth in the preceding sentence, the ability of stockholders to call a special meeting of stockholders is specifically denied. Any such special meetings of the stockholders shall be held at such places, within or without the State of Delaware, or, within the sole discretion of the Board of Directors, and subject to such guidelines and procedures as the Board of Directors may adopt, by means of remote communication, as shall be specified in the respective notices or waivers of notice thereof.

Section 1.03. No Stockholder Action by Consent. Subject to the terms of any one or more series or classes of Preferred Stock, from and after the time that the Sponsor, the Butler Stockholder, and the Sponsor's and the Butler Stockholder's respective affiliates (including entities under the Butler Stockholder's influence or control), collectively beneficially own (as determined in accordance with Rules 13d-3 and 13d-5 of the Exchange Act) less than 50.1% of the then outstanding shares of the common stock of the Corporation, then any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called

annual or special meeting of such stockholders of the Corporation and may not be effected by any written consent in lieu of a meeting by such stockholders, unless the directors then in office unanimously recommend that such action be permitted to be taken by written consent of stockholders. In the event that an action is permitted to be taken by written consent of stockholders in accordance with this Section 1.03 and a signed written consent(s) (and any related revocation(s)) is (are) delivered to the Corporation in the manner provided by applicable law, the Corporation may engage independent inspectors of elections for the purpose of performing promptly a ministerial review of the validity of the consents and revocations. In the event the Corporation engages such inspectors, then for the purpose of permitting the inspectors to perform such review no action by written consent in lieu of a meeting of stockholders shall be effective until such inspectors have completed their review, determined that the requisite number of valid and unrevoked consents delivered to the Corporation in accordance with applicable law have been obtained to take the action specified in the consents, and certified such determination for entry in the records of the Corporation kept for the purpose of recording the proceedings of meetings of stockholders, and such action by written consent will take effect as of the date and time of the certification of the written consents and will not relate back to the date the written consents to take action were delivered to the Corporation. For purposes of this Article I, "affiliates" shall have the meaning set forth in Section 1.12(c)(iii) below; provided, however, that for the purposes of this definition the Corporation, its subsidiaries and any entities (including corporations, partnerships, limited liability companies or other persons) in which the Corporation or its subsidiaries hold, directly or indirectly, an ownership interest shall not be deemed to be "affiliates" of one another; provided, further, that no "portfolio company" (as such term is customarily used among institutional investors) of the Sponsor or any entity controlled by any portfolio company of the Sponsor shall constitute a Sponsor affiliate. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") as applied to any person means the possession, direct or indirect, of the power to direct or cause the direction of the management policies of a person, whether through the ownership of voting securities, by contract, or otherwise

Section 1.04. Notice of Meetings; Waiver.

(a) The secretary of the Corporation (the "Secretary"), any assistant to the Secretary (the "Assistant Secretary") or another officer of the Company designated by the Board of Directors, shall cause written notice of the place, if any, date and hour of each meeting of the stockholders, and, in the case of a special meeting, the purpose or purposes for which such meeting is called, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, to be given personally by mail or by electronic transmission, or as otherwise provided in these Bylaws, not fewer than ten (10) nor more than sixty (60) days prior to the meeting, to each stockholder of record entitled to vote at such meeting. If such notice is mailed, it shall be deemed to have been given personally to a stockholder when deposited in the United States mail, postage prepaid, directed to the stockholder at his or her address as it appears on the record of stockholders of the Corporation, or, if a stockholder shall have filed with the Secretary of the Corporation, a written request that notices to such stockholder be mailed to some other address, then directed to such stockholder at such other address. Such further notice shall be given as may be required by law.

(b) A written waiver of any notice of any annual or special meeting signed by the person entitled thereto, or a waiver by electronic transmission by the person entitled to notice, shall be deemed equivalent to notice. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the stockholders need be specified in a written waiver of notice. Attendance of a stockholder at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(c) For notice given by electronic transmission to a stockholder to be effective, such stockholder must consent to the Corporation's giving notice by that particular form of electronic transmission. A stockholder may revoke consent to receive notice by electronic transmission by written notice to the Corporation. A stockholder's consent to notice by electronic transmission is automatically revoked if the Corporation is unable to deliver two consecutive electronic transmission notices and such inability becomes known to the Secretary of the Corporation, any Assistant Secretary, the transfer agent or other person responsible for giving notice.

(d) Notices are deemed given (i) if by mail, when deposited in the mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation; (ii) if by electronic transmission, when given in the manner provided in Section 232 of the General Corporation Law of the State of Delaware, or any successor section thereto; or (iii) if by posting on an electronic network (such as a website or chatroom) together with a separate notice to the stockholder of such specific posting, upon the later to occur of (A) such posting or (B) the giving of the separate notice of such posting. An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Corporation that the notice has been given in writing or by a form of electronic transmission shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

(e) If a stockholder meeting is to be held by means of remote communication and stockholders will take action at such meeting, the notice of such meeting must: (i) specify the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present and vote at such meeting; and (ii) provide the information required to access the stockholder list. A waiver of notice may be given by electronic transmission.

Section 1.05. Quorum. Except as otherwise required by law or by the certificate of incorporation of the Corporation (as it may be amended, restated, or otherwise modified from time to time, the "Certificate of Incorporation"), at each meeting of stockholders the presence in person or by proxy of the holders of record of a majority in voting power of the shares entitled to vote at a meeting of stockholders shall constitute a quorum for the transaction of business at such meeting; it being understood that to the extent the Board of Directors issues or grants any shares that are subject to vesting or forfeiture and restrict or eliminate voting rights with respect to such shares until such vesting criteria is satisfied or such forfeiture provisions lapse, any such unvested shares shall not be considered to have the power to vote at a meeting of stockholders. Where a separate vote by one or more classes or series is required, the presence in person or by proxy of the holders of record of a majority in voting power of the shares entitled to vote shall constitute a quorum entitled to take action with respect to that vote on that matter. Shares of its

own stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any subsidiary of the Corporation to vote stock, including, but not limited to, its own stock, held by it in a fiduciary capacity.

Section 1.06. Voting. If, pursuant to Section 5.05 of these Bylaws, a record date has been fixed, every holder of record of shares entitled to vote at a meeting of stockholders shall, subject to the terms of any one or more series or classes of Preferred Stock, be entitled to one (1) vote for each share outstanding in his or her name on the books of the Corporation at the close of business on such record date. If no record date has been fixed, then every holder of record of shares entitled to vote at a meeting of stockholders shall, subject to the terms of any one or more series or classes of Preferred Stock, be entitled to one (1) vote for each share of stock standing in his or her name on the books of the Corporation at the close of business on the day next preceding the day on which notice of the meeting is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. Except as otherwise required by law, the Certificate of Incorporation or these Bylaws, Directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at a meeting and voting for nominees in the election of Directors, and in all other matters, the affirmative vote of the majority of shares present in person or represented by proxy at a meeting and voting on the subject matter shall be the act of the stockholders.

Section 1.07. Voting by Ballot. No vote of the stockholders on an election of Directors need be taken by written ballot or by electronic transmission unless otherwise required by law. Any vote not required to be taken by ballot or by electronic transmission may be conducted in any manner approved by the Board of Directors prior to the meeting at which such vote is taken.

Section 1.08. Postponement and Adjournment. Any meeting of stockholders may be postponed by action of the Board of Directors at any time in advance of such meeting. If a quorum is not present at any meeting of the stockholders, the chairperson of such meeting shall have the power to adjourn the meeting without a vote of the stockholders. Notice of any adjourned meeting of the stockholders of the Corporation need not be given if the place, if any, date and hour thereof are announced at the meeting at which the adjournment is taken, provided, however, that if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date for the adjourned meeting is fixed pursuant to Section 5.05 of these Bylaws, a notice of the adjourned meeting, conforming to the requirements of Section 1.04 of these Bylaws, shall be given to each stockholder of record entitled to vote at such meeting. At any adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted on the original date of the meeting.

Section 1.09. Proxies. Any stockholder entitled to vote at any meeting of the stockholders may authorize another person or persons to vote at any such meeting and express such vote on behalf of him or her by proxy. A stockholder may authorize a valid proxy by executing a written instrument signed by such stockholder, or by causing his or her signature to be affixed to such writing by any reasonable means including, but not limited to, by facsimile signature, or by transmitting or authorizing the transmission of a telegram, cablegram or other

means of electronic transmission to the person designated as the holder of the proxy, a proxy solicitation firm or a like authorized agent. No such proxy shall be voted or acted upon after the expiration of three (3) years from the date of such proxy, unless such proxy provides for a longer period. Every proxy shall be revocable at the pleasure of the stockholder executing it, except in those cases where applicable law provides that a proxy shall be irrevocable. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing with the Secretary of the Corporation either an instrument in writing revoking the proxy or another duly executed proxy bearing a later date. Proxies by telegram, cablegram or other electronic transmission must either set forth or be submitted with information from which it can be determined that the telegram, cablegram or other electronic transmission was authorized by the stockholder. Any copy, facsimile telecommunication or other reliable reproduction of a writing or transmission created pursuant to this section may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

Section 1.10. Organization; Procedure. At every meeting of stockholders the chairperson of such meeting shall be the Chairperson of the Board or, if no Chairperson of the Board has been elected or in the event of his or her absence or disability, a chairperson chosen by the Board of Directors. The Secretary of the Corporation, or in the event of his or her absence or disability, an Assistant Secretary, if any, or if there be no Assistant Secretary, in the absence of the Secretary of the Corporation, an appointee of the chairperson of the meeting, shall act as Secretary of the meeting. The order of business and all other matters of procedure at every meeting of stockholders may be determined by the chairperson of such meeting.

Section 1.11. Business at Annual and Special Meetings. No business may be transacted at an annual or special meeting of stockholders other than business that is:

(a) specified in a notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors or a duly authorized committee thereof,

(b) otherwise brought before the meeting by or at the direction of the Board of Directors or a duly authorized committee thereof or any authorized officer of the Corporation to whom the Board of Directors or such committee shall have delegated such authority, or

(c) otherwise brought before the meeting by a Noticing Stockholder who complies with the notice procedures set forth in Section 1.12 of these Bylaws.

A "Noticing Stockholder" must be either a Record Holder or a Nominee Holder. A "Record Holder" is a stockholder that holds of record stock of the Corporation entitled to vote at the meeting on the business (including any election of a director) to be appropriately conducted at the meeting. A "Nominee Holder" is a stockholder that holds such stock through a nominee or "street name" holder of record and can demonstrate to the Corporation such indirect ownership of such stock and such Nominee Holder's entitlement to vote such stock on such business. Clause (c) of this Section 1.11 shall be the exclusive means for a Noticing Stockholder to make director nominations or submit other business before a meeting of stockholders (other than proposals brought under Rule 14a-8 under the Exchange Act and included in the

Corporation's notice of meeting, which proposals are not governed by these Bylaws). Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at a stockholders' meeting except in accordance with the procedures set forth in this Section 1.11 and Section 1.12 of these Bylaws.

Section 1.12. Notice of Stockholder Business and Nominations. In order for a Noticing Stockholder to properly bring any item of business before a meeting of stockholders, the Noticing Stockholder must give timely notice thereof in writing to the Secretary of the Corporation in compliance with the requirements of this Section 1.12. This Section 1.12 shall constitute an "advance notice provision" for annual meetings for purposes of Rule 14a-4(c)(1) under the Exchange Act.

(a) To be timely, a Noticing Stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation:

(i) in the case of an annual meeting of stockholders, not earlier than the close of business on the one-hundred twentieth (120th) day and not later than the close of business on the ninetieth (90th) day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event (A) the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the one-hundred twentieth (120th) day prior to the date of such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to the date of such annual meeting, or if (B) no annual meeting was held in the preceding year or the first public announcement of the date of such annual meeting is less than one hundred (100) days prior to the date of such annual meeting, the tenth (10th) day following the day on which public announcement of the date of such meeting is first made by the Corporation;

(ii) in the case of a special meeting of stockholders called for the purpose of electing directors, not earlier than the close of business on the one-hundred twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the date on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs; and

(iii) notwithstanding anything in Sections 1.12(a)(i) and (ii) to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased and there has been no public announcement naming all of the nominees for director or indicating the increase in the size of the Board of Directors made by the Corporation at least ten (10) days before the last day, a Noticing Stockholder may deliver a notice of nomination in accordance with Sections 1.12(a)(i) and (ii), a Noticing Stockholder's notice required by this Section 1.12 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public

announcement is first made by the Corporation. In no event shall the adjournment or postponement of an annual or special meeting (or any public announcement thereof) commence a new time period (or extend any time period) for the giving of notice by a Noticing Stockholder as described in this Section 1.12.

(b) To be in proper form, whether in regard to a nominee for election to the Board of Directors or other business, a Noticing Stockholder's notice to the Secretary must:

(i) set forth, as to the Noticing Stockholder and, if the Noticing Stockholder holds for the benefit of another, the beneficial owner on whose behalf the nomination or proposal is made, the following information together with a representation as to the accuracy of the information:

(A) the name and address of the Noticing Stockholder as they appear on the Corporation's books and, if the Noticing Stockholder holds for the benefit of another, the name and address of such beneficial owner (collectively "Holder");

(B) the class or series and number of shares of the Corporation that are, directly or indirectly, owned beneficially and/or of record, and the date such ownership was acquired;

(C) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not the instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise (a "Derivative Instrument") that is directly or indirectly owned beneficially by the Holder or any Stockholder Associated Person of the Noticing Stockholder and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation;

(D) any proxy, contract, arrangement, understanding, or relationship pursuant to which the Holder has a right to vote or has granted a right to vote any shares of any security of the Corporation;

(E) any short interest in any security of the Corporation (for purposes of these Bylaws a person shall be deemed to have a short interest in a security if the Holder or any Stockholder Associated Person of the Noticing Stockholder directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any profit derived from any decrease in the value of the subject security);

(F) any rights to dividends on the shares of the Corporation owned beneficially by the Holder that are separated or separable from the underlying shares of the Corporation;

(G) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership or limited liability company or similar entity in which the Holder or any Stockholder Associated Person of the Noticing Stockholder is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, is the manager, managing member or directly or indirectly beneficially owns an interest in the manager or managing member of a limited liability company or similar entity;

(H) any performance-related fees (other than an asset-based fee) that the Holder or any Stockholder Associated Person of the Noticing Stockholder is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any;

(I) any arrangements, rights, or other interests described in Sections 1.12(b)(i)(C)-(H) held by members of such Holder's immediate family sharing the same household;

(J) a representation that the Noticing Stockholder intends to appear in person or by proxy at the meeting to nominate the person(s) named or propose the business specified in the notice and whether or not such stockholder intends to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding shares required to approve the nomination(s) or the business proposed and/or otherwise to solicit proxies from stockholders in support of the nomination(s) or the business proposed;

(K) a certification regarding whether or not such stockholder and Stockholder Associated Persons have complied with all applicable federal, state and other legal requirements in connection with such stockholder's and/or Stockholder Associated Persons' acquisition of shares or other securities of the Corporation and/or such stockholder's and/or Stockholder Associated Persons' acts or omissions as a stockholder of the Corporation;

(L) any other information relating to the Holder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations thereunder; and

(M) any other information as reasonably requested by the Corporation.

Such information shall be provided as of the date of the notice and shall be supplemented by the Holder not later than 10 days after the record date for the meeting to disclose such ownership as of the record date.

(ii) If the notice relates to any business other than a nomination of a director or directors that the stockholder proposes to bring before the meeting, the notice must set forth:

(A) a brief description of the business desired to be brought before the meeting (including the text of any resolutions proposed for consideration), the reasons for conducting such business at the meeting, and any material direct or indirect interest of the Holder or any Stockholder Associated Persons in such business; and

(B) a description of all agreements, arrangements and understandings, direct and indirect, between the Holder, and any other person or persons (including their names) in connection with the proposal of such business by the Holder.

(iii) set forth, as to each person, if any, whom the Holder proposes to nominate for election or reelection to the Board of Directors:

(A) all information relating to the nominee (including, without limitation, the nominee's name, age, business and residence address and principal occupation or employment and the class or series and number of shares of capital stock of the Corporation that are owned beneficially or of record by the nominee) that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected);

(B) a description of any agreements, arrangements and understandings between or among such stockholder or any Stockholder Associated Person, on the one hand, and any other persons (including any Stockholder Associated Person), on the other hand, in connection with the nomination of such person for election as a director; and

(C) a description of all direct and indirect compensation and other material monetary agreements, arrangements, and understandings during the past three years, and any other material relationships, between or among the Holder and respective affiliates and associates, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Item 404 of Regulation S-K if the Holder making the nomination or on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of Item 404 and the nominee were a director or executive officer of such registrant.

(iv) with respect to each nominee for election or reelection to the Board of Directors, the Noticing Stockholder shall include a completed and signed questionnaire, representation, and agreement required by Section 1.13 of these Bylaws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of the proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of the nominee.

(c) For purposes of these Bylaws:

(i) "public announcement" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14, or 15(d) of the Exchange Act and the rules and regulations thereunder;

(ii) "Stockholder Associated Person" means, with respect to any stockholder, (i) any person acting in concert with such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder (other than a stockholder that is a depositary) and (iii) any person controlling, controlled by or under common control with any stockholder, or any Stockholder Associated Person identified in clauses (i) or (ii) above; and

(iii) "Affiliate" and "Associate" are defined by reference to Rule 12b-2 under the Securities Exchange Act of 1934. An "affiliate" is any "person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified." "Control" is defined as the "possession, direct or indirect, of the power to direct or cause the direction of the management policies of a person, whether through the ownership of voting securities, by contract, or otherwise." The term "associate" of a person means: (i) any corporation or organization (other than the registrant or a majority-owned subsidiary of the registrant) of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of ten (10) percent or more of any class of equity securities, (ii) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity, and (iii) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person or who is a director or officer of the registrant or any of its parents or subsidiaries.

(d) Only those persons who are nominated in accordance with the procedures set forth in these Bylaws shall be eligible to serve as directors. Only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in these Bylaws, provided, however, that, once business has been properly brought before the meeting in accordance with Section 1.11, nothing in this Section 1.12(d) shall be deemed to preclude discussion by any stockholder of such business. If any information submitted pursuant to this Section 1.12 by any stockholder proposing a nominee(s) for election as a director at a meeting of stockholders is inaccurate in any material respect, such information shall be deemed not to have been provided in accordance with this Section 1.12. Except as otherwise provided by law, the Certificate of Incorporation, or these Bylaws, the chairperson of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in compliance with the procedures set forth in these Bylaws and, if he or she should determine that any proposed nomination or business is not in compliance with these Bylaws, he or she shall so declare to the meeting and any such nomination or business not properly brought before the meeting shall be disregarded or not be transacted.

(e) Notwithstanding the foregoing provisions of these Bylaws, a Noticing Stockholder also shall comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in these Bylaws; provided, however, that any references in these Bylaws to the Exchange Act or the rules thereunder are not intended to and shall not limit the requirements applicable to nominations or proposals as to any other business to be considered pursuant to Section 1.11 or this Section 1.12 of these Bylaws.

(f) Nothing in these Bylaws shall be deemed to (i) affect any rights of (A) stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or (B) the holders of any series or class of Preferred Stock, if any, if so provided under any applicable certificate of designation for such Preferred Stock or (ii) affect any rights of any holders of common stock pursuant to any stockholders' agreement entered into by one or more stockholders and the Company (any such stockholders' agreement, a "Stockholders Agreement") or impose any requirements, restrictions or limitations under Sections 1.11, 1.12 or 1.13 of these Bylaws unless expressly imposed by a Stockholders Agreement.

Section 1.13. Submission of Questionnaire, Representation and Agreement. To be eligible to be a nominee for election or reelection as a director of the Corporation by a Holder, a person must complete and deliver (in accordance with the time periods prescribed for delivery of notice under Section 1.12 of these Bylaws) to the Secretary at the principal executive offices of the Corporation a written questionnaire providing the information requested about the background and qualifications of such person and the background of any other person or entity on whose behalf the nomination is being made and a written representation and agreement (the questionnaire, representation, and agreement to be in the form provided by the Secretary upon written request) that such person:

(a) is not and will not become a party to:

(i) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how the person, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation, or

(ii) any Voting Commitment that could limit or interfere with the person's ability to comply, if elected as a director of the Corporation, with the person's fiduciary duties under applicable law,

(b) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a director that has not been disclosed to the Corporation, and

(c) in the person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality, and stock ownership and trading policies and guidelines of the Corporation.

Section 1.14. Inspectors of Elections. Preceding any meeting of the stockholders, the Board of Directors shall appoint one or more persons to act as "inspectors" of elections, and may designate one or more alternate inspectors. In the event no inspector or alternate is able to act, the chairperson of such meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of the duties of an inspector, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector shall:

(a) ascertain the number of shares outstanding and the voting power of each;

(b) determine the shares represented at a meeting and the validity of proxies and ballots;

(c) specify the information relied upon to determine the validity of electronic transmissions in accordance with Section 1.09 of these Bylaws;

(d) count all votes and ballots;

(e) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors;

(f) certify his or her determination of the number of shares represented at the meeting, and his or her count of all votes and ballots;

(g) appoint or retain other persons or entities to assist in the performance of the duties of inspector; and

(h) when determining the shares represented and the validity of proxies and ballots, be limited to an examination of the proxies, any envelopes submitted with those proxies, any information provided in accordance with Section 1.09 of these Bylaws, ballots and the regular books and records of the Corporation. The inspector may consider other reliable information for the limited purpose of reconciling proxies and ballots submitted by or on behalf of banks, brokers or their nominees or a similar person which represent more votes than the holder of a proxy is authorized by the record owner to cast or more votes than the stockholder holds of record. If the inspector considers other reliable information as outlined in this section, the inspector, at the time of his or her certification pursuant to paragraph (f) of this section, shall specify the precise information considered, the person or persons from whom the information was obtained, when this information was obtained, the means by which the information was obtained, and the basis for the inspector's belief that such information is accurate and reliable.

Section 1.15. Opening and Closing of Polls. The date and time for the opening and the closing of the polls for each matter to be voted upon at a stockholder meeting shall be announced at the meeting. The inspector shall be prohibited from accepting any ballots, proxies or votes or any revocations thereof or changes thereto after the closing of the polls, unless the Delaware Court of Chancery upon application by a stockholder shall determine otherwise.

Section 1.16. List of Stockholders Entitled to Vote. The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare and make, at least 10 days before every meeting of the stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting either (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 1.17. Stock Ledger. The stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by Section 1.16 of this Article I or the books of the Corporation, or to vote in person or by proxy at any meeting of the stockholders.

ARTICLE II

BOARD OF DIRECTORS

Section 2.01. General Powers. Except as may otherwise be provided by law, the Certificate of Incorporation or these Bylaws, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by applicable law or by the Certificate of Incorporation or these Bylaws of the Corporation, the Board of Directors is hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, except as otherwise specifically required by law or as otherwise provided in the Certificate of Incorporation.

Section 2.02. Number, Election and Qualification. Subject to the terms of any one or more series or classes of Preferred Stock, the total number of directors constituting the Board shall be such number as may be fixed from time to time by resolution of at least a majority of the Board then in office. At any meeting of stockholders at which directors are to be elected, directors shall be elected by the plurality vote of the votes cast by the holders of shares present in person or represented by proxy at the meeting and entitled to vote thereon. Election of directors need not be by written ballot. Directors need not be stockholders of the Corporation. To the extent set forth in the Certificate of Incorporation, the directors of the Corporation may be divided into classes with terms set forth therein.

Section 2.03. The Chairperson of the Board. The Board of Directors may elect a Chairperson of the Board from among the members of the Board. If elected, the Board of Directors shall designate the Chairperson of the Board as either a non-executive Chairperson of the Board of or an executive Chairperson of the Board. The Chairperson of the Board shall not be deemed an officer of the Corporation, unless the Board of Directors shall determine otherwise. Subject to the control vested in the Board of Directors by statutes, by the Certificate of Incorporation, or by these Bylaws, the Chairperson of the Board shall, if present, preside over all meetings of the stockholders and of the Board of Directors and shall have such other duties and powers as from time to time may be assigned to him or her by the Board of Directors, the Certificate of Incorporation or these Bylaws. References in these Bylaws to the "Chairperson of the Board" shall mean the non-executive Chairperson of the Board or executive Chairperson of the Board, as designated by the Board of Directors.

Section 2.04. Annual and Regular Meetings. The annual meeting of the Board of Directors for the purpose of electing officers and for the transaction of such other business as may come before the meeting shall be held after the annual meeting of the stockholders and may be held at such places within or without the State of Delaware and at such times as the Board may from time to time determine, and if so determined notice thereof need not be given. Notice of such annual meeting of the Board of Directors need not be given. The Board of Directors from time to time may by resolution provide for the holding of regular meetings and fix the place (which may be within or without the State of Delaware) and the date and hour of such meetings. Notice of regular meetings need not be given, provided, however, that if the Board of Directors shall fix or change the time or place of any regular meeting, notice of such action shall be mailed promptly, or sent by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail or other electronic means, to each director who shall not have been present at the meeting at which such action was taken, addressed to him or her at his or her usual place of business, or shall be delivered to him or her personally. Notice of such action need not be given to any director who attends the first regular meeting after such action is taken without protesting the lack of notice to him or her, prior to or at the commencement of such meeting, or to any director who submits a signed waiver of notice, whether before or after such meeting.

Section 2.05. Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by the Chairperson of the Board, Chief Executive Officer, President or by the Board of Directors pursuant to the following sentence, at such place (within or without the State of Delaware), date and hour as may be specified in the respective notices or waivers of notice of such meetings. Special meetings of the Board of Directors also may be held whenever called pursuant to a resolution approved by a majority of the Board of Directors then in office. Notice shall be duly given to each director (a) in person or by telephone at least 24 hours in advance of the meeting, (b) by sending written notice by reputable overnight courier, telecopy, facsimile or other means of electronic transmission, or delivering written notice by hand, to such director's last known business or home address, or by means of electronic transmission to such director's last known e-mail address in each case under this clause (b) at least 24 hours in advance of the meeting, or (c) by sending written notice by first-class mail to such director's last known business or to such other address as any director may request by notice to the Secretary at least 72 hours in advance of the meeting. Notice of any special meeting need not be given to any director who attends such meeting without protesting the lack of notice to him or her, prior to or at the commencement of such meeting, or to any director who submits a signed waiver of notice, whether before or after such meeting, and any business may be transacted thereat.

Section 2.06. Quorum; Voting. At all meetings of the Board of Directors, the presence of at least a majority of the total authorized number of directors shall constitute a quorum for the transaction of business. Except as otherwise required by law, the Certificate of Incorporation or these Bylaws, the vote of at least a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.07. Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting of the Board of Directors to another time or place. No notice need be given of any adjourned meeting unless the time and place of the adjourned meeting are not announced at the time of adjournment, in which case notice conforming to the requirements of Section 2.04 of these Bylaws shall be given to each Director.

Section 2.08. Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission, and such writing, writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 2.09. Regulations; Manner of Acting. To the extent consistent with applicable law, the Certificate of Incorporation and these Bylaws, the Board of Directors may adopt by resolution such rules and regulations for the conduct of meetings of the Board of Directors and for the management of the property, affairs and business of the Corporation as the Board of Directors may deem appropriate. The directors shall act only as a Board of Directors and the individual directors shall have no power in their individual capacities unless expressly authorized by the Board of Directors.

Section 2.10. Action by Telephonic or Other Communications Equipment. Members of the Board of Directors, or any committee thereof, may participate in a meeting of the Board or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

Section 2.11. Resignations. Any director may resign at any time by submitting an electronic transmission, or by delivering a written notice of resignation signed by such Director, to the Chairperson of the Board or the Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery.

Section 2.12. Removal of Directors. Subject to the terms of any one or more series or classes of Preferred Stock or any Stockholders Agreement, any director or the entire Board of Directors may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least a majority of the voting power of the Corporation’s outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single

class. For purposes of this Article II, "cause" shall mean, with respect to any director, (i) the willful failure by such director to perform, or the gross negligence of such director in performing, the duties of a director, (ii) the engaging by such director in willful or serious misconduct that is injurious to the Corporation or (iii) the conviction of such director of, or the entering by such director of a plea of *nolo contendere* to, a crime that constitutes a felony.

Section 2.13. Vacancies and Newly Created Directorships. Subject to the terms of any one or more series or classes of Preferred Stock or any Stockholders Agreement, any vacancies in the Board of Directors for any reason and any newly created directorships resulting by reason of any increase in the number of directors shall be filled only by the Board of Directors (and not by the stockholders), acting by a majority of the remaining directors then in office, even if less than a quorum, or by a sole remaining director, and any directors so appointed shall hold office until the next election of the class of directors to which such directors have been appointed and until their successors are duly elected and qualified.

Section 2.14. Compensation. The amount, if any, which each director shall be entitled to receive as compensation for such director's services, shall be fixed from time to time by resolution of the Board of Directors or any committee thereof or as an agreement between the Corporation and any Director. The directors may be reimbursed their out-of-pocket expenses, if any, of attendance at each meeting of the Board of Directors in accordance with the Corporation's policies in effect from time to time and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary for service as director, payable in cash or securities. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation and reimbursement for service as committee members.

Section 2.15. Reliance on Accounts and Reports. A director, or a member of any committee designated by the Board of Directors, shall, in the performance of such director's or member's duties, be fully protected in relying in good faith upon the records of the Corporation and upon information, opinions, reports or statements presented to the Corporation by any of the Corporation's officers or employees, or committees designated by the Board of Directors, or by any other person as to the matters the director or the member reasonably believes are within such other person's professional or expert competence and who the director or member reasonably believes or determines has been selected with reasonable care by or on behalf of the Corporation.

Section 2.16. Director Elections by Holders of Preferred Stock. Notwithstanding the foregoing, whenever the holders of any one or more series or classes of Preferred Stock shall have the right, voting separately by series or class, to elect one or more directors at an annual or special meeting of stockholders, the election, filling of vacancies, removal of directors and other features of such one or more directorships shall be governed by the terms of such one or more series or classes of Preferred Stock to the extent permitted by law.

ARTICLE III

COMMITTEES

Section 3.01. Committees. The Board of Directors, by resolution adopted by the affirmative vote of a majority of directors then in office, may designate from among its members one (1) or more committees of the Board of Directors, each committee to consist of such number of directors as from time to time may be fixed by the Board of Directors. Any such committee shall serve at the pleasure of the Board of Directors. Each such committee shall have the powers and duties delegated to it by the Board of Directors, subject to the limitations set forth in applicable Delaware law. The Board of Directors may appoint a chairperson of any committee, who shall preside at meetings of any such committee. The Board of Directors may elect one or more of its members as alternate members of any such committee who may take the place of any absent member or members at any meeting of such committee, upon request of the Chairperson of the Board or the chairperson of such committee.

Section 3.02. Powers. Each committee shall have and may exercise such powers of the Board of Directors as may be provided by resolution or resolutions of the Board of Directors or provided in charters or other organization documents of such committee approved by the Board of Directors. No committee shall have the power or authority: to approve or adopt, or recommend to the stockholders, any action or matter expressly required by the General Corporation Law of the State of Delaware to be submitted by the Board of Directors to the stockholders for approval; or to adopt, amend or repeal the Bylaws of the Corporation.

Section 3.03. Proceedings. Except as otherwise provided herein or required by law, each committee may fix its own rules of procedure and may meet at such place (within or without the State of Delaware), at such time and upon such notice, if any, as it shall determine from time to time. Each committee shall keep minutes of its proceedings and shall report such proceedings to the Board of Directors at the meeting of the Board next following any such proceedings.

Section 3.04. Quorum and Manner of Acting. Except as may be otherwise provided in the resolution creating such committee or in the rules of such committee, at all meetings of any committee, the presence of members (or alternate members) constituting a majority of the total authorized membership of such committee shall constitute a quorum for the transaction of business, except that, in the case of one-member committees, the presence of one member shall constitute a quorum and in the case of two-member committees, the presence of two members shall constitute a quorum. The act of the majority of the members present at any meeting at which a quorum is present shall be the act of such committee. Any action required or permitted to be taken at any meeting of any committee may be taken without a meeting, if all members of such committee shall consent to such action in writing or by electronic transmission and such writing, writings or electronic transmission or transmissions are filed with the minutes of the proceedings of the committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. The members of any committee shall act only as a committee, and the individual members of such committee shall have no power in their individual capacities unless expressly authorized by the Board of Directors.

Section 3.05. Action by Telephonic Communications. Unless otherwise provided by the Board of Directors, or the charter of the committee itself, members of any committee may participate in a meeting of such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

Section 3.06. Absent or Disqualified Members. In the absence or disqualification of a member of any committee, if no alternate member is present to act in his or her stead, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Section 3.07. Resignations. Any member (and any alternate member) of any committee may resign at any time by delivering a written notice of resignation, signed by such member, to the Board of Directors or the Chairperson of the Board. Unless otherwise specified therein, such resignation shall take effect upon delivery.

Section 3.08. Removal. Any member (and any alternate member) of any committee may be removed at any time, with or without cause, by action of the Board of Directors.

Section 3.09. Vacancies. If any vacancy shall occur in any committee, by reason of disqualification, death, resignation, removal or otherwise, the remaining members (and any alternate members) shall continue to act, and any such vacancy may be filled by the Board of Directors.

ARTICLE IV

OFFICERS

Section 4.01. Chief Executive Officer. The Board of Directors shall select a Chief Executive Officer to serve at the pleasure of the Board of Directors. The Chief Executive Officer shall (a) supervise the implementation of policies adopted or approved by the Board of Directors, (b) exercise a general supervision and superintendence over all the business and affairs of the Corporation, and (c) possess such other powers and perform such other duties as may be assigned to him or her by these Bylaws, as may from time to time be assigned by the Board of Directors and as may be incident to the office of Chief Executive Officer of the Corporation. The Chief Executive Officer shall have general authority to execute bonds, deeds and contracts in the name of the Corporation and affix the corporate seal thereto, except where required or permitted by law to be otherwise signed and executed and except that the other officers of the Corporation may sign and execute documents when so authorized by these Bylaws, the Board of Directors or the Chief Executive Officer.

Section 4.02. Chief Financial Officer of the Corporation. The Board of Directors shall appoint a chief financial officer of the Corporation (the "Chief Financial Officer") to serve at the pleasure of the Board of Directors. The Chief Financial Officer of the Corporation shall (a) have the custody of the corporate funds and securities, except as otherwise provided by the

Board of Directors, (b) keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, (c) deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors, (d) disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and (e) render to the Chief Executive Officer and the Board of Directors, whenever they may require it, an account of all his or her transactions as Chief Financial Officer and of the financial condition of the Corporation.

Section 4.03. Treasurer. The Treasurer shall perform such duties and shall have such powers as may from time to time be assigned by the Board or the Chief Executive Officer. In addition, the Treasurer shall perform such duties and have such powers as are incident to the office of treasurer, including without limitation the duty and power to keep and be responsible for all funds and securities of the Corporation, to deposit funds of the Corporation in depositories selected in accordance with these Bylaws, to disburse such funds as authorized by the Board or the Chief Executive Officer, to make proper accounts of such funds, and to render as required by the Board statements of all such transactions and of the financial condition of the Corporation.

Section 4.04. Secretary of the Corporation. The Board of Directors shall appoint a Secretary of the Corporation to serve at the pleasure of the Board of Directors. The Secretary of the Corporation shall (a) keep minutes of all meetings of the stockholders and of the Board of Directors, (b) authenticate records of the Corporation, (c) give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and (d) in general, have such powers and perform such other duties as may be assigned to him or her by these Bylaws, as may from time to time be assigned to him or her by the Board of Directors or the Chief Executive Officer and as may be incident to the office of Secretary of the Corporation. If the Secretary shall be unable or shall refuse to cause to be given notice of all meetings of the stockholders and special meetings of the Board of Directors, and if there be no Assistant Secretary, then the Board of Directors may choose another officer to cause such notice to be given. The Secretary shall have custody of the seal of the Corporation and the Secretary or any Assistant Secretary, if there be one, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by the signature of the Secretary or by the signature of any such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest to the affixing by such officer's signature. The Secretary shall see that all books, reports, statements certificates and other documents and records required by law to be kept or filed are properly kept or filed, as the case may be.

Section 4.05. Other Officers Elected by Board of Directors. At any meeting of the Board of Directors, the Board of Directors may elect a President (who may or may not be the Chief Executive Officer), General Counsel, Vice Presidents, a Chief Operating Officer, Assistant Treasurers, Assistant Secretaries or such other officers of the Corporation as the Board of Directors may deem necessary, to serve at the pleasure of the Board of Directors. Other officers elected by the Board of Directors shall have such powers and perform such duties as may be assigned to such officers by or pursuant to authorization of the Board of Directors or by the Chief Executive Officer.

Section 4.06. Removal and Resignation; Vacancies. Any officer may be removed for or without cause at any time by the Board of Directors. Any officer may resign at any time by delivering a written notice of resignation, signed by such officer, to the Board of Directors, the Chief Executive Officer or the Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise, shall be filled by or pursuant to authorization of the Board of Directors.

Section 4.07. Authority and Duties of Officers. The officers of the Corporation shall have such authority and shall exercise such powers and perform such duties as may be specified in these Bylaws or pursuant to authorization of the Board of Directors, except that in any event each officer shall exercise such powers and perform such duties as may be required by law

Section 4.08. Salaries of Officers. The salaries of all officers of the Corporation shall be fixed by the Board of Directors or any duly authorized committee thereof.

ARTICLE V

CAPITAL STOCK

Section 5.01. Certificates of Stock. The Board of Directors may authorize that some or all of the shares of any or all of the Corporation's classes or series of stock be evidenced by a certificate or certificates of stock. The Board of Directors may also authorize the issue of some or all of the shares of any or all of the Corporation's classes or series of stock without certificates. The rights and obligations of stockholders with the same class and/or series of stock shall be identical whether or not their shares are represented by certificates.

(a) Shares with Certificates. If the Board of Directors chooses to issue shares of stock evidenced by a certificate or certificates, each individual certificate shall include the following on its face: (i) the Corporation's name; (ii) the fact that the Corporation is organized under the laws of Delaware; (iii) the name of the person to whom the certificate is issued; (iv) the number of shares represented thereby; (v) the class of shares and the designation of the series, if any, which the certificate represents; and (vi) such other information as applicable law may require or as may be lawful. If the Corporation is authorized to issue different classes of shares or different series within a class, the designations, relative rights, preferences and limitations determined for each series (and the authority of the Board of Directors to determine variations for future series) shall be summarized on the front or back of each certificate. Alternatively, each certificate shall state on its front or back that the Corporation will furnish the stockholder this information in writing, without charge, upon request. Each certificate of stock issued by the Corporation shall be signed (either manually or in facsimile) by any two officers of the Corporation. If the person who signed a certificate no longer holds office when the certificate is issued, the certificate is nonetheless valid.

(b) Shares without Certificates. If the Board of Directors chooses to issue shares of stock without certificates, the Corporation, if required by the Exchange Act, shall, within a reasonable time after the issue or transfer of shares without certificates, send the stockholder a written notice containing the information required to be set forth or stated on

certificates pursuant to the laws of the General Corporation Law of the State of Delaware. The Corporation may adopt a system of issuance, recordation and transfer of its shares of stock by electronic or other means not involving the issuance of certificates, provided the use of such system by the Corporation is permitted in accordance with applicable law.

Section 5.02. Signatures; Facsimile. All signatures on the certificate referred to in Section 5.01 of these Bylaws may be in facsimile, engraved or printed form, to the extent permitted by law. In case any officer, transfer agent or registrar who has signed, or whose facsimile, engraved or printed signature has been placed upon a certificate, shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

Section 5.03. Lost, Stolen or Destroyed Certificates. The Board of Directors may direct that a new certificate be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon delivery to the Corporation of an affidavit of the owner or owners of such certificate, setting forth such allegation. The Corporation may require the owner of such lost, stolen or destroyed certificate, or his or her legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of any such new certificate.

Section 5.04. Transfer of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares, duly endorsed or accompanied by appropriate evidence of succession, assignment or authority to transfer, the Corporation shall issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books. Within a reasonable time after the transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to the laws of the General Corporation Law of the State of Delaware. Subject to the provisions of the Certificate of Incorporation and these Bylaws, the Board of Directors may prescribe such additional rules and regulations as it may deem appropriate relating to the issue, transfer and registration of shares of the Corporation.

Section 5.05. Record Date. In order to determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted by the Board of Directors, and which shall not be more than 60 nor fewer than 10 days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, provided, however, that the Board of Directors may fix a new record date for the adjourned meeting. In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights of the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of

stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 5.06. Registered Stockholders. Prior to due surrender of a certificate for registration of transfer of any certificated shares, the Corporation may treat the registered owner as the person exclusively entitled to receive dividends and other distributions, to vote, to receive notice and otherwise to exercise all the rights and powers of the owner of the shares represented by such certificate, and the Corporation shall not be bound to recognize any equitable or legal claim to or interest in such shares on the part of any other person, whether or not the Corporation shall have notice of such claim or interests. Whenever any transfer of shares shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of the transfer if, when the certificates are presented to the Corporation for transfer or uncertificated shares are requested to be transferred, both the transferor and transferee request the Corporation to do so.

Section 5.07. Transfer Agent and Registrar. The Board of Directors may appoint one (1) or more transfer agents and one (1) or more registrars, and may require all certificates representing shares to bear the signature of any such transfer agents or registrars.

ARTICLE VI

INDEMNIFICATION

Section 6.01. Mandatory Indemnification and Advancement of Expenses. The Corporation shall indemnify and provide advancement to any Indemnitee to the fullest extent permitted by law, as such may be amended from time to time. In furtherance of the foregoing indemnification and advancement obligations, and without limiting the generality thereof:

(a) Proceedings Other Than Proceedings by or in the Right of the Corporation. Any Indemnitee shall be entitled to the rights of indemnification and advancement provided in this Section 6.01(a) if, by reason of his or her Corporate Status (as defined below), Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (as defined below) other than a Proceeding by or in the right of the Corporation (with the approval of the Corporation's Board of Directors. Pursuant to this Section 6.01(a), any Indemnitee shall be indemnified against all Expenses (as defined below), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or her, or on his or her behalf, in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal Proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnitee's conduct was unlawful.

(b) Proceedings by or in the Right of the Corporation. Any Indemnitee shall be entitled to the rights of indemnification and advancement provided in this Section 6.01(b) if, by reason of his or her Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Corporation. Pursuant to this Section 6.01(b), any Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been finally adjudged to be liable to the Corporation unless and to the extent that the Court of Chancery of the State of Delaware or the court in which such Proceeding was brought shall determine that such indemnification may be made.

(c) Sponsor Directors. The Corporation hereby acknowledges that the directors that are partners or employees of the Sponsor ("Sponsor Directors") have certain rights to indemnification, advancement of expenses and/or insurance provided by the Sponsor and certain affiliates that, directly or indirectly, (i) are controlled by, (ii) control or (iii) are under common control with, the Sponsor (collectively, the "Fund Indemnitors"). The Corporation hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to each Sponsor Director are primary and any obligation of any Fund Indemnitor to advance expenses or to provide indemnification for the same expenses or liabilities incurred by any Sponsor Director is secondary), (ii) that it shall be required to advance the full amount of expenses incurred by a Sponsor Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this paragraph and the bylaws of the Corporation from time to time (or any other agreement between the Corporation and such Sponsor Director), without regard to any rights such Sponsor Director may have against any Fund Indemnitor, and (iii) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Corporation further agrees that no advancement or payment by any Fund Indemnitor on behalf of any Sponsor Director with respect to any claim for which such Sponsor Director has sought indemnification from the Corporation shall affect the foregoing and such Fund Indemnitor shall have a right of contribution and/or to be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Sponsor Director against the Corporation. The Corporation and the Sponsor Directors agree that the Fund Indemnitors are express third party beneficiaries of the terms of this paragraph.

Section 6.02. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Article VI, to the extent that any Indemnitee is, by reason of his or her Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he or she shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith. If such Indemnitee is not

wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Corporation shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 6.02 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6.03. Employees and Agents. The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and advancement of expenses to employees and agents of the Corporation.

Section 6.04. Advancement of Expenses. Notwithstanding any other provision of this Article VI, the Corporation shall advance all Expenses incurred by or on behalf of any Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within thirty (30) days after the receipt by the Corporation of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding, and regardless of such Indemnitee's ability to repay any such amounts in the event of an ultimate determination that Indemnitee is not entitled thereto. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 6.04 shall be unsecured and interest free.

Section 6.05. Non-Exclusivity. The rights to indemnification and to the advance of expenses conferred in this Article VI shall not be exclusive of any other rights which any person may have or hereafter acquire under applicable law, the Certificate of Incorporation of the Corporation, these Bylaws, any agreement, vote of stockholders, resolution of directors or otherwise. The assertion or employment of any right or remedy in this Article VI, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

Section 6.06. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director, officer, employee or agent of the Corporation against any liability asserted against him or her and incurred by him or her or on his or her behalf in such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability.

Section 6.07. Exception to Rights of Indemnification and Advancement. Notwithstanding any provision in this Article VI, the Corporation shall not be obligated by this Article VI to make any indemnity or advancement in connection with any claim made against an Indemnitee:

(a) subject to Section 6.01(c), for which payment has actually been made to or on behalf of such Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; or

(b) for an accounting of profits made from the purchase and sale (or sale and purchase) by such Indemnitee of securities of the Corporation within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law;

(c) for reimbursement to the Corporation of any bonus or other incentive-based or equity based compensation or of any profits realized by Indemnitee from the sale of securities of the Corporation in each case as required under the Exchange Act; or

(d) in connection with any Proceeding (or any part of any Proceeding) initiated by such Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by such Indemnitee against the Corporation or its directors, officers, employees or other indemnitees, unless (i) the Corporation has joined in or prior to its initiation the Board of Directors authorized such Proceeding (or any part of such Proceeding), (ii) the Corporation provides the indemnification or advancement, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law, or (iii) the Proceeding is one to enforce such Indemnitee's rights under this Article VI, Article VII of the Certificate of Incorporation or any other rights to which Indemnitee may at any time be entitled under applicable law or any agreement.

Section 6.08. Definitions. For purposes of this Article VI:

(a) "Corporate Status" describes the status of an individual who is or was a director, officer, trustee, general partner, managing member, fiduciary, employee or agent of the Corporation or of any other Enterprise that such individual is or was serving at the request of the Corporation.

(b) "Enterprise" shall mean the Corporation and any other corporation, constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger to which the Corporation (or any of their wholly owned subsidiaries) is a party, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Corporation as a director, officer, trustee, general partner, managing member, fiduciary, employee or agent.

(c) "Expenses" shall include all direct and indirect costs, fees and expenses of any type or nature whatsoever, including, without limitation, all attorneys' fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, fees of private investigators and professional advisors, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, fax transmission charges, secretarial services, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Article VI, ERISA excise taxes and penalties, and all other disbursements, obligations or expenses in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settlement or appeal of, or otherwise participating in, a Proceeding, including, without limitation, reasonable compensation for time spent by the Indemnitee for which he or she is not otherwise

compensated by the Corporation or any third party. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the principal, premium, security for, and other costs relating to any cost bond, supersede as bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(d) "Indemnitee" means any current or former director or officer of the Corporation; and

(e) "Proceeding" shall include any threatened, pending or completed action, suit, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Corporation or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative or investigative (formal or informal) nature, including appeal therefrom, in which Indemnitee was, is, will or might be involved as a party, potential party, non-party witness or otherwise by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Corporation, by reason of any action (or failure to act) taken by him or of any action (or failure to act) on his part while acting as a director, officer, employee or agent of the Corporation, or by reason of the fact that Indemnitee is or was serving at the request of the Corporation as a director, officer, trustee, general partner, managing member, fiduciary, employee or agent of any other Enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement, or advancement of expenses can be provided under this Article VI. If the Indemnitee believes in good faith that a given situation may lead to or culminate in the institution of a Proceeding, this shall be considered a Proceeding under this Article VI.

Section 6.09. Indemnification by a Court. Notwithstanding any contrary determination in the specific case under Section 6.07 of this Article VI, and notwithstanding the absence of any determination thereunder, any Indemnitee may apply to the Court of Chancery of the State of Delaware or any other court of competent jurisdiction in the State of Delaware for indemnification to the extent otherwise permissible under Section 6.01 of this Article VI. The basis of such indemnification by a court shall be a determination by such court that indemnification of Indemnitee is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 6.01(a) or Section 6.01(b) of this Article VI, as the case may be. The absence of any determination thereunder shall not be a defense to such application or create a presumption that Indemnitee has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 6.09 shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, Indemnitee shall also be entitled to be paid the Expenses of prosecuting such application.

Section 6.10. Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VI shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE VII

OFFICES

Section 7.01. Initial Registered Office. The registered office of the Corporation in the State of Delaware shall be located at Corporation Service Company, 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle, 19808.

Section 7.02. Other Offices. The Corporation may maintain offices or places of business at such other locations within or without the State of Delaware as the Board of Directors may from time to time determine or as the business of the Corporation may require.

ARTICLE VIII

GENERAL PROVISIONS

Section 8.01. Dividends. Subject to any applicable provisions of law and the Certificate of Incorporation, dividends upon the shares of the Corporation may be declared by the Board of Directors at any regular or special meeting of the Board of Directors and any such dividend may be paid in cash, property, or shares of the Corporation's capital stock. A member of the Board of Directors, or a member of any committee designated by the Board of Directors, shall be fully protected in relying in good faith upon the records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors, or by any other person as to matters the Director reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation, as to the value and amount of the assets, liabilities and/or net profits of the Corporation, or any other facts pertinent to the existence and amount of surplus or other funds from which dividends might properly be declared and paid.

Section 8.02. Execution of Instruments. The Board of Directors may authorize, or provide for the authorization of, officers, employees or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Any such authorization must be in writing or by electronic transmission and may be general or limited to specific contracts or instruments.

Section 8.03. Voting as Stockholder. Unless otherwise determined by resolution of the Board of Directors, the Chief Executive Officer, the President, if any, the Chief Financial Officer, any Executive Vice President or any other person authorized by the Board of Directors shall have full power and authority on behalf of the Corporation to attend any meeting of stockholders of any corporation in which the Corporation may hold stock, and to act, vote (or execute proxies to vote) and exercise in person or by proxy all other rights, powers and privileges incident to the ownership of such stock. Such officers acting on behalf of the Corporation shall have full power and authority to execute any instrument expressing consent to or dissent from any action of any such corporation without a meeting. The Board of Directors may by resolution from time to time confer such power and authority upon any other person or persons.

Section 8.04. Corporate Seal. The corporate seal shall be in such form as the Board of Directors shall prescribe.

Section 8.05. Fiscal Year. The fiscal year of the Corporation shall be fixed, and shall be subject to change, by the Board of Directors.

Section 8.06. Notice to Stockholders. If mailed, notice to a stockholder shall be deemed given when deposited in the mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders may be given (i) by electronic transmission in the manner provided in Section 232 of the General Corporation Law of the State of Delaware; or (ii) by posting on an electronic network (such as a website or chatroom) together with a separate notice to the stockholder of such specific posting, and notice is deemed given upon the later to occur of (A) such posting or (B) the giving of the separate notice of such posting. An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Corporation that the notice has been given in writing or by a form of electronic transmission shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

Section 8.07. Form of Records. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be kept on or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to any provision of the General Corporation Law of the State of Delaware.

Section 8.08. Time Periods. In applying any provision of these Bylaws which requires that an act be done or not be done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded and the day of the event shall be included.

Section 8.09. Severability. If any provision (or any part thereof) of these Bylaws shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of these Bylaws (including, without limitation, each portion of any section of these Bylaws containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of these Bylaws (including, without limitation, each such containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service or for the benefit of the Corporation to the fullest extent permitted by law

ARTICLE IX

AMENDMENT OF BYLAWS

Subject to the provisions of the Certificate of Incorporation, (i) the Board of Directors may make, alter, amend, add to or repeal any and all of these Bylaws by resolution adopted by a majority of the directors then in office, or (ii) the affirmative vote of the holders of at least 66 2/3% of the voting power of the Corporation's then outstanding shares entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to make, alter, amend, add to or repeal any or all Bylaws of the Corporation or to adopt any provision inconsistent therewith.

ARTICLE X

CONSTRUCTION

In the event of any conflict between the provisions of these Bylaws as in effect from time to time and the provisions of the Certificate of Incorporation of the Corporation as in effect from time to time, the provisions of such Certificate of Incorporation shall be controlling.

* * *

Exhibit 10.18

FORM OF OLLIE'S BARGAIN OUTLET HOLDINGS, INC.
2015 EQUITY INCENTIVE PLAN

1. Purpose.

1.1 The purpose of the Ollie's Bargain Outlet Holdings, Inc. 2015 Equity Incentive Plan is to further align the interests of eligible participants with those of the Company's stockholders by providing long-term incentive compensation opportunities tied to the performance of the Company and its Common Stock. The Plan is intended to advance the interests of the Company and increase stockholder value by attracting, retaining and motivating key personnel upon whose judgment, initiative and effort the successful conduct of the Company's business is largely dependent.

2. Definitions. Wherever the following capitalized terms are used in the Plan, they shall have the meanings specified below:

"*Award*" means an award of a Stock Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit, Cash Performance Award or Stock Award granted under the Plan.

"*Award Agreement*" means a notice or an agreement entered into between the Company and a Participant setting forth the terms and conditions of an Award granted to a Participant as provided in Section 15.2 hereof.

"*Beneficial Owner*" shall have the meaning ascribed to such term in Rule 13d-3 under the Exchange Act.

"*Board*" means the Board of Directors of the Company.

"*Cash Performance Award*" means an Award that is denominated by a cash amount to an Eligible Person under Section 10 hereof and payable based on or conditioned upon the attainment of pre-established business and/or individual Performance Goals over a specified performance period and subject to such conditions as are set forth in the Plan and the applicable Award Agreement.

"*Cause*" shall have the meaning set forth in Section 13.2 hereof.

"*Change in Control*" shall have the meaning set forth in Section 12.2 hereof.

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

"*Committee*" means (i) the Compensation Committee of the Board, (ii) such other committee of the Board appointed by the Board to administer the Plan or (iii) as provided in Section 3.1 hereof, the full Board.

"*Common Stock*" means the Company's common stock, par value $0.001 per share, as the same may be reclassified, exchanged or recapitalized.

"*Company*" means Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation, or any successor thereto.

"*Date of Grant*" means the date on which an Award under the Plan is granted or approved for grant by the Committee or such later date as the Committee may specify to be the effective date of an Award.

"*Disability*" shall have the meaning set forth below, except with respect to any Participant who has an effective employment agreement or service agreement with the Company or one of its Subsidiaries that defines "Disability" or a like term, in which event the definition of "Disability" as set forth in such agreement shall be deemed to be the definition of "Disability" herein solely for such Participant and only for so long as such agreement remains effective. In all other events, the term "Disability" shall mean Participant's inability to perform the essential duties, responsibilities and functions of Participant's position with the Company and its Subsidiaries for a period of ninety (90) consecutive days or for a total of one hundred eighty (180) days during any twelve- (12-) month period as a result of any mental or physical illness, disability or incapacity even with reasonable accommodations for such illness, disability or incapacity provided by the Company and its Subsidiaries or if providing such accommodations would be unreasonable and which condition is expected to last for a continuous period of not less than twelve (12) months, all as determined by the Committee in its reasonable good faith judgment. Participant shall cooperate in all respects with the Company if a question arises as to whether he has become disabled (including, without limitation, submitting to reasonable examinations by one or more medical doctors and other health care specialists selected by the Company and authorizing such medical doctors and other health care specialists to discuss Participant's condition with the Company). Notwithstanding anything to the contrary contained herein, and solely for purposes of any Incentive Stock Option, "Disability" shall mean a permanent and total disability (within the meaning of Section 22(e)(3) of the Code).

"*Effective Date*" shall have the meaning set forth in Section 16.1 hereof.

"*Eligible Person*" means any person who is an employee, Non-Employee Director, consultant or other personal service provider of the Company or any of its Subsidiaries.

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

"*Fair Market Value*" means, with respect to a share of Common Stock as of a given date of determination hereunder, the closing price as reported on NASDAQ or any other principal exchange on which the Common Stock is then listed on such date, or if the Common Stock was not traded on such date, then on the next preceding trading day that the Common Stock was traded on such exchange, as reported by such responsible reporting service as the Committee may select. If the Common Stock is not listed on any such exchange, "Fair Market Value" shall be such value as determined by the Board or the Committee in its discretion and, to the extent necessary, shall be determined in a manner consistent with Section 409A of the Code and the regulations thereunder.

"*Incentive Stock Option*" means a Stock Option granted under Section 6 hereof that is intended to meet the requirements of Section 422 of the Code and the regulations thereunder.

"*NASDAQ*" means The NASDAQ Global Market.

"*Non-Employee Director*" means a member of the Board who is not an employee of the Company or any of its Subsidiaries.

"*Nonqualified Stock Option*" means a Stock Option granted under Section 6 hereof that is not an Incentive Stock Option.

"*Participant*" means any Eligible Person who holds an outstanding Award under the Plan.

"*Performance Criteria*" shall have the meaning set forth in Section 10.3 hereof.

"*Performance Goals*" shall have the meaning set forth in Section 10.4 hereof.

"*Performance Stock Unit*" means a Restricted Stock Unit denominated as a Performance Stock Unit under Section 9.2 hereof, to be paid or distributed based on or conditioned upon the attainment of pre-established business and/or individual Performance Goals over a specified performance period.

"*Person*" shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof.

"*Plan*" means the Ollie's Bargain Outlet Holdings, Inc. 2015 Equity Incentive Plan as set forth herein, effective and as may be amended from time to time as provided herein.

"*Public Offering*" means the sale of shares of the Common Stock to the public pursuant to an effective registration statement (other than a registration statement on Form S-4 or S-8 or any similar or successor form) filed under the Securities Act in connection with an underwritten offering.

"*Restricted Stock Award*" means a grant of shares of Common Stock to an Eligible Person under Section 8 hereof that are issued subject to such vesting and transfer restrictions as the Committee shall determine, and such other conditions, as are set forth in the Plan and the applicable Award Agreement.

"*Restricted Stock Unit*" means a contractual right granted to an Eligible Person under Section 9 hereof representing a notional unit interest equal in value to a share of Common Stock to be paid or distributed at such times, and subject to such conditions, as set forth in the Plan and the applicable Award Agreement.

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

"*Service*" means a Participant's employment with the Company or any Subsidiary or a Participant's service as a Non-Employee Director, consultant or other service provider with the Company or any Subsidiary, as applicable.

"*Stock Appreciation Right*" means a contractual right granted to an Eligible Person under Section 7 hereof entitling such Eligible Person to receive a payment, representing the excess of the Fair Market Value of a share of Common Stock over the base price per share of the right, at such time, and subject to such conditions, as are set forth in the Plan and the applicable Award Agreement.

"*Stock Award*" means a grant of shares of Common Stock to an Eligible Person under Section 11 hereof that are issued free of transfer restrictions and forfeiture conditions.

"*Stock Option*" means a contractual right granted to an Eligible Person under Section 6 hereof to purchase shares of Common Stock at such time and price, and subject to such conditions, as are set forth in the Plan and the applicable Award Agreement.

"*Subsidiary*" means an entity (whether or not a corporation) that is wholly or majority owned or controlled, directly or indirectly, by the Company or any other affiliate of the Company that is so designated, from time to time, by the Committee, during the period of such affiliated status; provided, however, that with respect to Incentive Stock Options, the term "Subsidiary" shall include only an entity that qualifies under Section 424(f) of the Code as a "subsidiary corporation" with respect to the Company.

3. Administration.

3.1 *Committee Members*. The Plan shall be administered by a Committee comprised of no fewer than two members of the Board who are appointed by the Board to administer the Plan. To the extent deemed necessary by the Board, each Committee member shall satisfy the requirements for (i) an "independent director" under rules adopted by NASDAQ or any other principal exchange on which the Common Stock is then listed, (ii) a "nonemployee director" for purposes of such Rule 16b-3 under the Exchange Act and (iii) an "outside director" under Section 162(m) of the Code. Notwithstanding the foregoing, the mere fact that a Committee member shall fail to qualify under any of the foregoing requirements shall not invalidate any Award made by the Committee which Award is otherwise validly made under the Plan. Neither the Company nor any member of the Committee shall be liable for any action or determination made in good faith by the Committee with respect to the Plan or any Award thereunder. The Board shall have the authority to execute the powers of the Committee under the Plan.

3.2 *Committee Authority*. The Committee shall have all powers and discretion necessary or appropriate to administer the Plan and to control its operation, including, but not limited to, the power to (i) determine the Eligible Persons to whom Awards shall be granted under the Plan and to grant Awards, (ii) prescribe the restrictions, terms and conditions of all Awards, (iii) interpret the Plan and terms of the Awards, (iv) adopt rules for the administration, interpretation and application of the Plan as are consistent therewith, and interpret, amend or revoke any such rules, (v) make all determinations with respect to a Participant's Service and the termination of such Service for purposes of any Award, (vi) correct any defect(s) or omission(s)

or reconcile any ambiguity(ies) or inconsistency(ies) in the Plan or any Award thereunder, (vii) make all determinations it deems advisable for the administration of the Plan; (viii) to decide all disputes arising in connection with the Plan and to otherwise supervise the administration of the Plan; (ix) subject to the terms of the Plan, amend the terms of an Award in any manner that is not inconsistent with the Plan, (x) accelerate the vesting or, to the extent applicable, exercisability of any Award at any time (including, but not limited to, upon a Change in Control or upon termination of Service under certain circumstances, as set forth in the Award Agreement or otherwise), and (xi) adopt such procedures and subplans as are necessary or appropriate to permit participation in the Plan by Eligible Person who are foreign nationals or employed outside of the United States. The Committee's determinations under the Plan need not be uniform and may be made by the Committee selectively among Participants and Eligible Persons, whether or not such persons are similarly situated. The Committee shall, in its discretion, consider such factors as it deems relevant in making its interpretations, determinations and actions under the Plan including, without limitation, the recommendations or advice of any officer or employee of the Company or such attorneys, consultants, accountants or other advisors as it may select. All interpretations, determinations, and actions by the Committee shall be final, conclusive, and binding upon all parties.

3.3 *Delegation of Authority*. The Committee shall have the right, from time to time, to delegate in writing to one or more officers of the Company the authority of the Committee to grant and determine the terms and conditions of Awards granted under the Plan, subject to the requirements of Section 157(c) of the Delaware General Corporation Law (or any successor provision) or such other limitations as the Committee shall determine. In no event shall any such delegation of authority be permitted with respect to Awards granted to any member of the Board or to any Eligible Person who is subject to Rule 16b-3 under the Exchange Act or is a covered employee under Section 162(m) of the Code (as determined in accordance with applicable guidance as of the applicable date of determination). The Committee shall also be permitted to delegate, to any appropriate officer or employee of the Company, responsibility for performing certain ministerial functions under the Plan. In the event that the Committee's authority is delegated to officers or employees in accordance with the foregoing, all provisions of the Plan relating to the Committee shall be interpreted in a manner consistent with the foregoing by treating any such reference as a reference to such officer or employee for such purpose. Any action undertaken in accordance with the Committee's delegation of authority hereunder shall have the same force and effect as if such action was undertaken directly by the Committee and shall be deemed for all purposes of the Plan to have been taken by the Committee.

4. Shares Subject to the Plan.

4.1 *Number of Shares Reserved*. Subject to adjustment as provided in Section 4.5 hereof, the total number of shares of Common Stock that are reserved for issuance under the Plan shall be 5,250,000 (the "*Share Reserve*"). Each share of Common Stock subject to an Award shall reduce the Share Reserve by one share; provided that Awards that are required to be paid in cash pursuant to their terms shall not reduce the Share Reserve. Any shares of Common Stock delivered under the Plan shall consist of authorized and unissued shares or treasury shares.

4.2 *Share Replenishment*. To the extent that an Award granted under this Plan is canceled, expired, forfeited, surrendered, settled by delivery of fewer shares than the number underlying the Award, settled in cash or otherwise terminated without delivery of the shares to the Participant, the shares of Common Stock retained by or returned to the Company will (i) not be deemed to have been delivered under the Plan, (ii) be available for future Awards under the Plan, and (iii) increase the Share Reserve by one share for each share that is retained by or returned to the Company. Shares that are (x) withheld from an Award in payment of the exercise or purchase price or taxes relating to such an Award or (y) not issued or delivered as a result of the net settlement of an outstanding Stock Option or Stock Appreciation Right will (i) not be deemed to have been delivered under the Plan, (ii) be available for future Awards under the Plan, (iii) increase the Share Reserve by one Share for each Share that is retained by or returned to the Company and (iv) continue to be counted as outstanding for purposes of determining whether any of the Award limits specified in Section 4.3 or 4.4 have been attained. In addition to the foregoing, any shares that become available for issuance pursuant to Section 5.2 of the Bargain Holdings, Inc. 2012 Equity Incentive Plan (the "*2012 Plan*") as a result of the forfeiture, cancellation or termination for no consideration of an award under the 2012 Plan will (i) not be available for future awards under the 2012 Plan, (ii) be available for future Awards under this Plan, and (iii) increase the Share Reserve by one share for each share that is retained by or returned to the Company, subject to a maximum of 2,000,000 shares.

4.3 *Awards Granted to Eligible Persons Other Than Non-Employee Directors*. For purposes of complying with the requirements of Section 162(m) of the Code, the maximum number of shares of Common Stock that may be subject to each Award type that is granted to an Eligible Person other than a Non-Employee Director during any calendar year shall be limited as follows (subject to adjustment as provided in Section 4.5 hereof): (i) 2,000,000 shares of Common Stock subject to Stock Options, (ii) 2,000,000 shares of Common Stock subject to Stock Appreciation Rights, (iii) 1,000,000 shares of Common Stock subject to Restricted Stock Awards that vest in full or in part based on the attainment of Performance Goals, (iv) 750,000 shares of Common Stock subject to Restricted Stock Awards that vest in full or in part based on continued employment over a stated period of time, (v) 1,000,000 shares of Common Stock subject to Restricted Stock Units that vest in full or in part based on the attainment of Performance Goals and (vi) 750,000 shares of Common Stock subject to Restricted Stock Units that vest in full or in part based on continued employment over a stated period of time. If an Award is settled in cash, the number of shares of Common Stock on which the Award is based shall not count toward the individual share limit set forth in this Section 4.3, but shall count against the annual Cash Performance Award limit set forth in Section 10.7.

4.4 *Awards Granted to Non-Employee Directors*. The maximum number of shares of Common Stock that may be subject to Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units and Stock Awards granted to any Non-Employee Director during any calendar year shall be limited to 750,000 shares of Common Stock for all such Award types in the aggregate (subject to adjustment as provided in Section 4.5 hereof). If an Award is settled in cash, the number of shares of Common Stock on which the Award is based shall not count toward the individual share limit set forth in this Section 4.4 but shall count against the annual Cash Performance Award limit set forth in Section 10.7.

4.5 *Adjustments*. If there shall occur any change with respect to the outstanding shares of Common Stock by reason of any recapitalization, reclassification, stock dividend, extraordinary cash dividend, stock split, reverse stock split or other distribution with respect to

the shares of Common Stock or any merger, reorganization, consolidation, combination, spin-off, stock purchase or other similar corporate change or any other change affecting the Common Stock (other than regular cash dividends to shareholders of the Company), the Committee shall, in the manner and to the extent it considers appropriate and equitable to the Participants and consistent with the terms of the Plan, cause an adjustment to be made to (i) the maximum number and kind of shares of Common Stock provided in Sections 4.1, 4.3 and 4.4 hereof (including the maximum number of shares of Common Stock that may become payable to a Participant provided in Sections 4.3 and 4.4 hereof), (ii) the number and kind of shares of Common Stock, units or other rights subject to then outstanding Awards, (iii) the exercise or base price for each share or unit or other right subject to then outstanding Awards, (iv) the maximum amount that may become payable to a Participant under Cash Performance Awards provided in Section 10.6 hereof, and (v) any other terms of an Award that are affected by the event. Notwithstanding the foregoing, (a) any such adjustments shall, to the extent necessary, be made in a manner consistent with the requirements of Section 409A of the Code and (b) in the case of Incentive Stock Options, any such adjustments shall, to the extent practicable, be made in a manner consistent with the requirements of Section 424(a) of the Code.

5. Eligibility and Awards.

5.1 *Designation of Participants*. Any Eligible Person may be selected by the Committee to receive an Award and become a Participant. The Committee has the authority, in its discretion, to determine and designate from time to time those Eligible Persons who are to be granted Awards, the types of Awards to be granted, the number of shares of Common Stock or units subject to Awards to be granted and the terms and conditions of such Awards consistent with the terms of the Plan, and to grant any such Awards. In selecting Eligible Persons to be Participants, and in determining the type and amount of Awards to be granted under the Plan, the Committee shall consider any and all factors that it deems relevant or appropriate. Designation of a Participant in any year shall not require the Committee to designate such person to receive an Award in any other year or, once designated, to receive the same type or amount of Award as granted to such Participant in any other year.

5.2 *Determination of Awards*. The Committee shall determine the terms and conditions of all Awards granted to Participants in accordance with its authority under Section 3.2 hereof. An Award may consist of one type of right or benefit hereunder or of two or more such rights or benefits granted in tandem.

5.3 *Award Agreements*. Each Award granted to an Eligible Person shall be represented by an Award Agreement. The terms of all Awards under the Plan, as determined by the Committee, will be set forth in each individual Award Agreement as described in Section 15.2 hereof.

6. Stock Options.

6.1 *Grant of Stock Options*. A Stock Option may be granted to any Eligible Person selected by the Committee, except that an Incentive Stock Option may only be granted to an Eligible Person satisfying the conditions of Section 6.7(a) hereof. Each Stock Option shall be designated on the Date of Grant, in the discretion of the Committee, as an Incentive Stock Option or as a Nonqualified Stock Option.

6.2 *Exercise Price*. The exercise price per share of a Stock Option shall not be less than one hundred percent (100%) of the Fair Market Value of a share of Common Stock on the Date of Grant. The Committee may in its discretion specify an exercise price per share that is higher than the Fair Market Value of a share of Common Stock on the Date of Grant.

6.3 *Vesting of Stock Options*. The Committee shall, in its discretion, prescribe the time or times at which or the conditions upon which, a Stock Option or portion thereof shall become vested and/or exercisable. The requirements for vesting and exercisability of a Stock Option may be based on the continued Service of the Participant with the Company or a Subsidiary for a specified time period (or periods), on the attainment of a specified Performance Goal(s) or on such other terms and conditions as approved by the Committee in its discretion, all as set forth in the Award Agreement. If the vesting requirements of a Stock Option are not satisfied, the Award shall be forfeited.

6.4 *Term of Stock Options*. The Committee shall in its discretion prescribe in an Award Agreement the period during which a vested Stock Option may be exercised; provided, however, that the maximum term of a Stock Option shall be ten (10) years from the Date of Grant. The Committee may provide that a Stock Option will cease to be exercisable upon or at the end of a specified time period following a termination of Service for any reason as set forth in the Award Agreement or otherwise. Subject to Section 409A of the Code and the provisions of this Section 6, the Committee may extend at any time the period in which a Stock Option may be exercised.

6.5 *Stock Option Exercise; Tax Withholding*. Subject to such terms and conditions as specified in an Award Agreement, a Stock Option may be exercised in whole or in part at any time during the term thereof by notice in the form required by the Company, together with payment of the aggregate exercise price and applicable withholding tax. Payment of the exercise price may be made: (i) in cash or by cash equivalent acceptable to the Committee or (ii) to the extent permitted by the Committee in its sole discretion and set forth in the Award Agreement or otherwise (including by a policy or resolution of the Committee), (A) in shares of Common Stock valued at the Fair Market Value of such shares on the date of exercise, (B) through an open-market, broker-assisted sales transaction pursuant to which the Company is promptly delivered the amount of proceeds necessary to satisfy the exercise price, (C) by reducing the number of shares of Common Stock otherwise deliverable upon the exercise of the Stock Option by the number of shares of Common Stock having a Fair Market Value on the date of exercise equal to the exercise price, (D) by a combination of the methods described above or (E) by such other method as may be approved by the Committee and set forth in the Award Agreement. In addition to and at the time of payment of the exercise price, the Participant shall pay to the Company the full amount of any and all applicable income tax, employment tax and other amounts required to be withheld in connection with such exercise, payable under such of the methods described above for the payment of the exercise price as may be approved by the Committee and set forth in the Award Agreement.

6.6 *Limited Transferability of Nonqualified Stock Options*. All Nonqualified Stock Options shall be exercisable during the Participant's lifetime only by the Participant or by the Participant's guardian or legal representative. The Nonqualified Stock Options and the rights and privileges conferred thereby shall be nontransferable except as otherwise provided in Section 15.3 hereof.

6.7 *Additional Rules for Incentive Stock Options*.

(a) *Eligibility*. An Incentive Stock Option may only be granted to an Eligible Person who is considered an employee for purposes of Treasury Regulation § 1.421-1(h) with respect to the Company or any Subsidiary that qualifies as a "subsidiary corporation" with respect to the Company for purposes of Section 424(f) of the Code.

(b) *Annual Limits*. No Incentive Stock Option shall be granted to a Participant as a result of which the aggregate Fair Market Value (determined as of the Date of Grant) of the Common Stock with respect to which incentive stock options under Section 422 of the Code are exercisable for the first time in any calendar year under the Plan and any other stock option plans of the Company or any subsidiary or parent corporation, would exceed $100,000, determined in accordance with Section 422(d) of the Code. This limitation shall be applied by taking such incentive stock options into account in the order in which they were granted.

(c) *Additional Limitations*. In the case of any Incentive Stock Option granted to an Eligible Person who owns, either directly or indirectly (taking into account the attribution rules contained in Section 424(d) of the Code), stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Subsidiary, the exercise price shall not be less than one hundred ten percent (110%) of the Fair Market Value of a share of Common Stock on the Date of Grant and the maximum term shall be five (5) years.

(d) *Termination of Employment*. An Award of an Incentive Stock Option may provide that such Stock Option may be exercised not later than (i) three (3) months following termination of employment of the Participant with the Company and all Subsidiaries (other than as set forth in clause (ii) of this Section 6.7(d)) or (ii) one year following termination of employment of the Participant with the Company and all Subsidiaries due to death or permanent and total disability within the meaning of Section 22(e)(3) of the Code, in each case as and to the extent determined by the Committee to comply with the requirements of Section 422 of the Code.

(e) *Other Terms and Conditions; Nontransferability*. No Incentive Stock Options granted under the Plan may be granted more than ten (10) years following the date that the Plan is adopted or the date that the Plan is approved by the Company's stockholders, whichever is earlier. The Award Agreement representing any Incentive Stock Option granted hereunder shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as are deemed necessary or desirable by the Committee, which terms, together with the terms of the Plan, shall be intended and interpreted to cause such Incentive Stock Option to qualify as an "incentive stock option" under Section 422 of the Code. A Stock Option that is granted as an Incentive Stock Option shall, to the extent it fails to qualify as an "incentive stock option" under the Code, be treated as a Nonqualified Stock Option. An Incentive Stock Option shall by its terms be nontransferable other than by will or by the laws of descent and distribution, and shall be exercisable during the lifetime of a Participant only by such Participant.

(f) *Disqualifying Dispositions*. If shares of Common Stock acquired by exercise of an Incentive Stock Option are disposed of within two years following the Date of Grant or one year following the transfer of such shares to the Participant upon exercise, the Participant shall, promptly following such disposition, notify the Company in writing of the date and terms of such disposition and provide such other information regarding the disposition as the Company may reasonably require.

6.8 *Repricing Prohibited.* Subject to the anti-dilution adjustment provisions contained in Section 4.5 hereof, without the prior approval of the Company's stockholders, neither the Committee nor the Board shall cancel a Stock Option when the exercise price per share exceeds the Fair Market Value of one share of Common Stock in exchange for cash or another Award (other than in connection with a Change in Control) or cause the cancellation, substitution or amendment of a Stock Option that would have the effect of reducing the exercise price of such a Stock Option previously granted under the Plan or otherwise approve any modification to such a Stock Option that would be treated as a "repricing" under the then applicable rules, regulations or listing requirements adopted by NASDAQ or any other principal exchange on which the Common Stock is then listed.

6.9 *Dividend Equivalent Rights.* Subject to the anti-dilution adjustment provisions contained in Section 4.5 hereof, dividends shall not be paid with respect to Stock Options. Dividend equivalent rights shall be granted with respect to the shares of Common Stock subject to Stock Options to the extent permitted by the Committee or set forth in the Award Agreement.

7. Stock Appreciation Rights.

7.1 *Grant of Stock Appreciation Rights*. Stock Appreciation Rights may be granted to any Eligible Person selected by the Committee. Stock Appreciation Rights may be granted on a basis that allows for the exercise of the right by the Participant or that provides for the automatic payment of the right upon a specified date or event. Stock Appreciation Rights shall be non-transferable, except as provided in Section 15.3 hereof.

7.2 *Stand-Alone and Tandem Stock Appreciation Rights*. A Stock Appreciation Right may be granted without any related Stock Option, or may be granted in tandem with a Stock Option, either on the Date of Grant or at any time thereafter during the term of the Stock Option. The Committee shall in its discretion provide in an Award Agreement the time or times at which or the conditions upon which, a Stock Appreciation Right or portion thereof shall become vested and/or exercisable. The requirements for vesting and exercisability of a Stock Appreciation Right may be based on the continued Service of a Participant with the Company or a Subsidiary for a specified time period (or periods), on the attainment of a specified Performance Goal(s) or on such other terms and conditions as approved by the Committee in its discretion. If the vesting requirements of a Stock Appreciation Right are not satisfied, the Award shall be forfeited. A Stock Appreciation Right will be exercisable or payable at such time or times as determined by the Committee; provided, that the maximum term of a Stock Appreciation Right shall be ten (10) years from the Date of Grant. The Committee may provide that a Stock Appreciation Right will

cease to be exercisable upon or at the end of a period following a termination of Service for any reason. The base price of a Stock Appreciation Right granted without any related Stock Option shall be determined by the Committee in its discretion; provided, however, that the base price per share of any such stand-alone Stock Appreciation Right shall not be less than one hundred percent (100%) of the Fair Market Value of a share of Common Stock on the Date of Grant.

7.3 *Payment of Stock Appreciation Rights*. A Stock Appreciation Right will entitle the holder, upon exercise or other payment of the Stock Appreciation Right, as applicable, to receive an amount determined by multiplying: (i) the excess of the Fair Market Value of a share of Common Stock on the date of exercise or payment of the Stock Appreciation Right over the base price of such Stock Appreciation Right, by (ii) the number of shares as to which such Stock Appreciation Right is exercised or paid. Payment of the amount determined under the foregoing may be made, as approved by the Committee and set forth in the Award Agreement, in shares of Common Stock valued at their Fair Market Value on the date of exercise or payment, in cash or in a combination of shares of Common Stock and cash, subject to applicable tax withholding requirements.

7.4 *Repricing Prohibited*. Subject to the anti-dilution adjustment provisions contained in Section 4.5 hereof, without the prior approval of the Company's stockholders, neither the Committee nor the Board shall cancel a Stock Appreciation Right when the base price per share exceeds the Fair Market Value of one share of Common Stock in exchange for cash or another Award (other than in connection with a Change in Control) or cause the cancellation, substitution or amendment of a Stock Appreciation Right that would have the effect of reducing the base price of such a Stock Appreciation Right previously granted under the Plan or otherwise approve any modification to such Stock Appreciation Right that would be treated as a "repricing" under the then applicable rules, regulations or listing requirements adopted by NASDAQ or any other principal exchange on which the Common Stock is then listed.

7.5 *Dividend Equivalent Rights.* Subject to the anti-dilution adjustment provisions contained in Section 4.5 hereof, dividends shall not be paid with respect to Stock Appreciation Rights. Dividend equivalent rights shall be granted with respect to the shares of Common Stock subject to Stock Appreciation Rights to the extent permitted by the Committee or set forth in the Award Agreement.

8. Restricted Stock Awards.

8.1 *Grant of Restricted Stock Awards*. A Restricted Stock Award may be granted to any Eligible Person selected by the Committee. The Committee may require the payment by the Participant of a specified purchase price in connection with any Restricted Stock Award.

8.2 *Vesting Requirements*. The restrictions imposed on shares granted under a Restricted Stock Award shall lapse in accordance with the vesting requirements specified by the Committee in the Award Agreement. The requirements for vesting of a Restricted Stock Award may be based on the continued Service of the Participant with the Company or a Subsidiary for a specified time period (or periods), on the attainment of a specified Performance Goal(s) designed to meet the requirements for exemption under Section 162(m) of the Code or on such other terms and conditions as approved by the Committee in its discretion. If the vesting requirements of a Restricted Stock Award shall not be satisfied or, if applicable, the Performance Goal(s) with respect to such Restricted Stock Award are not attained, the Award shall be forfeited and the shares of Stock subject to the Award shall be returned to the Company.

8.3 *Transfer Restrictions*. Shares granted under any Restricted Stock Award may not be transferred, assigned or subject to any encumbrance, pledge or charge until all applicable restrictions are removed or have expired, except as provided in Section 15.3 hereof. Failure to satisfy any applicable restrictions shall result in the subject shares of the Restricted Stock Award being forfeited and returned to the Company. The Committee may require in an Award Agreement that certificates (if any) representing the shares granted under a Restricted Stock Award bear a legend making appropriate reference to the restrictions imposed, and that certificates (if any) representing the shares granted or sold under a Restricted Stock Award will remain in the physical custody of an escrow holder until all restrictions are removed or have expired.

8.4 *Rights as Stockholder*. Subject to the foregoing provisions of this Section 8 and the applicable Award Agreement, the Participant shall have all rights of a stockholder with respect to the shares granted to the Participant under a Restricted Stock Award, including the right to vote the shares and receive all dividends and other distributions paid or made with respect thereto, unless otherwise provided in the applicable Award Agreement or the Committee determines otherwise at the time the Restricted Stock Award is granted. The Committee may provide in an Award Agreement for the payment of dividends and distributions to the Participant at such times as paid to stockholders generally, at the times of vesting or other payment of the Restricted Stock Award or otherwise.

8.5 *Section 83(b) Election*. If a Participant makes an election pursuant to Section 83(b) of the Code with respect to a Restricted Stock Award, the Participant shall file, within thirty (30) days following the Date of Grant, a copy of such election with the Company and with the Internal Revenue Service, in accordance with the regulations under Section 83 of the Code. The Committee may provide in an Award Agreement that the Restricted Stock Award is conditioned upon the Participant's making or refraining from making an election with respect to the Award under Section 83(b) of the Code.

9. Restricted Stock Units.

9.1 *Grant of Restricted Stock Units*. A Restricted Stock Unit may be granted to any Eligible Person selected by the Committee. The value of each Restricted Stock Unit is equal to the Fair Market Value of the Common Stock on the applicable date or time period of determination, as specified by the Committee. Restricted Stock Units shall be subject to such restrictions and conditions as the Committee shall determine. In addition, a Restricted Stock Unit may be designated as a "Performance Stock Unit", the vesting requirements of which may be based, in whole or in part, on the attainment of pre-established business and/or individual Performance Goal(s) over a specified performance period designed to meet the requirements for exemption under Section 162(m) of the Code, or otherwise, as approved by the Committee in its discretion. Restricted Stock Units shall be non-transferable, except as provided in Section 15.3 hereof.

9.2 *Vesting of Restricted Stock Units*. On the Date of Grant, the Committee shall, in its discretion, determine any vesting requirements with respect to Restricted Stock Units, which shall be set forth in the Award Agreement. The requirements for vesting of a Restricted Stock Unit may be based on the continued Service of the Participant with the Company or a Subsidiary for a specified time period (or periods) or on such other terms and conditions as approved by the Committee (including Performance Goal(s)) in its discretion. If the vesting requirements of a Restricted Stock Units Award are not satisfied, the Award shall be forfeited.

9.3 *Payment of Restricted Stock Units*. Restricted Stock Units shall become payable to a Participant at the time or times determined by the Committee and set forth in the Award Agreement, which may be upon or following the vesting of the Award. Payment of a Restricted Stock Unit may be made, as approved by the Committee and set forth in the Award Agreement, in cash or in shares of Common Stock or in a combination thereof, subject to applicable tax withholding requirements. Any cash payment of a Restricted Stock Unit shall be made based upon the Fair Market Value of the Common Stock.

9.4 *Dividend Equivalent Rights.* Subject to the anti-dilution adjustment provisions contained in Section 4.5 hereof, Restricted Stock Units may or may not, in the discretion of the Committee, be granted together with a dividend equivalent right with respect to the shares of Common Stock subject to the Award, which may be accumulated and may be deemed reinvested in additional Restricted Stock Units or may be accumulated in cash, as determined by the Committee in its discretion. Dividend equivalent rights will be paid at such times as determined by the Committee in its discretion (including without limitation at the times paid to stockholders generally or at the times of vesting or payment of the Restricted Stock Unit). Dividend equivalent rights may be subject to forfeiture under the same conditions as apply to the underlying Restricted Stock Units.

9.5 *No Rights as Stockholder*. The Participant shall not have any rights as a stockholder with respect to the shares subject to a Restricted Stock Unit until such time as shares of Common Stock are delivered to the Participant pursuant to the terms of the Award Agreement.

10. Cash Performance Awards and Performance Criteria.

10.1 *Grant of Cash Performance Awards*. A Cash Performance Award may be granted to any Eligible Person selected by the Committee. Payment amounts may be based on specified levels of attainment with respect to the Performance Goals, including, if applicable, specified threshold, target and maximum performance levels. The requirements for payment may be also based upon the continued Service of the Participant with the Company or a Subsidiary during the respective performance period and on such other conditions as determined by the Committee and set forth in an Award Agreement. With respect to Cash Performance Awards and other Awards intended to qualify as “performance-based compensation” under Section 162(m) of the Code, before the ninetieth (90th) day of the applicable performance period (or, if the performance period is less than one year, no later than the number of days which is equal to twenty-five percent (25%) of such performance period), the Committee will determine the duration of the performance period, the Performance Criteria, the applicable Performance Goals relating to the Performance Criteria, and the amount and terms of payment and/or vesting upon achievement of the Performance Goals. Cash Performance Awards shall be non-transferable, except as provided in Section 15.3 hereof.

10.2 *Award Agreements*. Each Cash Performance Award shall be evidenced by an Award Agreement that shall specify the performance period and such other terms and conditions as the Committee, in its discretion, shall determine. The Committee may accelerate the vesting of a Cash Performance Award upon a Change in Control or termination of Service under certain circumstances, as set forth in the Award Agreement.

10.3 *Performance Criteria*. For purposes of Cash Performance Awards, Performance Stock Units and other Awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the Performance Criteria shall be one or any combination of the following, for the Company or any identified Subsidiary or business unit, as determined by the Committee: (a) net earnings; (b) earnings per share; (c) net debt; (d) revenue or sales growth; (e) net or operating income; (f) net operating profit; (g) return measures (including, but not limited to, return on assets, capital, equity or sales); (h) cash flow (including, but not limited to, operating cash flow, distributable cash flow and free cash flow); (i) earnings before or after taxes, interest, depreciation, amortization and/or rent; (j) share price (including, but not limited to growth measures and total stockholder return); (k) expense control or loss management; (l) customer satisfaction; (m) market share; (n) economic value added; (o) working capital; (p) the formation of joint ventures or the completion of other corporate transactions; (q) gross or net profit margins; (r) revenue mix; (s) operating efficiency; (t) product diversification; (u) market penetration; (v) measurable achievement in quality, operation or compliance initiatives; (w) quarterly dividends or distributions; (x) employee retention or turnover; or (y) any combination of or a specified increase in any of the foregoing. Each of the Performance Criteria shall be applied and interpreted in accordance with an objective formula or standard established by the Committee at the time the applicable Award is granted including, without limitation, GAAP.

10.4 *Performance Goals*. For purposes of Cash Performance Awards and other Awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the "Performance Goals" shall be the levels of achievement relating to the Performance Criteria selected by the Committee for the Award. The Performance Goals shall be written and shall be expressed as an objective formula or standard that precludes discretion to increase the amount of compensation payable that would otherwise be due upon attainment of the goal. The Performance Goals may be applied on an absolute basis or relative to an identified index, peer group, or one or more competitors or other companies (including particular business segments or divisions or such companies), as specified by the Committee. The Performance Goals need not be the same for all Participants.

10.5 *Adjustments*. At the time that an Award is granted, the Committee may provide for the Performance Goals or the manner in which performance will be measured against the Performance Goals to be adjusted in such objective manner as it deems appropriate, including, without limitation, adjustments to reflect charges for restructurings, non-operating income, the impact of corporate transactions or discontinued operations, extraordinary and other unusual or non-recurring items and the cumulative effects of accounting or tax law changes. In addition, with respect to a Participant hired or promoted following the beginning of a performance period, the Committee may determine to prorate the Performance Goals and/or the amount of any payment in respect of such Participant's Cash Performance Awards for the partial performance period.

10.6 *Maximum Amount of Cash Performance Awards*. The maximum amount that may become payable to any one Participant during any one calendar year under all Cash Performance Awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code is limited to $15,000,000.

10.7 *Negative Discretion*. Notwithstanding anything else contained in the Plan to the contrary, the Committee shall, to the extent provided in an Award Agreement, have the right, in its discretion, (i) to reduce or eliminate the amount otherwise payable to any Participant under an Award and (ii) to establish rules or procedures that have the effect of limiting the amount payable to any Participant to an amount that is less than the amount that otherwise would be payable under an Award. The Committee may exercise such discretion in a non-uniform manner among Participants. The Committee shall not have discretion to increase the amount that otherwise would be payable to any Participant under a Cash Performance Award or other Award intended to qualify as "performance-based compensation" under Section 162(m) of the Code.

10.8 *Certification*. Following the conclusion of the performance period of a Cash Performance Award or other Award intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the Committee shall certify in writing whether the Performance Goals for that performance period have been achieved, or certify the degree of achievement, if applicable.

10.9 *Payment*. Upon certification of the Performance Goals for a Cash Performance Award, or other Award intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the Committee shall determine the level of vesting or amount of payment to the Participant pursuant to the Award, if any. Notwithstanding the foregoing, Cash Performance Awards may be paid, at the discretion of the Committee, in any combination of cash or shares of Common Stock, based upon the Fair Market Value of such shares at the time of payment.

11. Stock Awards.

11.1 *Grant of Stock Awards*. A Stock Award may be granted to any Eligible Person selected by the Committee. A Stock Award may be granted for past Services, in lieu of bonus or other cash compensation, as directors' compensation or for any other valid purpose as determined by the Committee. The Committee shall determine the terms and conditions of such Awards, and such Awards may be made without vesting requirements. In addition, the Committee may, in connection with any Stock Award, require the payment of a specified purchase price.

11.2 *Rights as Stockholder*. Subject to the foregoing provisions of this Section 11 and the applicable Award Agreement, upon the issuance of the Common Stock under a Stock Award the Participant shall have all rights of a stockholder with respect to the shares of Common Stock, including the right to vote the shares and receive all dividends and other distributions paid or made with respect thereto.

12. Change in Control.

12.1 *Effect on Awards*. Upon the occurrence of a Change in Control, unless otherwise provided in the Award Agreement, the Committee is authorized (but not obligated) to make adjustments in the terms and conditions of outstanding Awards, including without limitation the following (or any combination thereof): (a) continuation or assumption of such outstanding Awards under the Plan by the Company (if it is the surviving company or corporation) or by the surviving company or corporation or its parent; (b) substitution by the surviving company or corporation or its parent of awards with substantially the same terms for outstanding Awards (with appropriate adjustments to the type of consideration payable upon settlement of the Awards); (c) accelerated exercisability, vesting and/or payment under outstanding Awards immediately prior to or upon the occurrence of such event or upon a termination of employment following such event; and (d) if all or substantially all of the Company's outstanding shares of Common Stock transferred in exchange for cash consideration in connection with such Change in Control: (i) upon written notice, provide that any outstanding Stock Options and Stock Appreciation Rights are exercisable during a reasonable period of time immediately prior to the scheduled consummation of the event or such other reasonable period as determined by the Committee (contingent upon the consummation of the event), and at the end of such period, such Stock Options and Stock Appreciation Rights shall terminate to the extent not so exercised within the relevant period; and (ii) cancellation of all or any portion of outstanding Awards for fair value (in the form of cash, shares, other property or any combination thereof) as determined in the sole discretion of the Committee; provided, that, in the case of Stock Options and Stock Appreciation Rights, the fair value may equal the excess, if any, of the value of the consideration to be paid in the Change in Control transaction to holders of shares of Common Stock (or, if no such consideration is paid, Fair Market Value of the shares of Common Stock subject to such outstanding Awards or portion thereof being canceled) over the aggregate exercise or base price, as applicable, with respect to such Awards or portion thereof being canceled, or if no such excess, zero.

12.2 *Definition of Change in Control*. Unless otherwise defined in an Award Agreement, "*Change in Control*" shall mean the occurrence of one of the following events:

(a) Any Person, becomes the Beneficial Owner, directly or indirectly, of more than fifty percent (50%) of the combined voting power, excluding any Person who holds fifty percent (50%) or more of the voting power on the Effective Date of the Plan (the "*Initial Owners*"), of the then outstanding voting securities of the Company entitled to vote generally in the election of its directors (the "*Outstanding Company Voting Securities*") including by way of merger, consolidation or otherwise; *provided*, *however*, that for purposes of this definition, the following acquisitions shall not constitute a Change in Control: (i) any acquisition of voting securities of the Company directly from the Company, including without limitation, a public offering of securities; (ii) any acquisition by the Company or any of its Subsidiaries of Outstanding Company Voting Securities, including an acquisition by any employee benefit plan or related trust sponsored or maintained by the Company or any of its Subsidiaries; or (iii) any acquisition after which the Initial Owners and their affiliates remain the Beneficial Owners of more Outstanding Voting Securities than any other Person.

(b) Consummation of a reorganization, merger, or consolidation to which the Company is a party or a sale or other disposition of all or substantially all of the assets of the Company (a "*Business Combination*"), unless, following such Business Combination: (i) any individuals and entities that were the Beneficial Owners of Outstanding Company Voting Securities immediately prior to such Business Combination are the Beneficial Owners, directly or indirectly, of more than fifty percent (50%) of the combined voting power of the outstanding voting securities entitled to vote generally in the election of directors (or election of members of a comparable governing body) of the entity resulting from the Business Combination (including, without limitation, an entity which as a result of such transaction owns all or substantially all of the Company or all or substantially all of the Company's assets either directly or through one or more Subsidiaries) (the "*Successor Entity*") in substantially the same proportions as their ownership immediately prior to such Business Combination; (ii) no Person (excluding any Successor Entity or any employee benefit plan or related trust of the Company, such Successor Entity, or any of their Subsidiaries) is the Beneficial Owner, directly or indirectly, of more than fifty percent (50%) of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors (or comparable governing body) of the Successor Entity, except to the extent that such ownership existed prior to the Business Combination; and (iii) at least a majority of the members of the board of directors (or comparable governing body) of the Successor Entity were Incumbent Directors (including persons deemed to be Incumbent Directors) at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination.

Notwithstanding the foregoing, to the extent necessary to comply with Section 409A of the Code with respect to the payment of "nonqualified deferred compensation," "Change in Control" shall be limited to a "change in control event" as defined under Section 409A of the Code. For the avoidance of doubt, neither a public offering nor any changes to the size or members of the Board in connection with or as a result of a Public Offering shall constitute or be deemed to result in a Change in Control.

13. Forfeiture Events.

13.1 *General*. The Committee may specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but shall not be limited to, termination of Service for Cause, violation of material Company policies, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other similar conduct by the Participant that is detrimental to the business or reputation of the Company.

13.2 *Termination for Cause*.

(a) *Treatment of Awards*. Unless otherwise provided by the Committee and set forth in an Award Agreement, if (i) a Participant's Service with the Company or any Subsidiary shall be terminated for Cause or (ii) within one (1) year following termination of Service for any other reason, the Committee determines in its discretion that, after termination, the Participant breached any of the material terms contained in any non-competition agreement,

confidentiality agreement or similar restrictive covenant agreement to which such Participant is a party, such Participant's rights, payments and benefits with respect to an Award shall be subject to cancellation, forfeiture and/or recoupment, as provided in Section 13.3 below. The Company shall have the power to determine whether the Participant has been terminated for Cause, the date upon which such termination for Cause occurs and whether the Participant engaged in conduct that violated any continuing obligation or duty of the Participant in respect of the Company or any Subsidiary. Any such determination shall be final, conclusive and binding upon all Persons. In addition, if the Company shall reasonably determine that a Participant has committed or may have committed any act which could constitute the basis for a termination of such Participant's Service for Cause or violates any continuing obligation or duty of the Participant in respect of the Company or any Subsidiary, the Company may suspend the Participant's rights to exercise any Stock Option or Stock Appreciation Right, receive any payment or vest in any right with respect to any Award pending a determination by the Company of whether an act or omission could constitute the basis for a termination for Cause as provided in this Section 13.2.

(b) *Definition of Cause*. Unless otherwise defined in an Award Agreement, "*Cause*" shall mean:

(i) the Participant has committed a deliberate and premeditated act against the interests of the Company including, without limitation: an act of fraud, embezzlement, misappropriation or breach of fiduciary duty against the Company, including, but not limited to, the offer, payment, solicitation or acceptance of any unlawful bribe or kickback with respect to the Company's business; or

(ii) the Participant has been convicted by a court of competent jurisdiction of, or pleaded guilty or nolo contendere to, any felony or any crime involving moral turpitude; or

(iii) the Participant has failed to perform or neglected the material duties incident to his employment or other engagement with the Company on a regular basis, and such refusal or failure shall have continued for a period of twenty (20) days after written notice to the Participant specifying such refusal or failure in reasonable detail; or

(iv) the Participant has been chronically absent from work (excluding vacations, illnesses, Disability or leaves of absence approved by the Company); or

(v) the Participant has refused, after explicit written notice, to obey any lawful resolution of or direction by the Board which is consistent with the duties incident to his employment or other engagement with the Company and such refusal continues for more than twenty (20) days after written notice is given to the Participant specifying such refusal in reasonable detail; or

(vi) the Participant has breached any of the material terms contained in any employment agreement, non-competition agreement, confidentiality agreement or similar type of agreement to which such Participant is a party; or

(vii) the Participant has engaged in (x) the unlawful use (including being under the influence) or possession of illegal drugs on the Company's premises or (y) habitual drunkenness on the Company's premises.

Any voluntary termination of employment or other engagement by the Participant in anticipation of an involuntary termination of the Participant's Service for Cause shall be deemed to be a termination for "Cause." Notwithstanding the foregoing, in the event that a Participant is party to an employment, severance or similar agreement with the Company or any of its affiliates and such agreement contains a definition of "Cause," the definition of "Cause" set forth above shall be deemed replaced and superseded, with respect to such Participant, by the definition of "Cause" used in such employment, severance or similar agreement.

13.3 *Right of Recapture*.

(a) *General*. If at any time within one (1) year (or such longer time specified in an Award Agreement or other agreement with a Participant) after the date on which a Participant exercises a Stock Option or Stock Appreciation Right or on which a Stock Award, Restricted Stock Award or Restricted Stock Unit vests or becomes payable or on which a Cash Performance Award is paid to a Participant, or on which income otherwise is realized by a Participant in connection with an Award, (i) a Participant's Service is terminated for Cause or (ii) after a Participant's Service otherwise terminates for any other reason, the Committee determines in its discretion that, after termination, the Participant breached any of the material terms contained in any non-competition agreement, confidentiality agreement or similar restrictive covenant agreement to which such Participant is a party, then any gain realized by the Participant from the exercise, vesting, payment or other realization of income by the Participant in connection with an Award, shall be paid by the Participant to the Company upon notice from the Company, subject to applicable state law. Such gain shall be determined as of the date or dates on which the gain is realized by the Participant, without regard to any subsequent change in the Fair Market Value of a share of Common Stock. To the extent not otherwise prohibited by law, the Company shall have the right to offset such gain against any amounts otherwise owed to the Participant by the Company (whether as wages, vacation pay or pursuant to any benefit plan or other compensatory arrangement).

(b) *Accounting Restatement*. If a Participant receives compensation pursuant to a performance-based Award under the Plan (whether a performance-vesting Stock Option, Cash Performance Award or otherwise) based on financial statements that are subsequently required to be restated in a way that would decrease the value of such compensation, the Participant will, to the extent not otherwise prohibited by law, forfeit and repay to the Company the difference between what the Participant received and what the Participant should have received based on the accounting restatement, (i) in accordance with the Company's compensation recovery, "clawback" or similar policy, as may be in effect from time to time, or (ii) in accordance with any compensation recovery, "clawback" or similar policy made applicable by law including the provisions of Section 945 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules, regulations and requirements adopted thereunder by the Securities and Exchange Commission and/or any national securities exchange on which the Company's equity securities may be listed (the "*Policy*"). By accepting an Award hereunder, the Participant acknowledges and agrees that the Policy shall apply to such Award, and all incentive-based compensation payable pursuant to such Award shall be subject to forfeiture and repayment pursuant to the terms of the Policy.

14. Transfer, Leave of Absence, Etc. For purposes of the Plan, except as otherwise determined by the Committee, the following events shall not be deemed a termination of employment: (a) a transfer of a Participant's employment to the Company from a Subsidiary or from the Company to a Subsidiary, or from one Subsidiary to another; or (b) an approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the employee's right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee otherwise so provides in writing.

15. General Provisions.

15.1 *Status of Plan*. The Committee may authorize the creation of trusts or other arrangements to meet the Company's obligations to deliver stock or make payments with respect to Awards.

15.2 *Award Agreement*. Each Award under the Plan shall be evidenced by an Award Agreement in a written or electronic form approved by the Committee setting forth the number of shares of Common Stock or Restricted Stock Units subject to the Award, the exercise price, base price or purchase price of the Award, the time or times at which an Award will become vested, exercisable or payable and the term of the Award. The Award Agreement also may set forth the effect on an Award of a Change in Control or a termination of Service under certain circumstances. The Award Agreement shall be subject to and incorporate, by reference or otherwise, all of the applicable terms and conditions of the Plan, and also may set forth other terms and conditions applicable to the Award as determined by the Committee consistent with the limitations of the Plan. The grant of an Award under the Plan shall not confer any rights upon the Participant holding such Award other than such terms, and subject to such conditions, as are specified in the Plan as being applicable to such type of Award (or to all Awards) or as are expressly set forth in the Award Agreement. The Committee need not require the execution of an Award Agreement by a Participant, in which case, acceptance of the Award by the Participant shall constitute agreement by the Participant to the terms, conditions, restrictions and limitations set forth in the Plan and the Award Agreement as well as the administrative guidelines of the Company in effect from time to time. In the event of any conflict between the provisions of the Plan and any Award Agreement, the provisions of the Plan shall prevail.

15.3 *No Assignment or Transfer; Beneficiaries*. Except as provided in Section 6.7(e) hereof or as otherwise determined by the Committee, Awards under the Plan shall not be assignable or transferable by the Participant, and shall not be subject in any manner to assignment, alienation, pledge, encumbrance or charge. Notwithstanding the foregoing, in the event of the death of a Participant, except as otherwise provided by the Committee in an Award Agreement, an outstanding Award may be exercised by or shall become payable to the Participant's beneficiary as designated by the Participant in the manner prescribed by the Committee or, in the absence of an authorized beneficiary designation, by a legatee or legatees of such Award under the participant's last will or by such Participant's executors, personal representatives or distributees of such Award in accordance with the Participant's will or the

laws of descent and distribution. The Committee may provide in the terms of an Award Agreement or in any other manner prescribed by the Committee that the Participant shall have the right to designate a beneficiary or beneficiaries who shall be entitled to any rights, payments or other benefits specified under an Award following the Participant's death.

15.4 *Deferrals of Payment*. The Committee may in its discretion permit a Participant to defer the receipt of payment of cash or delivery of shares of Common Stock that would otherwise be due to the Participant by virtue of the exercise of a right or the satisfaction of vesting or other conditions with respect to an Award; provided, however, that such discretion shall not apply in the case of a Stock Option or Stock Appreciation Right. If any such deferral is to be permitted by the Committee, the Committee shall establish rules and procedures relating to such deferral in a manner intended to comply with the requirements of Section 409A of the Code, including, without limitation, the time when an election to defer may be made, the time period of the deferral and the events that would result in payment of the deferred amount, the interest or other earnings attributable to the deferral and the method of funding, if any, attributable to the deferred amount.

15.5 *No Right to Employment or Continued Service*. Nothing in the Plan, in the grant of any Award or in any Award Agreement shall confer upon any Eligible Person or any Participant any right to continue in the Service of the Company or any of its Subsidiaries or interfere in any way with the right of the Company or any of its Subsidiaries to terminate the employment or other service relationship of an Eligible Person or a Participant for any reason at any time.

15.6 *Stock Certificates*. The Committee may determine in its discretion the manner of delivery of Common Stock to be issued under the Plan, which may be by delivery of stock certificates, electronic account entry into new or existing accounts or any other means as the Committee, in its discretion, deems appropriate. The Committee may require that the stock certificates (if any) be held in escrow by the Company for any shares of Common Stock or cause the shares to be legended in order to comply with the securities laws or other applicable restrictions or should the shares of Common Stock be represented by book or electronic account entry rather than a certificate, the Committee may take such steps to restrict transfer of the shares of Common Stock as the Committee considers necessary or advisable.

15.7 *Trading Policy Restrictions*. Option exercises and other Awards under the Plan shall be subject to such Company insider-trading-policy-related restrictions, terms and conditions to the extent established by the Committee, or in accordance with policies set by the Committee, from time to time.

15.8 *Section 409A Compliance*. To the maximum extent possible, it is intended that the Plan and all Awards hereunder comply with, or be exempt from, the requirements of Section 409A of the Code and the Treasury Regulations and other guidance issued thereunder, and that the Plan and all Award Agreements shall be interpreted and applied by the Committee in a manner consistent with this intent in order to avoid the imposition of any additional tax under Section 409A of the Code. In the event that any (i) provision of the Plan or an Award Agreement, (ii) Award, payment, transaction or (iii) other action or arrangement contemplated by the provisions of the Plan is determined by the Committee to not comply with the applicable

requirements of Section 409A of the Code and the Treasury Regulations and other guidance issued thereunder, the Committee shall have the authority to take such actions and to make such changes to the Plan or an Award Agreement as the Committee deems necessary to comply with such requirements. No payment that constitutes deferred compensation under Section 409A of the Code that would otherwise be made under the Plan or an Award Agreement upon a termination of Service will be made or provided unless and until such termination is also a "separation from service," as determined in accordance with Section 409A of the Code. Notwithstanding the foregoing or anything elsewhere in the Plan or an Award Agreement to the contrary, if a Participant is a "specified employee" as defined in Section 409A of the Code at the time of termination of Service with respect to an Award, then solely to the extent necessary to avoid the imposition of any additional tax under Section 409A of the Code, the commencement of any payments or benefits under the Award shall be deferred until the date that is six (6) months following the Participant's termination of Service (or, if earlier, the date of death of the specified employee) and shall instead be paid (in a manner set forth in the Award Agreement) on the payment date that immediately follows the end of such six- (6-) month period (or death) or as soon as administratively practicable within thirty (30) days thereafter, but in no event later than the end of the applicable taxable year. In no event whatsoever shall the Company be liable for any additional tax, interest or penalties that may be imposed on a Participant by Section 409A of the Code or any damages for failing to comply with Section 409A of the Code.

15.9 *Securities Law Compliance*.

(a) *General*. No shares of Common Stock will be issued or transferred pursuant to an Award unless and until all then applicable requirements imposed by Federal and state securities and other laws, rules and regulations and by any regulatory agencies having jurisdiction, and by any exchanges upon which the shares of Common Stock may be listed, have been fully met. As a condition precedent to the issuance of shares pursuant to the grant or exercise of an Award, the Company may require the Participant to take any reasonable action to meet such requirements. The Committee may impose such conditions on any shares of Common Stock issuable under the Plan as it may deem advisable, including, without limitation, restrictions under the Securities Act of 1933, as amended, under the requirements of any exchange upon which such shares of the same class are then listed, and under any blue sky or other securities laws applicable to such shares. The Committee may also require the Participant to represent and warrant at the time of issuance or transfer that the shares of Common Stock are being acquired only for investment purposes and without any current intention to sell or distribute such shares.

(b) *Compliance with Rule 701*. To the extent that any Awards are granted prior to a Public Offering and the filling of an effective registration statement on Form S-8, the Plan is intended to be a written compensatory benefit plan within the meaning of Rule 701 promulgated under the Securities Act and, therefore, such Awards are subject to the restrictions set forth in Rule 701, and are "restricted securities," as such term is defined in Rule 144 promulgated under the Securities Act, and any resale of the Shares underlying such Awards must be in compliance with the registration requirements of the Securities Act or an exemption therefrom. Awards issued pursuant to the Plan prior to a Public Offering and the filling of an effective registration statement on Form S-8 shall in no event exceed the limitations set forth in Rule 701(d), as applicable from time to time.

15.10 *Substitute Awards in Corporate Transactions*. Nothing contained in the Plan shall be construed to limit the right of the Committee to grant Awards under the Plan in connection with the acquisition, whether by purchase, merger, consolidation or other corporate transaction, of the business or assets of any corporation or other entity. Without limiting the foregoing, the Committee may grant Awards under the Plan to an employee, director or other individual service provider of another corporation who becomes an Eligible Person by reason of any such corporate transaction in substitution for awards previously granted by such corporation or entity to such person. The terms and conditions of the substitute Awards may vary from the terms and conditions that would otherwise be required by the Plan solely to the extent the Committee deems necessary for such purpose. Any such substitute awards shall not (a) reduce the number of shares of Common Stock available for issuance under the Plan, (b) be subject to or counted against the Award limits specified in Section 4.3, 4.4 or 10.7 hereof or (c) replenish the Share Reserve upon the occurrence of any event set forth in Section 4.2 hereof.

15.11 *Tax Withholding*. The Company shall have the power and the right to deduct or withhold automatically from any amount deliverable under the Award or otherwise, or require a Participant to remit to the Company or the applicable Subsidiary, the minimum statutory amount to satisfy federal, state and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan. With respect to required withholding, Participants may elect (subject to the Company's automatic withholding right set out above) to satisfy the withholding requirement with respect to any taxable event arising as a result of the Plan, in whole or in part, by the methods described in Section 6.5 hereof with respect to Stock Options or by a method similar to the methods described in Section 6.5 hereof with respect to Awards other than Stock Options (except as otherwise set forth in an Award Agreement).

15.12 *Unfunded Plan*. The adoption of the Plan and any reservation of shares of Stock or cash amounts by the Company to discharge its obligations hereunder shall not be deemed to create a trust or other funded arrangement. Except upon the issuance of Common Stock pursuant to an Award, any rights of a Participant under the Plan shall be those of a general unsecured creditor of the Company, and neither a Participant nor the Participant's permitted transferees or estate shall have any other interest in any assets of the Company by virtue of the Plan. Notwithstanding the foregoing, the Company shall have the right to implement or set aside funds in a grantor trust, subject to the claims of the Company's creditors or otherwise, to discharge its obligations under the Plan. The Plan is not subject to the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time.

15.13 *Other Compensation and Benefit Plans*. The adoption of the Plan shall not affect any other share incentive or other compensation plans in effect for the Company or any Subsidiary, nor shall the Plan preclude the Company or any Subsidiary from establishing any other forms of share incentive or other compensation or benefit program for employees of the Company or any Subsidiary. The amount of any compensation deemed to be received by a Participant pursuant to an Award shall not constitute includable compensation for purposes of determining the amount of benefits to which a Participant is entitled under any other compensation or benefit plan or program of the Company or a Subsidiary, including, without limitation, under any pension or severance benefits plan, except to the extent specifically provided by the terms of any such plan.

15.14 *Plan Binding on Transferees*. The Plan shall be binding upon the Company, its transferees and assigns, and the Participant, the Participant's executor, administrator and permitted transferees and beneficiaries.

15.15 *Severability*. If any provision of the Plan or any Award Agreement shall be determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining provisions hereof and thereof shall be severable and enforceable in accordance with their terms, and all provisions shall remain enforceable in any other jurisdiction.

15.16 *Governing Law*. The Plan and all rights hereunder shall be subject to and interpreted in accordance with the laws of the State of Delaware, without reference to the principles of conflicts of laws, and to applicable Federal securities laws.

15.17 *No Fractional Shares*. No fractional shares of Common Stock shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine (i) whether cash, other securities or other property shall be paid or transferred in lieu of any fractional shares of Common Stock or (ii) whether such fractional shares or any rights thereto shall be canceled, terminated or otherwise eliminated (in the case of this clause (ii), with no consideration paid therefor).

15.18 *No Guarantees Regarding Tax Treatment*. Neither the Company nor the Committee make any guarantees to any person regarding the tax treatment of Awards or payments made under the Plan. Neither the Company nor the Committee has any obligation to take any action to prevent the assessment of any tax on any person with respect to any Award under Section 409A of the Code, Section 4999 of the Code, Section 280G of the Code or otherwise, and neither the Company nor the Committee shall have any liability to a person with respect thereto.

15.19 *Data Protection*. By participating in the Plan, each Participant consents to the collection, processing, transmission and storage by the Company, its Subsidiaries and any third party administrators of any data of a professional or personal nature for the purposes of administering the Plan.

15.20 *Awards to Non-U.S. Participants.* To comply with the laws in countries other than the United States in which the Company or any of its Subsidiaries or affiliates operates or has employees, Non-Employee Directors or consultants, the Committee, in its sole discretion, shall have the power and authority to (i) modify the terms and conditions of any Award granted to Participants outside the United States to comply with applicable foreign laws, (ii) take any action, before or after an Award is made, that it deems advisable to obtain approval or comply with any necessary local government regulatory exemptions or approvals and (iii) establish subplans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable. Any subplans and modifications to Plan terms and procedures established under this Section 15.20 by the Committee shall be attached to this Plan document as appendices.

16. Term; Amendment and Termination; Stockholder Approval.

16.1 *Term*. The Plan shall be effective as of the date of adoption by the Board, which date is set forth below (the "*Effective Date*"). Subject to Section 16.2 hereof, the Plan shall terminate on the tenth anniversary of the Effective Date.

16.2 *Amendment and Termination*. The Board may from time to time and in any respect, amend, modify, suspend or terminate the Plan; provided, that, except as provided in Section 15.8 or 15.20 or as otherwise determined by the Board as it deems necessary to comply with applicable laws, no amendment, modification, suspension or termination of the Plan shall adversely affect any Award theretofore granted without the consent of the Participant or the permitted transferee of the Award. The Board may seek the approval of any amendment, modification, suspension or termination by the Company's stockholders to the extent it deems necessary or advisable in its discretion for purposes of compliance with Section 162(m) or Section 422 of the Code, the listing requirements of NASDAQ or any other exchange or securities market or for any other purpose.

16.3 *Stockholder Approval*. The Plan will be submitted for approval by the stockholders of the Company within twelve months of the Effective Date. Any Awards granted under the Plan prior to such approval of the stockholders shall be effective as of the applicable date of grant, but no such Award may be exercised or settled and no restrictions relating to any Award may lapse prior to such stockholder approval, and if the stockholders fail to approve the Plan as specified hereunder, the Plan and any Awards issued thereunder shall be terminated and cancelled without consideration.

16.4 *Re-Approval of Performance Criteria*. At the discretion of the Board, for purposes of compliance with Section 162(m) of the Code, the Company may seek approval by the Company's stockholders of the Performance Criteria (or other designated performance goals) and such other provisions as determined by the Board no later than the Annual General Meeting of Stockholders in the third year following the year in which a Public Offering first occurs.

* * * *

This Plan was duly adopted and approved by the Board of Directors of the Company by resolution at a meeting held on [•], 2015.

Exhibit 10.21

FORM OF AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement ("*Amendment*") is entered into as of [•], 2015, by and between Mark Butler, an individual ("*Employee*"), and Ollie's Bargain Outlet, Inc. (the "*Company*").

WHEREAS, the Company and the Employee are party to that certain employment letter dated September 28, 2012 (the "*Employment Agreement*");

WHEREAS, the first underwritten public offering and sale of shares of common stock of Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation ("*Holdings*"), the Company's indirect parent, for cash pursuant to an effective registration statement on Form S-1 under the Securities Act of 1933, as amended (the "*Initial Public Offering*") is expected to occur in the near future;

WHEREAS, in connection with the Initial Public Offering, the Bargain Holdings, Inc. Stockholders Agreement dated as of September 28, 2012 (as may be amended and/or restated from time to time, the "*Stockholders Agreement*"), is expected to be amended to, among other things, remove the term "Butler Consent Rights," as defined therein (the "*Stockholders Agreement Amendment*");

WHEREAS, in anticipation of the Initial Public Offering of Holdings and the Stockholders Agreement Amendment, the Company and Employee desire to amend the Employment Agreement to reflect the changes set forth herein; provided, that such amendments and this Amendment shall be effective immediately prior to the consummation of such Initial Public Offering; and

WHEREAS, capitalized terms that are not defined herein shall have the same meaning as set forth in the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Amendment to Employment Agreement.

   a. For purposes of the Employment Agreement, the defined term "Bargain Holdings" means Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation, formerly known as Bargain Holdings, Inc.

   b. Clause (ii) of the second sentence of Section 2 of the Employment Agreement is amended and restated in its entirety to read as follows:

      "(ii) [intentionally deleted] and"

   c. Clause (iii) of the second sentence of Section 2 of the Employment Agreement is amended and restated in its entirety to read as follows:

"(iii) provide periodic financial and operational reports to the Board of Directors of Bargain Holdings (the "Board")."

d. The last sentence of Section 2 of the Employment Agreement is amended and restated in its entirety to read as follows:

"So long as you are the Chief Executive Officer of the Company, Board will nominate you for election to the Board (including election to the position of Chairman of the Board, provided that you hold at least 5% of Bargain Holdings' then-issued and outstanding Shares (as defined in the Stockholders' Agreement) at the relevant time) without additional compensation."

e. With respect to the first paragraph of Section 4 and the table immediately following such paragraph, (i) all references to "66.7%" shall be replaced with "100%," and (ii) all references to "133.33%" shall be replaced with "200%."

f. The phrase "(in each case, with the CCMP Consent (as defined in the Stockholders' Agreement))" and both instances of the phrase "(in each case, with the CCMP Consent)" shall be deleted from Section 4 in their entirety.

g. The definition of the term "Company Group" contained at Section 6 is amended and restated in its entirety to read as follows:

"Company Group" shall mean Bargain Holdings and its direct and indirect subsidiaries."

h. Subsection (ii) of the definition of the term "Good Reason" contained at Section 6 is amended and restated in its entirety to read as follows:

"(ii) a material reduction in your authority (relative to your authority immediately following the first underwritten public offering and sale of shares of common stock of Bargain Holdings for cash pursuant to an effective registration statement on Form S-1 under the Securities Act of 1933, as amended), compensation, perquisites, position or responsibilities, other than any reduction in compensation or perquisites which affects all of the Company's senior executives on a substantially equal or proportionate basis,"

i. Subsection (iii) of the definition of the term "Good Reason" contained at Section 6 is amended and restated in its entirety to read as follows:

"(iii) [intentionally deleted] or"

j. The first sentence of Section 16 is amended and restated in its entirety to read as follows:

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto.

2. References. All references in the Employment Agreement to "this Agreement" and any other references of similar import shall hereinafter refer to the Employment Agreement as amended by this Amendment.

3. Remaining Provisions. Except as expressly modified by this Amendment, the Employment Agreement shall remain in full force and effect. This Amendment embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, oral or written, relative thereto.

4. Governing Law. This Amendment is made in Harrisburg, Pennsylvania, and shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

5. Amendment Effective Date. This Amendment shall be effective as of immediately prior to the consummation of the Initial Public Offering of Holdings, and to the extent such Initial Public Offering does not occur prior to December 31, 2015, this amendment shall be void ab initio.

6. Counterparts. This Amendment may be executed by either of the parties hereto in counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

[*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above.

OLLIE'S BARGAIN OUTLET, INC.

By: _____
Name:
Title:

ACCEPTED AND AGREED:

_____
[•]

Solely with respect to the last sentence of Section 2 of the Employment Agreement, as amended by this Amendment, accepted and agreed to by:

OLLIE'S BARGAIN OUTLET HOLDINGS, INC.

By: _____
Name:
Title:

Exhibit 10.22

FORM OF AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement ("*Amendment*") is entered into as of July , 2015, by and between John W. Swygert, Jr., an individual ("*Employee*"), and Ollie's Bargain Outlet, Inc. (the "*Company*").

WHEREAS, the Company and the Employee are party to that certain employment letter dated September 28, 2012 (the "*Employment Agreement*");

WHEREAS, the first underwritten public offering and sale of shares of common stock of Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation ("*Holdings*"), the Company's indirect parent, for cash pursuant to an effective registration statement on Form S-1 under the Securities Act of 1933, as amended (the "*Initial Public Offering*") is expected to occur in the near future;

WHEREAS, in anticipation of the Initial Public Offering of Holdings, the Company and Employee desire to amend the Employment Agreement to reflect the changes set forth herein; provided, that such amendments and this Amendment shall be effective immediately prior to the consummation of such Initial Public Offering; and

WHEREAS, capitalized terms that are not defined herein shall have the same meaning as set forth in the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Amendment to Employment Agreement.

   a. For purposes of the Employment Agreement, the defined term "Bargain Holdings" means Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation, formerly known as Bargain Holdings, Inc.

   b. The last sentence of Section 3 of the Employment Agreement is amended and restated in its entirety to read as follows:

      "The amount of Base Salary shall be reevaluated annually by the Compensation Committee of the Board of Directors of Bargain Holdings, or, if no such committee exists, the Board of Directors of Bargain Holdings (the "Board"), with the input of the Chief Executive Officer of the Company; provided, that the Base Salary may not be reduced to an amount below $325,000."

   c. With respect to the first paragraph of Section 4 and the table immediately following such paragraph, (i) all references to "50%" shall be replaced with "75%," and (ii) all references to "100%" shall be replaced with "150%."

   d. The phrase "(in each case, with the CCMP Consent (as defined in the Stockholders' Agreement (as defined in Section 6)))" and both instances of the phrase "(in each case, with the CCMP Consent)" shall be deleted from Section 4 in their entirety.

e. The definition of the term “Company Group” contained at Section 6 is amended and restated in its entirety to read as follows:

“Company Group” shall mean Bargain Holdings and its direct and indirect subsidiaries.”

f. Subsection (iii) of the definition of the term “Good Reason” contained at Section 6 is amended and restated in its entirety to read as follows:

“(iii) [intentionally deleted] or”

g. The first sentence of Section 16 is amended and restated in its entirety to read as follows:

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto.

2. References. All references in the Employment Agreement to “this Agreement” and any other references of similar import shall hereinafter refer to the Employment Agreement as amended by this Amendment.

3. Remaining Provisions. Except as expressly modified by this Amendment, the Employment Agreement shall remain in full force and effect. This Amendment embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, oral or written, relative thereto.

4. Governing Law. This Amendment is made in Harrisburg, Pennsylvania, and shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

5. Amendment Effective Date. This Amendment shall be effective as of immediately prior to the consummation of the Initial Public Offering of Holdings, and to the extent such Initial Public Offering does not occur prior to December 31, 2015, this amendment shall be void ab initio.

6. Counterparts. This Amendment may be executed by either of the parties hereto in counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

[*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above.

OLLIE'S BARGAIN OUTLET, INC.

By: _____
Name:
Title:

ACCEPTED AND AGREED:

_____
John W. Swygert, Jr.

FORM OF OLLIE'S BARGAIN OUTLET HOLDINGS, INC.
2015 EQUITY INCENTIVE PLAN

Stock Option Award Agreement

This Stock Option Award Agreement (this "*Agreement*") is made by and between Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation (the "*Company*"), and [•] (the "*Participant*"), effective as of [•] (the "*Date of Grant*").

RECITALS

WHEREAS, the Company has adopted the Ollie's Bargain Outlet Holdings, Inc. 2015 Equity Incentive Plan (as the same may be amended and/or amended and restated from time to time, the "*Plan*"), which Plan is incorporated herein by reference and made a part of this Agreement, and capitalized terms not otherwise defined in this Agreement will have the meanings ascribed to those terms in the Plan; and

WHEREAS, the Committee has authorized and approved the grant of an Award to the Participant of a Stock Option to purchase shares of Common Stock ("*Shares*"), subject to the terms and conditions set forth in the Plan and this Agreement.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth in this Agreement, the parties agree as follows:

1. Grant of Stock Option Award. The Company has granted to the Participant, effective as of the Date of Grant, the right and option to purchase, on the terms and conditions set forth in the Plan and this Agreement, all or any part of an aggregate of [•] Shares, subject to adjustment as set forth in the Plan (the "*Option*"). The Option is intended to be a Nonqualified Stock Option.

2. Exercise Price. The exercise price of the Option is $[•] per Share, subject to adjustment as set forth in the Plan (the "*Exercise Price*").

3. Vesting of Option. Subject to the terms and conditions set forth in the Plan and this Agreement, the Option will vest as follows:

   (a) General. Except as otherwise provided in Sections 3(b) and 4, the Option will vest and become exercisable in equal annual installments of 25% of the Shares over a four- (4-) year period on each anniversary of the Date of Grant, subject to the Participant's continued Service through each applicable vesting date.

   (b) Termination Following Change in Control. Any unvested and outstanding portion of the Option will become fully vested and exercisable upon a termination of the Participant's Service without Cause (or, if applicable, resignation with Good Reason, solely as and to the extent such term may be defined in the Participant's then-effective Service agreement, if any, with the Company or one of its Subsidiaries) occurring upon or within twelve (12) months following a Change in Control. The vesting of the unvested and outstanding portion of the Option

pursuant to the immediately preceding sentence is conditioned, however, upon the Participant's signing a release of claims in a form provided by the Company (a "Release"), which Release must be executed, returned and, to the extent applicable, no longer subject to revocation, within 30 days following the Participant's termination of Service (the date such Release has been executed, returned and, to the extent applicable, no longer subject to revocation, the "Release Effective Date"). Notwithstanding anything to the contrary contained in this Section 3(b), the unvested and outstanding portion of the Option shall vest on the Release Effective Date.

4. Forfeiture; Expiration.

(a) Termination of Service. Any unvested portion of the Option will be forfeited immediately, automatically and without consideration upon a termination of the Participant's Service for any reason, subject to Section 3(b) hereof. In the event the Participant's Service is terminated for Cause, the vested portion of the Option will also be forfeited immediately, automatically and without consideration upon that termination for Cause. Without limiting the generality of the foregoing, the Option and the Shares (and any resulting proceeds) will continue to be subject to Section 13 of the Plan.

(b) Expiration. Any unexercised portion of the Option will expire on the tenth (10th) anniversary of the Date of Grant (the "*Expiration Date*"), or earlier as provided in this Agreement (including Section 5 hereof) or the Plan.

5. Period of Exercise. Subject to the provisions of the Plan and this Agreement, the Participant may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

(a) the Expiration Date;

(b) the date that is one (1) year following termination of the Participant's Service due to death or Disability;

(c) the date that is ninety (90) days following termination of the Participant's Service without Cause (or, if applicable, for Good Reason, solely as and to the extent such term may be defined in the Participant's then-effective Service agreement, if any, with the Company or one of its Subsidiaries);

(d) the date of termination of the Participant's Service for Cause; or

(e) the date that is ninety (90) days following the termination of the Participant's Service for any reason other than pursuant to Section 5(b), 5(c) or 5(d) above.

6. Exercise of Option

(a) Notice of Exercise. Subject to Sections 4 and 5, the Participant or, in the case of the Participant's death or Disability, the Participant's representative may exercise all or any part of the vested portion of the Option by submitting notice to the Company in an electronic or paper form satisfactory to the Committee at the time of exercise (a "*Notice of Exercise*"). The Notice of Exercise will be signed by the person exercising the Option. In the event that the Option is being exercised by the Participant's representative, the Notice of Exercise will be accompanied by proof satisfactory to the Committee of the representative's right to exercise the Option. The Participant or the Participant's representative will deliver to the Committee, at the time of delivery of the Notice of Exercise, payment in a form permissible under Section 7 hereof for the full amount of the Purchase Price and any applicable withholding taxes as provided below.

(b) Issuance of Common Stock. After all requirements with respect to the exercise of the Option have been satisfied, the Committee will cause to be issued the Shares as to which the Option has been exercised (or, in the Committee's discretion, in uncertificated form, upon the books of the Company's transfer agent), registered in the name of the person exercising the Option (or in the names of such person and his or her spouse as community property or as joint tenants with right of survivorship). Neither the Company nor the Committee will be liable to the Participant or any other Person for damages relating to any delays in issuing the Shares or any mistakes or errors in the issuance of the Shares.

(c) Withholding Requirements. The Company will have the power and the right to deduct or withhold automatically from any Shares deliverable under this Agreement, or to require the Participant or the Participant's representative to remit to the Company, the minimum statutory amount necessary to satisfy federal, state and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of this Agreement (collectively, "*Withheld Taxes*"); provided, that any obligations to pay Withheld Taxes may be satisfied in the manner in which the Purchase Price is permitted to be paid under Section 7 hereof or any other manner permitted by the Plan.

7. Payment for Shares. The "*Purchase Price*" will be the Exercise Price multiplied by the number of Shares with respect to which the Option is being exercised. All or part of the Purchase Price and any Withheld Taxes may be paid as follows:

(a) Cash or Check. In cash or by bank-certified check.

(b) Brokered Cashless Exercise. To the extent permitted by applicable law and unless otherwise provided by the Committee, from the proceeds of a sale through a broker on the date of exercise of some or all of the Shares to which the exercise relates. In that case, the Participant will provide the Company a properly executed Notice of Exercise, together with a copy of irrevocable instructions to a broker to deliver promptly to the Company the amount of sale proceeds to pay the aggregate purchase price and/or Withheld Taxes, as applicable. To facilitate the foregoing, the Company may, to the extent permitted by applicable law, enter into agreements or coordinate procedures with one or more brokerage firms.

(c) Net Exercise. By reducing the number of Shares otherwise deliverable upon the exercise of the Option by the number of Shares having a Fair Market Value equal to the amount of the Purchase Price and/or Withheld Taxes, as applicable.

(d) Surrender of Stock. In each instance, at the sole discretion of the Committee, by surrendering or attesting to the ownership of Shares that are already owned by the Participant free and clear of any restriction or limitation, unless the Committee specifically agrees to accept such Shares subject to such restriction or limitation. Such Shares will be surrendered to the Company in good form for transfer and will be valued by the Company at their Fair Market Value on the date of the applicable exercise of the Option or, to the extent applicable, on the date the amount of Withheld Taxes is to be determined. The Participant will not surrender or attest to the ownership of Shares in payment of the Purchase Price (or Withheld Taxes) if such action would cause the Company to recognize compensation expense (or additional compensation expense) with respect to this Option for financial reporting purposes that otherwise would not have been required to be recognized.

8. Adjustment to Option. In the event of any change with respect to the outstanding shares of Common Stock contemplated by Section 4.5 of the Plan, the Option may be adjusted in accordance with Section 4.5 of the Plan.

9. Restrictive Covenant Agreement. To the extent the Participant is not a party to an employment, severance or similar agreement with the Company or any of its affiliates which contains a covenant enforceable by the Company or one of its affiliates (i) prohibiting the Participant's competition, (ii) prohibiting the Participant's solicitation of service providers, (iii) prohibiting the Participant's disclosure of confidential information, (iv) prohibiting the Participant's disparagement of the Company and its affiliates, (v) providing for the Participant's assignment of intellectual property and (vi) providing for the Participant's return of property of the Company and its affiliates upon termination of Service (each of (i) through (vi), individually, a "*Separate Restrictive Covenant*"), the Participant agrees to be bound by the Restrictive Covenant Agreement attached hereto as Exhibit A (the "Restrictive Covenant Agreement") or the covenant in the Restrictive Covenant Agreement which corresponds to the Separate Restrictive Covenant to which the Participant is not otherwise bound, as applicable, in consideration of: (a) the Option granted herein; (b) the Participant's ongoing Service with the Company or a Subsidiary; (c) the importance of protecting the confidential information of the Company and its Subsidiaries and their other legitimate interests, including, without limitation, the valuable confidential information and goodwill that they have developed or acquired; (d) the Participant's being granted access to trade secrets and other confidential information of the Company and its Subsidiaries; and (e) other good and valuable consideration.

10. Miscellaneous Provisions

(a) Securities Laws Requirements. No Shares will be issued or transferred pursuant to this Agreement unless and until all then applicable requirements imposed by federal and state securities and other laws, rules and regulations and by any

regulatory agencies having jurisdiction, and by any exchanges upon which the Shares may be listed, have been fully met. As a condition precedent to the issuance of Shares pursuant to this Agreement, the Company may require the Participant to take any reasonable action to meet those requirements. The Committee may impose such conditions on any Shares issuable pursuant to this Agreement as it may deem advisable, including, without limitation, restrictions under the Securities Act, as amended, under the requirements of any exchange upon which shares of the same class are then listed and under any blue-sky or other securities laws applicable to those Shares.

(b) Rights of a Shareholder of the Company. Neither the Participant nor the Participant's representative will have any rights as a shareholder of the Company with respect to any Shares subject to the Option until the Participant or the Participant's representative becomes entitled to receive those Shares pursuant to the following actions: (i) the Participant or Participant's representative shall have submitted a Notice of Exercise, (ii) the Participant or Participant's representative shall have paid the Purchase Price and Withheld Taxes as provided in this Agreement, and the Company shall have actually received those amounts, (iii) the Company shall have issued those Shares and entered the name of the Participant in the register of shareholders of the Company as the registered holder of those Shares, and (iv) the Participant or Participant's representative shall have satisfied any other conditions as the Committee shall have reasonably required.

(c) Transfer Restrictions. The Shares purchased by exercise of the Option will be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such shares are listed, any applicable federal or state laws and any agreement with or policy of the Company or the Committee to which the Participant is a party or subject, and the Committee may cause orders or designations to be placed upon the books and records of the Company's transfer agent to make appropriate reference to such restrictions.

(d) No Right to Continued Service. Nothing in this Agreement or the Plan confers upon the Participant any right to continue in Service for any period of specific duration or interferes with or otherwise restricts in any way the rights of the Company (or any Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate the Participant's Service at any time and for any reason, with or without Cause.

(e) Notification. Any notification required by the terms of this Agreement will be given by the Participant (i) in a writing addressed to the Company at its principal executive office, attention General Counsel, and will be deemed effective upon actual receipt when delivered by personal delivery or by registered or certified mail, with postage and fees prepaid, or (ii) by electronic transmission to the Company's e-mail address of the Company's General Counsel and will be deemed effective upon actual receipt. Any notification required by the terms of

this Agreement will be given by the Company (x) in a writing addressed to the address that the Participant most recently provided to the Company and will be deemed effective upon personal delivery or within three (3) days of deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid, or (y) by facsimile or electronic transmission to the Participant's primary work fax number or e-mail address (as applicable) and will be deemed effective upon confirmation of receipt by the sender of the fascimile transmission or when e-mail is deemed sent by the e-mail account of the sender (as applicable).

(f) Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties hereto with regard to the subject matter of this Agreement. This Agreement and the Plan supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to the subject matter of this Agreement.

(g) Waiver. No waiver of any breach or condition of this Agreement will be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

(h) Successors and Assigns. The provisions of this Agreement will inure to the benefit of and be binding upon the Company and its successors and assigns and upon the Participant and the Participant's executor, personal representative(s), distributees, administrator, permitted transferees, permitted assignees, beneficiaries and legatee(s), as applicable, whether or not any such person will have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

(i) Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, then the remaining provisions will nevertheless be binding and enforceable.

(j) Amendment. Except as otherwise provided in the Plan, this Agreement will not be amended unless the amendment is agreed to in writing by both the Participant and the Company.

(k) Choice of Law; Jurisdiction. This Agreement and all claims, causes of action or proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or relate to this Agreement will be governed by the internal laws of the State of Delaware, excluding any conflict- or choice-of-law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. Each party to this Agreement agrees that it will bring all claims, causes of action and proceedings (whether in contract, in tort, at law or otherwise) that may be based upon, arise out of or be related to the Plan and this Agreement exclusively in the Delaware Court of Chancery or, in the event (but only in the event) that such court does not have subject-matter jurisdiction over such claim, cause of action or proceeding,

exclusively in the United States District Court for the District of Delaware (the "*Chosen Court*"), and hereby (i) irrevocably submits to the exclusive jurisdiction of the Chosen Court, (ii) waives any objection to laying venue in any such proceeding in the Chosen Court, (iii) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such claim or cause of action will be effective if notice is given in accordance with this Agreement.

(l) Signature in Counterparts. This Agreement may be signed in counterparts, manually or electronically, each of which will be an original, with the same effect as if the signatures to each were upon the same instrument.

(m) Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions of the Plan and this Agreement and accepts the Option subject to all of the terms and conditions of the Plan and this Agreement. In the event of a conflict between any term or provision contained in this Agreement and a term or provision of the Plan, the applicable term and provision of the Plan will govern and prevail.

[Signature page follows.]

IN WITNESS WHEREOF, the Company and the Participant have executed this Stock Option Award Agreement as of the Date of Grant.

PARTICIPANT

_____

OLLIE'S BARGAIN OUTLET HOLDINGS, INC.

By: _____
Name: _____
Title: _____

[Signature Page – Stock Option Award Agreement]

EXHIBIT A

RESTRICTIVE COVENANT AGREEMENT

THIS AGREEMENT (this "**Restrictive Covenant Agreement**") is made effective as of the Date of Grant by and between the Company and the Participant. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Stock Option Award Agreement to which this Restrictive Covenant Agreement is attached as Exhibit "A" (the "**Award Agreement**").

R E C I T A L S:

WHEREAS, the Company and the Participant have entered into the Award Agreement; and

WHEREAS the Award Agreement is conditional on the Participant entering into this Restrictive Covenant Agreement.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Definitions. For purposes of this Restrictive Covenant Agreement:

a. "**Business**" means (i) the retail sale, direct marketing or wholesale of discounted or closeout merchandise, (ii) any other business engaged in by the Company or any of its Subsidiaries within twelve (12) months prior to the Participant's termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months), or (iii) any other business contemplated to be conducted by the Company or any of its Subsidiaries within twelve (12) months prior to the Participant's termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months) as reflected in written business plans of the Company or any of its Subsidiaries.

b. "**Confidential Information**" means the business and financial records, customer and supplier lists, business contacts, contracts, trade secrets, confidential methods of operations of the Company and its Subsidiaries and other related information, as such exists from time to time during the Participant's Service with the Company or any of its Subsidiaries.

c. "**Person**" means any natural person, corporation, division of a corporation, partnership, trust, joint venture, association, firm, company, estate or unincorporated organization.

d. "**Vendor**" means any Person who, within twelve (12) months prior to the Participant's termination of Service with the Company or any of its Subsidiaries (or, if a termination of Service has not occurred, within the previous twelve (12) months):

i. has sold products or services to the Company or any of its Subsidiaries; or

ii. has been directly or indirectly targeted, or was intended to be targeted, by the Company or any of its Subsidiaries to sell products or services to the Company or any of its Subsidiaries, as evidenced by a business, marketing or sales plan, strategy or report.

2. Confidentiality. The Participant recognizes and acknowledges that the Confidential Information constitutes valuable, special and unique assets of the Company and its Subsidiaries, access to and knowledge of which are essential to the performance of the duties of the Participant hereunder. The Participant acknowledges that such Confidential Information is not generally known in the trade and that such Confidential Information provides the Company and its Subsidiaries with a competitive edge in its industry. In that regard, the Participant acknowledges and agrees that the Company and its Subsidiaries have taken and are taking reasonable steps to protect the confidentiality of, and legitimate interest in, the Confidential Information. The Participant therefore agrees that Participant will not, during Participant's Service, or after termination of Participant's Service, disclose any of such Confidential Information to any Person for any reason or purpose whatsoever except in connection with the performance of Participant's duties to the Company and its Subsidiaries, nor shall Participant make use of any such Confidential Information for Participant's own purposes or for the benefit of any Person except the Company and its Subsidiaries. Confidential Information shall not include any information which is or becomes publicly known through no action or inaction of the Participant. Notwithstanding the foregoing, in the event that the Participant is requested or required, in connection with any proceeding by or before a governmental authority, to disclose Confidential Information, the Participant will give the Company prompt written notice of such request or requirement so that the Company or its Subsidiaries may seek a protective order or other appropriate relief. In the event that such protective order or other remedy is not obtained or the Company waives the right to seek such an order or other remedy, the Participant may, without liability hereunder furnish only that portion of the Confidential Information which the Participant is legally required to disclose. Notwithstanding anything herein to the contrary, nothing in this Restrictive Covenant Agreement shall (a) prohibit the Participant from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Exchange Act or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (b) require notification or prior approval by the Company of any reporting described in clause (a).

3. Non-Competition. During or at any time during the twelve (12) months following termination of the Participant's Service for whatever reason and whether with or without Cause, the Participant shall not in any manner whatsoever (other than (i) as required by Participant's Service, (ii) a holding of less than two percent (2%) of the shares of a company listed on a public stock exchange in Canada or the United States of America, or (iii) as a result of Participant being a shareholder of the Company (if applicable)) within North America, directly or indirectly:

a. carry on, engage in or be concerned with or interested in the Business ;

b. assist (as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, independent contractor, supplier, consultant, lender, guarantor, financier or in any other capacity whatsoever) any Person to carry on, engage in or be concerned with or interested in the Business; or

c. have any interest or concern (as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, consultant, independent contractor or in any other capacity whatsoever) in or with any Person, if any part of the activities of such Person consists of the Business.

4. Non-Solicitation. During or at any time during the twelve (12) months following termination of the Participant's Service for whatever reason and whether with or without Cause, the Participant shall not in any manner whatsoever, directly or indirectly,

a. employ or engage, or seek to employ or engage (whether for the benefit of the Participant or any other Person), any Person that is or within the preceding twelve (12) months was an employee or independent contractor of the Company or any of its Subsidiaries or otherwise solicit, encourage or entice any such Person to terminate his or her service relationship with the Company or any of its Subsidiaries; or

b. induce or attempt to induce (whether for the benefit of the Participant or any other Person) any Vendor to (i) curtail, cancel or not commence any business it transacts or may transact with the Company or any of its Subsidiaries or (ii) sell products or provide services to any Person carrying on or engaged in the Business.

5. Non-Disparagement. The Participant shall not at any time, directly or indirectly, orally, in writing or through any medium, disparage, defame or assail the reputation, integrity or professionalism of the Company or any of its Subsidiaries or their respective officers, directors, employees or shareholders. Notwithstanding the foregoing, this prohibition does not apply to statements made in the course of sworn testimony in administrative, judicial or arbitral proceedings.

6. Return of Documents and Property. Upon the termination of Participant's Service or at such other time that the Company may request, the Participant shall forthwith return and deliver to the Company, and shall not retain, any originals or copies of, any books, papers or price lists of the Company or any of its Subsidiaries, customer lists, files, books of account, notes and other documents and data or other writings, tapes or records of the Company or any of its Subsidiaries maintained by or in the possession of the Participant (and all of the same are hereby acknowledged and agreed to be the property of the Company and its Subsidiaries).

7. Inventions and Patents. The Participant hereby assigns to the Company all right, title and interest to all patents and patent applications, all inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports and all similar or related information (in each case whether or not patentable), all copyrights and copyrightable works, all trade secrets, confidential information and know-how, and all other intellectual property rights that both (a) are conceived, reduced to practice, developed or made by the Participant while in Service with the Company or any of its Subsidiaries and (b) either (i) relate to the Company's or any of its Subsidiaries' actual or anticipated business, research and development or existing or future products or services, or (ii) are conceived, reduced to practice, developed or made using any equipment, supplies, facilities, assets or resources of the Company or any of its Subsidiaries' (including but not limited to, any intellectual property rights) ("Work Product"). The Participant shall promptly disclose such Work Product to the Company and, at the Company's expense, perform all actions reasonably requested by the Company (whether during or after the period of Service) to establish and confirm the Company's ownership thereof (including, without limitation, assignments, consents, powers of attorney, applications and other instruments).

8. Covenants Reasonable.

a. The Participant acknowledges and agrees with the Company that:

i. the covenants in this Restrictive Covenant Agreement are reasonable in the circumstances and are necessary to protect the Company;

ii. the Participant is being provided with the opportunity to receive a substantial financial benefit as a result of Award Agreement;

iii. the covenants of the Participant contained in this Restrictive Covenant Agreement were a material inducement for the Company to enter into the Award Agreement and the execution and delivery of this Restrictive Covenant Agreement is a condition to the Company's obligation pursuant to the Award Agreement; and

iv. the breach by such Participant of any of the provisions of this Restrictive Covenant Agreement would cause serious and irreparable harm to the Company and its Subsidiaries which could not adequately be compensated for in damages.

b. The Participant agrees that the Company or any of its Subsidiaries shall be entitled to obtain and the Participant agrees not to oppose a request for, interim, interlocutory and permanent injunctive relief and other equitable relief to prevent a breach or continued breach of the provisions of this Restrictive Covenant Agreement, as well as an accounting of all profits and benefits that arise out of such violation, which rights and remedies shall be cumulative in addition to any other rights or remedies to which the Company or any of its Subsidiaries may be entitled in law. The provisions of this section shall not derogate from any other remedy which the Company or any of its Subsidiaries may have in the event of such a breach.

9. Severability. In the event that a court of competent jurisdiction determines that any term or provision of this Restrictive Covenant Agreement is illegal, invalid or unenforceable in any jurisdiction, such illegality, invalidity or unenforceability of that term or provision will not affect: (a) the legality, validity or enforceability of the remaining terms and provisions of this Restrictive Covenant Agreement and (b) the legality, validity or enforceability of such term or provision in any other jurisdiction. Further, to the extent that any provision hereof is deemed unenforceable by virtue of its scope in terms of territory, length of time, scope of activities or otherwise, but may be made enforceable by limitations or revisions thereon, the parties agree that such limitations or revisions may be made so that the same shall, nevertheless, be enforceable to the fullest extent permitted by law.

10. Notices. Any notice or other communication provided for herein or given hereunder to a party hereto shall be made or provided as required or permitted pursuant to Section 10(e) of the Award Agreement.

11. Entire Agreement. Except as otherwise provided in Section 9 of the Award Agreement, this Restrictive Covenant Agreement constitutes the entire agreement and understanding among the parties hereto in respect of the subject matter hereof and supersedes all prior and contemporaneous arrangements, agreements and understandings, whether oral or written and whether express or implied, and whether in term sheets, presentations or otherwise, among the parties hereto, or between any of them, with respect to the subject matter hereof.

12. Amendment; Waiver. No amendment or modification of any term of this Restrictive Covenant Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant. No waiver of any breach or condition of this Restrictive Covenant Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature.

13. Successors and Assigns; No Third-Party Beneficiaries. The provisions of this Restrictive Covenant Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns.

14. Signature in Counterparts. This Restrictive Covenant Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Restrictive Covenant Agreement.

Ollie's Bargain Outlet Holdings, Inc.

By: _____

Name: _____

Title: _____

Agreed and acknowledged as
of the date first above written:

Signature: _____

Name: _____

Exhibit 10.24

FORM OF AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement ("*Amendment*") is entered into as of July , 2015, by and between Omar Segura, an individual ("*Employee*"), and Ollie's Bargain Outlet, Inc. (the "*Company*").

WHEREAS, the Company and the Employee are party to that certain employment letter dated January 6, 2014 (the "*Employment Agreement*");

WHEREAS, the first underwritten public offering and sale of shares of common stock of Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation ("*Holdings*"), the Company's indirect parent, for cash pursuant to an effective registration statement on Form S-1 under the Securities Act of 1933, as amended (the "*Initial Public Offering*") is expected to occur in the near future;

WHEREAS, in anticipation of the Initial Public Offering of Holdings, the Company and Employee desire to amend the Employment Agreement to reflect the changes set forth herein; provided, that such amendments and this Amendment shall be effective immediately prior to the consummation of such Initial Public Offering; and

WHEREAS, capitalized terms that are not defined herein shall have the same meaning as set forth in the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Amendment to Employment Agreement.

   a. For purposes of the Employment Agreement, the defined term "Bargain Holdings" means Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation, formerly known as Bargain Holdings, Inc.

   b. The last sentence of Section 3 of the Employment Agreement is amended and restated in its entirety to read as follows:

      "The amount of Base Salary shall be reevaluated annually by the Compensation Committee of the Board of Directors of Bargain Holdings, or, if no such committee exists, the Board of Directors of Bargain Holdings (the "Board"), with the input of the Chief Executive Officer of the Company; provided, that the Base Salary may not be reduced to an amount below $275,000."

   c. The phrase "(in each case, with the CCMP Consent (as defined in the Stockholders' Agreement (as defined in Section 6)))" and both instances of the phrase "(in each case, with the CCMP Consent)" shall be deleted from Section 4 in their entirety.

d. The definition of the term “Company Group” contained at Section 9 is amended and restated in its entirety to read as follows:

“Company Group” shall mean Bargain Holdings and its direct and indirect subsidiaries.”

e. The first sentence of Section 19 is amended and restated in its entirety to read as follows:

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto.

2. References. All references in the Employment Agreement to “this Agreement” and any other references of similar import shall hereinafter refer to the Employment Agreement as amended by this Amendment.

3. Remaining Provisions. Except as expressly modified by this Amendment, the Employment Agreement shall remain in full force and effect. This Amendment embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, oral or written, relative thereto.

4. Governing Law. This Amendment is made in Harrisburg, Pennsylvania, and shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

5. Amendment Effective Date. This Amendment shall be effective as of immediately prior to the consummation of the Initial Public Offering of Holdings, and to the extent such Initial Public Offering does not occur prior to December 31, 2015, this amendment shall be void ab initio.

6. Counterparts. This Amendment may be executed by either of the parties hereto in counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

[*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above.

OLLIE'S BARGAIN OUTLET, INC.

By: _____
Name:
Title:

ACCEPTED AND AGREED:

_____
Omar Segura

Exhibit 10.25

FORM OF AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement ("*Amendment*") is entered into as of July , 2015, by and between Kevin McLain, an individual ("*Employee*"), and Ollie's Bargain Outlet, Inc. (the "*Company*").

WHEREAS, the Company and the Employee are party to that certain employment letter dated May 12, 2014 (the "*Employment Agreement*");

WHEREAS, the first underwritten public offering and sale of shares of common stock of Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation ("*Holdings*"), the Company's indirect parent, for cash pursuant to an effective registration statement on Form S-1 under the Securities Act of 1933, as amended (the "*Initial Public Offering*") is expected to occur in the near future;

WHEREAS, in anticipation of the Initial Public Offering of Holdings, the Company and Employee desire to amend the Employment Agreement to reflect the changes set forth herein; provided, that such amendments and this Amendment shall be effective immediately prior to the consummation of such Initial Public Offering; and

WHEREAS, capitalized terms that are not defined herein shall have the same meaning as set forth in the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Amendment to Employment Agreement.

   a. For purposes of the Employment Agreement, the defined term "Bargain Holdings" means Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation, formerly known as Bargain Holdings, Inc.

   b. The last sentence of Section 3 of the Employment Agreement is amended and restated in its entirety to read as follows:

      "The amount of Base Salary shall be reevaluated annually by the Compensation Committee of the Board of Directors of Bargain Holdings, or, if no such committee exists, the Board of Directors of Bargain Holdings (the "Board"), with the input of the Chief Executive Officer of the Company; provided, that the Base Salary may not be reduced to an amount below $225,000."

   c. The phrase "(in each case, with the CCMP Consent (as defined in the Stockholders' Agreement (as defined in Section 6)))" and both instances of the phrase "(in each case, with the CCMP Consent)" shall be deleted from Section 4 in their entirety.

d. The definition of the term “Company Group” contained at Section 9 is amended and restated in its entirety to read as follows:

“Company Group” shall mean Bargain Holdings and its direct and indirect subsidiaries.”

e. The first sentence of Section 19 is amended and restated in its entirety to read as follows:

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto.

2. References. All references in the Employment Agreement to “this Agreement” and any other references of similar import shall hereinafter refer to the Employment Agreement as amended by this Amendment.

3. Remaining Provisions. Except as expressly modified by this Amendment, the Employment Agreement shall remain in full force and effect. This Amendment embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, oral or written, relative thereto.

4. Governing Law. This Amendment is made in Harrisburg, Pennsylvania, and shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

5. Amendment Effective Date. This Amendment shall be effective as of immediately prior to the consummation of the Initial Public Offering of Holdings, and to the extent such Initial Public Offering does not occur prior to December 31, 2015, this amendment shall be void ab initio.

6. Counterparts. This Amendment may be executed by either of the parties hereto in counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

[*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above.

OLLIE'S BARGAIN OUTLET, INC.

By: _____
Name:
Title:

ACCEPTED AND AGREED:

_____
Kevin McLain

Exhibit 10.26

FORM OF AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement ("*Amendment*") is entered into as of July , 2015, by and between Howard Freedman, an individual ("*Employee*"), and Ollie's Bargain Outlet, Inc. (the "*Company*").

WHEREAS, the Company and the Employee are party to that certain employment letter dated September 28, 2012 (the "*Employment Agreement*");

WHEREAS, the first underwritten public offering and sale of shares of common stock of Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation ("*Holdings*"), the Company's indirect parent, for cash pursuant to an effective registration statement on Form S-1 under the Securities Act of 1933, as amended (the "*Initial Public Offering*") is expected to occur in the near future;

WHEREAS, in anticipation of the Initial Public Offering of Holdings, the Company and Employee desire to amend the Employment Agreement to reflect the changes set forth herein; provided, that such amendments and this Amendment shall be effective immediately prior to the consummation of such Initial Public Offering; and

WHEREAS, capitalized terms that are not defined herein shall have the same meaning as set forth in the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Amendment to Employment Agreement.

   a. For purposes of the Employment Agreement, the defined term "Bargain Holdings" means Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation, formerly known as Bargain Holdings, Inc.

   b. The last sentence of Section 3 of the Employment Agreement is amended and restated in its entirety to read as follows:

      "The amount of Base Salary shall be reevaluated annually by the Compensation Committee of the Board of Directors of Bargain Holdings, or, if no such committee exists, the Board of Directors of Bargain Holdings (the "Board"), with the input of the Chief Executive Officer of the Company; provided, that the Base Salary may not be reduced to an amount below $170,000."

   c. The phrase "(in each case, with the CCMP Consent (as defined in the Stockholders' Agreement (as defined in Section 6)))" and both instances of the phrase "(in each case, with the CCMP Consent)" shall be deleted from Section 4 in their entirety.

d. The definition of the term “Company Group” contained at Section 6 is amended and restated in its entirety to read as follows:

“Company Group” shall mean Bargain Holdings and its direct and indirect subsidiaries.”

e. The first sentence of Section 16 is amended and restated in its entirety to read as follows:

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto.

2. References. All references in the Employment Agreement to “this Agreement” and any other references of similar import shall hereinafter refer to the Employment Agreement as amended by this Amendment.

3. Remaining Provisions. Except as expressly modified by this Amendment, the Employment Agreement shall remain in full force and effect. This Amendment embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, oral or written, relative thereto.

4. Governing Law. This Amendment is made in Harrisburg, Pennsylvania, and shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

5. Amendment Effective Date. This Amendment shall be effective as of immediately prior to the consummation of the Initial Public Offering of Holdings, and to the extent such Initial Public Offering does not occur prior to December 31, 2015, this amendment shall be void ab initio.

6. Counterparts. This Amendment may be executed by either of the parties hereto in counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

[*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above.

OLLIE'S BARGAIN OUTLET, INC.

By: _____
Name:
Title:

ACCEPTED AND AGREED:

_____
Howard Freedman

[Signature Page to Amendment to Employment Agreement – Freedman]

Exhibit 10.27

FORM OF AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement ("*Amendment*") is entered into as of July , 2015, by and between Kenneth Robert Bertram, an individual ("*Employee*"), and Ollie's Bargain Outlet, Inc. (the "*Company*").

WHEREAS, the Company and the Employee are party to that certain employment letter dated April 16, 2014 (the "*Employment Agreement*");

WHEREAS, the first underwritten public offering and sale of shares of common stock of Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation ("*Holdings*"), the Company's indirect parent, for cash pursuant to an effective registration statement on Form S-1 under the Securities Act of 1933, as amended (the "*Initial Public Offering*") is expected to occur in the near future;

WHEREAS, in anticipation of the Initial Public Offering of Holdings, the Company and Employee desire to amend the Employment Agreement to reflect the changes set forth herein; provided, that such amendments and this Amendment shall be effective immediately prior to the consummation of such Initial Public Offering; and

WHEREAS, capitalized terms that are not defined herein shall have the same meaning as set forth in the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Amendment to Employment Agreement.

   a. For purposes of the Employment Agreement, the defined term "Bargain Holdings" means Ollie's Bargain Outlet Holdings, Inc., a Delaware corporation, formerly known as Bargain Holdings, Inc.

   b. The last sentence of Section 3 of the Employment Agreement is amended and restated in its entirety to read as follows:

      "The amount of Base Salary shall be reevaluated annually by the Compensation Committee of the Board of Directors of Bargain Holdings, or, if no such committee exists, the Board of Directors of Bargain Holdings (the "Board"), with the input of the Chief Executive Officer of the Company; provided, that the Base Salary may not be reduced to an amount below $185,000."

   c. The phrase "(in each case, with the CCMP Consent (as defined in the Stockholders' Agreement (as defined in Section 6)))" and both instances of the phrase "(in each case, with the CCMP Consent)" shall be deleted from Section 4 in their entirety.

d. The definition of the term “Company Group” contained at Section 6 is amended and restated in its entirety to read as follows:

“Company Group” shall mean Bargain Holdings and its direct and indirect subsidiaries.”

e. The first sentence of Section 16 is amended and restated in its entirety to read as follows:

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto.

2. References. All references in the Employment Agreement to “this Agreement” and any other references of similar import shall hereinafter refer to the Employment Agreement as amended by this Amendment.

3. Remaining Provisions. Except as expressly modified by this Amendment, the Employment Agreement shall remain in full force and effect. This Amendment embodies the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, oral or written, relative thereto.

4. Governing Law. This Amendment is made in Harrisburg, Pennsylvania, and shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

5. Amendment Effective Date. This Amendment shall be effective as of immediately prior to the consummation of the Initial Public Offering of Holdings, and to the extent such Initial Public Offering does not occur prior to December 31, 2015, this amendment shall be void ab initio.

6. Counterparts. This Amendment may be executed by either of the parties hereto in counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

[*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above.

OLLIE'S BARGAIN OUTLET, INC.

By: _____
Name:
Title:

ACCEPTED AND AGREED:

_____
Kenneth Robert Bertram

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Ollie's Bargain Outlet Holdings, Inc.:

We consent to the use of our report included herein and to the reference to our firm under the heading "Experts" in the prospectus.

/s/ KPMG LLP

Philadelphia, Pennsylvania
July 6, 2015