

## SIXTEENTH AMENDMENT TO LOAN AGREEMENT

This SIXTEENTH AMENDMENT TO LOAN AGREEMENT (this "**Amendment**") is made as of the 28<sup>th</sup> day of August, 2023, by and among MidCap Business Credit LLC, a Texas limited liability company, the secured party hereunder (hereinafter called "**Lender**"), BLONDER TONGUE LABORATORIES, INC., a Delaware corporation (together with its successors and permitted assigns, "**Borrower**"), R. L. DRAKE HOLDINGS, LLC, a Delaware limited liability company (together with its permitted successors and assigns, "**Drake**"), and BLONDER TONGUE FAR EAST, LLC, a Delaware limited liability company (together with its permitted successors and assigns, "**Far East**"). Each of Borrower, Drake and Far East are individually referred to herein as a "**Loan Party**" and individually, collectively, jointly and severally, the "**Loan Parties**".

WHEREAS, the Loan Parties and Lender have entered that Loan and Security Agreement (All Assets) dated as of October 25, 2019, as amended by that certain Consent and Amendment to Loan Agreement and Loan Documents, dated as of April 7, 2020, that certain Second Amendment to Loan Agreement, dated as of January 8, 2021, that certain Third Amendment to Loan Agreement, dated as of June 14, 2021, that certain Fourth Amendment to Loan Agreement, dated as of July 30, 2021, that certain Fifth Amendment to Loan Agreement, dated as of August 2, 2021, that certain Sixth Amendment to Loan Agreement, dated as of December 15, 2021, that certain Seventh Amendment to Loan Agreement, dated as of February 11, 2022, that certain Eight Amendment to Loan Agreement, dated as of March 3, 2022, that certain Ninth Amendment to Loan Agreement, dated as of April 5, 2022, that certain Tenth Amendment to Loan Agreement dated as of May 5, 2022, that certain Eleventh Amendment to Loan Agreement dated as of June 14, 2022, that certain Twelfth Amendment to Loan Agreement dated as of July 1, 2022, that certain Thirteenth Amendment to Loan Agreement dated as of October 25, 2022, that certain Fourteenth Amendment to Loan Agreement dated as of October 28, 2022, and that certain Fifteenth Amendment to Loan Agreement dated as of July 5, 2023 (as amended, the "**Loan Agreement**").

WHEREAS, Borrower has requested that the Loan Agreement be amended as provided herein, and Lender is willing to make such modifications to the Loan Agreement, subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing premises and the mutual benefits to be derived by the Loan Parties and Lender from a continuing relationship under the Loan Agreement and Loan Documents and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. **Defined Terms.** Capitalized terms used in this Amendment which are defined in the Loan Agreement shall have the same meanings as defined therein, unless otherwise defined herein.

2. **Amendment to Loan Agreement.** The Loan Agreement is hereby amended as follows:

(a) **Definition of Borrowing Base - Section 5(c).** Section 5(c) of the Loan Agreement is hereby amended and restated in its entirety, as follows:

“(c) The term “**Borrowing Base**” as used herein shall mean the sum of the following:

(1) up to eighty-five percent (85%) of the unpaid face amount of Qualified Accounts (as defined below), PLUS

(2) the lesser of (i) eighty-five percent (85%) of the Net Orderly Liquidation Value of all Eligible Inventory (as defined below), which such Net Orderly Liquidation

*Value shall be reset on an annual basis in connection with the updated appraisals obtained in connection herewith, or (II) \$2,500,000, PLUS*

*(3) an over-advance facility in the amount of Four Hundred Thousand and 00/100 Dollars (\$400,000), which such amount, commencing on August 28, 2023 and continuing on the first Business Day of each succeeding calendar week, shall reduce by \$10,000 per week until such amount reaches \$350,000 (the "Over-Advance Facility") (it being acknowledged and agreed that any reductions in the Over-Advance Facility as of August 7, 2023 and August 14, 2023 have been reversed and the amount of the Over-Advance Facility as of the Sixteenth Amendment Effective Date was \$400,000), PLUS*

*(4) subject to the approval of Lender in its sole and unfettered discretion, an over-advance facility in an amount up to One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) (the "2022 Over-Advance Facility"), LESS*

*(5) the Borrowing Base Reserve (as defined below).*

*The term "**Borrowing Base Reserve**" as used herein means, as of any date of determination, such amounts (expressed as either a specified amount or as a percentage of a specified category or item) as Lender may from time to time establish and adjust in reducing the amount available for borrowing (a) to reflect events, conditions, contingencies or risks which, as determined by Lender in its Permitted Discretion, do or may affect (i) the Collateral or its value, (ii) the assets, business or prospects of Borrower, or (iii) the security interests and other rights of Lender in the Collateral (including the enforceability, perfection and priority thereof), or (b) to reflect Lender's judgment in its Permitted Discretion that any collateral report or financial information furnished by or on behalf of Borrower to Lender is or may have been incomplete, inaccurate or misleading in any material respect, or (c) in respect of any state of facts that Lender determines constitutes an Event of Default in its Permitted Discretion.*

*All of the property and assets of the Loan Parties, including, without limitation, their receivables, shall be valued in, and converted into, Dollars in accordance with Lender's customary banking and conversion practices and procedures."*

**(b) Fees – Section 10.** Section 10 of the Loan Agreement is hereby amended by adding the following new clause (h) immediately following clause (g) thereof:

*"(h) **Success Fee.** In the event (1) this Agreement is terminated and the Obligations are repaid on or after the Term, or the Revolving Loans are prepaid in full in advance of the expiration of the Term as a result of (i) a refinancing of the Obligations, (ii) a Change of Control or a sale of all or substantially all of the Loan Parties' equity, business or assets, or (iii) as a result of any other event or circumstance (including, but not limited to, any liquidation or bankruptcy of the Loan Parties, in whole or part), or (2) the parties hereto extend the Term under this Agreement, the Borrower shall pay to the Lender a non-refundable success fee (the "**Success Fee**"), which is deemed fully earned and non-refundable as of the Sixteenth Amendment Effective Date in the amount of \$10,000. The Success Fee shall be payable on the earlier of (x) the expiration of the Term, or (y) the date of such earlier prepayment of the Obligations, as applicable.*

**(c) Termination - Section 21(a).** The first sentence of Section 21(a) of the Loan Agreement is hereby amended and restated in its entirety, as follows:

*“(a) Unless sooner terminated by Lender as a result of the occurrence of an Event of Default, Borrower’s eligibility to request loans hereunder shall commence on the date hereof and shall continue until November 30, 2023 (the “Term”).*

(d) Definitions - Section 22(p). Section 22(p) of the Loan Agreement is hereby amended to add the following new defined term in the appropriate alphabetical order:

*“Sixteenth Amendment Effective Date” shall mean August 28<sup>th</sup>, 2023.*

3. Fees. In consideration of the execution by Lender of this Amendment, Borrower agrees to pay Lender as of the date hereof (i) a fully earned, non-refundable amendment fee in the amount of \$2,500 (“**Amendment Fee**”), and (ii) a fully earned, non-refundable pro-rated origination fee in the amount of \$8,333.33 (the “**Origination Fee**”).

4. Conditions to Closing. The willingness of Lender to enter into this Amendment shall be subject to the condition precedent that Lender shall have received all of the following, each in form and substance satisfactory to Lender:

(a) This Amendment properly executed and delivered,

(b) Payment by Borrower of the Amendment Fee and Origination Fee pursuant to Section 3 hereof, and

(c) Payment by the Borrower of any and all outstanding reasonable out-of-pocket fees and expenses relating to the Loan Agreement and/or this Amendment incurred by the Lender, including, without limitation, attorney’s fees and expenses.

5. Representations and Warranties. Each Loan Party represents and warrants to Lender that such Loan Party has the full power and authority to execute, deliver and perform its obligations under, this Amendment and the execution and delivery of this Amendment have been duly authorized by all necessary action of the stockholders, directors, members and managers, as applicable, of such Loan Party.

6. Release and Confirmation. Each Loan Party hereby (i) reaffirms that it remains indebted to Lender without defense, counterclaim or offset and, assuming effectiveness of this Amendment, no default or Event of Default has occurred or exists under the Loan Documents, (ii) restates, and reaffirms, all of its covenants, representations and warranties set forth in the Loan Documents to the same extent as if fully set forth herein and each Loan Party hereby certifies that after giving effect to this Amendment, all such covenants, representations and warranties are true and accurate as of the date hereof and (iii) acknowledges and warrants that it does not have any claims, actions or causes of action whatsoever in law or in equity against Lender, its’ officers, directors, employees, agents, successors, subsidiaries, related companies or attorneys (for the purpose of this paragraph, collectively referred to herein as the “Lenders”) or any of them, in connection with or related to or arising from any and all transactions with Lenders, whether known or unknown, including, but not limited to, the loans, through the date of this Amendment, and each Loan Party for good and valuable consideration hereby waives, remises, releases and discharges any and all rights with respect to such claims, additions or causes of action, if any.

7. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Counterpart signature pages to this Amendment transmitted by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

8. **References.** Upon and after the date of this Amendment all references to the Loan Agreement in the Loan Documents, or in any related document, shall mean the Loan Agreement as amended by this Amendment. Except as expressly provided in this Amendment, the execution and delivery of this Amendment does not and will not amend, modify or supplement any provision of, or constitute a consent to or a waiver of any noncompliance with the provisions of the Loan Agreement, and, except as specifically provided in this Amendment, the Loan Agreement shall remain in full force and effect in accordance with the respective terms thereof.

9. **Loan Documents Ratified.** This Amendment is executed as an instrument under seal and shall be governed by and construed in accordance with the laws of the State of Connecticut without regard to its conflicts of law rules. All parts of the Loan Agreement and the other Loan Documents, not affected by this Amendment are hereby ratified and affirmed in all respects, provided that if any provision of the Loan Documents shall conflict or be inconsistent with this Amendment, the terms of this Amendment shall supersede and prevail.


10. **Costs and Expenses.** Each Loan Party hereby reaffirms its agreement under the Loan Agreement to pay or reimburse Lender on demand for all costs and expenses incurred by Lender in connection with the Loan Documents, including without limitation all reasonable fees and disbursements of legal counsel. Without limiting the generality of the foregoing, each Loan Party specifically agrees to pay all fees and disbursements of counsel to Lender for the services performed by such counsel in connection with the preparation of this Amendment and the documents and instruments incidental hereto. Each Loan Party hereby agrees that Lender may, at any time or from time to time in its sole discretion and without further authorization by the Loan Party, make a loan to Borrower under the Loan Agreement, or apply the proceeds of any loan, for the purpose of paying any such fees, disbursements, costs and expenses.

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Amendment under seal as of the day and year first above written.


BORROWER:

**BLONDER TONGUE LABORATORIES,  
INC.**


By:   
Name: Robert Palle  
Title: President and Chief Executive Officer

OTHER LOAN PARTIES:

**BLONDER TONGUE FAR EAST, LLC**


By:   
Name: Robert Palle  
Title: President and Chief Executive Officer

**R. L. DRAKE HOLDINGS, LLC**

By:   
Name: Robert Palle  
Title: President and Chief Executive Officer

LENDER:

**MIDCAP BUSINESS CREDIT LLC**

By:   
Name: Peter F. Rutigliano  
Title: Executive Vice President