

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

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): April 19, 2020

Crown Crafts, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-7604

(Commission File Number)

58-0678148

(IRS Employer
Identification No.)

916 South Burnside Avenue, Gonzales, LA

(Address of principal executive offices)

70737

(Zip Code)

Registrant's telephone number, including area code: **(225) 647-9100**

(Former name or former address if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Emerging growth company

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	CRWS	Nasdaq Capital Market

Item 1.01. Entry into a Material Definitive Agreement

(a) Paycheck Protection Program Loan

On April 19, 2020, Crown Crafts, Inc. (the “Company”) executed a Note (the “Note”) made in connection with a loan (the “Loan”) made pursuant to the U.S. Small Business Administration Paycheck Protection Program under the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”). The Note was entered into with CIT Bank, N.A. (the “Lender”) for the principal amount of \$1,963,800 and will accrue interest at 1.0% per year.

The Note will mature on April 20, 2022, at which time all remaining outstanding principal and accrued interest amounts under the Note will become due and payable. No payments of principal or interest will be due under the Note until October 20, 2020, although interest will continue to accrue during the deferment period. Beginning November 1, 2020, the Company will be required to pay monthly installments of principal and interest in the amount necessary to fully amortize the Loan through the maturity date. The Note may be prepaid at any time prior to maturity without penalty.

As authorized by the provisions of the CARES Act, the Company may apply to the Lender for forgiveness of all or a portion of the Loan in an amount equal to the sum of certain allowable costs incurred by the Company during the 8-week period beginning on April 20, 2020. Such forgiveness will be determined, subject to limitations, based on the use of Loan proceeds for payroll costs, mortgage interest, rent or utility costs. No assurance is provided that the Company will obtain forgiveness of the Loan in whole or in part.

The Note contains customary events of default relating to, among other things, payment defaults, breach of representations and warranties, or provisions of the Note. The occurrence of an event of default may result in the repayment of all amounts outstanding, collection of all amounts owing from the Company, and/or filing suit and obtaining judgment against the Company.

Additionally, the Note is subject to the terms and conditions applicable to loans administered by the U.S. Small Business Administration under the CARES Act.

(b) Conditional Consent to Paycheck Protection Program Loan

On April 19, 2020, the Company, together with its wholly-owned subsidiaries Sassy Baby, Inc., NoJo Baby & Kids, Inc. and Carousel Designs, LLC (the “Companies”), entered into a Conditional Consent to Paycheck Protection Program Loan (the “Consent”) with The CIT Group/Commercial Services, Inc. (“CIT”). Absent the Consent, the execution of the Note by the Company would have given rise to an event of default under that certain Financing Agreement, dated July 11, 2006 (as amended or otherwise modified from time to time, the “Financing Agreement”), entered into by and between the Companies and CIT. Subject to the terms and conditions set forth in the Consent, CIT provided its consent to the incurrence of the Loan.

The descriptions contained herein of the Note, the Consent and the Financing Agreement are qualified in their entirety by reference to the terms of such documents, which are attached hereto as Exhibits 99.1, 99.2 and 99.3, respectively, and are incorporated herein by this reference.

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

The information set forth in Item 1.01 related to the Note, the Consent and the Financing Agreement is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

- 99.1 [Note dated as of April 19, 2020 made by the Company in favor of CIT Bank, N.A. \(2\)](#)
- 99.2 [Conditional Consent to Paycheck Protection Program Loan dated as of April 19, 2020 by and between the Companies and CIT. \(2\)](#)
- 99.3 [Financing Agreement dated as of July 11, 2006 by and among the Company, Churchill Weavers, Inc., Hamco, Inc., Crown Crafts Infant Products, Inc. and The CIT Group/Commercial Services, Inc. \(1\)](#)

- (1) Incorporated herein by reference to Registrant's Current Report on Form 8-K dated July 17, 2006.
- (2) Filed herewith.

SIGNATURES

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

CROWN CRAFTS, INC.

Date: April 23, 2020

/s/ Olivia W. Elliott
Olivia W. Elliott
Vice President and Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Note dated as of April 19, 2020 made by the Company in favor of CIT Bank, N.A. (2)
99.2	Conditional Consent to Paycheck Protection Program Loan dated as of April 19, 2020 by and between the Companies and CIT. (2)
99.3	Financing Agreement dated as of July 11, 2006 by and among the Company, Churchill Weavers, Inc., Hamco, Inc., Crown Crafts Infant Products, Inc. and The CIT Group/Commercial Services, Inc. (1)

(1) Incorporated herein by reference to Registrant's Current Report on Form 8-K dated July 17, 2006.

(2) Filed herewith.

NOTE

(Made Pursuant to the SBA Paycheck Protection Program as Authorized by Title I of the CARES Act)

This Note is made in connection with a loan made pursuant to the SBA

Paycheck Protection Program ("PPP") as authorized by the

CARES Act. This Note is subject to the statutes, regulations and rules governing the PPP, as the same may be amended from time to time or interpreted by the SBA from time to time.

SBA Loan#	70663471-05
CIT Loan#	70663471-05
Date	April 19, 2020
Loan Amount	\$1,963,800.00
Interest Rate	1.00% (based on a year of 360 days)
Borrower	Crown Crafts, Inc.
Lender	CIT Bank, N.A.

I. PROMISE TO PAY:

A. In return for the Loan, Borrower promises to pay to the order of Lender the principal amount of One Million Nine Hundred Sixty-three Thousand Eight Hundred & 00/100 Dollars, interest on the unpaid principal balance, and all other amounts required by this Note.

B. Under the PPP, certain amounts may be forgiven by the Lender under the direction of the Administrator of the SBA so long as the requirements of the PPP for forgiveness are satisfied. Until an amount is forgiven, the principal amount owed is as set forth in the preceding paragraph and interest accrues thereon. **Forgiveness does not occur automatically. Borrower must submit a request for forgiveness and all required documentation, and forgiveness will not occur unless and until the request for forgiveness is approved. Borrower should submit the request for approval timely in accordance with the rules of the PPP to avoid unnecessary delay.**

2. DEFINITIONS:

"Application" shall mean the SBA Form 2483 together with all supporting documentation submitted to Lender as the application for the Loan.

"Disbursement Date" means the date on which the Loan is disbursed by Lender.

"Loan" means the loan evidenced by this Note.

"Loan Documents" means the documents related to this loan signed by Borrower, including without limitation, the Application on SBA Form 2483.

"Maturity Date" means the date that is **two (2) years** from the Disbursement Date.

"Payroll Costs" shall have the meaning set forth in the CARES Act and Section 2(f) of the SBA's PPP rules, as the same may be amended, modified, supplemented or interpreted by the SBA from time to time.

"PPP" means the Paycheck Protection Program set forth in Sections 1102 and 1106 of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), as may be amended, modified or supplemented from time to time or interpreted by the SBA from time to time, and the rules and regulations promulgated thereunder or in connection therewith.

"SBA" means the Small Business Administration, an Agency of the United States of America.

3. PAYMENT TERMS:

Borrower must make all payments at the place Lender designates.

The payment terms for this Note are:

Interest: The interest rate is a fixed rate of 1.00% per year on the outstanding principal balance. Interest shall accrue at the interest rate from the Disbursement Date on a basis of a 360 day year, for the actual days elapsed. The interest rate will not be changed during the life of the loan.

Payment Deferral: No payments of principal or interest shall be due for six months from the Disbursement Date, although interest will accrue on the outstanding principal during this period.

Loan Forgiveness: Borrower may apply to Lender for forgiveness of the amount due on this loan in an amount equal to the sum of the following costs incurred by Borrower during the 8-week period beginning on the Disbursement Date:

- A. Payroll Costs;
- B. Any payment of interest (but not of principal) on mortgages incurred before February 15, 2020 (each, a "Covered Mortgage Interest Payment");
- C. Any payment of a rent obligation on leases dated before February 15, 2020 (a "Covered Rent Payment"); and
- D. Any payment of covered utilities under service agreements dated before February 15, 2020 (a "Covered Utility Payment").

The amount of loan forgiveness shall be calculated (and may be reduced) in accordance with the requirements of the PPP. Not more than twenty-five percent (25%) of the amount forgiven can be attributable to non-Payroll Costs. Borrower has received an EIDL (Economic Injury Disaster Loan) advance in the amount of \$0. That amount will be subtracted from the loan forgiveness amount.

Loan Repayment: Commencing on the first (1st) calendar day of the seventh (7th) calendar month after the Disbursement Date, and on the same day of each calendar month thereafter until the Maturity Date, Borrower shall pay Lender installments of principal and accrued interest in an amount determined by Lender and notified to Borrower prior to each of the seventh (7th) and thirteenth (13th) calendar month after the Disbursement Date. All remaining outstanding and unpaid principal and accrued interest shall be due on the Maturity Date. Lender will apply each installment payment first to pay interest accrued to the day Lender receives the payment, then to bring principal current, and will apply any remaining balance to reduce principal. Commencing on the first (1st) calendar day of the thirteenth (13th) calendar month after the Disbursement Date, the Loan will be re-amortized over the remaining Loan term. Principal and interest payments will be adjusted accordingly¹.

Loan Prepayment: Notwithstanding any provision in this Note to the contrary, Borrower may prepay this Note at any time without penalty. Borrower may prepay 20 percent or less of the unpaid principal balance at any time without notice. If Borrower prepays more than 20 percent and the Loan has been sold on the secondary market, Borrower must:

- a. Give Lender written notice;
- b. Pay all accrued interest then unpaid; and
- c. If the prepayment is received less than 21 days from the date Lender receives the written notice from Borrower, pay an amount equal to 21 days' interest from the date Lender receives the notice, less any interest accrued during the 21 days and paid under subparagraph b., above.

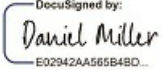
¹ By way of example only, if the loan amount is \$1,000,000 and \$750,000 is forgiven six (6) months after the Disbursement Date, the remaining principal amount repayable is \$250,000, plus interest. Interest accrues on the full \$1,000,000 until the date of forgiveness, and accrues on the remaining principal balance thereafter. Payments due commencing on the first day of months 7-12 would be \$13,999.10, and would be adjusted to \$14,419.78 for months 13 – 24, with all remaining outstanding and unpaid principal and accrued interest due on the Maturity Date.

If Borrower does not prepay the amount specified in its notice within 30 days from the date Lender receives the notice, Borrower must give Lender a new written notice and comply with subparagraphs b and c above.

4. **DEFAULT:** Borrower is in default under this Note if Borrower does not make a payment when due under this Note, or if Borrower :
- A. Fails to do anything required by this Note and other Loan Documents, including but not limited to using Loan proceeds for purposes other than those expressly permitted under the PPP;
 - B. Defaults on any other loan with Lender or any affiliate to Lender;
 - C. Is not eligible to receive a loan under the PPP when the Loan is made;
 - D. Does not disclose, or anyone acting on Borrower's behalf does not disclose, any material fact to Lender or SBA;
 - E. Makes, or anyone acting on Borrower's behalf makes, a materially false or misleading representation to Lender or SBA, including but not limited to the making or submission of any false document, statement, authorization, representation or certification to Lender or SBA in the Application or otherwise;
 - F. Defaults on any loan or agreement with another creditor, if Lender believes the default may materially affect Borrower's ability to pay this Note;
 - G. Fails to pay any taxes when due;
 - H. Becomes the subject of a proceeding under any bankruptcy or insolvency law;
 - I. Has a receiver or liquidator appointed for any part of their business or property;
 - J. Makes an assignment for the benefit of creditors;
 - K. Has any adverse change in financial condition or business operation that Lender believes may materially affect Borrower's ability to pay this Note, provided that this provision shall not apply to adverse changes or conditions resulting from the Covid-19 pandemic and the circumstances giving rise to the CARES Act ;
 - L. (1) Reorganizes, merges, consolidates, or otherwise changes ownership or business structure, (2) makes any distribution of Borrower's assets that would adversely affect its financial condition, or (3) transfers (including by pledge) or disposes of any assets except in the ordinary course of business, in each case without Lender's prior written consent;
 - M. Becomes the subject of a civil or criminal action that Lender believes may materially affect Borrower's ability to pay this Note; or
 - N. Fails to comply with the financial reporting obligations regarding use of Loan proceeds as set forth in 5 below.
5. **FINANCIAL REPORTING** Borrower shall keep books and records in a manner satisfactory to Lender, furnish financial statements as requested by Lender, and allow Lender and SBA to inspect and audit books, records and papers relating to Borrower's financial or business condition. For clarification, and not by way of limitation, Borrower agrees to keep an accurate record of the Loan proceeds used to pay Payroll Costs. Borrower shall provide Lender documentation verifying the number of, and pay rates for, full-time equivalent employees on the Applicant's payroll whose principal place of residence is in the United States, as well as the dollar amounts of Payroll Costs, Covered Mortgage Interest Payments, Covered Rent Payments, and Covered Utility Payments, for the eight-week period following the Disbursement Date. In particular, at the end of weeks seven (7) and eight (8) following the Disbursement Date and until information for the eight-week period following the Disbursement Date has been provided in full, Borrower shall provide to Lender (on a form provided by Lender, if so provided) a statement of the dollar amount of the uses of the Loan proceeds together with supporting documentation, such as payroll tax filings, cancelled checks and other payment documentation as reasonably requested by Lender. Borrower shall provide such additional information and execute such other certifications as reasonably required by Lender or SBA for implementation of and compliance with the PPP, including for purposes of Loan forgiveness or otherwise. Borrower represents and warrants that all such records and information provided to Lender shall be true and correct in all material respects.
6. **LENDER'S RIGHTS IF THERE IS A DEFAULT:** Without notice or demand and without giving up any of its rights, after a default, Lender may:
- A. Require immediate payment of all amounts owing under this Note;
 - B. Collect all amounts owing from any Borrower; or
 - C. File suit and obtain judgment;
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7. **LENDER'S GENERAL POWERS:** Without notice and without Borrower's consent, Lender may:
- A. Incur expenses to collect amounts due under this Note and enforce the terms of this Note or any other Loan Document. Among other things, the expenses may include reasonable attorney's fees and costs. If Lender incurs such expenses, it may demand immediate repayment from Borrower or add the expenses to the principal balance;
 - B. Release anyone obligated to pay this Note; and
 - C. Take any action necessary to collect amounts owing on this Note or comply with the PPP.
8. **WHEN FEDERAL LAW APPLIES:** When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. Lender or SBA may use state or local procedures for filing papers, recording documents, giving notice, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.
9. **SUCCESSORS AND ASSIGNS:** Under this Note, all references to "Borrower" includes its successors, and to "Lender" includes its successors and assigns. Lender may assign, pledge or grant a security interest in all or any portion of this Note without notice to, or consent of, Borrower.
10. **GENERAL PROVISIONS:**
- A. All individuals and entities signing this Note are jointly and severally liable.
 - B. Borrower waives all suretyship defenses.
 - C. Borrower must sign all documents necessary at any time to comply with the Loan Documents or the statutes and regulations applicable to the PPP.
 - D. Lender may exercise any of its rights separately or together, as many times and in any order it chooses. Lender may delay or forgo enforcing any of its rights without giving up any of them.
 - E. Borrower may not use an oral statement of Lender or SBA to contradict or alter the written terms of this Note.
 - F. If any part of this Note is unenforceable, all other parts remain in effect.
 - G. To the extent allowed by law, Borrower waives all demands and notices in connection with this Note, including presentment, demand, protest, and notice of dishonor.
11. **E-SIGNATURES:** For purpose of this note and all other Loan Documents, electronic signatures in any of the following formats shall have the same legal effect, validity and enforceability of original "wet signatures" for all purposes and may be relied upon as such:
- A. Scanned, faxed or photographic images of the "wet signature" of the party executing the document;
 - B. A signature placed upon the document using the signature function of a commercially available software program, such as Adobe Acrobat; or
 - C. A document signed using a commercial e-signing service, such as DocuSign.
- By placing an electronic signature on this document, Borrower intends to be legally bound by this Note.
12. **BORROWER'S NAME(S) AND SIGNATURE(S):**
- By signing below, each individual or entity becomes obligated under this Note as Borrower. By signing below, Borrower acknowledges and understands that: (i) Borrower will be forfeiting certain alternative tax benefits that were generally made available in the CARES Act, (ii) Lender is not Borrower's tax advisor, and this message is not intended to offer Borrower any tax advice, and (iii) Borrower is encouraged to consult with its tax advisor or other qualified professional before Borrower obtains a PPP Loan.

Crown Crafts, Inc.

By: 
Name: Daniel Miller
Title: Treasurer

**CONDITIONAL CONSENT TO
PAYCHECK PROTECTION PROGRAM LOAN**

This Conditional Consent to Paycheck Protection Program Loan (this "Consent"), dated as of April 19, 2020, is made by and between **CROWN CRAFTS, INC.**, a Delaware corporation ("**CCI**"); **SASSY BABY, INC. f/k/a Hamco, Inc.**, a Louisiana corporation ("**Sassy**"); **CAROUSEL DESIGNS, LLC**, a Delaware limited liability company ("**Carousel**"); and **NOJO BABY & KIDS, INC. f/k/a Crown Crafts Infant Products, Inc.**, a Delaware corporation (together with CCI, Sassy and Carousel, the "**Companies**" and each a "**Company**"); and **THE CIT GROUP/COMMERCIAL SERVICES, INC.**, a New York corporation ("**CIT**").

The Companies and CIT have entered into that certain Financing Agreement, dated July 11, 2006 (as amended or otherwise modified from time to time, the "Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Agreement.

Pursuant to the Paycheck Protection Program ("**PPP**") created under the Coronavirus Aid, Relief, and Economic Security Act (as in effect from time to time, the "**Act**") and administered by the U.S. Small Business Administration ("**SBA**"), Borrower intends to obtain an unsecured loan CIT Bank, N.A. in an amount not to exceed \$10,000,000, which loan: (a) will have an interest rate of 1.0%, a two-year term, a six-month payment deferral period, be 100% guaranteed by the SBA and forgivable under the terms of the Act and the SBA's rules for the PPP (the "**PPP Loan**"); and (b) would give rise to an event of default under the Agreement absent this Consent. Borrower has requested that CIT consent to the PPP Loan subject to the terms and conditions set forth herein.

In consideration of the mutual agreements, provisions and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Conditional Consent. Subject to the terms and conditions set forth herein, effective as of April 19, 2020, CIT hereby consents to the incurrence of and, so long as no default or event of default under the Agreement or any related document shall have occurred and be continuing on the date of such payment or would result therefrom, the making of any payments on the PPP Loan.

This Consent shall automatically be rescinded with the same effect as if it were never provided upon the occurrence of any of the following: (a) Borrower shall have failed to request to have forgiven, and to have complied with all requirements relating to such request, the maximum amount of any principal and accrued interest that is eligible for forgiveness under the Act and the SBA's rules for the PPP Loan (to the extent such amounts are not permitted under the Agreement absent this Consent); (b) any proceeds of the PPP Loan are used for a purpose other than one permitted under the Act and the SBA's rules for the PPP; (c) the amount of the PPP Loan exceeds the amount that Borrower is entitled to borrow under the Act or the SBA's rules for the PPP and Borrower does not promptly repay those amounts upon receiving notice thereof; (d) the PPP Loan shall at any time and for any reason cease to be unsecured or 100% guaranteed by the SBA; (e) any representation, warranty, certification or statement made or deemed made by or on behalf of Borrower herein or in any application submitted for the PPP Loan, or any documentation provided by Borrower to CIT in connection therewith, shall be incorrect, false or misleading in any material respect when made or deemed made; or (f) there shall occur a default or event of default under any note or other agreement evidencing the PPP Loan (the "**PPP Loan Documents**"). Upon rescission of this Consent, all defaults and/or events of default that would have arisen absent this Consent as a result of the PPP Loan shall be deemed to have occurred under the Agreement on the date the PPP Loan was made and be continuing.

SECTION 2. Conditions to Initial Effectiveness. The effectiveness of this Consent is subject to the satisfaction of the following conditions: (a) the execution and delivery of this Consent by the parties hereto; (b) the representations and warranties in Section 3 hereof being true, correct and complete in all material respects; (c) no default or event of default under the Agreement shall have occurred and be continuing, except for any default or event of default occurring because of the incurrence of the PPP Loan; (d) receipt by CIT of a copy of Borrower's application for the PPP Loan and each of the PPP Loan Documents (which shall be in form and substance satisfactory to CIT); and (e) the SBA's acceptance, whether through the issuance of an ETRAN number or other official acceptance method, of Borrower's application for the PPP Loan and lender's application for the PPP loan guaranty delivered in connection with the PPP Loan.

SECTION 3. Representations, Warranties and Covenants. Borrower hereby represents, warrants and covenants to CIT as follows: (a) Borrower is validly existing and in good standing under the laws of the jurisdiction of its organization and has the power and authority to execute, deliver and perform its obligations under this Consent; (b) the execution, delivery and performance by Borrower of this Consent have been duly authorized by all necessary action; (c) no authorization, consent, approval, order, license or permit from, or filing, registration or qualification with, any governmental authority or any other person, is required to authorize or permit Borrower to (i) incur the PPP Loan, or (ii) execute, deliver and perform the PPP Loan Documents and this Consent, in each case other than such as have been obtained on or prior to the date hereof; (d) each of the representations and warranties set forth in the Agreement are true and correct in all material respects (without duplication of any materiality qualifier), except to the extent that any such representation or warranty relates to a specific earlier date, in which case such representation and warranty shall be true and correct in all material respects as of such earlier date (without duplication of any materiality qualifier); (e) this Consent constitutes the legal, valid and binding obligation of Borrower, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditor's rights generally or by equitable principles relating to enforceability; (f) except for any default or event of default occurring as a result of the PPP Loan, no default or event of default currently exists or would arise after giving effect to this Consent or the consummation of the transactions contemplated hereunder; and (g) Borrower will promptly provide CIT with copies of all documents relating to the PPP loan, including any future request for forgiveness of the PPP Loan and all supporting documentation for the forgiveness of the PPP Loan, such as payroll tax filings, cancelled checks and other payment documentation related to the use of proceeds of the PPP Loan.

SECTION 4. Miscellaneous. This Consent may be executed in any number of counterparts and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Consent. This Consent may be executed and/or delivered via "DocuSign" or other electronic means or by facsimile or electronic mail. Each party hereto expressly consents to the use of an electronic version of this Consent to embody the entire agreement and understanding between the parties. An authorized, electronically-affixed or digitally-affixed signature, when received shall be binding for all purposes as if an original signature. The illegality or unenforceability of any provision of this Consent shall not in any way affect or impair the legality or enforceability of the remaining provisions of this Consent. This Consent embodies the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements and understandings of such persons, verbal or written, relating to such subject matter. This Consent shall be binding upon the parties hereto and their respective successors and permitted assigns and shall inure to the benefit of such parties and the successors and permitted assigns of CIT. Except as expressly set forth herein, this Consent shall not be deemed to: (a) constitute a consent to or waiver of any term or provision in, or default, event of default or other breach under, the Agreement or any related document, each of which shall continue unmodified and in full force and effect and is hereby ratified and reaffirmed; (b) constitute a waiver of any right or remedy of CIT under the Agreement or any related document (all such rights and remedies being hereby expressly reserved); (c) establish a custom or course of dealing or conduct between the parties.

Each of the undersigned has caused this Consent to be duly executed and delivered as of the date first above written.

COMPANIES:

CROWN CRAFTS, INC.
SASSY BABY, INC.
CAROUSEL DESIGNS, LLC
NOJO BABY & KIDS, INC.

By: /s/ Olivia Elliott
Olivia Elliott
CFO

CIT:

THE CIT GROUP/COMMERCIAL SERVICES, INC.

By: /s/ Vernon Wells
Vernon Wells
Vice President