

**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 14, 2022**

**RH**

(Exact name of registrant as specified in its charter)

**Delaware  
(State or other jurisdiction  
of incorporation)**

**001-35720  
(Commission  
File Number)**

**45-3052669  
(I.R.S. Employer  
Identification No.)**

**15 Koch Road, Corte Madera, California 94925  
(Address of principal executive offices) (Zip Code)**

**Registrant's telephone number, including area code: (415) 924-1005**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- 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))

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

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, \$0.0001 par value	RH	New York Stock Exchange

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.

**Item 1.01. Entry into a Material Definitive Agreement.**

*Partial Warrant Termination Agreements*

As disclosed on April 13, 2022, RH (the "Company") entered into partial unwind agreements, with certain financial institutions (collectively, the "Initial Warrant Counterparties"), relating to a portion of certain warrant transactions (collectively, the "Partial Warrant Termination Agreements") that were previously entered into by the Company with such Initial Warrant Counterparties and certain other financial institutions (collectively, the "Warrant Counterparties") in connection with RH's issuance of its 0.00% convertible notes due in 2023 (the "2023 Notes") and its 0.00% convertible notes due in 2024 (the "2024 Notes" and together with the 2023 Notes, the "Convertible Notes") with respect to a total of 1,200,000 warrants (the "Initial Repurchased Warrants") consisting of 600,000 of the warrants entered into with respect to the 2023 Notes (the "2023 Note Warrants") and 600,000 of the warrants entered into with respect to the 2024 Notes (the "2024 Note Warrants" and together with the 2023 Note Warrants, the "Note Warrants").

*Additional Warrant Termination Agreements*

The Company entered into additional unwind agreements with the Warrant Counterparties as of April 14, 2022, providing for the termination of the remainder of all outstanding Note Warrants (collectively the "Remaining Warrant Termination Agreements") consisting of 1,129,940 outstanding 2023 Note Warrants and 1,055,640 outstanding 2024 Note Warrants (collectively, the "Remaining Repurchased Warrants").

Consistent with the terms of the Partial Warrant Termination Agreements, the Company will settle the Remaining Repurchased Warrants for a purchase price payable in cash based on pricing formulations linked to the trading price for RH's Common Stock over a price measurement period with respect to each such Remaining Warrant Termination Agreement.

The Warrant Counterparties or their respective affiliates may buy or sell shares of the Company's common stock or may enter into other derivative securities transactions in order to adjust their hedge position in relation to the Remaining Warrant Termination Agreements.

The Remaining Warrant Termination Agreements were entered into with the Warrant Counterparties consisting of Goldman Sachs & Co. LLC, UBS AG, London Branch, JP Morgan Chase Bank, National Association, London Branch, Citibank N.A., Barclays Bank PLC and various affiliated entities.

The 2023 Note Warrants have an exercise price of \$309.84 per share and the 2024 Note Warrants have an exercise price of \$338.24 per share.

The foregoing description of the Remaining Warrant Termination Agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the forms of the Remaining Warrant Termination Agreement, a copy of which is filed with this Current Report on Form 8-K as Exhibit 10.1 and is incorporated herein by reference.

#### *Convertible Bond Hedge Unwind Transactions*

The Company and the entities constituting the Warrant Counterparties (the "Bond Hedge Counterparties") also entered into agreements (the "Bond Hedge Termination Agreements") as of April 14, 2022, providing for the termination of all of the convertible note hedges previously entered into in connection with the issuance of the Convertible Notes.

The Bond Hedge Termination Agreements provide for a payment to the Company in cash based on pricing formulations linked to the trading price for RH's Common Stock over a price measurement period with respect to each such Bond Hedge Termination Agreement.

The Bond Hedge Counterparties or their respective affiliates may buy or sell shares of the Company's common stock or may enter into other derivative securities transactions in order to adjust their hedge position in relation to the Bond Hedge Termination Agreements.

The Bond Hedge Termination Agreements were entered into with the Bond Hedge Counterparties, consisting of Goldman Sachs & Co. LLC, UBS AG London Branch, JP Morgan Chase Bank, National Association, London Branch, Citibank N.A., Barclays Bank PLC and various affiliated entities.

The foregoing description of the Bond Hedge Termination Agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the forms of Bond Hedge Termination Agreement, a copy of which is filed with this Current Report on Form 8-K as Exhibit 10.2 and is incorporated herein by reference.

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## **Item 8.01. Other Events.**

### *Convertible Note Repurchases*

As disclosed on April 14, 2022, the Company entered into individual privately negotiated transactions (the "Note Repurchase Agreements") to repurchase a portion of its outstanding Convertible Notes. As of April 14, 2022, the Company has entered into Note Repurchase Agreements pursuant to which the Company has agreed to repurchase \$45 million in aggregate principal amount of the 2023 Notes and \$135 million in aggregate principal amount of the 2024 Notes (collectively, the "Note Repurchases").

The Note Repurchase Agreements provide for a purchase price payable by the Company in cash based on pricing formulations linked to the trading price for RH's Common Stock over a price measurement period with respect to each such Note Repurchase Agreement.

The holders of the Convertible Notes that are parties to the Note Repurchase Agreement or their respective affiliates may buy or sell shares of the Company's common stock or may enter into other derivative securities transactions in order to adjust their hedge position in relation to the Note Repurchase Agreements.

An aggregate principal amount of approximately \$101 million of Convertible Notes will remain outstanding following the completion of the Note Repurchases, consisting of approximately \$20 million in aggregate principal amount of 2023 Notes and \$81 million in aggregate principal amount of 2024 Notes.

### *Aggregate Net Cash Payment by the Company*

As a result of the Bond Hedge Termination Agreements, all convertible note hedges entered into in connection with the issuance of the Convertible Notes will be terminated including convertible note hedges with respect to any Convertible Notes that remain outstanding.

As a result of the Remaining Warrant Termination Agreements, all Note Warrants entered into in connection with the issuance of the Convertible Notes will be terminated including Note Warrants with respect to any Convertible Notes that remain outstanding.

The termination of the Note Warrants and convertible note hedges and the repurchase of outstanding Convertible Notes in each case involve payment of a final purchase price in cash that depends upon the price at which the Common Stock of RH trades during a measurement period for determination of the applicable purchase price.

While it is not possible to predict with certainty the net amount of cash that the Company will pay to complete the foregoing transactions (until completion of the applicable pricing measurement periods for each of the transactions), the Company estimates that it will expend in aggregate a net total amount of approximately \$490 million in cash to achieve (i) the repurchase of \$180 million in aggregate principal balance of Convertible Notes, (ii) the termination of all of the Note Warrants including both the Initial Repurchased Warrants as previously disclosed and the Remaining Repurchased Warrants, and (iii) the termination of all of the convertible note hedges in connection with the Convertible Notes (including terminating all Note Warrants and convertible note hedges in connection with the approximately \$101 million in aggregate principal amount of Convertible Notes that will remain outstanding).

## **Forward-Looking Statements**

This Current Report on Form 8-K contains forward-looking statements within the meaning of the federal securities laws, including, without limitation, statements concerning the terms and conditions of the Amended Warrant Termination Agreements, the terms and conditions of the Bond Hedge Termination Agreements, including the anticipated proceeds in connection with the terminations. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "if," "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "will," "should," "likely" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future events. We cannot assure you that future developments affecting us will be those that we have anticipated. Important risks and uncertainties that could cause actual results to differ materially from our expectations include, among others, risks and uncertainties concerning the final applicable purchase price with respect to the Remaining Warrant Termination Agreements, the Bond Hedge Termination Agreements, and the Note Repurchase Agreements, the final terms and conditions on which the foregoing transactions may be completed, uncertainties regarding the net total amount of cash that the

Company will expend to achieve (i) the repurchase of \$180 million in aggregate principal balance of Convertible Notes, (ii) the termination of all of the Note Warrants and (iii) the termination of all of the convertible note hedges in connection with the Convertible Notes, and those other risks and uncertainties disclosed under the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in RH’s Annual Report on Form 10-K most recently filed with the Securities and Exchange Commission, and similar disclosures in subsequent reports filed with the SEC, which are available on our investor relations website at ir.rh.com and on the SEC website at www.sec.gov. You should not place undue reliance on these forward-looking statements. Any forward-looking statement made by us on this Current Report on Form 8-K speaks only as of the date on which we make it. RH expressly disclaims any obligation or undertaking to release publicly any updates or revisions to such statements to reflect any change in its expectations with regard thereto or any changes in the events, conditions or circumstances on which any such statement is based.

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**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">10.1</a>	<a href="#">Form of Remaining Warrant Termination Agreement by and between RH and the applicable Hedge Counterparty.</a>
<a href="#">10.2</a>	<a href="#">Form of Bond Hedge Termination Agreement by and between RH and the applicable Hedge Counterparty.</a>
104	Cover Page Interactive Data File—the cover page XBRL tags are embedded within the Inline XBRL document.

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**SIGNATURES**

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

RH

Dated: April 18, 2022

By: /s/ Jack Preston  
Jack Preston  
Chief Financial Officer

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**TERMINATION AGREEMENT**  
**dated as of April [ ], 2022**  
**Between RH and [DEALER]**

THIS TERMINATION AGREEMENT (this “**Agreement**”) with respect to the Base Warrants Confirmation and Additional Warrants Confirmation (each as defined below) is made as of April [ ], 2022, between RH (“**Company**”) and [Dealer] (“**Dealer**”).

WHEREAS, Dealer and Company entered into a Base Issuer Warrant Transaction (the “**Base Warrants Transaction**”) pursuant to an ISDA confirmation dated as of [June 13, 2018] [September 12, 2019], which supplements, forms a part of, and is subject to an agreement in the form of the 2002 ISDA Master Agreement, pursuant to which Dealer purchased from Company [ ] warrants (as amended, modified, terminated or unwound from time to time, the “**Base Warrants Confirmation**”);

WHEREAS, Dealer and Company entered into an Additional Issuer Warrant Transaction (the “**Additional Warrants Transaction**” and, together with the Base Warrants Transaction, the “**Warrants Transactions**”) pursuant to an ISDA confirmation dated as of [June 22, 2018] [September 13, 2019], which supplements, forms a part of, and is subject to an agreement in the form of the 2002 ISDA Master Agreement, pursuant to which Dealer purchased from Company [ ] warrants (as amended, modified, terminated or unwound from time to time, the “**Additional Warrants Confirmation**” and, together with the Base Warrants Confirmation, the “**Warrants Confirmations**”); [and]

[WHEREAS, Company and Dealer have previously agreed [to partially terminate the Base Warrants Transaction with respect to a total of [ ] Shares] and to partially terminate the Additional Warrants Transaction with respect to a total of [ ] Shares;]

WHEREAS, Company has requested, and Dealer has agreed, subject to the terms hereof, to fully terminate the [Base Warrants Transaction and the Additional Warrants Transaction] with respect to all remaining Shares, an amount equal to [ ] Shares;

NOW, THEREFORE, in consideration of their mutual covenants herein contained, the parties hereto, intending to be legally bound, hereby mutually covenant and agree as follows:

1. **Defined Terms.** Any capitalized term not otherwise defined herein shall have the meaning set forth for such term in the Warrants Confirmations. In the event of any inconsistency between the definitions set forth in the Warrant Confirmations and this Agreement, this Agreement shall govern.

2. **Settlement.** Notwithstanding anything to the contrary in the Warrants Confirmations, in consideration of the payment described in Section 4 below, on the Cash Settlement Date (as defined below): (1) the Base Warrants Confirmation shall be fully terminated with respect to all remaining Shares, an amount equal to [ ] Shares (the “**Terminated Base Warrants**”); (2) the Additional Warrants Confirmation shall be fully terminated with respect to all remaining Shares, an amount equal to [ ] Shares (the “**Terminated Additional Warrants**” and together with the “**Terminated Base Warrants**,” the “**Designated Warrants Transactions**”); (3) all of the respective rights and obligations of the parties under the Base Warrants Confirmation and the Additional Warrants Confirmation with respect to the Designated Warrants Transactions shall be cancelled and terminated; and (4) each party shall be released and discharged by the other party, and agrees not to make any claim with respect to any obligations of the other party, in connection with the Designated Warrants Transactions; *provided* that the representations and warranties contained or incorporated by reference in the Base Warrants Confirmation and the Additional Warrants Confirmation, and any indemnification or contribution obligations contained therein arising as a result of events occurring on or prior to the Cash Settlement Date, shall survive such termination.

3. **Procedures for Hedge Unwind.** On each day during the period of [ ] [( )] consecutive Trading Days beginning on, and including, April [ ], 2022 (the “**Hedge Unwind Period**”) Dealer (or an agent or affiliate of Dealer), for the account of Dealer, may unwind a portion of its hedge with respect to the Designated Warrants Transactions being terminated hereunder. “**Trading Day**” means a day on which (i) there is no Market Disruption Event and (ii) trading in the Shares generally occurs on The New York Stock Exchange. “**Market Disruption Event**” means (i) a failure by The New York Stock Exchange to open for trading during its regular trading session or (ii) a Trading Halt. “**Trading Halt**” means the occurrence or existence prior to 1:00 p.m. (New York City time) on any scheduled trading day for the Shares for more than one 45 minute period in the aggregate during regular trading hours of any suspension of trading (by reason of movements in price exceeding limits permitted by The New York Stock Exchange or otherwise) in the Shares.

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4. **Payment.** On the second business day following the final Trading Day of the Hedge Unwind Period (the “**Cash Settlement Date**”), Company shall pay to Dealer an amount in USD equal to the Cash Settlement Amount. The “**Cash Settlement Amount**” shall mean an amount determined in accordance with the following formula:

Cash Settlement Amount = Max {[Base Premium + (Delta % \* (Average Price - Closing Price))];0} \* Number of Designated Warrants Transactions

For these purposes:

“**Average Price**” means the average price per share at which Dealer unwinds its Hedge Positions in respect of the Designated Warrants Transactions, as determined by the Calculation Agent.

“**Base Premium**” means [ ].

“**Closing Price**” means \$346.60

“**Delta %**” means [ ].

If Dealer determines, in the case of clause (x) below, in its commercially reasonable judgment or, in the case of clause (y) below, based on advice of counsel, that during the Hedge Unwind Period an extension of the Hedge Unwind Period is reasonably necessary or appropriate (x) to preserve Dealer’s hedge unwind activity hereunder in light of existing liquidity conditions or (y) to enable Dealer to effect sales of Shares in connection with its hedge unwind activity hereunder in a manner that would be in compliance with applicable legal, regulatory or self-regulatory requirements of organizations with jurisdiction over Dealer or its affiliates, or with related policies and procedures adopted by Dealer in good faith so long as such policies and procedures would generally be applicable to counterparties similar to Company and transactions similar to those contemplated by this Agreement, then the number of Trading Days in the Hedge Unwind Period and the Cash Settlement Amount shall be adjusted by Dealer in its good faith, commercially reasonable discretion to account for such extension. Dealer shall promptly (but in no event later than 8:00 p.m. (New York City time) on the day on which it makes a determination described in clause (x) or clause (y) of the preceding sentence, provide notice to Company of such determination, which notice shall describe in reasonable detail the reason for such determination and the related adjustment made by Dealer.

5. [Reserved.]

6. **Agreements, Representations and Warranties of Company.** Company represents and warrants to Dealer (and agrees with Dealer in the case of

Sections 6(g) through 6(m)) on the date hereof that:

- (a) it has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance;
- (b) such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any material contractual restriction binding on or affecting it or any of its assets;
- (c) all governmental and other consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with;
- (d) its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law));

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- (e) none of Company and its officers and directors is aware of any material nonpublic information regarding Company or the Shares;
- (f) it is not entering into this Agreement to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for the Shares) or to manipulate the price of the Shares (or any security convertible into or exchangeable for the Shares) or otherwise in violation of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**");
- (g) neither Company nor any of its Affiliates or agents shall take any action that would cause Regulation M under the Exchange Act ("**Regulation M**") to be applicable to any purchases of Shares, or any security for which the Shares are a reference security (as defined in Regulation M), by Company or any of its affiliated purchasers (as defined in Regulation M) on any Trading Day during the Hedge Unwind Period;
- (h) none of Company, its affiliates or its affiliated purchasers has engaged in Rule 10b-18 purchases of blocks ("affiliates", "affiliated purchaser", "Rule 10b-18 purchase" and "blocks" each as defined in Rule 10b-18) pursuant to the once-a-week block exception contained in Rule 10b-18(b)(4) by or for Company or any of its affiliated purchasers during each of the four calendar weeks preceding the date hereof and during the calendar week in which the date hereof occurs and none shall engage in purchases of such blocks prior to the end of the Hedge Unwind Period;
- (i) Company (A) will not during the Hedge Unwind Period make, or (to the extent within Company's control) permit to be made, any public announcement (as defined in Rule 165(f) under the Securities Act of 1933, as amended (the "**Securities Act**")) of any Merger Transaction or potential Merger Transaction unless such public announcement is made prior to the opening or after the close of the regular trading session on the Exchange for the Shares; (B) shall promptly (but in any event prior to the next opening of the regular trading session on the Exchange) notify Dealer following any such announcement that such announcement has been made; and (C) shall promptly (but in any event prior to the next opening of the regular trading session on the Exchange) provide Dealer with written notice specifying (x) Company's average daily Rule 10b-18 purchases (as defined in Rule 10b-18) during the three full calendar months immediately preceding the announcement date that were not effected through Dealer or its affiliates and (y) the number of Shares purchased pursuant to the proviso in Rule 10b-18(b)(4) under the Exchange Act for the three full calendar months preceding the announcement date. Such written notice shall be deemed to be a certification by Company to Dealer that such information is true and correct. In addition, Company shall promptly notify Dealer of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders. "**Merger Transaction**" means any merger, acquisition or similar transaction involving a recapitalization as contemplated by Rule 10b-18(a)(13)(iv) under the Exchange Act;
- (j) without the prior written consent of Dealer, Company shall not, and shall cause its affiliates and affiliated purchasers (each as defined in Rule 10b-18) not to, directly or indirectly (including, without limitation, by means of a cash-settled or other derivative instrument) purchase, offer to purchase, place any bid or limit order that would effect a purchase of, or commence any tender offer relating to, any Shares (or an equivalent interest, including a unit of beneficial interest in a trust or limited partnership or a depository share) or any security convertible into or exchangeable or exercisable for Shares during the Hedge Unwind Period, except for purchases from its employees that are not "Rule 10b-18 purchases" as defined in Rule 10b-18(a)(13) under the Exchange Act;
- (l) Company has entered into with each of [\_\_\_\_], [\_\_\_\_] and [\_\_\_\_], a Termination Agreement with respect to warrants (each, an "**Other Dealer Warrant Termination Agreement**"), each of which is substantially in the form of this Agreement; and

(m) on the date hereof, and on each day during the Hedge Unwind Period, and on the Cash Settlement Date, Company is not, or will not be, "insolvent" (as such term is defined under Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code) and Company would be able to purchase a number of Shares equal to the aggregate Number of Shares under the Warrants Transactions in compliance with the corporate laws of the jurisdiction of its incorporation.

7. Representations and Warranties of Dealer. Dealer represents and warrants to Company on the date hereof that:

- (a) it has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance;

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- (b) such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any material contractual restriction binding on or affecting it or any of its assets;
- (c) all governmental and other consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and
- (d) its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

8. Purchases During Hedge Unwind Period. During the Hedge Unwind Period, Dealer shall not, and shall cause its affiliates and agents (if any) not to, make any purchases of Shares in connection with the Warrants Transactions or any other option transaction to which it is a party, other than purchases made to dynamically hedge for Dealer's own account or the account of its affiliate(s) the optionality arising under the Warrants Transactions or such other option transaction.

9. Account for Payment to Dealer:

To be provided separately

10. Governing Law; Jurisdiction; Waiver of Trial by Jury.

(a) This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by the laws of the State of New York (without reference to choice of law doctrine). The parties hereto irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the United States Court for the Southern District of New York in connection with all matters relating hereto and waive any objection to the laying of venue in, and any claim of inconvenient forum with respect to, these courts.

(b) Each of Company and Dealer hereby irrevocably waives (on its own behalf and, to the extent permitted by applicable law, on behalf of its stockholders) all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Dealer, Company or Dealer's or Company's Affiliates in the negotiation, performance or enforcement hereof.

11. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if all of the signatures thereto and hereto were upon the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., DocuSign and AdobeSign (any such signature, an "Electronic Signature")) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. The words "execution," "signed," "signature" and words of like import in this Confirmation or in any other certificate, agreement or document related to this Agreement shall include any Electronic Signature.

12. No Reliance, etc. Company confirms that it has relied on the advice of its own counsel and other advisors (to the extent it deems appropriate) with respect to any legal, tax, accounting, or regulatory consequences of this Agreement, that it has not relied on Dealer or its affiliates in any respect in connection therewith, and that it will not hold Dealer or its affiliates accountable for any such consequences.

13. Designation by Dealer. The provisions of Section 8(k) of the Warrants Confirmations shall apply to the settlement contemplated hereby.

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14. Additional Acknowledgements and Agreements. Company acknowledges and agrees that Dealer may, during the Hedge Unwind Period, purchase Shares in connection with this Agreement. Such purchases will be conducted independently of Company. The timing of such purchases by Dealer, the number of Shares purchased by Dealer on any day, the price paid per Share pursuant to such purchases and the manner in which such purchases are made, including without limitation whether such purchases are made on any securities exchange or privately, shall be within the absolute discretion of Dealer. It is the intent of the parties that this Agreement comply with the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act, and the parties agree that this Agreement shall be interpreted to comply with the requirements of Rule 10b5-1(c), and neither Company nor Dealer shall take any action that results in this Agreement not so complying with such requirements. Without limiting the generality of the preceding sentence, Company acknowledges and agrees that (A) Company does not have, and shall not attempt to exercise, any influence over how, when or whether Dealer effects any purchases of Shares in connection with this Agreement, (B) during the period beginning on (but excluding) the date hereof and ending on (and including) the last day of the Hedge Unwind Period, neither Company nor its officers or employees shall, directly or indirectly, communicate any information regarding Company or the Shares to any employee of Dealer or its Affiliates responsible for trading the Shares in connection with the transactions contemplated hereby, (C) Company is entering into this Agreement in good faith and not as part of a plan or scheme to evade compliance with federal securities laws including, without limitation, Rule 10b-5 promulgated under the Exchange Act and (D) Company will not alter or deviate from this Agreement or enter into or alter a corresponding or hedging transaction with respect to the Shares, it being understood that the Other Dealer Warrant Termination Agreements are not intended to be corresponding or hedging transactions. Company and Dealer also acknowledge and agree that any amendment, modification, waiver or termination of this Agreement must be effected in accordance with the requirements for the amendment or termination of a "plan" as defined in Rule 10b5-1(c) under the Exchange Act. Without limiting the generality of the foregoing, any such amendment, modification, waiver or termination shall be made in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5 under the Exchange Act, and no such amendment, modification or waiver shall be made at any time at which Company or any officer or director of Company is aware of any material nonpublic information regarding Company or the Shares.

15. Agreements and Acknowledgements Regarding Hedging. Company acknowledges and agrees that:

(a) during the Hedge Unwind Period, Dealer and its Affiliates may buy or sell Shares or other securities or buy or sell options or futures contracts or enter into swaps or other derivative securities in order to adjust its hedge position with respect to the Warrants Confirmations and this Agreement;

(b) Dealer and its Affiliates also may be active in the market for Shares other than in connection with hedging activities in relation to the Warrants Confirmations and this Agreement;

(c) Dealer shall make its own determination as to whether, when or in what manner any hedging or market activities in Company's securities shall be conducted and shall do so in a manner that it deems appropriate to hedge its price and market risk with respect to the Average Price; and

(d) any market activities of Dealer and its Affiliates with respect to Shares may affect the market price and volatility of Shares, as well as the Average Price, each in a manner that may be adverse to Company.

16. Address for Notices. Any notices required to be delivered by the Company to Dealer, or by Dealer to the Company, hereunder shall be delivered as provided in the Warrants Confirmations so long as a copy of any such notice is sent concurrently by email to the following email addresses: asomberg@rh.com; jpreston@rh.com; semo@rh.com; edwardlee@rh.com.

17. Amendments. An amendment, modification or waiver in respect of this Agreement will be effective only if in writing (including a writing evidenced by facsimile or email transmission) and executed by each of the parties or confirmed by an exchange of telexes, by an exchange of electronic messages on an electronic messaging system or by email.

[Signature Page Follows]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

**[DEALER]**

By: \_\_\_\_\_  
Name:  
Title:

**RH**

By: \_\_\_\_\_  
Name:  
Title:

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**TERMINATION AGREEMENT**  
**dated as of April [ ], 2022**  
**with respect to the Convertible Bond Hedge Confirmations**  
**between RH and [DEALER]**

THIS TERMINATION AGREEMENT (this “**Agreement**”) with respect to the Convertible Bond Hedge Confirmations (as defined below) is made as of April [ ], 2022, between RH (“**Company**”) and [Dealer] (“**Dealer**”).

WHEREAS, Dealer and Company entered into a Base Convertible Bond Hedge Transaction (the “**Base Convertible Bond Hedge Transaction**”) pursuant to an ISDA confirmation dated as of [June 13, 2018] [September 12, 2019], which supplements, forms a part of, and is subject to an agreement in the form of the 2002 ISDA Master Agreement, pursuant to which Company purchased from Dealer [ ] Options (as amended, modified, terminated or unwound from time to time, the “**Base Convertible Bond Hedge Confirmation**”);

WHEREAS, Dealer and Company entered into an Additional Convertible Bond Hedge Transaction (the “**Additional Convertible Bond Hedge Transaction**” and, together with the Base Convertible Bond Hedge Transaction, the “**Convertible Bond Hedge Transactions**”) pursuant to an ISDA confirmation dated as of [June 22, 2018] [September 13, 2019], which supplements, forms a part of, and is subject to an agreement in the form of the 2002 ISDA Master Agreement, pursuant to which Company purchased from Dealer [ ] Options (as amended, modified, terminated or unwound from time to time, the “**Additional Convertible Bond Hedge Confirmation**” and, together with the Base Convertible Bond Hedge Confirmation, the “**Convertible Bond Hedge Confirmations**”); and

WHEREAS, the Convertible Bond Hedge Transactions relate to Company’s 0.00% Convertible Senior Notes due [2023][2024] (the “**Convertible Notes**”);

[[2018 Bond Hedges:] WHEREAS, prior to the date hereof holders of the Convertible Notes have converted USD 270,039,000 in principal amount of the Convertible Notes, thereby reducing the principal thereof to USD 64,961,000, in relation to which Company has exercised 270,039 Options under the Base Convertible Bond Hedge Transaction, reducing the Number of Options thereunder to 64,961];

[[2019 Bond Hedges] WHEREAS, prior to the date hereof holders of the Convertible Notes have converted USD 133,982,000 in principal amount of the Convertible Notes, thereby reducing the principal thereof to USD 216,018,000, in relation to which Company has exercised 33,495.50 Options under the Base Convertible Bond Hedge Transaction, reducing the Number of Options thereunder to 41,504.50]; and

WHEREAS, Company has requested, and Dealer has agreed, subject to the terms hereof, to terminate in full (i) the Base Convertible Bond Hedge Confirmation and all Options remaining thereunder and (ii) the Additional Bond Hedge Confirmation and all Options thereunder;

NOW, THEREFORE, in consideration of their mutual covenants herein contained, the parties hereto, intending to be legally bound, hereby mutually covenant and agree as follows:

1. Defined Terms. Any capitalized term not otherwise defined herein shall have the meaning set forth for such term in the Convertible Bond Hedge Confirmations. In the event of any inconsistency between the definitions set forth in the Convertible Bond Hedge Confirmations and this Agreement, this Agreement shall govern.

2. Termination in Full. Upon and in consideration for the payment of the Unwind Payment on the Settlement Date pursuant to Section 4 below, (1) the Base Convertible Bond Hedge Confirmation and all remaining Options thereunder, representing [ ] Options (the “**Terminated Base Options**”), shall be terminated in full; (2) the Additional Convertible Bond Hedge Confirmation and all Options thereunder, representing [ ] Options (the “**Terminated Additional Options**” and together with the Terminated Base Options, the “**Terminated Options**”) shall be terminated in full; (3) all of the respective rights and obligations of the parties under the Base Convertible Bond Hedge Confirmation and all of the respective rights and obligations of the parties under the Additional Convertible Bond Hedge Confirmation with respect to the Terminated Base Options shall be cancelled and terminated; and (4) each party shall be released and discharged by the other party, and agrees not to make any claim with respect to any obligations of the other party, in connection with the Terminated Options; *provided* that the representations and warranties contained or incorporated by reference in the Convertible Bond Hedge Confirmations, and any indemnification or contribution obligations contained therein arising as a result of events occurring on or prior to the Settlement Date, shall survive such terminations.

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3. Hedge Unwind. For purposes of this agreement: “**Hedge Unwind Period**” means the period of [ ] [( )] consecutive Trading Days beginning on, and including, April [ ], 2022. “**Trading Day**” means a day on which (i) there is no Market Disruption Event and (ii) trading in the Shares generally occurs on The New York Stock Exchange. “**Market Disruption Event**” means (i) a failure by The New York Stock Exchange to open for trading during its regular trading session or (ii) a Trading Halt. “**Trading Halt**” means the occurrence or existence prior to 1:00 p.m. (New York City time) on any scheduled trading day for the Shares for more than one 45 minute period in the aggregate during regular trading hours of any suspension of trading (by reason of movements in price exceeding limits permitted by The New York Stock Exchange or otherwise) in the Shares.

4. Payment. On the second business day following the final Trading Day of the Hedge Unwind Period (the “**Settlement Date**”), Dealer shall pay to Company an amount in USD equal to the Unwind Payment. The Unwind Payment shall mean an amount determined in accordance with the following formula:

$$\text{Unwind Payment} = \text{Max} \{ [\text{Base Premium} + ((\text{Delta } \%) * (\text{Average Price} - \text{Closing Price}))], 0 \} * \text{Number of Shares}$$

For these purposes:

“Average Price” means the average price per share at which Dealer unwinds its Hedge Positions in respect of the Terminated Options, as determined by the Calculation Agent.

“Base Premium” means USD [ ].

“Closing Price” means \$346.60

“Delta %” means [ ]%.

Notwithstanding the foregoing, if Dealer determines, in the case of clause (x) below, in its commercially reasonable judgment or, in the case of clause (y) below, based on advice of counsel, that during the Hedge Unwind Period an extension of the Hedge Unwind Period is reasonably necessary or appropriate (x) to preserve Dealer’s hedge unwind activity hereunder in light of existing liquidity conditions or (y) to enable Dealer to effect purchases or sales of Shares in connection with its hedge unwind activity hereunder in a manner that would be in compliance with applicable legal, regulatory or self-regulatory requirements of organizations with jurisdiction over Dealer or its affiliates, or with related policies and procedures adopted by Dealer in good faith so long as such policies and procedures would generally be applicable to counterparties similar



to Company and transactions similar to those contemplated by this Agreement, then the number of Trading Days in the Hedge Unwind Period and the Unwind Payment shall be adjusted by Dealer in its good faith, commercially reasonable discretion to account for such extension. Dealer shall promptly (but in no event later than 8:00 p.m. (New York City time) on the day on which it makes a determination described in clause (x) or clause (y) of the preceding sentence, provide notice to Company of such determination, which notice shall describe in reasonable detail the reason for such determination and the related adjustment made by Dealer.

5. Agreements, Representations and Warranties of Company. Company represents and warrants to Dealer (and agrees with Dealer in the case of Sections 5(g) through 5(i)) on the date hereof that:

(a) it has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance;

(b) such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any material contractual restriction binding on or affecting it or any of its assets;

(c) all governmental and other consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with;

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(d) its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law));

(e) none of Company and its officers and directors is aware of any material nonpublic information regarding Company or the Shares;

(f) it is not entering into this Agreement to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for the Shares) or to manipulate the price of the Shares (or any security convertible into or exchangeable for the Shares) or otherwise in violation of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**");

(g) neither Company nor any of its Affiliates or agents shall take any action that would cause Regulation M under the Exchange Act ("**Regulation M**") to be applicable to any purchases of Shares, or any security for which the Shares are a reference security (as defined in Regulation M), by Company or any of its affiliated purchasers (as defined in Regulation M) on any Trading Day during the Hedge Unwind Period;

(h) on the date hereof, and on each day during the Hedge Unwind Period, and on the Settlement Date, Company is not, or will not be, "insolvent" (as such term is defined under Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code)); and

(i) [Company has entered into with each of [\_\_\_\_], [\_\_\_\_] and [\_\_\_\_], a Termination Agreement with respect to Convertible Bond Hedge Confirmations (each, an "**Other Dealer Convertible Bond Hedge Termination Agreement**"), each of which is substantially in the form of this Agreement.]

6. Representations and Warranties of Dealer. Dealer represents and warrants to Company on the date hereof that:

(a) it has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and to perform its obligations under this Agreement and has taken all necessary action to authorize such execution, delivery and performance;

(b) such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any material contractual restriction binding on or affecting it or any of its assets;

(c) all governmental and other consents that are required to have been obtained by it with respect to this Agreement have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and

(d) its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

7. Purchases During Hedge Unwind Period. During the Hedge Unwind Period, Dealer shall not, and shall cause its affiliates and agents (if any) not to, make any purchases of Shares in connection with the Convertible Bond Hedge Transactions or any other option transaction to which it is a party, other than purchases made to dynamically hedge for Dealer's own account or the account of its affiliate(s) the optionality arising under the Convertible Bond Hedge Transactions or such other option transaction.

8. Account for Payment to Company:

To be provided separately

9. Governing Law; Jurisdiction; Waiver of Trial by Jury.

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(a) This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by the laws of the State of New York (without reference to choice of law doctrine). The parties hereto irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the United States Court for the Southern District of New York in connection with all matters relating hereto and waive any objection to the laying of venue in, and any claim of inconvenient forum with respect to, these courts.

(b) Each of Company and Dealer hereby irrevocably waives (on its own behalf and, to the extent permitted by applicable law, on behalf of its stockholders) all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Dealer, Company or Dealer's or Company's Affiliates in the negotiation, performance or enforcement hereof.

10. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if all of the signatures

thereto and hereto were upon the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., DocuSign and AdobeSign (any such signature, an “**Electronic Signature**”)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. The words “execution,” “signed,” “signature” and words of like import in this Agreement or in any other certificate, agreement or document related to this Agreement shall include any Electronic Signature.

11. No Reliance, etc. Company confirms that it has relied on the advice of its own counsel and other advisors (to the extent it deems appropriate) with respect to any legal, tax, accounting, or regulatory consequences of this Agreement, that it has not relied on Dealer or its affiliates in any respect in connection therewith, and that it will not hold Dealer or its affiliates accountable for any such consequences.

12. Designation by Dealer. The provisions of Section 8(k) of the Convertible Bond Hedge Confirmations shall apply to the settlement contemplated hereby.

13. Additional Acknowledgements and Agreements. Company acknowledges and agrees that Dealer may, during the Hedge Unwind Period, effect transactions in Shares in connection with this Agreement. Such purchases or sales will be conducted independently of Company. The timing of such purchases or sales by Dealer, the number of Shares purchased or sold by Dealer on any day, the price paid or received per Share pursuant to such purchases or sales and the manner in which such purchases or sales are made, including without limitation whether such purchases or sales are made on any securities exchange or privately, shall be within the absolute discretion of Dealer. It is the intent of the parties that this Agreement comply with the requirements of Rule 10b5-1(c)(1)(i)(B) of the Exchange Act, and the parties agree that this Agreement shall be interpreted to comply with the requirements of Rule 10b5-1(c), and neither Company nor Dealer shall take any action that results in this Agreement not so complying with such requirements. Without limiting the generality of the preceding sentence, Company acknowledges and agrees that (A) Company does not have, and shall not attempt to exercise, any influence over how, when or whether Dealer effects any purchases or sales of Shares in connection with this Agreement, (B) during the period beginning on (but excluding) the date hereof and ending on (and including) the last day of the Hedge Unwind Period, neither Company nor its officers or employees shall, directly or indirectly, communicate any information regarding Company or the Shares to any employee of Dealer or its Affiliates responsible for trading the Shares in connection with the transactions contemplated hereby, (C) Company is entering into this Agreement in good faith and not as part of a plan or scheme to evade compliance with federal securities laws including, without limitation, Rule 10b-5 promulgated under the Exchange Act and (D) Company will not alter or deviate from this Agreement or enter into or alter a corresponding or hedging transaction with respect to the Shares, it being understood that the Other Dealer Convertible Bond Hedge Termination Agreements are not intended to be corresponding or hedging transactions. Company and Dealer also acknowledge and agree that any amendment, modification, waiver or termination of this Agreement must be effected in accordance with the requirements for the amendment or termination of a “plan” as defined in Rule 10b5-1(c) under the Exchange Act. Without limiting the generality of the foregoing, any such amendment, modification, waiver or termination shall be made in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5 under the Exchange Act, and no such amendment, modification or waiver shall be made at any time at which Company or any officer or director of Company is aware of any material nonpublic information regarding Company or the Shares.

14. Agreements and Acknowledgements Regarding Hedging. Company acknowledges and agrees that:

(a) during the Hedge Unwind Period, Dealer and its Affiliates may buy or sell Shares or other securities or buy or sell options or futures contracts or enter into swaps or other derivative securities in order to adjust its hedge position with respect to the Convertible Bond Hedge Confirmations and this Agreement;

(b) Dealer and its Affiliates also may be active in the market for Shares other than in connection with hedging activities in relation to the Convertible Bond Hedge Confirmations and this Agreement;

(c) Dealer shall make its own determination as to whether, when or in what manner any hedging or market activities in Company’s securities shall be conducted and shall do so in a manner that it deems appropriate to hedge its price and market risk with respect to the Average Price; and

(d) any market activities of Dealer and its Affiliates with respect to Shares may affect the market price and volatility of Shares, as well as the Average Price, each in a manner that may be adverse to Company.

15. Address for Notices. Any notices required to be delivered by the Company to Dealer, or by Dealer to the Company, hereunder shall be delivered as provided in the Convertible Bond Hedge Confirmations so long as a copy of any such notice is sent concurrently by email to the following email addresses: [asomberg@rh.com](mailto:asomberg@rh.com); [jpreston@rh.com](mailto:jpreston@rh.com); [semo@rh.com](mailto:semo@rh.com); [edwardlee@rh.com](mailto:edwardlee@rh.com).

16. Amendments. An amendment, modification or waiver in respect of this Agreement will be effective only if in writing (including a writing evidenced by facsimile or email transmission) and executed by each of the parties or confirmed by an exchange of telexes, by an exchange of electronic messages on an electronic messaging system or by email.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

**[DEALER]**

By: \_\_\_\_\_

Name:  
Title:

**RH**

By: \_\_\_\_\_

Name:  
Title:

