During the year ended December 31, 2020 and 2019, the Company recognized interest expense of $880,000 and $463,000, respectively.

The Equipment Notes are subject to compliance with the financial covenants in the Company's ABL Facility. As of December 31, 2020, the Company was in compliance with these covenants.

Term Loan B Facility

In January 2019, to fund the purchase price of the Jack Wolfskin acquisition, the Company entered into a Credit Agreement (the “Credit Agreement”) with Bank of America, N.A and other lenders party to the Credit Agreement (the "Term Lenders"). The Credit Agreement provides for a Term Loan B facility (the “Term Loan Facility”) in an aggregate principal of $480,000,000, which was issued less $9,600,000 in original issue discount and other transaction fees. Such principal amount may be increased pursuant to incremental facilities in the form of additional tranches of term loans or new commitments, up to a maximum incremental amount of $225,000,000, or an unlimited amount subject to compliance with a first lien net leverage ratio of 2.25 to 1.00. The Term Loan Facility is due in January 2026.

As of December 31, 2020 and 2019, the Company had $441,600,000 and $446,400,000, respectively, outstanding under the Term Loan Facility, of which $4,800,000 is reflected in current liabilities. The amount outstanding as of December 31, 2020 was offset by unamortized debt issuance costs of $13,450,000, of which $2,861,000 was reflected in the short-term portion of the facility, and $10,589,000 was reflected in the long-term portion of the facility in the accompanying consolidated balance sheet. Total interest and amortization expense recognized during the year ended December 31, 2020 and 2019 was $25,622,000 and $31,707,000, respectively.

Loans under the Term Loan Facility are subject to interest at a rate per annum equal to either, at the Company's option, the LIBOR rate or the base rate, plus 4.50% or 3.50%, respectively. As of December 31, 2020, the interest rate under the Term Loan Facility was 6.65%. The Company utilizes an interest rate hedge in order to mitigate the risk of interest rate fluctuations on this facility. See Note 19 for further information on this hedging contract. Principal payments of $1,200,000 are due quarterly, however the Company has the option to prepay any outstanding loan balance in whole or in part without premium or penalty. In addition, the Term Loan Facility requires the payment of excess cash flows under certain circumstances. As of December 31, 2020, the Company was not required to make such payments.

Loans outstanding under this facility are guaranteed by the Company's domestic subsidiaries. The loans and guaranties are secured by substantially all the assets of the Company and guarantors.

The Credit Agreement contains a cross-default provision with respect to any indebtedness of the Company as defined in the Credit Agreement, as well as customary representations and warranties and customary affirmative and negative covenants, including, among other things, restrictions on incurrence of additional debt, liens, dividends and other restricted payments, asset sales, investments, mergers, acquisitions and affiliate transactions. Events of default permitting acceleration under the Credit Agreement include, among others, nonpayment of principal or interest, covenant defaults, material breaches of representations and warranties, bankruptcy and insolvency events, certain cross defaults or a change of control. As of December 31, 2020, the Company was in compliance with these covenants.

In connection with the entry into the Merger Agreement (see Note 6), on October 27, 2020, the Company amended the Term Loan Facility to, among other things, permit the consummation of the Merger and certain other transactions contemplated in the Merger Agreement, designate Topgolf and its subsidiaries as unrestricted subsidiaries under the Term Loan Facility, which excludes them from certain requirements, covenants and representations, and amend certain covenants and other provisions to allow the Company to make certain investments in, and enter into certain transactions with, Topgolf.

Japan Term Loan Facility

In August 2020, the Company entered into a new five-year term loan facility (the "2020 Japan Term Loan Facility") between its subsidiary in Japan and Sumitomo Mitsui Banking Corporation (“SMBC”) for 2,000,000,000 Yen (or approximately U.S. $19,358,000 using the exchange rate in effect as of December 31, 2020). The 2020 Japan Term Loan Facility is due in August 2025.

As of December 31, 2020, the Company had 1,900,000,000 Yen (or approximately U.S. $18,390,000 using the exchange rate in effect as of December 31, 2020) outstanding, of which 400,000,000 Yen (or approximately U.S. $3,872,000 using the exchange rate in effect as of December 31, 2020) is reflected in current liabilities in the